

Schaeffler India Limited
(Formerly known as FAG Bearings India Limited)
Head Office & Works · P.O. Maneja, Vadodara – 390013, Gujarat, India

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI- 400 001

National Stock Exchange of India Limited
Exchange Plaza, C - 1, Block G,
Bandra-Kurla Complex, Bandra (E)
MUMBAI- 400 051

Company Code: 505790

Company Code: SCHAEFFLER

Your reference, your message from Our reference, our message from Phone Fax Date
+91-265-6602206 22-10-2018

Sub: Intimation under Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Outcome of Board Meeting – (i) Scheme of Amalgamation of INA Bearings India Private Limited and LuK India Private Limited with Schaeffler India Limited (“Scheme”) becomes operative; (ii) Unaudited Financial Results for the quarter ended September 30, 2018

Dear Sir,

With reference to our letter and press release dated September 8, 2018 intimating about the approval of the Scheme by the Hon’ble National Law Company Law Tribunal, Mumbai Bench (“Mumbai NCLT”) and Hon’ble National Law Company Law Tribunal, Chennai Bench (“Chennai NCLT”), this is to inform you that the order of Mumbai NCLT was pronounced on October 8, 2018. The conditions for effectiveness of the Scheme as specified therein have been fulfilled today by filing of requisite e-form with Registrar of Companies. Therefore, the ‘Effective Date’ of the Scheme is October 22, 2018.

The Board of Directors of the Company, at their meeting held today, has *inter alia*:

1. Approved the Unaudited Financial Results for the quarter ended September 30, 2018 (incorporating the impact of the Scheme from Appointed Date i.e. January 1, 2018) and taken note of the Limited Review Report issued by the Statutory Auditors of the Company;
2. Taken note of the Scheme becoming effective and fixed November 1, 2018, as the Record Date for the purpose of determining the respective equity shareholders of INA Bearings India Private Limited and LuK India Private Limited, who shall be entitled to receive equity shares of the Company pursuant to the Share Entitlement Ratio set out in Clause 5 of the Scheme; and

Schaeffler India Limited (Formerly known as FAG Bearings India Limited)
(Registered Office) Nariman Bhavan, 8th Floor, 227, Backbay Reclamation, Nariman Point, Mumbai 400 021, Maharashtra, India
Phone +91 22 6681 4444, Fax +91 22 22027022, www.schaeffler.co.in, investorsupport.in@schaeffler.com, CIN: L29130MH1962PLC012340



3. Approved revision in remuneration of Mr. Dharmesh Arora, Managing Director of the Company, subject to approval of the Shareholders.

With reference to the above, we enclose herewith –

- a) The Unaudited Financial Results for the quarter ended September 30, 2018 along with Limited Review Report issued by Statutory Auditors of the Company.
- b) Press Release in this regard.

The meeting of the Board of Directors of the Company commenced at 09:30 a.m. and concluded at 01:25 p.m.

You are requested to kindly take the same on your record.

Yours truly,

For **Schaeffler India Limited**

[Formerly known as FAG Bearings India Limited]



Chirag K. Shukla
Company Secretary

Encl.: As above



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STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2018

(Amount in ₹ million except per share data)

Sr.	Particulars	Three Months Ended			Year To Date		Year Ended
		Sep 30, 2018	Jun 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	Dec 31, 2017
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Revenue from operations (Refer note 4)	11,914.9	11,002.6	10,040.4	33,752.2	30,776.4	40,996.5
	(b) Other income	170.3	291.8	151.9	642.6	435.4	595.5
	Total Income	12,085.2	11,294.4	10,192.3	34,394.8	31,211.8	41,592.0
2	Expenses						
	(a) Cost of materials consumed	4,485.0	4,497.1	4,082.6	13,810.9	12,214.2	16,426.8
	(b) Purchases of stock-in-trade	4,350.7	3,618.6	1,851.8	10,581.9	5,373.3	7,227.0
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,411.4)	(1,247.2)	252.1	(3,346.3)	158.7	163.4
	(d) Excise duty (Refer note 4)	-	-	-	-	1,665.1	1,665.1
	(e) Employees benefits expense	816.4	793.1	754.6	2,393.4	2,257.9	2,986.5
	(f) Finance costs	13.4	17.0	6.4	43.4	60.7	101.6
	(g) Depreciation and amortisation expense	371.9	366.1	348.4	1,097.0	1,029.1	1,381.6
	(h) Other expenses	1,677.5	1,539.6	1,422.1	4,634.0	4,131.6	5,706.4
	Total Expenses	10,303.5	9,584.3	8,718.0	29,214.3	26,890.7	35,658.4
3	Profit before exceptional items and tax (1 - 2)	1,781.7	1,710.1	1,474.3	5,180.5	4,321.1	5,933.6
4	Exceptional items - Refer note 2(e)	391.4	5.9	4.0	432.0	4.0	45.3
5	Profit before tax (3 - 4)	1,390.3	1,704.2	1,470.3	4,748.5	4,317.1	5,888.3
6	Tax expense						
	(i) Current tax	614.7	621.1	540.4	1,769.3	1,474.1	2,020.1
	(ii) Deferred tax	(131.0)	(31.3)	(24.9)	(147.3)	(1.3)	(15.7)
7	Profit for the period (5 - 6)	906.6	1,114.4	954.8	3,126.5	2,844.3	3,883.9
8	Other Comprehensive Income						
	A (i) Items that will not be reclassified to profit or loss	(10.9)	27.0	3.1	(18.1)	(10.4)	(14.3)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	3.8	(9.4)	(1.1)	6.3	3.6	4.9
	B (i) Items that will be reclassified to profit or loss	93.5	(6.9)	89.6	103.9	153.0	111.7
	(ii) Income tax relating to items that will be reclassified to profit or loss	(32.7)	2.4	(31.0)	(36.3)	(53.0)	(38.7)
	Total Comprehensive Income for the period (comprising Profit and Other Comprehensive Income for the period) (7 + 8)	960.3	1,127.5	1,015.4	3,182.3	2,937.5	3,947.5
9	Paid-up equity share capital (face value of ₹ 10 per share) - Refer note 2(c)	166.2	166.2	166.2	166.2	166.2	166.2
10	Other equity - Refer note 2(a)	-	-	-	-	-	23,086.7
11	Earnings per equity share (of ₹ 10 each) (not annualised) - Refer note 2(d)						
	(a) Basic (in ₹)	29.0	35.6	30.5	100.0	91.0	124.2
	(b) Diluted (in ₹)	29.0	35.6	30.5	100.0	91.0	124.2



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Notes:

- 1 The above financial results for the quarter and nine months period ended September 30, 2018 were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on October 22, 2018. The Statutory Auditors have performed a 'Limited Review' of the above financial results for quarter and nine months period ended September 30, 2018.
- 2 (a) The Scheme of Amalgamation of INA Bearings India Private Limited ('INA') and LuK India Private Limited ('LuK') (jointly referred to as 'transferor companies') with Schaeffler India Limited ('the Scheme'), has been approved by the National Company Law Tribunal, Chennai and Mumbai Benches vide their orders dated June 13, 2018 and October 8, 2018 respectively. Accordingly impact of the Scheme has been given effect from appointed date (i.e. January 1, 2018) in above financial results. Being a common control business combination as per Appendix - C of 'Ind AS 103 - Business Combinations', financial results for quarter ended June 30, 2018, quarter and nine months period ended September 30, 2017 and for year ended December 31, 2017 as presented in above financial results, have been restated and reconciliation with earlier reported financial results is given below:

Particulars	Three Months Ended		Year To Date	Year ended
	Jun 30, 2018	Sep 30, 2017	Sep 30, 2017	Dec 31, 2017
Profit after tax as reported in earlier periods	612.5	586.2	1,700.8	2,380.2
Add: Profit on account of the Scheme	501.9	368.6	1,143.5	1,503.7
Profit after tax as per above results (restated)	1,114.4	954.8	2,844.3	3,883.9

Particulars	Year ended
	Dec 31, 2017
Other equity as reported in earlier period	16,787.0
Add: Effect on account of the Scheme	6,299.7
Other equity as per above results (restated)	23,086.7

- (b) As per the Scheme, all assets and liabilities of INA and LuK as at appointed date (i.e. January 1, 2018) have been recorded at their carrying values determined in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. As per the Scheme, all assets and liabilities of INA and LuK have been recorded at their carrying values and difference between net assets and equity after eliminating inter-company balances is credited to Capital Reserve. The transferor companies, have for the first time adopted Ind AS with transition date of January 1, 2017 and accordingly financial results for quarter ended June 30, 2018, quarter and nine months period ended September 30, 2017 and for year ended December 31, 2017 have been restated.
- (c) In terms of the Scheme, the Company will allot 8,214,891 equity shares of INR 10 each to existing shareholders of INA and 6,428,573 equity shares of INR 10 each to existing shareholders of LuK based on share entitlement ratio as per the Scheme. Accordingly, paid-up equity share capital of the Company, as disclosed in above financial results, does not include 14,643,464 equity shares of INR 10 each pending allotment.
- (d) Basic and diluted EPS has been calculated after considering 14,643,464 equity shares pending allotment as per 'Ind AS 33 - Earnings Per Share'.
- (e) Exceptional items pertain to provision for stamp duties, professional/consulting fees and other costs incurred pursuant to the Scheme.
- 3 As per 'Ind AS 108 - Operating Segments', the Company has reported segment information under two segments i.e 1) Mobility components and related solutions and 2) Others.

Particulars	Three Months Ended			Year To Date		Year Ended
	Sep 30, 2018	Jun 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	Dec 31, 2017
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
(a) Segment Revenue (Net revenue / income)						
Mobility components and related solutions	9,965.7	9,223.4	8,529.1	28,186.7	25,493.7	34,041.5
Others	1,949.2	1,779.2	1,511.3	5,565.5	5,282.7	6,955.0
Revenue from operations	11,914.9	11,002.6	10,040.4	33,752.2	30,776.4	40,996.5
(b) Segment Results (Profit before finance cost and tax)						
Mobility components and related solutions	1,372.5	1,282.9	1,149.4	3,989.2	3,403.8	4,709.0
Others	252.3	152.4	179.4	592.1	542.6	730.7
Total profit before finance costs and tax	1,624.8	1,435.3	1,328.8	4,581.3	3,946.4	5,439.7
Less : Finance cost	13.4	17.0	6.4	43.4	60.7	101.6
Less : Unallocable expenses	391.4	5.9	4.0	432.0	4.0	45.3
Add : Unallocable Income	170.3	291.8	151.9	642.6	435.4	595.5
Profit before tax	1,390.3	1,704.2	1,470.3	4,748.5	4,317.1	5,888.3
(c) Segment assets						
Mobility components and related solutions *	21,878.5	20,645.6	18,654.5	21,878.5	18,654.5	18,602.4
Others	2,737.4	2,510.0	2,187.5	2,737.4	2,187.5	2,109.0
Unallocated	12,818.1	12,184.4	10,305.4	12,818.1	10,305.4	11,166.6
Total assets	37,434.0	35,339.9	31,147.4	37,434.0	31,147.4	31,878.0
(d) Segment liabilities						
Mobility components and related solutions	6,519.2	6,162.7	4,995.9	6,519.2	4,995.9	4,896.6
Others	1,382.8	1,307.2	1,059.7	1,382.8	1,059.7	1,038.7
Unallocated	3,318.0	2,728.5	2,818.6	3,318.0	2,818.6	2,689.8
Total liabilities	11,220.0	10,198.4	8,874.2	11,220.0	8,874.2	8,625.1
(e) Net capital employed	26,214.0	25,141.5	22,273.1	26,214.0	22,273.1	23,252.9

* Property, plant and equipment (PPE) of the Company is predominantly used for 'Mobility solutions and related components' and hence has been disclosed as a segment asset under that reportable segment.



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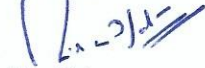
- 4 Revenue from operations for the quarter and nine months ended September 30, 2018 and quarter ended June 30, 2018 are net of Goods and Services Tax (GST) whereas for the other periods it is gross of Excise Duty (which has been presented separately under 'Total Expenses'). Accordingly, the amounts are not comparable.
- 5 Previous period figures have been re-grouped / reclassified wherever necessary.

As per our report of even date attached

B S R & Co. LLP

Chartered Accountants

Firm Reg. No. 101248W / W-100022



Nirav Patel

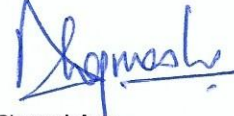
Partner

Membership No. 113327

Mumbai

October 22, 2018

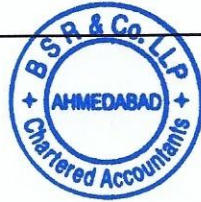
For and on behalf of the Board



Dharmesh Arora

Managing Director

DIN: 05350121



BSR & Co. LLP

Chartered Accountants

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Limited Review Report on Unaudited Quarterly and Year-to-date Financial Results of Schaeffler India Limited (formerly known as FAG Bearings India Limited) pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of

Schaeffler India Limited (formerly known as FAG Bearings India Limited)

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Schaeffler India Limited (formerly known as FAG Bearings India Limited) ('the Company') for the quarter ended 30 September 2018 and year-to-date financial results for the period from 01 January 2018 to 30 September 2018, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' specified under Section 143(10) of the Companies Act, 2013. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022



Nirav Patel
Partner

Mumbai
22 October 2018

Membership No: 113327

Schaeffler India Limited announces Q3 results for the period ended September 30, 2018

Pune, *October 22, 2018*. Leading industrial and automotive supplier, Schaeffler India Limited (BSE: 505790, NSE: SCHAEFFLER) today announced that the Board of Directors approved the results for the third quarter ended September 30, 2018.

Further to the press release dated September 8, 2018, the merger of INA Bearings India Private Limited and LuK India Private Limited with Schaeffler India Limited, has become effective today. The Board of Directors of the Company at its meeting held today has taken note of the same.

July – September 2018

- Total revenue from operations (net) of the merged entity for the quarter increased to INR 11,915 million, higher by 18.7% than the corresponding quarter of 2017.
- PBT (before exceptional items) of the merged entity for the quarter increased to INR 1,782 million, higher by 20.9% than the corresponding quarter of 2017.

January – September 2018 (Nine months)

- Total revenue from operations (net) of the merged entity for the period increased to INR 33,752 million, higher by 15.9% than the corresponding period of 2017.
- PBT (before exceptional items) of the merged entity for the period increased to INR 5,180 million, higher by 19.9% than the corresponding period of 2017.

Commenting on the results and financial performance of Schaeffler India Limited, Mr. Dharmesh Arora, Managing Director, said, "The macro economic situation in the quarter witnessed some challenging trends. Increasing crude oil prices combined with appreciating US dollar pose new challenges for the economy. Similarly, hike in steel prices and import duties put pressure on cost side for manufacturing sector. We have been largely able to manage these challenges and deliver solid results. This is reflected in our stable results that were also assisted by strong order inflow. Once again, the market was led by Railways, Off Road Equipment, Commercial Vehicles and Infrastructure related sectors. We witnessed robust growth in both Automotive and Industrial businesses. With the completion of merger, we are now one of the leading Automotive and Industrial Supplier in the country. Synergizing our operations, we stand to gain from the potential offered by the Indian market"

About Schaeffler India Limited (formerly FAG Bearings India Limited)

Schaeffler has been present in India for over 50 years. Schaeffler with four plants and 19 sales offices has significant presence in India with three major widely known product brands - FAG, INA and LuK. Schaeffler is among the largest Industrial and Automotive supplier with sales of INR 41.0 billion in 2017 and around 3,000 employees. The manufacturing plants in Maneja and Savli (Vadodara), produces a vast range of ball bearings, cylindrical roller bearings, and spherical roller bearing and wheel bearings and sold under the brand name of FAG. The plant at Talegaon near Pune, manufactures engine and transmission components for front accessory drive system, chain drive systems, valve train, shift systems and a range of needle roller bearings and elements, under the brand INA. The fourth manufacturing location is based out of Hosur, producing a wide range of clutch systems for passenger cars, light commercial vehicles, heavy commercial vehicles and tractors sold under the brand of LuK. In addition to this, Schaeffler also has dedicated engineering, research and development support based in India to augment the product teams. Schaeffler also has among the largest after-market networks serving the industrial and automotive markets.



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For further information

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