

NOTICE

Notice is hereby given that the Twenty-sixth Annual General Meeting of Timken India Limited will be held at Tangerine Conference Hall, Lemon Tree Hotel, Plot No. 54B/55A, Hosur Main Road, Electronic City, Phase I, Bangalore – 560 100 on Thursday, 1 August 2013 at 10.00 am to transact the following business:

1. To receive and adopt the Profit and Loss Account for the financial year ended 31 March 2013 and the Balance Sheet as on that date and the reports of the Directors and the Auditors.
2. To declare dividend on Equity Share Capital of the Company.
3. To appoint a Director in place of Mr. P. S. Dasgupta, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. James R. Menning, who retires by rotation and, being eligible, offers himself for reappointment.
5. To reappoint Auditors of the Company and to fix their remuneration. In this connection, to consider and if thought fit, to pass the following resolution as an ordinary resolution:

“**RESOLVED THAT** Messrs. S R B C & CO LLP (Registration No. FRN324982E), Chartered Accountants be and they are hereby reappointed as the Auditors of the Company to hold such office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be mutually agreed between the Board of Directors and the Auditors.”

SPECIAL BUSINESS

6. Appointment of Mr. Sanjay Koul as a Director of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“**RESOLVED THAT** Mr. Sanjay Koul, in whose respect notice has been received from a member under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.”

7. Appointment of Mr. Sanjay Koul as the Managing Director of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“**RESOLVED THAT** pursuant to Section 269, 309 and other applicable provisions if any, of the Companies Act, 1956 (‘the Act’) and subject to approval of the Central Government and such other approvals as may be necessary, Mr. Sanjay Koul (‘Mr. Koul’) be and is hereby appointed as the Managing Director of the Company effective from 26 October 2012 on the terms and conditions set out in an Agreement to be entered into between the Company and Mr. Koul in terms of the draft placed before the meeting and initialed by the Chairman for the purpose of identification and that the Board of Directors of the Company be and is hereby authorized to take all such steps in this regard as may be necessary, proper and expedient, including without limitation, to enter into an Agreement on behalf of the Company with Mr. Koul in terms of the said draft.”

8. Appointment of Mr. Christopher J. Holding as a Director of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“**RESOLVED THAT** Mr. Christopher J. Holding, in whose respect notice has been received from a member under the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company.”

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a Member. Proxies, in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of items no. 6, 7 and 8 is annexed hereto. Applicable details relating to Directors pursuant to Clause 49 of the Listing Agreement are also annexed.
3. The Register of Members and the share transfer books of the Company would remain closed from 25 July 2013 to 1 August 2013, both days inclusive.

4. Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting of the Company, will be paid:
 - a. In respect of shares held in physical form to those shareholders whose names will appear on the Register of Members of the Company as at the close of business on 24 July, 2013.
 - b. In respect of shares held in the dematerialized form to those beneficial owners whose names will appear in the statements as may be furnished by the depositories for this purpose as at the close of business on 24 July, 2013.
5. Members may please note that the dividend warrants will be payable at par at the designated branches of the bank printed on the reverse of the dividend warrant for an initial period of 3 months only. Thereafter the dividend warrant should be surrendered for renewal at the office of Company's Registrars and Share Transfer Agent, C B Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019.
6. Beneficial Owners of shares in demat form are advised to get particulars of their bank accounts updated with the Depository Participants (DP) as in terms of SEBI Guidelines and the regulations of NSDL and CDSL, their bank account details as furnished to DP, will be printed on the dividend warrants. The Company will not entertain requests for change of such bank details printed on their dividend warrants.
7. Those shareholders who have not encashed their dividend warrants sent to them on 28 November 2011 may please contact the Company Secretary for issue of demand drafts in lieu of the warrants not encashed by them.
8. The amount outstanding in unpaid dividend account in respect of financial year ended 31 March, 2012 will be transferred to the Investors Education and Protection Fund maintained with Central Government after the end of seven years from the date the said dividend was transferred to unpaid dividend account.
9. The Ministry of Corporate Affairs has introduced a 'Green Initiative in Corporate Governance' by allowing paperless compliances by companies. It has issued circulars stating that documents including annual reports can be sent by e-mails to its shareholders. Shareholders who are yet to get registered their e-mail addresses are requested to do so in respect of electronic holdings with the depositories through the Depository Participants. Shareholders who hold shares in physical form are requested to fill and send the e-mail registration form available at webpage of our Registrars and Share Transfer Agents at www.cbmsl.com/green.php.
10. A copy of the draft Agreement relating to appointment of Mr. Sanjay Koul as Managing Director to be executed between the Company and Mr. Koul in terms of the resolution under item no. 7 above shall be available for inspection at the Registered Office of the Company at 39-42, Electronic City, Phase II, Hosur Road, Bangalore – 560 100 on any working day prior to the date of the Annual General Meeting between the hours of 10.00 am and 12.00 noon and shall also be available for inspection from 9.00 am at the venue on the date of the meeting.

Registered Office:
39-42, Electronic City
Phase II, Hosur Road
Bangalore - 560 100

By Order of the Board of Directors

Soumitra Hazra
Company Secretary & Chief-Compliance

21 June, 2013

ANNEXURE TO THE NOTICE – EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 6

Mr. Sanjay Koul has been appointed by the Board of Directors of the Company ('the Board') as an Additional Director effective 26 October 2012. As per the provisions of the Companies Act, 1956 Mr. Koul holds office upto the date of forthcoming Annual General Meeting.

The Company has received a notice from a member under the provisions of Section 257 of the Companies Act, 1956 proposing Mr. Koul as a candidate for the office of Director.

The proposal for the appointment of Mr. Koul as Director on the Board, is therefore, placed before the members for approval as set out under item no. 6 of the accompanying Notice. The Board recommends the Resolution set out under item no. 6 for approval of members.

Memorandum of Interest

Except Mr. Koul, no other Director is concerned or interested in the resolution.

Item No. 7

Members may please recall that, subject to the approval of the Members of the Company and such other approvals as may be necessary, Mr. Sanjay Koul ('Mr. Koul') has been appointed by the Board of Directors of the Company ('the Board'), as the Managing Director for a period of five years effective 26 October 2012. It may also be recalled that an Abstract of the terms of engagement of Mr. Koul as the Managing Director dated 1 November 2012 pursuant to Section 302 of the Companies Act, 1956 was sent to the Members of the Company. The said terms of appointment have since been modified and approved by the Board of Directors and the Remuneration Committee on 19 June 2013. The revised terms are reproduced herein below:

Salary & Allowances	Rs. 7,59,449 per month <i>This may progressively go up by such amount as may be approved by Chairman of the Board based on periodic performance review by the Chairman / merit increase / industry trends, subject however, that in no case this amount shall exceed Rs. 10,00,000 per month.</i>
Term	5 years
Performance Incentive	as per rules of the Company
Perquisites	<ul style="list-style-type: none"> i) Company leased accommodation.* ii) Free use of telephone facility at his residence. iii) Free use of Company car with driver. iv) Medical facilities as per rules of the Company. v) Club membership of one club each in Jamshedpur & Bangalore. vi) Free passage for self and family from present place of residence to the place of work in India. All freight charges of luggage & belongings for relocation from China to India to be borne by the Company. vii) One month of current base pay at the time of relocation as reimbursement for relocation from China to India. viii) Leave – accrual and encashment – as per rules of the Company. ix) Leave Travel Concession as per rules of the Company. x) Company's contribution to Provident Fund / Pension Fund / Employee Deposit Linked Insurance / Group Insurance / Superannuation Fund etc. xi) Gratuity and Superannuation benefits as per rules of the Company.
Minimum Remuneration	The salary & allowances and perquisites aforesaid shall nevertheless be paid and allowed as the minimum remuneration for any year in the event of absence or inadequacy of profits for such year.
Duties and Conditions	<ul style="list-style-type: none"> i) Mr. Sanjay Koul will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company. ii) The appointment may be terminated by either party by giving three months notice in writing to that effect unless termination at a shorter notice is mutually agreed by both Mr. Koul and the Board of Directors.

	<p>iii) Mr. Sanjay Koul shall not be entitled to any Sitting Fees for attending any meetings of the Board or any Committee thereof.</p> <p>iv) Mr. Sanjay Koul shall be entitled to be reimbursed for all expenses incurred by him for the purpose of business of the Company.</p>
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* *The Board of Directors of the Company had initially resolved to provide for company lease accommodation. However, since Mr. Koul has opted to take accommodation on personal lease, the Company provided for the security deposit with a corresponding suitable adjustment of the rent being paid by him in the quantum of 'Salary and Allowances'. Maintenance and related expenses will be reimbursed to Mr. Koul at actuals subject to a ceiling as may be approved by the Chairman of the Board. The same has been approved by the Board of Directors and the Remuneration Committee respectively.*

The proposal for the appointment of Mr. Koul as the Managing Director of the Company as per the terms and conditions referred to above, is therefore placed before the members for approval as set out under item no. 7 of the accompanying Notice. The Board recommends the Resolution set out under item no. 7 for approval of members.

Memorandum of Interest

Except Mr. Koul, no other Director is concerned or interested in the resolution.

This may be treated as the abstract of terms and Memorandum of Interest under Section 302 of the Companies Act, 1956.

Item No. 8

Mr. Christopher J Holding has been appointed by the Board of Directors of the Company ('the Board') as an Additional Director effective 7 June 2013. As per the provisions of the Companies Act, 1956 Mr. Holding holds office upto to the date of forthcoming Annual General Meeting.

The Company has received a notice from a member under the provisions of Section 257 of the Companies Act, 1956 proposing Mr. Holding as a candidate for the office of Director.

The proposal for the appointment of Mr. Holding as Director on the Board, is therefore, placed before the members for approval as set out under item no. 8 of the accompanying Notice. The Board recommends the Resolution set out under item no. 8 for approval of members.

Memorandum of Interest

Except Mr. Holding, no other Director is concerned or interested in the resolution.

Registered Office:
39-42, Electronic City
Phase II, Hosur Road
Bangalore - 560 100

By Order of the Board of Directors

Soumitra Hazra
Company Secretary & Chief-Compliance

21 June, 2013