

Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement**To****Board of Directors of
Timken India Limited**

1. We have audited the quarterly financial results of Timken India Limited for the quarter ended March 31, 2014 and the financial results for the year ended March 31, 2014, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2014 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2013, the audited annual financial statements as at and for the year ended March 31, 2014, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2013 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, notified under the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2014; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

S R B C & CO LLP

Chartered Accountants

3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2014 and for the year ended March 31, 2014.
4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2014 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2014 and the published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(l)(d) of the Listing Agreement.
5. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm registration number: 324982E


per **Kamal Agarwal**

Partner

Membership No.: 58652

Place: Bangalore

Date: May 9, 2014



Sanjay Koul
Managing Director

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AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2014

PART I		(Rs.in Lakhs)				
Sl. No	Particulars	3 Months ended (Audited) (Also refer note 4)	3 Months Ended (Unaudited)	3 Months ended (Audited)	Year Ended (Audited)	
		31/3/2014	31/12/2013	31/03/2013	31/03/2014	31/03/2013
1	Income from operations					
	(a) Net Sales / income from operations (Net of Excise duty)	19,382	17,226	17,045	71,022	67,778
	(b) Other operating income	249	220	407	992	1,073
	Total income from operations (net)	19,631	17,446	17,452	72,014	68,851
2	Expenses					
	(a) Cost of materials consumed	6,543	5,480	5,938	24,354	27,361
	(b) Purchase of stock-in-trade	5,754	5,077	2,650	20,594	14,531
	(c) Changes in inventories of Finished goods, work in progress , stock-in-trade	(511)	1,125	1,486	(381)	(153)
	(d) Employee benefits expenses	1,066	1,307	1,345	5,289	5,227
	(e) Depreciation	422	420	345	1,581	1,391
	(f) Other expenses	4,069	3,488	3,532	15,001	14,539
	Total Expenses	17,343	16,897	15,296	66,438	62,896
3	Profit from Operations before other Income, finance cost & exceptional items (1-2)	2,288	549	2,156	5,576	5,955
4	Other Income	11	92	107	1,082	548
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	2,299	641	2,263	6,658	6,503
6	Finance costs	24	16	44	89	129
7	Profit from ordinary activities before Tax (5-6)	2,275	625	2,219	6,569	6,374
8	Tax Expense - Current	707	269	750	2,102	2,123
	- Deferred	81	(101)	(44)	(8)	(173)
		788	168	706	2,094	1,950
9	Net Profit from ordinary activities after tax (7-8) for the period	1,487	457	1,513	4,475	4,424

Registered office:
Timken India Limited
39-42, Electronic City
Phase II, Hosur Road
Bangalore 560 100, Karnataka
India

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10	Paid-up share capital - Equity (of Rs 10/- each)	6,799	6,799	6,372	6,799	6,372
11	Reserves excluding revaluation reserves as per balance sheet of previous accounting year	N.A.	N.A.	N.A.	N.A.	27,774
12	Earnings per Share (Basic & Diluted) Rs.	2.19*	0.67*	2.37*	6.60	6.94

(see accompanying note to the financial results)

PART II

A PARTICULARS OF SHAREHOLDING

1	Public Shareholding					
	(a) Number of Shares	16,999,996	16,999,996	12,734,862	16,999,996	12,734,862
	(b) Percentage of Shareholding	25.00%	25.00%	19.98%	25.00%	19.98%
2	Promoters & promoter group shareholdings					
	(a) Pledged/Encumbered					
	(i) Number of Shares	Nil	Nil	Nil	Nil	Nil
	(ii) Percentage of shares (as a % of total shareholding of promoter & promoter group)	N.A.	N.A.	N.A.	N.A.	N.A.
	(iii) Percentage of shares (as a % of total share capital of the company)	N.A.	N.A.	N.A.	N.A.	N.A.
	(b) Non-encumbered					
	(i) Number of Shares	50,999,988	50,999,988	50,999,988	50,999,988	50,999,988
	(ii) Percentage of shares (as a % of total shareholding of promoter & promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	(iii) Percentage of shares (as a % of total share capital of the company)	75.00%	75.00%	80.02%	75.00%	80.02%

B	Particulars	3 Months ended 31/03/2014
		INVESTOR COMPLAINTS (QUERIES)
	Pending at beginning of the quarter	Nil
	Received during the quarter	360
	Disposed of during the quarter	360
	Remaining unresolved at the end of the quarter	Nil

* Not Annualised

NOTES:

- The Company has reviewed the disclosure of business segment wise information and is of the view that it manufactures and trades in bearings and related components and provides services in connection with or incidental to such sales ('Bearings and Components').

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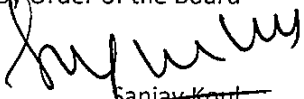
In addition during the quarter the Company has also capitalized a new gear box repairing facility at Raipur where it provides repair and maintenance services of industrial gear boxes.

'Bearings and components' is the only reportable segment in terms of AS-17. Segment reporting and related disclosures are given in Annexure – B.

2. There are no exceptional / extraordinary items during the respective period reported above.
3. Previous year's / period's figures have been regrouped wherever necessary.
4. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year up to 31 March 2014 and the unaudited published year-to-date figures up to 31 December 2013, being the date of the end of the third quarter of the financial year which were subjected to limited review.
5. In April 2013, the Company has issued and allotted 4,265,134 equity shares of Rs. 10 each at an issue price of Rs.120 per share through an Institutional Placement Programme (IPP) in accordance with Chapter VIII-A of the Securities Exchange Board (Issue of Capital and Disclosure Requirements), Regulation, 2009, to comply with the requirement to maintain minimum public shareholding of 25% in listed companies. During the quarter, the Company has utilized funds amounting to Rs.387 lakhs towards procurement of fixed assets. Pending full utilization of funds for the purpose for which these funds have been raised the unutilized funds have been temporarily parked in debt based schemes offered by various mutual funds.
6. Mr. R. Ramesh has been appointed as an Additional Director and also a Whole -time Director effective 9 May 2014 by the Board of Directors at its meeting held on 9 May 2014.
7. The statement of assets and liabilities as at 31 March 2014 is given in Annexure –A
8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 9 May 2014.

Bangalore
9 May 2014

By Order of the Board


~~Sanjay Koul~~
Managing Director

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2014

Sl. No.	Particulars	As at 31.03.2014 (Audited)	As at 31.03.2013 (Audited)
A	EQUITY AND LIABILITIES		
1	SHAREHOLDERS' FUNDS		
	a) Share capital	6,799	6,372
	b) Reserves & Surplus	31,434	27,774
	Sub-total – Share holders' funds	38,233	34,146
2	NON-CURRENT LIABILITIES		
	a) Long – term provisions	735	857
	b) Other Non Current liabilities	160	133
	Sub – total – Non-Current Liabilities	895	990
3	CURRENT LAIBILITIES		
	a) Short – term borrowings	324	-
	b) Trade payables	7,302	6,582
	c) Other current liabilities	2,214	2,059
	d) Short-term provisions	1,001	2,535
	Sub-total – Current Liabilities	10,841	11,176
	TOTAL – EQUITY AND LIABILITIES	49,969	46,312
B	ASSETS		
1	NON – CURRENT ASSETS		
	a) Fixed Assets		
	- Tangible assets	9,511	7,905
	- Intangible assets	140	10
	- Capital work in progress	2,557	2,448
	- Intangible assets under development	-	122
	b) Non-current investments	3	3
	c) Deferred tax assets (net)	450	442
	d) Long term loans and advances	1,629	1,260
	Sub – total – Non-current Assets	14,290	12,190
2	CURRENT ASSETS		
	a) Current investments	2,332	3,185
	b) Inventories	13,676	14,033
	c) Trade receivables	14,857	12,943
	d) Cash and Cash equivalents	2,015	1,404
	e) Short – term loans and advances	2,017	1,305
	f) Other current assets	782	1,252
	Sub – total – Current Assets	35,679	34,122
	TOTAL – ASSETS	49,969	46,312

ANNEXURE - B

Segment Information*


(Rs in Lakhs)

Particulars	3 Months ended (Audited) (Also refer note 4)	Year Ended (Audited)
	31/03/2014	31/03/2014
1. Segment Revenue		
Bearings & Components	19,613	71,961
Others	18	53
Total income from operations (net)	19,631	72,014
2. Segment Results		
Bearings & Components	2,548	5,825
Others	(260)	(249)
Total	2,288	5,576
Add:		
Other Income including finance income	11	1,082
Less :		
Finance costs	24	89
Total Profit Before Tax	2,275	6,569
3. Capital Employed (Segment Assets - Segment Liabilities)		
Bearings & Components	32,876	32,876
Others	1,382	1,382
Total	34,258	34,258

*Previous years/quarters figures are not furnished since there was only one business segment in the previous year/quarter.

Bangalore
9 May 2014

By Order of the Board


Sanjay Koul
Managing Director