

Statement of Financial Results for the quarter and year ended 31 March 2020

(Rs. in Lacs except as otherwise stated)

Sl. No	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Financial Year ended	Previous Financial Year ended
		31/03/2020	31/12/2019	31/03/2019	31/03/2020	31/03/2019
		(refer note 5)	Unaudited	(refer note 5)	Audited	Audited
1	Revenue					
	(a) Net Sales from operations	40,553	37,330	44,796	161,775	166,443
	(b) Other Income	729	530	684	2,272	1,627
	Total Income	41,282	37,860	45,480	164,047	168,070
2	Expenses					
	(a) Cost of materials consumed	11,613	10,381	13,341	46,358	57,704
	(b) Purchase of stock-in-trade	8,910	9,120	9,006	37,217	40,246
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,043	70	1,814	2,374	(5,088)
	(d) Employee benefits expenses	3,173	2,979	3,106	12,379	12,269
	(e) Finance costs	21	194	21	275	176
	(f) Depreciation & amortization expense	1,852	1,848	2,219	7,686	7,933
	(g) Other expenses	6,431	6,365	7,408	27,122	32,448
	Total Expenses	33,043	30,957	36,915	133,411	145,688
3	Profit before tax (1-2)	8,239	6,903	8,565	30,636	22,382
4	Tax Expense - Current tax	2,216	(9)	4,110	8,135	9,281
	- Deferred tax charge / (credit)	(103)	(1,544)	(1,267)	(2,109)	(1,763)
	Net tax expenses	2,113	(1,553)	2,843	6,026	7,518
5	Net Profit after tax (3-4)	6,126	8,456	5,722	24,610	14,864
6	Other comprehensive income					
	Items not to be reclassified to profit or loss :					
	(i) Re-measurement gains/ (losses) on defined benefit plans	65	36	97	(92)	46
	(ii) Income tax effect on above	(11)	(33)	(33)	23	(16)
	Total other comprehensive income	54	3	64	(69)	30
7	Total comprehensive income	6,180	8,459	5,786	24,541	14,894
8	Paid-up equity share capital - (of Rs 10/- each)	7,521	7,521	7,521	7,521	7,521
9	Other Equity				150,146	126,554
10	Earnings per Share (of Rs.10/- each) (Basic & Diluted) Rs. *not annualised (See accompanying notes to the financial results)	8.14*	11.24*	7.61*	32.72	19.92

Notes :-

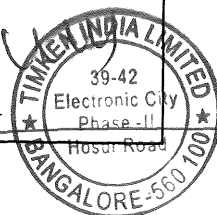
- (1) The above Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on June 5, 2020. The above Results for the full financial year have been audited and the results for the quarter ended March 31, 2020 have been reviewed by Deloitte Haskins & Sells LLP, statutory auditors of the Company, on which they have given an unmodified report.
- (2) The Company has only one reportable primary segment, viz. 'Bearings and Components'. Accordingly, no separate disclosure of segment information has been made.
- (3) Effective April 1, 2019, the Company has applied IND AS 116 "Leases" to all applicable lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly,
 - a cumulative adjustment on application of the Standard has been recognised in retained earnings on the date of initial application.
 - certain intangible assets with a written down value (WDV) of Rs. 10773 lacs as at March 31, 2019, have been presented as "Right of Use". The WDV of these amounted to Rs.10594 lacs as at March 31, 2020.
 The impact of application of the Standard on the results was not significant. Comparatives for the quarter ended and year ended March 31, 2019 have not been retrospectively adjusted.
- (4) The Statement of Assets and Liabilities as at March 31, 2020 is given as Annexure - A and Cash Flow Statement for the year ended March 31, 2020 is given as Annexure - B.
- (5) The figures for the quarters ended March 31, 2020 and March 31, 2019 are balancing figures between audited figures in respect of full financial years ended March 31, 2020 and March 31, 2019 respectively and the unaudited published year to date figures upto December 31, 2019 and December 31, 2018 respectively, being the end of the third quarter of the respective financial year, which was subjected to Limited Review.
- (6) The Board has recommended, subject to approval of the members of the Company at ensuing Annual General Meeting, payment of dividend of Rs. 50/- (PY Rs 1/-) per equity share of Rs. 10 each fully paid.
- (7) COVID-19 pandemic has impacted businesses globally. The Company's manufacturing operations and its distribution centers remained shut during the initial phase of lockdown. Subsequent to Financial Year 2019-20, pursuant to several relaxations granted by the Government, Company's facilities were gradually reopened following government advisories and local government directives with regard to workplaces. The Company is actively monitoring its various business activities and its related impact on account of this pandemic. Although there are uncertainties due to the pandemic, strong balance sheet, sustained profitability and stronger customer centric business model positions the Company to face these challenges and minimize the impact on various stakeholders.

Details regarding impact of COVID-19 on the Company pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated 20 May, 2020 are being given separately by the Company

June 5, 2020
 Bengaluru

By the Order of the Board

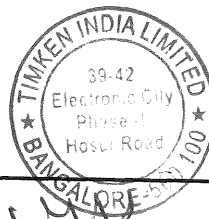
Sanjay Koul
 Chairman & Managing Director
 DIN 05159352



STATEMENT OF ASSETS & LIABILITIES

Annexure - A
(Rs.in Lacs)

Particulars	As at 31/03/2020	As at 31/03/2019
ASSETS		
1 Non-Current Assets		
(a) Property, Plant and Equipment	39,473	43,822
(b) Right of use assets (Refer note 3)	10,921	-
(c) Capital work-in-progress	15,652	6,351
(d) Goodwill	18,131	18,131
(e) Other Intangible assets	6,274	17,506
(f) Financial Assets		
(i) Investments	3	3
(ii) Trade Receivables	435	351
(iii) Loans	644	629
(g) Other non-current assets	1,964	3,163
Total non-current assets	93,497	89,956
2 Current Assets		
(a) Inventories	29,141	31,708
(b) Financial assets		
(i) Investments	1,317	17,572
(ii) Trade Receivables	29,146	30,189
(iii) Cash & Cash equivalents	41,465	2,191
(iv) Other Bank balances	207	209
(v) Loans	27	13
(vi) Other financial assets	206	394
(c) Other current assets	2,742	5,222
Total current assets	104,251	87,498
TOTAL ASSETS	197,748	177,454
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	7,521	7,521
(b) Other Equity	150,146	126,554
Total Equity	157,667	134,075
LIABILITIES		
1 Non-current Liabilities		
(a) Financial liabilities		
(i) Lease liabilities	233	-
(ii) Other financial liabilities	2,488	2,014
(b) Provisions	5,023	4,956
(c) Deferred tax liabilities (net)	3,770	5,495
Total non-current liabilities	11,514	12,465
2 Current liabilities		
(a) Financial liabilities		
(i) Borrowings	1,996	2,308
(ii) Lease liabilities	135	-
(iii) Trade Payables	21,390	23,350
(iv) Other financial liabilities	1,102	827
(b) Other current liabilities	799	543
(c) Provisions	596	494
(d) Current tax liabilities (net)	2,549	3,392
Total current liabilities	28,567	30,914
Total liabilities	40,081	43,379
TOTAL EQUITY AND LIABILITIES	197,748	177,454



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TIMKEN INDIA LIMITED
CASH FLOW STATEMENT

Annexure - B
(Rs.in Lacs)

	Year ended March 31, 2020		Year ended March 31, 2019	
A. Cash Flow from Operating Activities :				
Profit for the year		24,610		14,864
Adjustments to reconcile profit before tax to net cash flows :				
Income tax expense recognised in profit or loss	6,025		7,518	
Depreciation and amortisation	7,686		7,933	
Interest income	(307)		(63)	
Interest expense	275		176	
Dividend Income	(1,051)		(605)	
(Profit)/Loss on sale of Property, Plant & Equipment (Net)	(4)		34	
Provision for Doubtful debts / advances	254		379	
Provision no longer required written back	(294)		(288)	
Deferred government grants	(328)		(317)	
Unrealised foreign exchange loss / (gain)	(386)		(52)	
Impairment losses	370		290	
		12,240		14,985
Operating Profit before Working Capital Changes		36,850		29,849
Changes in assets and liabilities				
(Increase) / Decrease in Trade receivable	2,226		(5,862)	
(Increase) / Decrease in Loans & other financial assets and other assets	2,588		8,586	
(Increase) / Decrease in Inventories	2,566		(4,009)	
Increase / (Decrease) in Trade payable	(1,531)		1,916	
Increase/ (Decrease) in Other financial liabilities, other liabilities & provisions	1,369		1,937	
		7,218		2,568
Cash Generated from Operations		44,068		32,417
Direct Taxes paid (net of refund)		(8,378)		(7,539)
Net Cash from Operating Activities (A)		35,690		24,878
B. Cash Flow from Investing Activities :				
Purchase of Property, Plant & Equipment including capital work in progress and capital advances		(12,627)		(11,741)
Proceeds from Sale of Property, Plant & Equipment		595		1
Dividend received		1,051		605
Interest received		308		82
Redemption/ maturity of bank deposits (net) (having original maturity of more than three months)		(75)		80
Net Cash used in Investing Activities (B)		(10,748)		(10,973)
C. Cash Flow from Financing Activities :				
Interest paid		(275)		(176)
(Increase) / Decrease of short term borrowings		(312)		(1,247)
Repayment of lease liabilities		(168)		-
Dividend paid		(752)		(752)
Tax on dividend distribution		(155)		(155)
Net Cash (used In)/ from Financing Activities (C)		(1,662)		(2,330)
Net Increase in Cash and Cash equivalents (A + B + C)		23,280		11,575
Cash and Cash equivalents - Opening Balance		19,763		7,816
Cash and Cash equivalents received as per scheme		-		150
Effect of exchange differences on restatement of foreign currency cash and cash equivalents		(261)		222
Cash and Cash equivalents - Closing Balance		42,782		19,763
Cash and cash equivalents consist of cash on hand, cheques in hand, balances with banks and short term investments with a maturity period of 90 days or less. Cash and cash equivalents included in the cash flow statement comprises the following balance sheet amounts :				
	As at March 31, 2020		As at March 31, 2019	
Cash on hand and balances with banks	41,465		2,191	
Short term Investments	1,317		17,572	
Cash & Cash equivalents	42,782		19,763	

[Signature]

TIMKEN INDIA LIMITED
Bangalore

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF TIMKEN INDIA LIMITED

Opinion and Conclusion

We have (a) audited the Financial Results for the year ended March 31, 2020 and (b) reviewed the Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Financial Results for the Quarter and Year Ended March 31, 2020" of TIMKEN INDIA LIMITED ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Financial Results for the quarter ended March 31, 2020

With respect to the Financial Results for the quarter ended March 31, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2020 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial Results of the Company to express an opinion on the Annual Financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Financial Results for the quarter ended March 31, 2020

We conducted our review of the Financial Results for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

- As stated in Note 5 of the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019. Our report on the Statement is not modified in respect of this matter.

**Deloitte
Haskins & Sells LLP**

- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

Our report on the Statement is not modified in respect of these matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sathya P. Koushik
Partner
(Membership No. 206920)

Place: Bengaluru
Date: 5 June 2020