



# Timken India Limited

38<sup>th</sup> Annual Report, 2024-25





## CORPORATE INFORMATION

### BOARD OF DIRECTORS

(As on 1 July, 2025)

**Mr. Sanjay Koul**  
Chairman & Managing Director

**Mr. George J Ollapally**  
Independent Director

**Dr. Lakshmi Lingam**  
Independent Director

**Mr. Ajay Sood**  
Independent Director

**Mr. Soumitra Hazra**  
Independent Director

**Mr. Douglas Smith**  
Director

**Mr. Hansal Patel**  
Director

**Mr. Avishrant Keshava**  
Whole-time Director

#### COMPANY SECRETARY & CHIEF-COMPLIANCE

Mr. Mandar Vasmatkar

#### CHIEF FINANCIAL OFFICER

Mr. Sujit Kumar Pattanaik

## COMMITTEES OF THE BOARD

### AUDIT COMMITTEE

#### Chairman

Mr. Soumitra Hazra

#### Members

Mr. Sanjay Koul

Mr. Ajay Sood

Mr. George J Ollapally

### STAKEHOLDERS RELATIONSHIP COMMITTEE

#### Chairman

Mr. George J Ollapally

#### Members

Dr. Lakshmi Lingam

Mr. Douglas Smith

Mr. Hansal Patel

Mr. Avishrant Keshava

Mr. Soumitra Hazra

### RISK MANAGEMENT COMMITTEE

#### Chairman

Mr. Sanjay Koul

#### Members

Mr. Avishrant Keshava

Mr. Ajay Sood

### NOMINATION AND REMUNERATION COMMITTEE

#### Chairman

Mr. Ajay Sood

#### Members

Mr. George J Ollapally

Dr. Lakshmi Lingam

Mr. Hansal Patel

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

#### Chairman

Mr. Sanjay Koul

#### Members

Mr. Avishrant Keshava

Dr. Lakshmi Lingam

**STATUTORY AUDITORS**

Deloitte Haskins &amp; Sells LLP

**COST AUDITORS**

Shome and Banerjee

**INTERNAL AUDITORS**

KPMG Assurance and Consulting Services LLP

**SECRETARIAL AUDITORS**

V Sreedharan and Associates

**BANKERS**

•HDFC Bank • Bank of America • Standard Chartered Bank • State Bank of India • JP Morgan Chase

**REGISTERED OFFICE**

Timken India Limited

39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100

Tel. No. 080 41362000

✉ E-mail: [tilinvestor@timken.com](mailto:tilinvestor@timken.com) 🌐 Website: [www.timken.com/en-in/](http://www.timken.com/en-in/)

CIN: L29130KA1996PLC048230 | BSE Code: 522113 | NSE Symbol: TIMKEN

**INVESTOR RELATIONS CORRESPONDENCE**

Company Secretary &amp; Chief-Compliance

39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100

Tel. No. 080 - 41362000 ✉ E-mail: [tilinvestor@timken.com](mailto:tilinvestor@timken.com)Tax on dividend queries: [TIL.TDS@timken.com](mailto:TIL.TDS@timken.com)**REGISTRAR AND SHARE TRANSFER AGENT**

CB Management Services Private Limited

Rasoi Court 5th floor, 20, Sir R N Mukherjee Road, Kolkata - 700 001

Tel. No. 033-6906 6200 ✉ Email: [rta@cbmsl.com](mailto:rta@cbmsl.com)**INDEX**

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## Chairman's Statement

Dear Shareholders,

I am privileged and proud to present Timken India Limited's 2024-25 Annual Report.

FY 2025 was a landmark year for our company. We recorded our highest-ever revenue and strongest performance across most financial parameters, as detailed in the Board's Report and Financial Statements. This achievement is particularly meaningful in the context of global macro uncertainty and geopolitical headwinds. Despite these external challenges, we remained resilient, focused, and delivered outcomes that reflect the enduring strength of our business model, the trust of our customers and the unwavering commitment of our people.

One of our proudest milestones, achieved shortly after the close of the financial year, was the inauguration of our expanded manufacturing facility in Bharuch in April 2025. From this state-of-the-art facility, we will grow our strategic capabilities by supplying cylindrical and spherical roller bearings for a wide range of industrial applications, for both domestic and global markets. It stands as a strong symbol of our commitment to 'Make in India' and our vision to position India as a strategic manufacturing and export hub for the company.

Our growth continues to be investment-led. We remained focused on our long-term priorities, investing approximately 12% of revenue during the year to expand capacity, adopt more automation, strengthen infrastructure and accelerate digital transformation. We make these investments not only to meet growing demand, but also to position ourselves for the opportunities of tomorrow. Backed by a strong balance sheet and healthy cash flows, we've invested decisively while maintaining a disciplined and prudent financial approach. This strong financial foundation allows us to absorb uncertainties, navigate market fluctuations and act with confidence at all times.

Many of our customers and various external bodies honored us over the past year. These recognitions include the Golden Peacock Award for Quality and the ET Now Award for Best Organizations for Customer Experience 2024. In addition, we received supplier awards from several key customers, reinforcing our reputation for responsiveness, reliability and quality. These accolades reflect the passion, consistency and customer-first thinking that all employees bring to their work every day.

We are also making measurable progress on our sustainability journey. From expanding renewable energy sources to reducing energy and water usage, optimizing packaging, and enhancing resource efficiency, we are embedding sustainability into the core of our operations. Our solar installations have expanded across sites, and our waste and emissions reduction efforts are beginning to yield results. Sustainability is a responsibility we take seriously. This momentum will continue to shape our operational priorities in the years ahead.

In the past year, we continued to uphold our commitment to society as a responsible citizen with a strong focus on providing education, healthcare and employable skills for those in need. We believe that sustainable growth is only possible when the communities around us thrive. These initiatives reflect our core values and our dedication to creating a long-term, positive impact on society.

As we look ahead, our strategy remains clear and focused — to strengthen our core engineering and innovation capabilities, expand our reach in existing and emerging markets, invest in our people and partnerships, and continue to execute with

discipline, humility and long-term vision. The road ahead may have its uncertainties, but with our strong foundation, agile mindset and collective belief, we are well positioned to turn challenges into opportunities.

None of these would be possible without the contributions of our people, our customers and you — our shareholders. I extend my heartfelt thanks to each of you for your unwavering support and trust. To our employees, I offer my sincere appreciation for your dedication, resilience and pursuit of excellence. To our customers and partners, thank you for your continued belief in what we do and the value we provide.

Together, we will continue to move forward — solving complex problems, delivering sustainable growth and creating engineering solutions that keep the world in motion.

Sincerely,

*Sd/-*

**Sanjay Koul**

Chairman & Managing Director

DIN: 05159352

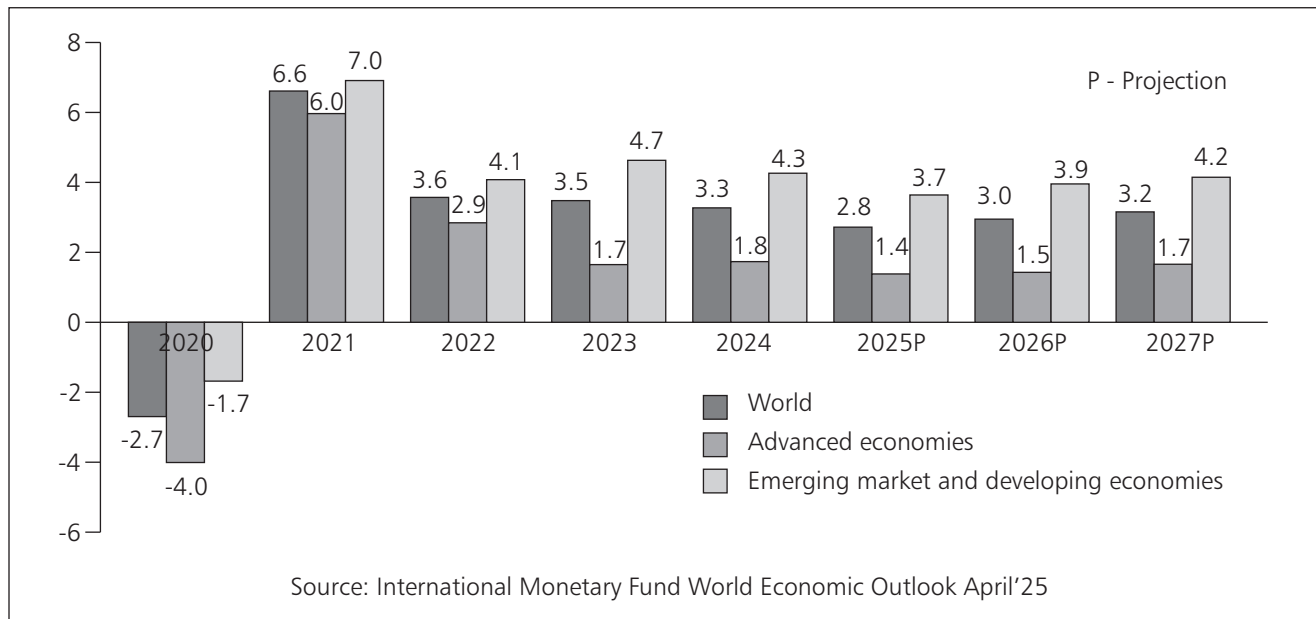
Date: 4 July, 2025

Place: Bengaluru

## Management Discussion and Analysis

As per the World Economic Outlook (WEO) released by the International Monetary Fund (IMF) in April 2025, the global growth is projected to decline from 3.3 percent in 2024 to 2.8 percent in 2025, before modestly recovering to 3 percent in 2026. These projections represent downward revisions of 0.5 percentage points for 2025 and 0.3 percentage points for 2026 compared to earlier estimates, with nearly all countries affected. The widespread downgrades primarily reflect the direct consequences of newly implemented trade measures, as well as their indirect effects through global trade linkages, elevated uncertainty, and weakening economic sentiment. For advanced economies, growth forecast expected to decline from an estimated 1.8 percent in 2024 to 1.4 percent in 2025, followed by a slight increase to 1.5 percent in 2026. The growth projection for 2025 has been revised downward by 0.5 percentage points compared to the earlier projection in January 2025. The revised forecasts for 2025 reflect notable downward adjustments for Canada, Japan, the United Kingdom, and the United States, along with an upward revision for Spain. For emerging market and developing economies, growth forecast projected to decline to 3.7 percent in 2025 and 3.9 percent in 2026, following an estimated expansion of 4.3 percent in 2024. In the case of China, the GDP growth forecast for 2025 has been revised downward to 4.0 percent, compared to 4.6 percent in the earlier estimate. (Source: IMF)

### o Global Growth (%)



### o Global Outlook

Global Growth hovered around 3 percent in the past few years, and global output came close to potential. The five-year-ahead growth projection stands at 3.2 percent, below the historical average of 3.7 percent recorded during the period 2000–2019. Global headline inflation is anticipated to decline to 4.3 percent in 2025 and further to 3.6 percent in 2026. Inflation is expected to return to target levels earlier in advanced economies, reaching 2.2 percent by 2026, in contrast to emerging market and developing economies, where it is projected to ease to 4.6 percent over the same period. Significant policy shifts are reshaping the global trade system, introducing uncertainty that is once again challenging the resilience of the global economy. Uncertainty, especially that regarding trade policy, has surged to unprecedented levels. Since February, the United States has implemented several rounds of tariffs on trading partners, prompting some of them to respond with countermeasures. The trade policy uncertainty is anticipated to remain elevated through 2025 and 2026. (Source: IMF)

### o Bearing Market and Future Development

India's bearing market size was estimated to be around \$2.4 Bn in FY 2024. Based on internal estimates, Indian Bearing market over has grown at a CAGR of 11.9% over the period 2017-2024 while Timken India recorded a CAGR of approx. 15% during the same period. The bearing industry is projected to grow by 5-6% annually over the next 5 years mainly driven by rapid industrialization, infrastructure development and booming new sectors. Under the Make in India initiative, government policies are aimed at promoting domestic manufacturing and minimizing import dependency.



Automotive sector accounts for ~50-55% of the total demand, primarily driven by the production of PV's, 2-wheelers, and CV's.

Industrial sector is currently accounting to about 30-35% driven by advancements in technology, sustainability, and global economic shifts with India increasing their manufacturing footprint.

Railways will remain to be under major focus as the government has hiked budgetary support to the Ministry of Railways by ~INR 2.9 lakh crore - INR 3 lakh crore. High freight demand and upcoming Metro expansion projects along with the government investments helps account this sector in the range of 10-15%. (Internal Insights)

**India Economic Overview**

o **Current Scenario**

The International Monetary Fund (IMF) has revised India's GDP growth forecast for FY26 downward to 6.2%. This is a downward revision by 0.3 percent compared to earlier estimates in January 2025 citing escalating trade tensions and the imposition of tariffs by the United States. A further moderation to 6.3% projected for FY27. Despite these downward revisions, India expected to remain the fastest-growing economy among both emerging and advanced markets. Indian economy is less vulnerable and better positioned to handle the effects of a global growth slowdown, heightened financial market volatility, and weakened consumer and investor confidence, as its growth is primarily fueled by domestic demand. (Source: IMF and Economic Times)



**India's Growth (%)**

o **Outlook**

As per IMF, amidst mounting economic challenges and a weakening outlook in many advanced economies, India's growth outlook for 2025 remains "relatively more stable" buoyed by private consumption, especially in rural areas. India's real GDP is expected to reach US\$4.3 trillion in 2025, closely trailing Japan's US\$4.4 trillion and Germany's US\$4.9 trillion. Considering this current growth trajectory India is poised to surpass Japan as the world's fourth-largest economy in 2025 and is expected to overtake Germany to become the third largest by 2028. The Reserve Bank of India (RBI) has retained its inflation projection at 4% for FY 2025–2026, with quarterly estimates at 3.6% for Q1, 3.9% for Q2, 3.8% for Q3, and 4.4% for Q4. United States (US) announced 90-day pause on the higher tariff rates imposed earlier on some countries including India.

o **Indian Automotive Industry Commercial Vehicles (LCV and M&HCV)**

After a period of stagnation in FY25, the Indian commercial vehicle (CV) industry is gearing up for a modest recovery, with ICRA forecasting a 3-5 per cent year-on-year growth in wholesale volumes for FY26. This projected recovery comes on the heels of a flat volume movement in FY25, which was largely attributed to a demand slowdown during the first half of the financial year due to the general elections.

According to ICRA, the anticipated growth will be fueled by a confluence of factors, including the resumption of construction and infrastructure activities, consistent rural demand, and a surge in replacement sales driven by ageing fleets and government mandates. (Source: ICRA, SIAM, FADA)

#### o **Tractor Market**

In the Financial year 2025, the Tractor Industry saw a slight decline, with a total of 8.83 lakh units sold, a 1.04% decrease compared to FY'24's 8.92 lakh units. Top OEM's have seen increase in their market share as compared to FY'24. A strong festive season from November to December helped in a segment recovery. Q4 2025 also showed a decline signaling a weakness in the segment that serves a critical barometer for India's agricultural health.

Finance availability in rural markets which is basically a backbone for tractor demand continues to be a critical deterrent of sales.

Looking ahead to 2026, FADA anticipates modest growth for the tractor segment. The industry is also watching several emerging trends, including growing interest in compact tractors (below 30 HP), increased adoption of precision farming technologies, and the gradual introduction of electric and hybrid tractors, though the latter remains in very early stages. (Source: Tractor Junction, FADA)

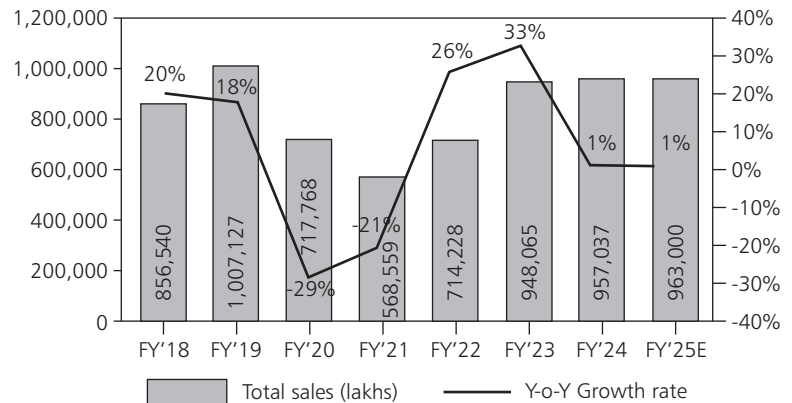
#### o **Railways**

The Railway sector has always played a major role in the country's progress by re-enforcing/ focusing on infrastructure improvements, safety enhancements and expanding its modern trains like Amrit Bharat and Vande Bharat. The Union Budget of 2025-26 allocates a significant amount of funding to these projects namely 2.55 lakh crore. Significant achievements include the commissioning of 31,180 km tracks and electrification of 41,655 route kms since 2014. Kavach, an Automatic Train Protection system, has been deployed over 1,465 km. (Source: Ministry of Rail, PIB) The Rail outlook for the year:

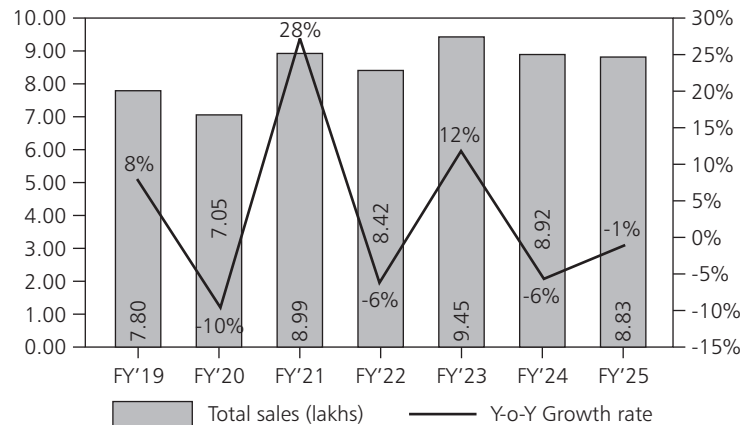
#### **Coaches:**

- As per the Ministry of Railways, coach production matched that of FY23 with around 7500 units and is further expected to increase to 9300 units by FY26. All the 3 Coach manufacturing units saw an increase in their overall output as they surpassed their previous record from FY24. The record-breaking coach production aligns with the government's 'Sabka Saath, Sabka Vikas' vision, ensuring improved public transport services while also enabling domestic manufacturing. With more coaches being introduced, passengers can expect better facilities, enhanced safety features and increased capacity to accommodate growing demand. (Source: Indian Railways).

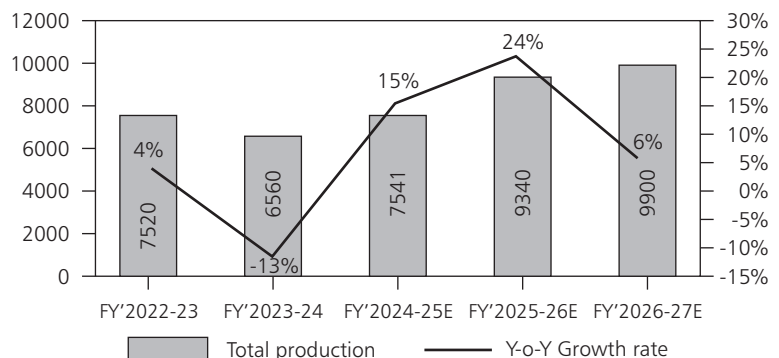
**CV Growth rate - FY '24 and FY '25**



**Tractor Growth rate - FY '24 and FY '25**



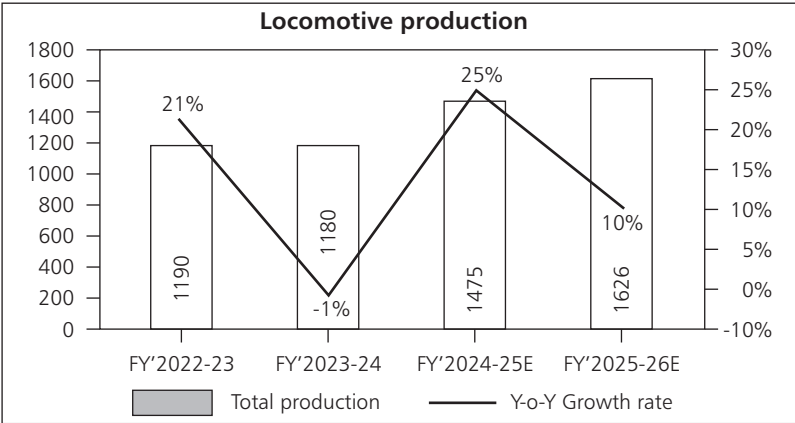
**Coach production**





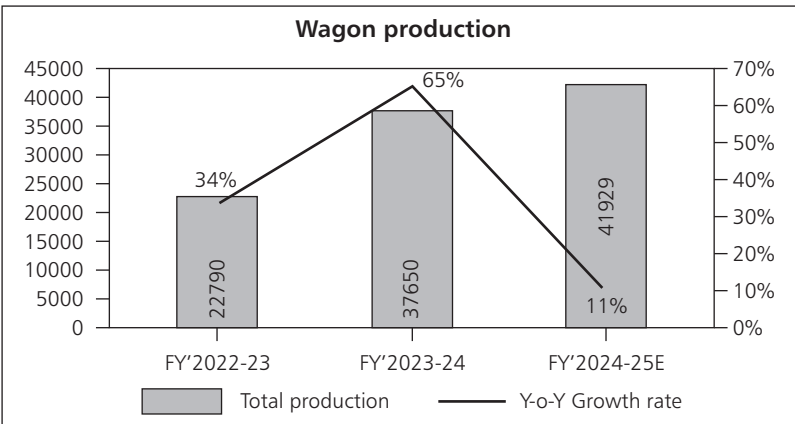
**Metro:**

- Bangalore Metro Rail Corporation Limited (BMRCL) have major metro rail projects lined up for 2025 which include the completion of the Yellow line and the Pink line. The Airport metro line is also expected to be fully operational by 2025. Other key projects include extensions to the Delhi Metro, Mumbai Metro, and Chennai Metro, as well as new metro systems being developed in cities like Patna, Bhopal, Indore, Meerut, and Surat. The budget for 2024-25, allocated ₹24,785.94 crore as capital expenditure for Mass Rapid Transit System and metro projects. (Source: Economic times)



**Passenger**

- Railways recorded the highest ever earnings of around Rs 2.7 lakh crore in 2024-25, registering maximum revenue from both freight and passenger segments in its history. Also, the no of passengers who travelled by train last year touched 735 crores, around 6% more than the previous year. In the passenger segment, the earnings from fare were around INR 75,500 crore compared to 70,693 crore in FY24. As per the official data, the railways carried 1,617 million tonnes (MTs) of freight last year compared to 1,591 MT during 2023-24. The revenue from freight movement touched Rs 1.75 lakh crore during the previous year. (Source: Economic times)



**Indian Industrial Industry**

India's manufacturing sector is undergoing a structural transformation, underpinned by strategic policy interventions aimed at strengthening the nation's global competitiveness. A key pillar of this initiative is the Production Linked Incentive (PLI) Scheme, which plays a crucial role in the government's objective to establish India as a global manufacturing hub by promoting innovation, enhancing productivity, and driving competitiveness across priority sectors. The Indian manufacturing sector is expected to reach a valuation of ₹87.57 lakh crore (US\$1 trillion) by FY2026, propelled by significant investments in core industries such as automobiles, electronics, and textiles, as well as by supportive government initiatives like the Make in India campaign and the Production-Linked Incentive (PLI) schemes. (Source: EY-India Economic Pulse & Economic Times)

**Ferrous & Non-Ferrous**

Steel is the backbone of India's Economy. According to provisional data released by the World Steel Association in January 2025, India ranked as the world's second-largest producer of crude steel. A recent report by CRISIL's Market Intelligence and Analytics projects that India will lead major steel-consuming economies in 2025, with an expected 8–9% growth in steel demand. This growth is driven by increased adoption of steel-intensive construction practices in the housing and infrastructure sectors, along with rising demand from engineering, packaging, and various industrial segments. India imposed a provisional safeguard duty of 12% for 200 days on five categories of steel products including hot rolled coils, sheets, and plates to protect domestic manufacturers from a surge in imports. The domestic demand for steel is projected to increase at an annual rate of 10% over the coming years.

In the non-ferrous metals sector, primary aluminum production recorded a year-on-year growth of 1.6% during April to December of FY 2024–25, rising to 31.56 lakh tonnes from 31.07 lakh tonnes in the same period of FY 2023–24. Similarly, refined copper production increased by 7.3% over the same period, reaching 3.96 lakh tonnes compared to 3.69 lakh tonnes in the previous fiscal year. (Source: WSO)

## o **PowerGen**

Coal-based thermal power plants account for approximately 46.7% of India's total installed power capacity as of March 31, 2025. This figure is based on data from the NITI Aayog and other sources. India's peak power demand, which has been growing at a compound annual growth rate (CAGR) of 6%, is now expected to accelerate to 7% CAGR over the next five years, driven by rising economic activity and industrial growth, according to the Central Electricity Authority (CEA). This anticipated increase is projected to be effectively managed through the ongoing expansion of thermal and renewable energy generation capacities. As per the latest report, India is poised to add 6.5 gigawatts (GW) of thermal power capacity, 2.2 GW of nuclear capacity, and 3.9 GW of hydroelectric capacity in FY26. The government proposes to set up an additional minimum of 80 GW of coal-based thermal power capacity by the end of 2031-32.

India Ratings and Research (Ind-Ra) has maintained a neutral outlook for the power sector for FY26, projecting the plant load factor (PLF) for thermal power 70% during FY26. The Ministry of Coal expects to meet the power sector's projected coal demand of 906 million tonnes for FY26. (Source: Ministry of Coal, Coal India).

## o **Cement**

The Indian cement industry is one of the largest producers of cement in the world and plays a crucial role in the country's infrastructure development. India's cement sector is expected to register a 6.5% to 7.5% increase in demand during FY26, primarily driven by enhanced infrastructure spending and the anticipated positive impact of a normal monsoon on rural housing activity. According to CRISIL Intelligence, infrastructure projects particularly in the road and railway segments are set to play a pivotal role in driving demand. Rural housing is projected to remain the key contributor to overall cement consumption, while urban housing is likely to witness a recovery, supported by government-led initiatives and the potential for interest rate reductions.

Driven by robust demand, ICRA projects that the cement industry will witness a capacity addition of 43–45 million metric tonnes per annum (MTPA) in FY2026, an increase from the estimated 32–35 million MTPA expected in FY2025. In FY2026, the eastern and northern regions of India are anticipated to lead in grinding capacity additions, collectively contributing 22–24 million MTPA, with the supply expected to be almost evenly distributed between the two regions. (Source: ICRA, CRISIL)

## o **Mining**

The mining sector in India is one of the core industries of the economy, contributing approximately 3% to the country's GDP. In FY26, the Government of India plans to auction a substantial number of mineral blocks, including those containing critical minerals, as part of its broader strategy to enhance mineral resource development. The Ministry of Mines has set an ambitious target of auctioning 500 mineral blocks, encompassing rare earth elements (REEs) and precious metals. In January 2025, the Union Cabinet approved the launch of the National Critical Mineral Mission (NCMM) to establish an effective framework for India's self-reliance in the critical mineral sector with an allocation of Rs. 16,300 crores.

The coal production target for FY26 has been set at 1,193.39 million tonnes (MT), representing a 10.5% increase over the FY25 target of 1,080 MT. Of the projected output, Coal India Limited (CIL) and its subsidiaries are expected to contribute at least 915 MT, while 203.39 MT is anticipated from captive and commercial coal mines. Additionally, Singareni Collieries Company Limited (SCCL) is projected to produce 75 MT. (Source: Ministry of Mines, Ministry of Coal)

India's iron ore production is projected to rise to 325–330 MT in FY26, up from 291 MT in FY25, according to estimates by BigMint. (Source: BigMint).

## o **Renewables**

India has emerged as a key player in the global wind energy sector with installed capacity reaching over 50 GW as of March 2025. This growth has been driven by the domestic wind turbine manufacturing sector, which has helped the industry in reducing import bills. However, this progress has not come without its set of challenges. The wind turbine manufacturing space has navigated turbulent winds with OEMs facing the brunt of sudden power tariff regime changes and underutilized capacity due to tepid tender activity. OEMs are now tapping export markets and expect a surge in their order books given the government's push towards offshore wind and repowering of old wind projects. (Source: Renewablewatch)

In 2024, the global wind industry achieved a record year by adding 117 GW of new capacity, according to recent findings. This growth raised the total installed wind power capacity worldwide to 1,136 GW, reflecting an 11% increase compared to 2023. The global wind energy sector reached a new milestone in 2024, adding 117 GW of new capacity—the highest annual increase on record—bringing total installed wind power capacity worldwide to 1,136 GW, an 11% rise from 2023, according to the Global Wind Energy Council (GWEC).

According to a report by SBI Caps, solar capacity growth is set to speed up in FY26 and FY27, with an estimated 85-90 GW of new capacity expected to be added over these two years. (Source: GWEC).

### o Index of Industrial Production (IIP)

India's industrial activity continued its recovery momentum with the Index of Industrial Production (IIP) growing 3 per cent year-on-year in March 2025, according to data released by the Ministry of Statistics and Programme Implementation. This marked a recovery from the six-month low of 2.9 per cent recorded in February. However, growth remained below the 5.5 per cent expansion reported during the same month last year.

Sector-wise growth:

- **Manufacturing:** Increase by 3% The projected sectoral share of GDP for the manufacturing sector in 2025-2026 is estimated to be 3.8 million. Furthermore, the Indian manufacturing sector is poised to grow significantly, with projections of \$400 billion in imports by 2025.
- **Electricity:** Grew by 6.3% the electricity consumption for agricultural purposes in India is expected to reach 250,517.4 GWh in 2026, indicating a growth in electricity demand from the industrial and manufacturing sectors.
- **Mining:** Saw a modest growth of 0.4% The mining sector in India is expected to contribute around 2.5% to the country's GDP and 11% to the industrial GDP by 2026. The global demand for essential and strategic minerals, including rare earth metals, is projected to increase significantly by 2026 and beyond, driven by factors such as the transition to clean energy technologies and the growth in electric vehicle (EV) production. Source : MOSPI



### Business Review

Your Company's active operations are in Engineered bearings, Industrial Motions, and related services business. Our parent organization, The Timken Company is a 125 year-old US-based organization with operations across 45 countries around the globe. The Timken Company was founded in 1899 by Henry Timken, who received two patents on the design of a tapered roller bearing. Timken remains the world's leading authority in tapered roller bearings and has leveraged that expertise to develop a full portfolio of industry-leading engineered bearings and industrial motion products Today, Timken is synonymous with innovation, cutting-edge technology, and quality.

The Timken Company sells its products and services to diverse customer base in India and Global customers through its fellow subsidiaries.

Your Company has been capitalizing on favorable conditions in the Rail front end unit, which has shown strong demand and stability. This positive environment supports the effective utilization of our manufacturing facilities in Jamshedpur, leading to improved production efficiency and cost management. The Heavy Truck market, however, has faced challenges since last year and is expected to remain subdued in the short to medium term.

During the year, the Company could further advance in Process and Distribution market. Our Process segment is well connected to the core sectors and your company is aware of the ongoing trends and is deeply entrenched through its direct and indirect sales and service model. As steel is becoming more attractive, our product offering is second to none and their consumption is significantly increasing. Industrial aftermarket is expected to grow and that give us good opportunity to further grow in terms of revenue. Your company has added one additional MILLTEC site in 2024-25 further strengthening its stronghold in the Metal market. Your company is in process of establishing its hold into the solar business in India through our US counterpart called Cone Drive and have started producing some slew drives at our Bharuch facility.

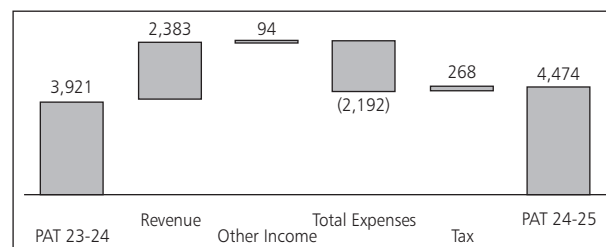
In line with the earlier announcement of investment of ₹ 700 crore in Bharuch, Gujarat towards manufacturing of Spherical Roller Bearings (SRB) and Cylindrical Roller Bearings (CRB), your Company has inaugurated the plant in April, 2025 and commenced commercial production in Q1 2025-2026.

Your Company was the recipient of multiple awards and recognitions in the year including various CII's circle competitions, Best Organization for Customer Experience by ET now, Best safety award at JSW, Golden peacock National Quality award - 2025, Brand of the year award 2025 and is recognized as one of the Top 10 USA-based Manufacturers in India in 2024 by Industry Outlook.

### Financial Statement Analysis

The analysis of major items of the Financial Statements is given below:

Profit after tax (PAT) stands at ₹ 4,474 million for the financial year 2024-25 as compared to ₹ 3,921 million in previous year, an increased by ₹ 553 million.



### Revenue from Operations

The Company achieved an all-time high revenue of ₹ 31,478 million during the financial year 2024-25, reflecting a 8.2% increase over previous year. This growth was primarily driven by a strong performance in the domestic market, supported by favorable market conditions and double-digit growth in major front-end units. Export sales recorded modest growth during the year due to a one-time adjustment on BAPA; however, excluding this impact, export witnessed a marginal year-over year decline owing to subdued demand in key global markets.

### Other Income

Other income grew by ₹ 94 million during the year, primarily driven by higher interest and dividend income from surplus cash investments, along with foreign currency exchange gains on transactions and translations, and miscellaneous income. This increase was partially offset by a reduction in the recognition of government grants in the financial statements.

### Total Expenses

Total expenses for the year stood at ₹ 26,453 million, reflecting a 9.0% increase compared to the previous year. This was primarily due to a 10.7% rise in the net material cost, which modestly outpaced revenue growth, a 3.7% increase in employee costs, and a 6.4% rise in other expenses – driven by higher volumes and inflationary pressures. This increase was partially offset by a marginal reduction in depreciation expenses during the year.

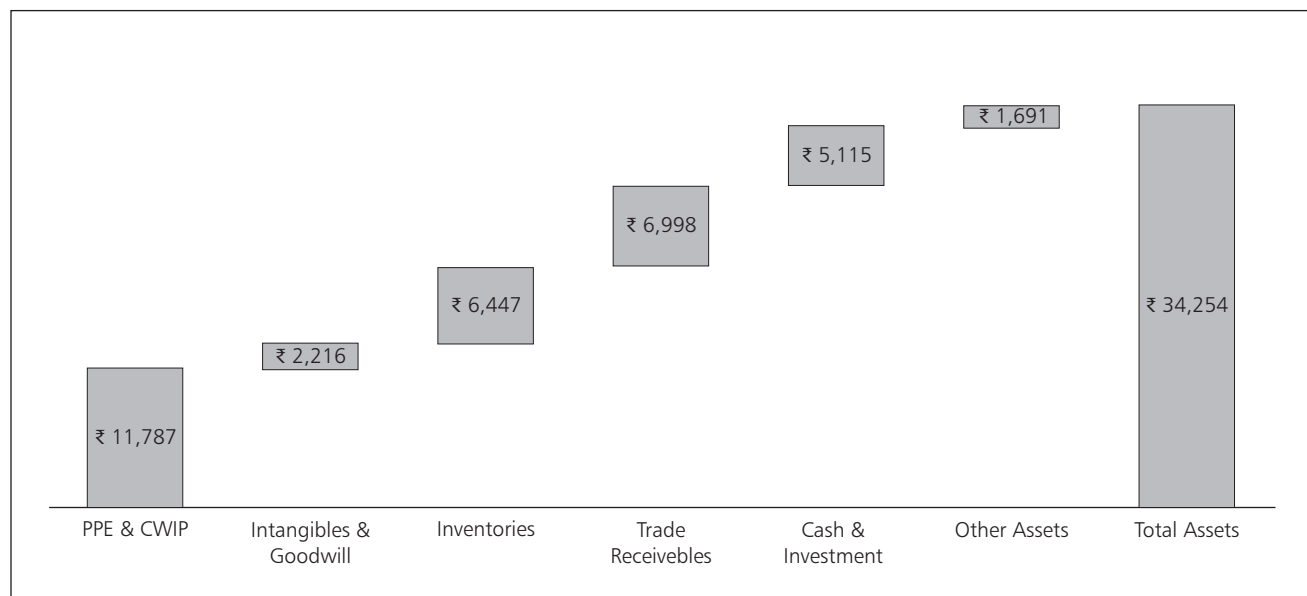
### Tax Expenses

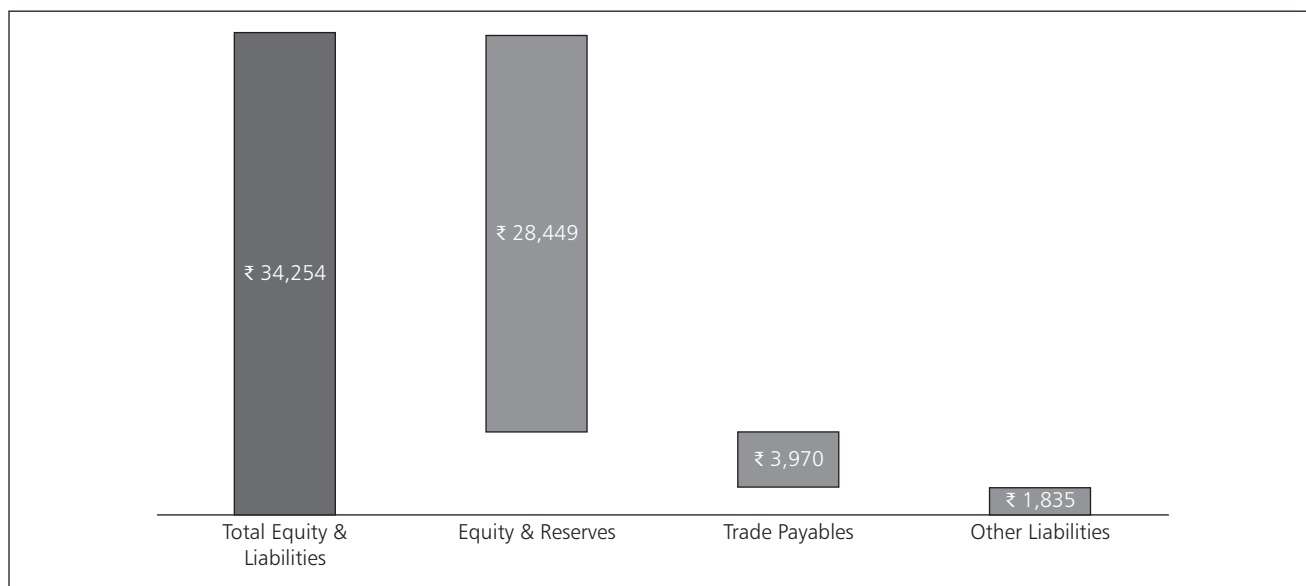
Tax expense for the year stood at ₹ 1,053 million, resulting in an effective tax rate of 19.1%, compared to 25.2% in the previous year. The reduction in the effective tax rate was primarily due to a one-time gain arising from the reversal of an earlier provision during the year.

### Earnings Per Share

Earnings per share (EPS) for the year stood at ₹ 59.48, compared to ₹ 52.13 in the previous year, marking an all-time high for the Company. The increase was driven by strong revenue growth, effective cost management, and favorable one-time adjustments, contributing to overall profitability.

Below is the discussion of major items in Company's Balance Sheet as at 31 March, 2025. The below graph depicts major blocks of Balance Sheet:





### Property, Plant and Equipment, Right-of-use assets, Investment Property and Capital work-in-progress

There was a net increase of ₹ 4,480 million in this asset category compared to the previous year. This increase was primarily attributable to investment in the new manufacturing project at the Bharuch facility, which was classified under Capital Work-in-Progress as at year end. This was partially offset by a reduction in the carrying value of Property, Plant equipment due to depreciation charged during the year.

### Intangible Assets and Goodwill

The movement was primarily due to amortization of intangible assets during the year and there is no change in the carrying value of Goodwill compared to the previous year.

### Inventories

Inventories decreased by ₹ 220 million as of 31st March 2025, primarily due to a reduction in finished goods, work- in progress and stock in trade , in line with business volumes and improved productivity. This was partially offset by an increase in raw materials and stores and spares to support ongoing operations. The inventory turnover ratio improved to 2.90, compared to the previous year, reflecting more efficient inventory management.

### Trade Receivables

Trade Receivables increased by ₹ 479 million compared to previous year, primarily due to the higher revenue and slight decline in the receivable turnover ratio. The trade receivables turnover ratio stood at 4.66 as at 31 March, 2025.

### Cash and Investments

The Company's cash and cash equivalents, along with investments in mutual funds, increased to ₹5,114 million as of 31st March 2025, compared to ₹ 4,887 million in the previous year – an increase of ₹ 227 million. This increase was driven by effective cash management and strong internal accruals.

### Other Assets

Other assets include all remaining line items on the balance sheet not specifically covered in the sections above. The net movement in this category during the year was driven by the following :

- An increase in non-current financial assets by ₹56 million;
- A decrease in non-current tax assets by ₹66 million;
- A significant decrease in other non-current assets by ₹1,083 million due to a decrease in capital advances
- An increase in other financial assets by ₹44 million;
- An increase in other current assets by ₹509 million, primarily due to a rise in balances with government authorities amounting by ₹354 million and higher trade advances by suppliers by ₹157 million.

## Equity

The Company's equity capital stood at ₹752 million as at 31<sup>st</sup> March, 2025, unchanged from that of the previous year. During the year, the shareholding of Timken Singapore PTE Limited (the Holding Company), decreased from 57.70% to 51.05%.

## Trade Payables

Trade payables increased by ₹ 113 million compared to the previous year, primarily due to higher procurement volumes in line with the business growth. The trade payables turnover ratio stood at 6.10 as at 31 March, 2025

## Key Financial Ratios

Parameters	For Year Ended 31 March, 2025	For Year Ended 31 March, 2024
Trade Receivables Turnover	4.66	4.74
Inventory Turnover	2.90	2.78
Interest coverage Ratio (times)	130	139
Current Ratio	3.82	3.91
Debt Equity Ratio	- *	0.2%
Operating Profit Margin	16.1%	16.7%
Net Profit Margin	14.2%	13.5%
Return on Net Worth	15.7%	16.2%

\* The ratio has decreased from 0.2% to Nil as at 31 March 2025 because of decrease in the borrowings. Also refer Note No. 41 of the Financial statements.

## Strengths, Opportunities, Threats and Outlook

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"> <li>➤ Strong market share in Tapered roller bearings.</li> <li>➤ R&amp;D capabilities of Timken Group with significant design and process innovation capability.</li> <li>➤ Vast application knowledge, proactive service and engineering engagement with customer to provide energy and cost-effective solutions.</li> <li>➤ De-risked revenue stream with cross industry presence.</li> </ul>	<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>➤ Cross selling abilities by virtue of acquisitions of Industrial motion products.</li> <li>➤ Extensive focus on Make in India opportunities for India &amp; the world.</li> <li>➤ Proliferation into general industry MRO space in Distribution business.</li> <li>➤ Digitalization efforts to increase sales in Automotive aftermarket.</li> </ul>
<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"> <li>➤ Ongoing Geo-Political concerns.</li> <li>➤ Rising trade tensions and new tariffs</li> <li>➤ Global Economic uncertainty</li> <li>➤ Any adverse modifications in the industrial environment or government policymaking affecting our customers' demand.</li> </ul> <p>Safety and operational risks posed by low quality counterfeit or spurious products.</p>	<p style="text-align: center;"><b>Outlook</b></p> <ul style="list-style-type: none"> <li>➤ Focus on localization and improvement in indigenous components sourcing in the up-coming years.</li> <li>➤ Value proposition of all Timken Associated Brands.</li> <li>➤ Risk mitigation by educating customers on importance of using genuine high-quality bearings procured from authorized distributors.</li> </ul>



**Internal Control**

The Company has established and implemented internal control systems commensurate with the nature, size, and complexities of business operations. These controls are designed to provide reasonable assurance towards the effectiveness and efficiency of operations, reliability of financial reporting, compliance with applicable laws and regulations, prevention and detection of frauds & errors and the safeguarding of assets.

The Company has well documented authorisation matrix covering all key operational processes to ensure appropriate delegation and oversight.

The Company's SAP ERP system and checks are integral parts of the internal control system. Emphasis is placed on automated controls within the processes wherever possible to minimise deviations and exceptions. The Company uses global shared services for processing of transactions and periodic account reconciliations by adhering to standard operating procedures and policies.

Employee awareness of internal policies and procedures is reinforced through regular communication and structured training sessions, conducted via both online and offline platforms.

The Company has also developed risk control matrix for all critical business processes including procure to pay, order to cash, hire to retire, treasury, fixed assets, inventory, manufacturing operations, record to report.

The risk-based internal audit plan, which covers key business processes is reviewed and approved annually by the Audit Committee. The Company engages independent audit firm to carryout audit of critical areas. The Audit Committee periodically reviews the adequacy and effectiveness of the Company's internal financial controls and the implementation of audit recommendations.

The Statutory Auditors also assess the adequacy of the internal control systems as part of their audit procedures. The Company has not received any adverse remarks from them regarding the internal control framework during the year.

The Company has constituted a Risk Management Committee and adopted an enterprise-wide risk management framework aimed at the timely identification of risks, assessment, evaluation and recording of such risks. Risks are recorded and monitored in alignment with the Company's strategic objectives, and appropriate mitigation strategies are defined and implemented. During the year, relevant updates were made to the Company's risk register to reflect emerging business and operational risks.

The Company is certified by an independent third-party certifying agency for maintaining the risk management system compliant with ISO 31000:2018. All critical risk areas as identified by the Company are re-evaluated on an annual basis.

**HR Front**

- **Overview**

HR Strategy aims at reimagining human resources practices to align with the evolving needs of organizations and their workforce. At its core, we focus on engaging and optimizing talent across the business value chain with clear focus on sustained development initiatives and employee recognition in line with our company's culture and goals. HR transformation fosters continuous learning and skill-building, ensuring employees remain adaptable and capable of navigating changing industry demands. Retention strategies prioritize creating a supportive, inclusive work environment that encourages career growth and enhances employee engagement. Meanwhile, employee recognition is redefined to go beyond traditional rewards, focusing on personalized and meaningful acknowledgment of contributions, which fosters a culture of appreciation and drives motivation. Together, these interconnected components form the backbone of a dynamic and effective HR strategy that nurtures both individual and organizational success.

- **Performance Management**

The Company's comprehensive Performance Management System ensures that individual employee goals are closely aligned with organizational objectives, fostering constructive and meaningful conversations that provide timely support to employees in achieving their desired outcomes. In addition to performance goals, employees are also given development goals, which enable them to focus on enhancing their skills and competencies. This dual approach not only drives better performance in their current roles but also helps to build the necessary capabilities to support in their long-term career aspirations. Employees are encouraged to document their activities and accomplishments within the system and engage in ongoing discussions with their managers to receive timely, actionable feedback. This continuous feedback process allows the Company to remain agile and responsive in a constantly evolving market environment.

Performance Management System places equal emphasis on both results and competencies, with an end-of-year evaluation conducted by both the employee and their manager. Employees are assessed on both their goal achievements and their competencies, with ratings ranging from Exceptional to Unsatisfactory. The final performance rating is determined through an assessment by the manager. To maintain a strong focus on employee engagement and performance, People Managers receive guidance on recommended actions to improve team engagement, incorporating employee feedback from surveys into their goals. At the end of the year, performance discussions serve as an important opportunity for People Managers to provide comprehensive feedback on their team members' achievements and evaluate them in relation to their peers. To better adapt to the evolving business landscape, the Company has moved away from traditional performance distribution methods, where we conduct peer reviews to ensure assessments are made in a transparent and balanced manner. This approach directly informs the allocation of merit-based pay and incentive rewards, ensuring a fair and performance-driven compensation structure.

- **Talent Management**

Talent management initiatives are designed to meet the future business needs and provide them with development actions by understanding the evolving demands of the business, whereby we nurture a pipeline of future leaders and key contributors through targeted development programs combined with coaching, mentoring and planned role changes. We equip these high-potential employees with the skills and experiences necessary to address the challenges and opportunities that lie ahead. This structured approach ensures that we not only meet the current talent needs, but also build a resilient workforce capable of driving long-term organizational success.

- **Total Rewards**

Reward system follows a very data driven approach; the final output of the Performance Management system flows into our rewards process. The philosophy of Pay for Performance is backed by detailed market studies and benchmarking conducted every year. This helps the Company to be competitive in the job market. The Company offers competitive benefits and long-term incentive plans to Senior Management. The Company also offers an array of wellness programs under the umbrella of Corporate Wellness for all employees. The Corporate Wellness program offers health related sessions, health checks etc. which leads to employees having an active & healthy life. The Company also reimburses annual health check cost for employees. There is also a virtual program called EAP (Employee Assistance Program) which offers employees free counselling services on various topics of mental wellbeing.

- **Continued Learning**

At Timken, continuous learning is a fundamental pillar of our organizational growth. We adhere to the 70-20-10 Development Model, where 70% of learning is derived from hands-on experience, 20% from social interactions, and 10% from formal education. A comprehensive training needs assessment is conducted across the company, followed by the creation of a training calendar that addresses shared needs. This year's Learning and Development initiatives included programs focused on Business Communication, Project Management, Finance for Non-Finance, and Leadership Development, among others. Additionally, we invest in product and technology training, covering the product portfolio, manufacturing processes and application knowledge relevant to various business functions. Our cross-geography training initiatives offered employees exposure to global best practices and enhanced manufacturing systems with clear focus on Digitalization & Automation and further enhancing their capability and versatility in a dynamic industry environment. To further support professional development, we have leveraged the full capabilities of Timken University, global online learning platform, to offer a wide array of educational opportunities. Employees could proactively enroll in courses that fit their professional aspirations or receive targeted recommendations from their managers. Beyond voluntary courses, all employees were required to participate in key training programs that focused on critical issues such as Information Security, inclusivity, POSH (Prevention of Sexual Harassment), and other essential areas, reinforcing our commitment to maintaining a safe, secure, and legally compliant work environment for everyone.

- **Resource Groups**

Employee Resource Groups (ERGs) are integral to Timken's employee engagement strategy. Currently, three active ERGs contribute to fostering a supportive work environment: the Women's International Network (WIN), the Young Professionals Network (YPN), and the Multicultural Association of Professionals (MAP). Each ERG has its own vision and mission, with goals aligned to the Company's broader objectives. These groups operate with structured leadership roles, where employees take on responsibilities to drive initiatives throughout the year. The mission of these ERGs mirrors the values promoted by global teams.

The central aim of these groups is to promote the professional development of Timken employees. These groups organize a variety of events in line with their respective objectives. WIN, for instance, is dedicated to the personal and professional growth of women at Timken. YPN provides opportunities for networking and collaboration through year-round initiatives, while MAP focuses on enhancing cultural diversity by engaging employees in activities that celebrate our collective global heritage. WIN also organizes the WIN Santhe, a fundraising event that supports an NGO dedicated to the upliftment of distressed women in society. YPN fosters business acumen through its various activities, while MAP encourages employees to explore different languages and celebrate cultural diversity, both within India and around the world.

- **Cautionary Statement**

Certain statements made in this Report describing industry structure and development, business outlook and opportunities may be “forward looking statement” within the meaning of applicable Securities law and Regulations. Actual results could materially differ from those expressed or implied. Important factors that could make difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

For and on behalf of the Board of Directors

Date: 4 July, 2025  
Place: Bengaluru

*Sd/-*  
**Sanjay Koul**  
Chairman & Managing Director  
DIN: 05159352

## Board's Report

Dear Members,

The Board of Directors has pleasure in presenting 38<sup>th</sup> Annual Report of the Company for FY 2024-25.

### Financial Summary

(₹ in million except otherwise stated)

Particulars	Financial Year ended 31 March, 2025	Financial Year ended 31 March, 2024
Revenue from Operations	31,478.10	29,095.41
<b>Add:</b> Other Income	501.81	407.65
Total Income	31,979.91	29,503.06
<b>Less:</b> Total Expenses	26,452.62	24,260.92
Profit before tax (PBT)	5,527.29	5,242.14
<b>Less:</b> Tax expenses	1,053.43	1,320.72
Net Profit after tax (PAT)	4,473.86	3,921.42
<b>Less:</b> Other Comprehensive Income	(9.83)	(7.66)
Total Comprehensive Income	4,464.03	3,913.76
Earnings Per Share (in ₹)	59.48	52.13

### Highlights of the Company's financial performance for the year ended 31 March, 2025 are as under:

- Revenue from operations reached an all-time high of ₹ 31,478.10 million in the financial year 2024-2025, reflecting 8.2% growth over the previous year. The performance was primarily driven by a strong domestic demand, while export revenue showed modest growth supported by a one time adjustment arising out of Bilateral Advance Pricing Agreement (BAPA) as provided in notes to the accounts.
- Profit before tax as a percentage of revenue from operations declined modestly by 40 basis points compared to the previous year, mainly due to increased cost of material consumed. This impact was partially offset by improved cost leverage in employee benefit expenses, depreciation, and other expenses.
- The Company achieved an all-time high Earnings Per Share (EPS) of ₹ 59.48 for the financial year ended 31 March, 2025, reflecting a 14.1% increase over ₹ 52.13 in the financial year ended 31 March, 2024. Growth in EPS reflects improved profitability, driven by strong revenue performance, effective cost management, and favorable one-time adjustments.
- While maintaining a debt-free balance sheet and healthy cash reserves, the Company continues to make strategic investments to support future growth. As of 31 March, 2025, the fixed asset base and capital work-in-progress stood at ₹ 10,565.37 million and a strong cash & cash equivalent along with Investments totaled ₹ 5,114.49 million.
- Cash flow from operations for the year ended 31 March, 2025 stands at ₹ 3,872.98 million as compared to ₹ 3,399.19 million for the previous year, an increase of ₹ 473.79

For a more detailed analysis and explanation of the financial performance, please refer to the Financial Statements Analysis section of the Management Discussion and Analysis.

There is no reportable event comprising material changes and commitments between the date of financial year end and the date of this report affecting the financial position of the Company. The Board of Directors of the Company did not propose to transfer any amount to reserves during the financial year under review.

There has been no change in nature of business of your Company.

## Dividend

The Board of Directors, subject to approval of Members at ensuing Annual General Meeting ('AGM'), has recommended dividend of ₹ 36/- per equity share of ₹ 10/- each fully paid up for the financial year ended 31 March, 2025. Some changes were made in the Dividend Distribution Policy and revised Policy is available on the website of the Company at <https://www.timken.com/en-in/investors/policies/>.

Additional factors and parameters were added in the Dividend Distribution Policy for determining dividend payouts which is expected to give more clarity while determining dividend payouts.

## Update on New Manufacturing Facility at Bharuch

The Company has set up new manufacturing plant at Bharuch to manufacture Spherical Roller Bearings and Cylindrical Roller Bearings. Commercial production from this facility has started in Q1 2025-2026.

## New Capacity Addition

The Company is investing approx. ₹ 120 crores to enhance capacity of bearing components (cup and cone) at rail facility in Jamshedpur. This project is expected to complete in Q3 2026-2027.

## Internal Financial Controls

The Company has established and implemented internal control systems commensurate with the nature, size and complexities of business operations. Internal control processes are designed to provide reasonable assurance towards the effectiveness and efficiency of its operations, reliability of financial reporting, compliance with applicable laws and regulations, prevention and detection of frauds & errors and the safeguarding of its assets.

The Company has well documented authorization matrix covering all key operational processes. The Company has put in place an enterprise-wide Risk Management Framework with an objective of timely identification of risks, assessment, and evaluation of such risks in line with the overall business objectives or strategies and define adequate mitigation strategies to reduce the impact of risk exposure.

The Company has developed and implemented a framework for ensuring internal control over financial reporting. Evaluation of design and effectiveness of these controls was carried out and no significant material weaknesses or deficiencies were observed.

## Corporate Governance

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Corporate Governance Report along with Compliance Certificate from Practicing Company Secretary is attached as **Annexure – I**. Details relating to composition of the Board and its Committees along with its meetings held during FY 2024-25 are given in Corporate Governance Report which is attached as **Annexure – I**. One meeting of the Independent Directors was held on 10 February, 2025 which was attended by all the Independent Directors. The Company has adopted Code of Conduct for Board of Directors and Senior Management Personnel. Declaration regarding compliance with Code of Conduct is attached herewith and forms a part of **Annexure – I**.

## Directors and Key Managerial Personnel

During the year under review:

- (i) Mr. Soumitra Hazra (DIN: 02293182) was appointed as an Independent Director of the Company with effect from 31 May, 2024.
- (ii) Mr. George J Ollapally (DIN: 09607523) was re-appointed as an Independent Director of the Company with effect from 1 June, 2024.
- (iii) Mr. P S Dasgupta (00012552) ceased to be an Independent Director of the Company with effect from 1 April, 2024.
- (iv) Mr. Veerappan V (DIN: 01593254) ceased to be an Independent Director of the Company with effect from 1 June, 2024.
- (v) Mr. Avishrant Keshava ceased to be Chief Financial Officer of the Company with effect from 31 March, 2025.
- (vi) Mr. Sujit Kumar Pattanaik was appointed as Chief Financial Officer of the Company with effect from 1 April, 2025.

Mr. Avishrant Keshava (DIN: 07292484), Whole-time Director, will retire by rotation at 38<sup>th</sup> AGM and being eligible, offers himself for re-appointment.

Based on recommendation of the Nomination and Remuneration Committee, the Board has approved:

- Appointment of Mr. Sumit Rathor (DIN: 00128517) as an Independent Director of the Company with effect from 1 October, 2025 for a period of 2 years, subject to approval of Members of the Company.

- Re-appointment of Dr. Lakshmi Lingam (DIN: 10181197) as an Independent Director of the Company with effect from 1 October, 2025 for a period of 3 years, subject to approval of Members of the Company.
- Appointment of Mr. Sujit Kumar Pattanaik (DIN: 10709015) as a Whole-time Director of the Company with effect from 30 September, 2025 for a period of 5 years, subject to approval of Members of the Company.

In the opinion of the Board, aforesaid persons possess requisite expertise, skills, integrity and experience and their association and leadership will be beneficial to the Company. Hence, the Board has recommended their appointment/ re-appointment at the 38<sup>th</sup> AGM. The Company is in receipt of Notices under Section 160 of the Companies Act, 2013 (the 'Act') in respect of proposed appointments as mentioned above.

Mr. Avishrant Keshava and Mr. Ajay Sood will cease to be Directors of the Company w.e.f. 30 September, 2025 and 1 October, 2025 respectively on completion of their tenure. Mr. Avishrant Keshava will cease to be a Director as part of succession planning of the Company while Mr. Sood will cease to be a Director considering his other commitments.

Pursuant to Section 203 of the Act, Mr. Sanjay Koul as Managing Director, Mr. Sujit Kumar Pattanaik as Chief Financial Officer and Mr. Mandar Vasmatkar as Company Secretary serve as Whole-time Key Managerial Personnel ('KMP').

The Company has received declaration of independence from all Independent Directors of the Company confirming that he/she has met with the criteria of independence laid down in Section 149 of the Act and Regulation 16 of Listing Regulations. Independent Directors' details have been included in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs ('IICA').

### **Formal Annual Evaluation of the Board of Directors, its Committees and individual Directors**

The Board has carried out performance evaluation of the Board as a whole, various Committees of the Board and individual Directors based on performance evaluation criteria. Directors have provided feedback in writing to Chairman about the Board as a whole, various Committees and individual Directors.

Further, Independent Directors in their separate meeting held on 10 February, 2025 have evaluated performance of Non-Independent Directors, Chairman and the Board as a whole.

### **Statutory Audit**

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/W100018), continue to serve as Statutory Auditors of the Company. Report given by Statutory Auditors on the Financial Statements for FY 2024-25 forms a part of this Annual Report. Auditors expressed unmodified opinion on Financial Statements for FY 2024-25 in their report.

Auditors also provided unmodified opinion on adequacy and operating effectiveness of internal financial controls over financial reporting as at 31 March, 2025. However, the Auditors noted that although proper books of account were maintained as required under the Act, the Company did not maintain a daily backup of such books in electronic mode on a server physically located in India, as mandated under Rule 3(5) of the Companies (Accounts) Rules, 2014. In this regard, it may be noted that while this requirement was not complied with during FY 2024-25 and earlier, the Company has implemented a system for taking daily backups on a server located in India and as of the date of this report, the Company complies with this requirement (Refer note no. 43 of Financial Statements).

### **Cost Audit**

In terms of Section 148 of the Act, the Company is required to maintain cost records and have its records audited by the Cost Accountant. The Company has maintained cost records for FY 2024-25 as required under Section 148 of the Act.

The Board of Directors, on recommendation of the Audit Committee, has re-appointed M/s Shome and Banerjee (Firm Registration No. 000001) as Cost Auditors for FY 2025-26. In terms of Section 148 of the Act read with Rules made thereunder, remuneration payable to Cost Auditors is required to be ratified by Members of the Company. Accordingly, appropriate resolution for ratification of remuneration payable to Cost Auditors for FY 2025-26 has been inserted in the Notice convening the 38<sup>th</sup> AGM. The Board requests Members to approve/ratify remuneration of Rs. 6,62,000/- (Rupees Six Lakhs and Sixty Two Thousand Only) plus applicable taxes and out-of-pocket expenses payable to Cost Auditors for FY 2025-26. The Cost Audit Report of the Company for FY 2023-24 was filed on 26 August, 2024 (within the stipulated due date).

### **Secretarial Audit**

Pursuant to Section 204 of the Act, M/s. V Sreedharan & Associates, Practicing Company Secretaries, have submitted the Secretarial Audit Report which is attached as **Annexure – II**. Secretarial Auditors confirmed that the Company has complied with all the applicable laws but made one observation. For more details, please see **Annexure – II**. Secretarial Auditor has pointed out about daily back up of books of accounts on servers physically located in India, same as Statutory Auditors. For Board's response, please refer note no. 43 to the Financial Statements.



Pursuant to Section 204 of the Act and Regulation 24A of Listing Regulations, it is proposed to appoint Mr. Nagarjun Y G, Practicing Company Secretary as Secretarial Auditor for a period of 5 years i.e. FY 2025-26 to FY 2029-30. Mr. Nagarjun Y G has confirmed that he is eligible for aforesaid appointment and he is not disqualified.

The Company has complied with norms of applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

### **Internal Audit**

M/s KPMG Assurance and Consulting Services LLP, acted as Internal Auditors for FY 2024-25. They conducted periodical audits and submitted their reports to the Audit Committee. Their reports have been reviewed by the Audit Committee.

### **Reporting of frauds by Auditors**

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act.

### **Related Party Transactions**

All related party transactions entered into by the Company during FY 2024-25 are disclosed in the Financial Statements for the year ended 31 March, 2025. All related party transactions entered during FY 2024-25 were in ordinary course of business and at arm's length. There was no related party transaction that had any conflict with the interest of the Company.

Material related party transactions entered during FY 2024-25 are given in Form AOC-2, attached to this Report marked as **Annexure – III**. It may please be noted that the Company has entered into material related party transactions as approved by the Members under Regulation 23 of Listing Regulations. The Company has considered definition of material related party transactions under the Listing Regulations for reporting material related party transactions in Form AOC-2. For FY 2025-26, the Company anticipates that material related party transactions would be entered with four parties, for which approval is being sought at the 38<sup>th</sup> AGM. The Audit Committee was provided with all relevant information as required under SEBI circular dated 22 November, 2021 and the Audit Committee has granted approval for all material related party transactions of FY 2025-26.

During the year under review, the Company has revised existing Related Party Transactions Policy to add concept of ratification of related party transactions and otherwise to align with the amendments in the provisions of the Act and Listing Regulations. Updated Related Party Transactions Policy is available on the website of the Company at <https://www.timken.com/en-in/investors/policies/>.

### **Risk Management**

The Board of Directors of the Company has constituted a Risk Management Committee which inter-alia is responsible for assessment of risks, establishment of framework for monitoring risks and developing strategy for mitigation of various risks. Chief Financial Officer serves as Chief Risk Officer of the Company. Risk Management Policy is disclosed on the Company's website at <https://www.timken.com/en-in/investors/policies/>.

The Company conducted a comprehensive risk review during the year and observed that the overall risk profile remained stable, with no major changes identified. During FY 2024-25, a Risk Surveillance Audit was carried out by an independent third party, and no non-conformities were reported. The Company has adopted ISO 31000:2018 framework for enterprise risk management and has undergone recertification audit in FY 2025-26.

### **Corporate Social Responsibility**

The Company has constituted a Corporate Social Responsibility ('CSR') Committee which is responsible for evaluation and implementation of CSR Projects. The Company has spent Rs. 4,03,57,642/- on various CSR Activities during FY 2024-25, including administrative expenses. Further, the Company has transferred Rs. 5,91,17,048/- on account of ongoing projects to Unspent CSR Account. For more details on CSR expenditure during the year under review, please refer Annual Report on CSR Activities attached as **Annexure – IV**. Details of CSR Projects carried out during FY 2024-25 are also available on the website of the Company at <https://www.timken.com/en-in/investors/statutory-compliances/>. The Company has adopted CSR Policy and its salient features are as follows:

- It lays down CSR Philosophy, Vision and Commitment of the Company.
- It specifies guidelines for implementation of CSR Projects through CSR Partners including eligibility criteria for CSR Partners.
- It also lays down roles and responsibilities of the CSR Committee.

In May 2025 focus areas of the Company for CSR activities were added in the CSR Policy along with few minor changes and revised Policy is disclosed on the Company's website at <https://www.timken.com/en-in/investors/policies/>.

## Nomination and Remuneration Policy

Based on recommendation of the Nomination and Remuneration Committee, the Board has laid down a Policy inter alia for remuneration of Directors, Senior Management Personnel. The salient features of the Policy are as follows:

- It covers role of the Nomination and Remuneration Committee in line with Section 178 of the Act and Listing Regulations.
- It lays down criteria for determining qualifications, positive attributes, independence and other personal specifications that need to be considered for appointment of a Director.
- It specifies terms and conditions that need to be considered for appointment of Directors and Senior Management Personnel including tenure of appointment, removal and retirement.
- It also lays down parameters for payment of remuneration to Executive Directors, Non- Executive/ Independent Directors and Senior Management Personnel.

During the year under review, no change was made in the Nomination and Remuneration Policy. This Policy is disclosed on the Company's website at <https://www.timken.com/en-in/investors/policies/>.

The Nomination and Remuneration Committee recommended some changes in performance evaluation criteria adopted by the Board and same have been approved by the Board.

## Ratio of Remuneration

Pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, applicable details are given in specified format which is attached as **Annexure – V**.

Information required under Section 197(12) of the Act read with Rules 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is available at <https://www.timken.com/en-in/investors/statutory-compliances/>. This information is available at link above till the date of AGM. After that, this information will be available for inspection at the registered office of the Company.

## Vigil Mechanism/Whistle Blower Policy

For details, please refer Corporate Governance Report attached as **Annexure – I**.

## Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are attached to this Report marked as **Annexure – VI**.

## Business Responsibility and Sustainability Report

Pursuant to Regulation 34 of Listing Regulations, Business Responsibility and Sustainability Report is made available on the website of the Company at <https://www.timken.com/en-in/investors/financial-report/>.

## Directors' Responsibility Statement

In pursuance of Section 134 (5) of the Act, the Directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### Annual Return

Annual Return as on 31 March, 2024 filed with the Registrar of Companies and draft Annual Return as on 31 March, 2025 are available on the website of the Company at <https://www.timken.com/en-in/investors/statutory-compliances/>.

### Particulars of Loans, Guarantees or Investments

Particulars about investments made by the Company during the year are disclosed in the Financial Statements. During the year under review, the Company did not give any loans except to its employees as part of the conditions of service. Also, the Company did not give any guarantee or extend any securities in connection with any loan.

### Deposits

The Company has not accepted Deposits covered under Chapter V of the Act and Rules framed thereunder.

### Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company does not tolerate discrimination, sexual harassment or any other harassment whether engaged in by management or associates or other individual with whom associates come into contact during work. The Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender. The Company has adopted Anti-Sexual Harassment Policy in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has also complied with the aforesaid Act. During the year, the Company has made some changes in Anti-Sexual Harassment Policy and revised Policy is disclosed on the Company's website at <https://www.timken.com/en-in/investors/policies/>. The Company has constituted Internal Committee ('IC') at all locations of the Company and at least half of the total Members of the IC are women. IC redresses complaints received regarding sexual harassment as required by the aforesaid Act. During the year under review, the Company has not received any sexual harassment complaint.

### Significant and/or material orders passed by the Regulators

During FY 2024-25, no judicial order was passed which could impact going concern of the Company. It may please be noted that the Company has made disclosures under Regulation 30 of Listing Regulations about orders received from tax or judicial or regulatory authorities, details of which are available on the website of the Company at <https://www.timken.com/en-in/investors/statutory-compliances/>.

### Listing with Stock Exchanges

The Company confirms that it has paid annual Listing Fees for FY 2025-26 to National Stock Exchange of India Limited and BSE Limited, where the Company's shares are listed.

### Investor Education and Protection Fund

Pursuant to Section 124 of the Act and Rules made thereunder:

- (i) the Company has transferred following unclaimed dividend amounts to Investor Education and Protection Fund ('IEPF') during FY 2024-25:

Particulars	Amount (in ₹)
Dividend paid by the Company for FY 2016-17	13,08,088
Dividend paid by erstwhile ABC Bearings Limited (amalgamated with the Company) for FY 2016-17	3,66,894
Dividend paid by the Company for FY 2023-24 against shares already transferred to IEPF (net of TDS)	24,62,146.05

- (ii) Unpaid dividend for FY 2017-18 relating to the Company and for FY 2018-19 (interim) relating to erstwhile ABC Bearings Limited (amalgamated) is due for transfer to IEPF in the month of September, 2025.

### Financial Performance of any Subsidiary/Associate/Joint Venture Company

The Company does not have any Subsidiary, Associate or Joint Venture Company.

**Other Disclosures**

Sweat Equity Shares	Not applicable as no Sweat Equity Shares are issued.
Shares with differential Rights	Not applicable as no Shares with differential rights are issued.
Shares under Employees Stock Option Scheme	Not applicable as the Company does not have any stock option scheme.
Purchase by Company or giving of loans by it for purchase of its shares	The Company has not purchased or given any loan to purchase its Equity Share and therefore, disclosure norms are not applicable to the Company.
Buy Back of Shares	The Company has not bought back any Equity Share and therefore, disclosure norms are not applicable to the Company.
Demat Suspense/Unclaimed Suspense Account	For more details, please refer Corporate Governance Report attached as <b>Annexure – I</b> .
Settlement with Banks/Financial Institutions	Not applicable.
Proceedings pending under Insolvency and Bankruptcy Code, 2016	Not applicable.

**Acknowledgment**

The Board acknowledges that the performance of the Company during the year could be made possible due to contributions and excellent performance of the Associates. The Directors express their appreciation for the support received from the Associates of the Company, Investors, Vendors, Customers and other Stakeholders.

For and on behalf of the Board of Directors

Date : 4 July, 2025  
Place : Bengaluru

Sd/-  
**Sanjay Koul**  
Chairman & Managing Director  
DIN: 05159352







## Corporate Governance Report

### CORPORATE GOVERNANCE PHILOSOPHY

The Company's Code of Conduct, the Standards of Business Ethics Policy is based on core values of the Company and guides us in conducting the business. Ethics and integrity is one of our core values. Honesty, fairness, respect and integrity are the four principles which define the core value of ethics and integrity. Core value of ethics and integrity expects us to do what is right regardless of the situation. Corporate Governance philosophy of the Company is based on core value of ethics and integrity. The Company believes that when we act with ethics and integrity, we earn trust and confidence of customers, suppliers, investors and community at large. The Company has long-standing reputation as an ethical company and Company's Code of Conduct, the Standards of Business Ethics Policy plays pivotal role in conducting business in a manner consistent with its core values including ethics and integrity.

### BOARD OF DIRECTORS

Details relating to composition of the Board during FY 2024-25 and attendance of Directors at the Annual General Meeting ('AGM') and other relevant details are given below:

Name of the Director	Category of Directorship	Whether attended AGM held on 19 August, 2024	No. of Directorships in other companies*	No. of Committee positions held in other companies**	
				Chairman/Chairperson	Member
Mr. Sanjay Koul (DIN: 05159352)	Chairman & Managing Director		1	—	—
Mr. George J Ollapally <sup>1</sup> (DIN: 09607523)	Independent Director		—	—	—
Mr. Veerappan V <sup>2</sup> (DIN: 01593254)	Independent Director	NA	10	—	—
Mr. Ajay Sood (DIN: 03517303)	Independent Director		1	—	—
Dr. Lakshmi Lingam (DIN: 10181197)	Independent Director		—	—	—
Mr. Soumitra Hazra <sup>3</sup> (DIN: 02293182)	Independent Director		—	—	—
Mr. Douglas Smith (DIN: 02454618)	Non-Executive Director	X	—	—	—
Mr. Hansal Patel (DIN: 09607506)	Non-Executive Director	X	—	—	—
Mr. Avishrant Keshava (DIN: 07292484)	Whole-time Director		1	—	—

 : Present      X : Leave of Absence      NA : Not Applicable

\*Includes Private Companies and Section 8 Companies as per the Companies Act, 2013. ('the Act')

\*\*As per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

<sup>1</sup>Mr. George J Ollapally was re-appointed as an Independent Director of the Company w.e.f. 1 June, 2024

<sup>2</sup>Mr. Veerappan V ceased to be an Independent Director of the Company w.e.f. 1 June, 2024

<sup>3</sup>Mr. Soumitra Hazra was appointed as an Independent Director of the Company w.e.f. 31 May, 2024

**BOARD MEETINGS**

During FY 2024-25, six Board Meetings were held. Relevant details of Board Meetings held during FY 2024-25 and attendance of Directors thereat are given hereunder:

Name of the Director	Board Meetings held during FY 2024-25					
	9 May, 2024	8 August, 2024	5 November, 2024	5 February, 2025	13 March, 2025	26 March, 2025
Mr. Sanjay Koul						
Mr. George J Ollapally						
Mr. Veerappan V <sup>1</sup>		NA	NA	NA	NA	NA
Mr. Ajay Sood						
Dr. Lakshmi Lingam						
Mr. Soumitra Hazra <sup>2</sup>	NA					
Mr. Douglas Smith						
Mr. Hansal Patel	X				X	
Mr. Avishrant Keshava						

: Present    X : Leave of Absence    NA : Not Applicable

<sup>1</sup>Mr. Veerappan V ceased to be an Independent Director of the Company w.e.f. 1 June, 2024

<sup>2</sup>Mr. Soumitra Hazra was appointed as an Independent Director of the Company w.e.f. 31 May, 2024

During FY 2024-25, gap between two consecutive Meetings did not exceed 120 days. Information as required under PART-A of Schedule II of Listing Regulations has been made available to the Board. During FY 2024-25, the Board of Directors accepted all the recommendations made by the Committees of the Board. One meeting of the Independent Directors without participation of Non-Independent Directors and any management personnel was held on 10 February, 2025. The Company has received necessary declarations from all Independent Directors of the Company confirming that each of them has met with criteria of independence laid down in Section 149 of the Act and Regulation 16 of Listing Regulations. Tenure of Independent Directors of the Company is within the time limit as prescribed under the Act. It is hereby confirmed that in the opinion of the Board, Independent Directors fulfil the conditions specified in Section 149 of the Act and Regulation 16 of Listing Regulations and are independent of the management. The Company has disclosed terms and conditions of appointment of Independent Directors on its website at [www.timken.com/en-in](http://www.timken.com/en-in). No Director of the Company serves as an Independent Director in more than seven listed companies and no Director serving as a Whole-time Director in any listed company, serves as an Independent Director in more than three listed companies. No Director of the Company is a Member of more than ten committees or acts as Chairman/Chairperson of more than five committees across all companies in which he/she is a Director. Necessary disclosures regarding committee positions have been made by all the Directors.

The Board has identified following core skills/expertise/competencies required in the context of business of the Company. Details regarding Directors who possess such core skills/expertise/competencies are provided in the table below:

Core skills/ expertise/ competencies	Financial Management	Leader ship	Technology	Production and Engineering	Legal and Tax	Human Resource	Sales and Marketing	Board and Corporate Governance	Mergers and Acquisitions	Business Strategy and Systems	ESG and CSR
<b>Availability with Board</b>											
Sanjay Koul											
George J Ollapally											
Ajay Sood											
Lakshmi Lingam											
Soumitra Hazra											
Douglas Smith											
Hansal Patel											
Avishrant Keshava											



**DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE**

No Director of the Company is related to another Director *inter-se*.

**PROMOTER AND DIRECTORS' SHAREHOLDING**

During the year under review, Timken Singapore Pte Ltd (Promoter) sold shares of the Company which reduced its shareholding in the Company from 57.70% to 51.05%. Mr. Soumitra Hazra and Mr. Avishrant Keshava hold 2 equity shares each of the Company. The Company has not issued any convertible instrument.

**FAMILIARIZATION PROGRAMME**

During FY 2024-25, the Company conducted a Familiarization Program on 25 October, 2024 relating to "Environment, Social and Governance". Details of familiarization programs conducted for Independent Directors so far have been disclosed on the Company's website and can be seen at <https://www.timken.com/en-in/investors/statutory-compliances/>.

**AUDIT COMMITTEE**

The Board has constituted Audit Committee comprising 4 Directors out of which 3 are Independent Directors. Mr. Soumitra Hazra and Mr. George J Ollapally, Independent Directors acted as the Chairman of the Audit Committee during FY 2024-25 and Mr. Soumitra Hazra was present at 37<sup>th</sup> AGM of the Company held on 19 August, 2024. During FY 2024-25, four Audit Committee Meetings were held. Relevant details regarding Audit Committee Meetings held during FY 2024-25 and attendance of Members thereat are given below:

Name of the Director	Designation	Audit Committee Meetings held during FY 2024-25			
		9 May, 2024	8 August, 2024	5 November, 2024	5 February, 2025
Mr. Soumitra Hazra <sup>1</sup>	Chairman	NA	NA		
Mr. George J Ollapally <sup>2</sup>	Member				
Mr. Veerappan V <sup>3</sup>	Member		NA	NA	NA
Mr. Ajay Sood	Member				
Mr. Sanjay Koul	Member				

 : Present      NA : Not Applicable

<sup>1</sup>Mr. Soumitra Hazra was appointed as Chairman of the Committee w.e.f. 8 August, 2024

<sup>2</sup>Mr. George J Ollapally ceased to be Chairman of the Committee w.e.f. 8 August, 2024 and continued as Member of the Committee









<sup>3</sup>Mr. Veerappan V ceased to be Member of the Committee w.e.f. 1 June, 2024

Audit Committee Meetings were also attended by the representatives of Internal Auditors and Statutory Auditors. The Audit Committee enjoys all the powers as mentioned in Regulation 18 of Listing Regulations. Role of the Audit Committee is as per what is stated in Part C (A) of Schedule II of Listing Regulations read with Section 177 of the Act and Rules framed thereunder. The Audit Committee mandatorily reviewed the information prescribed in Schedule II, Part C (B) of Listing Regulations on quarterly basis.

**NOMINATION AND REMUNERATION COMMITTEE**

The Board has constituted Nomination and Remuneration Committee comprising 4 Directors out of which 3 are Independent Directors. Mr. George J Ollapally and Mr. Ajay Sood, Independent Directors, acted as Chairman of the Nomination and Remuneration Committee during FY 2024-25 and Mr. Ajay Sood was present at 37<sup>th</sup> AGM of the Company held on 19 August, 2024. During FY 2024-25, two

Meetings of the Nomination and Remuneration Committee were held on 19 April, 2024 and 26 March, 2025. Relevant details regarding Nomination and Remuneration Committee Meetings held during FY 2024-25 are given below:

Name of the Director	Designation	Meetings held during FY 2024-25	
		19 April, 2024	26 March, 2025
Mr. Ajay Sood <sup>1</sup>	Chairman		
Mr. George J Ollapally <sup>2</sup>	Member		
Dr. Lakshmi Lingam	Member		
Mr. Hansal Patel	Member		

 : Present

<sup>1</sup>Mr. Ajay Sood was appointed as Chairman of the Committee w.e.f. 8 August, 2024

<sup>2</sup>Mr. George J Ollapally ceased to be Chairman of the Committee w.e.f. 8 August, 2024 and continued as Member of the Committee.

Role of Nomination and Remuneration Committee is as per what is described in Part D (A) of Schedule II of the Listing Regulations and Section 178 of the Act.

### PERFORMANCE EVALUATION CRITERIA

Performance evaluation criteria for the Independent Directors is as below:

1. Active participation and contribution to discussions and decision making in Board Meetings, ability to function as team, maintaining confidentiality
2. Effective use of skills, knowledge and expertise towards the growth and betterment of the Company, stakeholder value creation
3. Commitment to the highest ethical standards and values of the Company
4. Compliance with the policies of the Company and other applicable laws and regulations
5. Independence of behavior and judgment, managing of conflict of interest, clear communication of views, concerns, opinions
6. Impact and influence, Leadership, inter personal relationship with other Directors, Management members
7. Understanding duties, rights, liabilities of Directors, Company specific updates, skill upgradation
8. Business strategy/planning and execution, Business/Company specific knowledge.

Performance evaluation of the Independent Directors has been done by the entire Board of Directors excluding the evaluated Director.






### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders Relationship Committee comprising 6 Directors out of which 5 are Non-Executive Directors. Mr. George J Ollapally and Mr. Veerappan V, Independent Directors acted as Chairman of the Stakeholders Relationship Committee during FY 2024-25 and Mr. George J Ollapally was present at 37<sup>th</sup> AGM of the Company held on 19 August, 2024.

The Stakeholders Relationship Committee is inter-alia entrusted with the responsibility to consider and resolve grievances of Shareholders including complaints relating to transmission of shares, non-receipt of annual report, non-receipt of declared dividend, loss of share certificates etc.

During the year ended 31 March, 2025, one meeting of the Stakeholders Relationship Committee was held on 27 February, 2025. Generally, approval of Members of the Stakeholders Relationship Committee is obtained through resolutions by circulation for effecting registration of transmission of shares in physical form, issue of duplicate/new certificates and other issues involving investor services.

Relevant details regarding Stakeholders Relationship Committee Meeting held during FY 2024-25 are given below:

Name of the Director	Designation	Meeting held on 27 February, 2025
Mr. George J Ollapally <sup>1</sup>	Chairman	
Mr. Veerappan V <sup>2</sup>	Chairman	NA
Dr. Lakshmi Lingam	Member	
Mr. Soumitra Hazra <sup>3</sup>	Member	
Mr. Douglas Smith	Member	
Mr. Hansal Patel	Member	
Mr. Avishrant Keshava	Member	X

 : Present      X : Leave of Absence      NA : Not Applicable

<sup>1</sup>Mr. George J Ollapally was appointed as Chairman of the Committee w.e.f. 1 June, 2024

<sup>2</sup>Mr. Veerappan V ceased to be Chairman of the Committee w.e.f. 1 June, 2024

<sup>3</sup>Mr. Soumitra Hazra was appointed as Member of the Committee w.e.f. 8 August, 2024

Mr. Mandar Vasmatkar, Company Secretary and Chief-Compliance acted as Compliance Officer during the year under review.







Status of investors' complaints during FY 2024-25 is given below:

Particulars	Q1	Q2	Q3	Q4	Total
Number of Shareholders' complaints received	8	10	16	19	53
Number of complaints not solved to the satisfaction of Shareholders	0	0	0	0	0
Number of pending complaints	0	0	0	0	0

### RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted Risk Management Committee comprising 3 Directors out of which 1 is an Independent Director.

During FY 2024-25, two Meetings of Risk Management Committee were held on 29 April, 2024 and 18 September, 2024 respectively. Relevant details regarding Risk Management Committee Meetings held during FY 2024-25 are given below:

Name of the Director	Designation	Meetings held during FY 2024-25	
		29 April, 2024	18 September, 2024
Mr. Sanjay Koul	Chairman		
Mr. Avishrant Keshava	Member		
Mr. Veerappan V <sup>1</sup>	Member		NA
Mr. George J Ollapally <sup>2</sup>	Member	NA	NA
Mr. Ajay Sood <sup>3</sup>	Member	NA	

 : Present      NA : Not Applicable

<sup>1</sup>Mr. Veerappan V ceased to be Member of the Committee w.e.f. 1 June, 2024

<sup>2</sup>Mr. George J Ollapally was appointed as a Member of the Committee w.e.f. 1 June, 2024 and ceased to be Member of the Committee w.e.f. 8 August, 2024.






<sup>3</sup>Mr. Ajay Sood was appointed as a Member of the Committee w.e.f. 8 August, 2024

Role of Risk Management Committee includes Roles described in Part D(C) of Schedule II of the Listing Regulations.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of the Company has constituted Corporate Social Responsibility Committee comprising 3 Directors out of which 1 is an Independent Director.

During FY 2024-25, two Meetings of Corporate Social Responsibility Committee were held on 19 April, 2024 and 29 July, 2024. Relevant details regarding Corporate Social Responsibility Committee Meetings held during FY 2024-25 are given below:

Name of the Director	Designation	Meetings held during FY 2024-25	
		19 April, 2024	29 July, 2024
Mr. Sanjay Koul	Chairman	X	
Mr. Avishrant Keshava	Member		
Dr. Lakshmi Lingam	Member		

 : Present      X : Leave of Absence

### SENIOR MANAGEMENT

As per the Listing Regulations, 'Senior Management' includes personnel of the Company who are members of the core management team excluding the Board of Directors and comprises all members of the management one level below Chief Executive Officer or Managing Director or Whole-time Director or Manager and specifically includes the functional heads and Company Secretary, Chief Financial Officer and Compliance Officer.

Details regarding Senior Management Personnel of the Company are given hereunder:

Name of Senior Management Personnel	Designation	Change during the year (Yes/No)	Nature of change
Rajeev Kumar Saraswat	Sr. General Manager, Plant Operations, Jamshedpur	No	NA
Sanjay Kumar Mishra	General Manager, Plant Operations, Bharuch	No	NA
Sujit Kumar Pattanaik	Business Controller India and Chief Financial Officer	No	NA
Aditya Roy	General Manager – Sales India	No	NA
Srinivasan Sarangapani	Sr. General Manager India Supply Chain & Global Sourcing	No	NA
Harish Subramanian	General Manager HR – India	Yes	Appointed w.e.f. 16 September, 2024
Mandar Vasmatkar	Company Secretary & Chief – Compliance	No	NA
Tarun Beniwal	Section Manager – Corporate Communications	No	NA
Shesh Kumar	Head – Marketing, India	No	NA
Adi Narayan Rao	Head – Facilities & Administration	No	NA
Vamanamoorthy H	Head – CI, Strategic Projects, Sustainability & ESG	No	NA
Aakash Dubey	General Manager, Plant Operations, Bharuch	No	NA

#### REMUNERATION OF DIRECTORS FOR FY 2024-25

Except for sitting fees paid to the Independent Directors for attending Meetings of the Board / Committees thereof, the Company does not have any pecuniary relationship or transactions with Non-executive Directors.

Independent Directors of the Company were paid remuneration by way of sitting fees only. The Company paid remuneration by way of salary & allowances, perquisites (fixed components) and performance incentive (variable component) to the Chairman & Managing Director and Whole-time Director being Executive Directors on the Board of Directors of the Company, after obtaining requisite approvals. Performance incentives (variable component) were based on performance criteria laid down at the beginning of the year. Criteria for making payment to the Directors are disclosed in the Nomination and Remuneration Policy, which is available on the Company's website at <https://www.timken.com/en-in/investors/policies/>. Details of remuneration paid to Directors during FY 2024-25 are hereunder:

#### Non-Executive Directors

Name of the Director	Sitting Fees (in ₹)
Mr. George J Ollapally	9,45,000
Mr. Veerappan V	1,95,000
Mr. Ajay Sood	9,45,000
Dr. Lakshmi Lingam	8,25,000
Mr. Soumitra Hazra	6,30,000
Mr. Douglas Smith	NA
Mr. Hansal Patel	NA

*Executive Directors (In ₹)*

Name of the Director	Salary & Allowances	Perquisites	Performance Incentive
Mr. Sanjay Koul	2,91,09,522	2,23,83,883	1,36,79,364
Mr. Avishrant Keshava	86,48,610	21,08,322	16,88,040

The Company does not have Stock Options Scheme. Mr. Koul and Mr. Keshava are entitled to receive stock options of ultimate Parent Company, cost of which is included in Perquisites. Terms of appointment of the Executive Directors are governed by applicable provisions of law and such appointment is subject to termination by either party by giving three months notice unless termination at a shorter notice is mutually agreed. As per terms of appointment, none of the Executive Director is entitled to receive any severance fees.

**GENERAL BODY MEETINGS**

Location, date and time of last three AGMs:

Financial year	Location	Date	Day	Time	No. of Special Resolutions
2021-22	Timken India Limited, 39-42, Electronic City, Phase II, Hosur Road, Bangalore - 560 100. (through VC/OAVM)	23 August, 2022	Tuesday	03.00 pm	2
2022-23	Timken India Limited, 39-42, Electronic City, Phase II, Hosur Road, Bangalore - 560 100. (through VC/OAVM)	21 August, 2023	Monday	03.00 pm	2
2023-24	Timken India Limited, 39-42, Electronic City, Phase II, Hosur Road, Bangalore - 560 100. (through VC/OAVM)	19 August, 2024	Monday	03.00 pm	2

Notes: (a) No resolution was required to be passed in FY 2024-25 through Postal Ballot.

(b) Two special resolutions were passed during FY 2024-25 for re-appointment of Mr. George J Ollapally (DIN: 09607523) and appointment of Mr. Soumitra Hazra (DIN: 02293182) as Independent Directors of the Company.

**MEANS OF COMMUNICATION**

Quarterly financial results of the Company were communicated through newspaper insertions and intimation to the Stock Exchanges and are also displayed on Company's website at <https://www.timken.com/en-in/investors/financial-report/>. Quarterly financial results were published in Financial Express (English) and Prajavani (Kannada).

**GENERAL SHAREHOLDERS INFORMATION**

1	AGM	Tuesday, 19 August, 2025 at 3.00 PM through VC/OAVM	
2	Financial Year	1 April, 2024 to 31 March, 2025	
3	Dividend Payment Date	Within 30 days from declaration at the AGM	
4	Stock Exchanges where Shares are listed and Listing Fees	Equity Shares of the Company are presently listed on the following Stock Exchanges:	
		National Stock Exchange of India Limited "Exchange Plaza" Bandra Kurla Complex Bandra (E), Mumbai - 400 051	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001
		The Company has paid annual listing fees to the above Stock Exchanges for FY 2025-26.	

5	Compliance Officer	Mr. Mandar Vasmatkar				
6	Registrar & Share Transfer Agent	CB Management Services Private Limited SEBI Registration Number : INR000003324				
7	Investor Relations Correspondence	Company Secretary & Chief - Compliance Timken India Limited 39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100 Tel. No. 080 - 41362000 e-mail: <a href="mailto:tilinvestor@timken.com">tilinvestor@timken.com</a>			Registrar & Share Transfer Agent CB Management Services Private Limited Rasoi Court, 5th floor, 20, Sir R N Mukherjee Road, Kolkata-700001 Tel No. 033-6906 6200 e-mail: <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a>	
8	Promoter / Non-promoter shareholding as on 31 March, 2025	Promoter : Timken Singapore Pte Limited : 51.05% Non-promoter Public Shareholding : 48.95% Detailed shareholding pattern for every quarter is available on the website of the Company at <a href="https://www.timken.com/en-in/investors/statutory-compliances/">https://www.timken.com/en-in/investors/statutory-compliances/</a> .				
9	Distribution of Shareholding	The distribution of shareholding as on 31 March, 2025 is given below:				
		Range (Shares)	No. of Shares	No. of Folios	% (Shares)	% (Folios)
		1 – 5000	6050030	78049	8.0432	99.6591
		5001 – 10000	498853	66	0.6632	0.0843
		10001 – 20000	765949	53	1.0182	0.0677
		20001 – 30000	423987	17	0.5636	0.0217
		30001 – 40000	356486	10	0.4739	0.0127
		40001 – 50000	380282	8	0.5055	0.0102
		50001 – 100000	2810757	40	3.7368	0.0510
		100001 - 500000	14401670	61	19.1463	0.0778
		50001 - 100000	4057299	6	5.3940	0.0076
		100001 and above	45473421	6	60.4549	0.0076
10	Securities are suspended from trading	Not Applicable				
11	Share Transfer System	It may please be noted that transfer of shares held in physical form has been discontinued as per SEBI guidelines. Requests for registration of transmission of shares, name deletion, name correction, issuance of duplicate share certificates for shares held in physical form were processed periodically. The Stakeholders Relationship Committee is delegated with power to approve these requests. As per SEBI Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/ 2022/8 dated 25 January, 2022, the Company is issuing “Letter of Confirmation” in lieu of physical share certificates corresponding to requests received from Shareholders pertaining to transmission, transposition, issue of duplicate securities certificates etc.				
12	Dematerialisation of Shares and liquidity	The Company has arrangements with National Securities Depositories Limited (‘NSDL’) as well as Central Depository Services (India) Limited (‘CDSL’) for Demat facility. As on 31 March, 2025, 99% of the Company’s Equity Share Capital is dematerialized.				



13	Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	Not applicable
14	Commodity price risk or foreign exchange risk and hedging activities	<p>The Risk Management Committee of the Board oversees various risks which may impact business of the Company which <i>inter-alia</i> includes financial risk, cyber security risk, etc. The Company has adopted ISO: 31000 as a reference and developed its enterprise risk management system around framework and principles of ISO: 31000.</p> <p>For detailed comments on commodity risk and foreign currency risk, please refer Note No. 39A to Financial Statements.</p>
15	Plant locations	<p>The Company's Plants are located at :</p> <p>Jharkhand : Bara, P.O. Agrico, Jamshedpur - 831 009</p> <p>Gujarat : Plot no 109A, 109B, 1BC, Narmadanagar, Bharuch - 392015</p>

## DISCLOSURES :

### Related Party Transactions

There was no materially significant related party transaction that may have potential conflict with the interest of the Company at large during FY 2024-25. Senior management personnel have declared that during FY 2024-25, the Company did not enter into transaction in which they had personal interest. Details of all material related party transactions are disclosed separately in the Annual Report (Refer Annexure - III to Board's Report). Policy on dealing with related party transactions is disclosed on the website of the Company and can be seen at <https://www.timken.com/en-in/investors/policies/>.

### Non-compliance details

No penalty or strictures has been imposed on the Company by Stock Exchanges and SEBI during the last three years. Details of fines/penalties imposed by tax authorities and actions taken thereon are disclosed in Integrated Filings (Governance).

### Vigil Mechanism/Whistle Blower Policy

Code of conduct, the Standards of Business Ethics Policy, is a framework for Turning Ethics into Action. This means that each associate must uphold the four principles namely honesty, fairness, respect and integrity, which define our core value of ethics and integrity. Associates at all levels must act according to the principles set forth in our code of conduct, the Standards of Business Ethics Policy. To protect values and reputation, the Company encourages to speak up if something just doesn't seem right or when there is a question. It enables us to better uphold our values and fulfill our commitments to one another, our shareholders, customers, suppliers and the global community. The Vigil Mechanism/Whistle Blower Policy of the Company is disclosed on the Company's website at <https://www.timken.com/en-in/investors/policies/>.

Vigil Mechanism/Whistle Blower Policy enables associates, business partners of the Company to raise and resolve their concern or question. The Company follows Open Door Policy which encourages associates to ask questions and report concerns. When associates have a question or concern, they can speak with a supervisor or manager with whom they feel comfortable. The Company understands that there may be times when associates might be reluctant to discuss concerns or questions with supervisor or another individual inside the Company. For this reason, the Timken HelpLine has been established and is available online and via telephone. The Timken HelpLine is answered by an external third party who receives your questions and concerns and forwards the information to a representative of the Company who will then conduct an independent investigation. Reports made to the Timken HelpLine are not traced or recorded. Reports to Timken Helpline can be made anonymous without disclosing name or identity. The Company investigates all reports promptly, thoroughly and fairly and takes action when appropriate. The Company expects the complainant to participate in investigations if required but safeguards confidentiality both during and after the investigation. The Company does not tolerate acts of retaliation against anyone who makes report in good faith. Further, a report can also made to the Chairman of the Audit Committee. The Company affirms that no personnel was denied access to the Audit Committee.

### Certificate from Company Secretary in Practice

The Company has received a Certificate from Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such authority and same is available on the Company's website at <https://www.timken.com/en-in/investors/statutory-compliances/>.

### Sexual Harassment Complaints

The Company does not tolerate any discrimination, sexual harassment or any other harassment whether engaged in by management or associates or other individual with whom associates come into contact during work. The Company has adopted Anti-Sexual Harassment Policy in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which is available on the website of the Company at <https://www.timken.com/en-in/investors/policies/>. The Company has constituted Internal Committee to redress complaints received regarding sexual harassment as required by aforesaid Act. During the year under review, the Company has not received any sexual harassment complaint.

### Credit Rating

During the year under review, no credit rating was required to be obtained by the Company.

### Utilization of Funds

Disclosure requirements regarding utilization of fund were not applicable as the Company has not received any fund through Preferential Allotment or Qualified Institutional Placements.

### Auditors Fees

Total fees paid to Statutory Auditors during the year is disclosed in the Annual Report separately (Refer note no. 32 to Financial Statements).

### Material Subsidiary

The Company does not have any subsidiary company and therefore, policy for determining material subsidiaries is not applicable.

### Disclosure relating to loans and advances

During FY 2024-25, the Company has not given loans and advances to firms/companies in which any Directors of the Company are interested.

### Disclosures with respect to Suspense Escrow Demat Account

The Company has opened a Suspense Escrow Demat Account to credit shares in physical folios to aforesaid account in case of non-receipt of demat request from the securities holder/claimant within 120 days of the date of Letter of Confirmation. Details of number of shares transferred to the said account during the year are provided hereunder:

Opening balance in Suspense Escrow Demat Account as on 1 April, 2024		Additions to Suspense Escrow Demat Account during FY 2024-25		Shares transferred from Suspense Escrow Demat Account during FY 2024-25		Closing balance in Suspense Escrow Demat Account as on 31 March, 2025	
No. of shareholders	No. of shares	No. of shareholders	No. of shares	No. of shareholders	No. of shares	No. of shareholders	No. of shares
4	354	8	1116	7	812	5	658

Voting rights for aforesaid shares shall remain frozen till rightful owner claims such shares.

### Disclosure of certain types of agreements binding listing entities

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

### Compliance Requirement of Corporate Governance Report

Compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of Listing Regulations has been disclosed in this report. The Company has complied with the mandatory requirements in terms of Regulation 27 and Schedule V(C) of Listing Regulations. The status on compliance with non-mandatory requirements is as below:

- Chairman of the Board of Directors is an Executive Director under the designation of Chairman & Managing Director.

- Quarterly/Half-yearly Financial Results are not currently sent to each of the household of Shareholders but are published in terms of Regulation 47(3) of Listing Regulations in certain newspapers and also sent to the Stock Exchanges. Besides, all the quarterly/half-yearly/annual financial results are published on the Company's website.
- The Independent Auditor's Report on the Company's Financial Statements for FY 2024-25 does not contain any qualification.
- KPMG Assurance and Consulting Services LLP acted as the Internal Auditors for FY 2024-25 and during the tenure they reported to the Audit Committee of the Board.
- A Meeting of Independent Directors was held on 10 February, 2025 during FY 2024-25.

During FY 2024-25, the Company has complied with applicable compliance norms relating to Corporate Governance.

For and on behalf of the Board of Directors

Date: 4 July, 2025  
Place: Bengaluru

*Sd/-*  
**Sanjay Koul**  
Chairman & Managing Director  
DIN: 05159352

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No : L29130KA1996PLC048230  
 Name of the Company : TIMKEN INDIA LIMITED  
 Authorised Capital : INR 113,00,00,000  
 Paid up Capital : INR 75,21,87,340

**To**

**The Members of Timken India Limited,**

I have examined all the relevant records of **Timken India Limited** for the purpose of certifying compliance of Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (hereinafter collectively referred to as "Listing Regulations") for the financial year ended March 31, 2025. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to a review of procedure and implementation process adopted by the Company for ensuring the compliance of corporate governance requirements.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me and the representations made by the Directors and the management, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Listing Regulations.

As regards to Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C and E.

*Sd/-*

Nagarjun Y G  
 Practicing Company Secretary  
 Membership No. F13541 | CP: 19301  
 Peer Review Certificate No.: 1466/2021  
 Place: Bangalore  
 Date: May 23, 2025  
 UDIN: F013541G000417186

### Declaration in terms of Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

#### Code of Conduct

This is to confirm that the Company has adopted Business Ethics Policy - Code of Conduct for its employees and Members of the Board of Directors. This Code is posted on Company's website.

I confirm that Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31 March, 2025.

For the purpose of this declaration, Senior Management Personnel means Senior Management as defined under Listing Regulations.

For and on behalf of the Board of Directors

Date: 4 July, 2025  
 Place: Bengaluru

*Sd/-*  
**Sanjay Koul**  
 Chairman & Managing Director  
 DIN: 05159352

## Form No. MR-3

**SECRETARIAL AUDIT REPORT**

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**For the Financial Year Ended March 31, 2025**

To,  
The Members of  
**TIMKEN INDIA LIMITED**  
39-42, Electronic City, Phase II, Hosur Road,  
Bengaluru - 560100

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Timken India Limited** ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2025, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. There was no External Commercial Borrowing, Overseas Direct Investment by the Company during the period under review.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period)**.
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. **(Not Applicable to the Company during the Audit Period)**.
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)**.
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)**.
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)** and
  - i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. Other laws applicable specifically to the Company namely:
  - a. The Environment Protection Act, 1986
  - b. The Water (Prevention & Control of Pollution) Act, 1974
  - c. The Air (Prevention & Control of Pollution) Act, 1981

- d. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- e. The Competition Act, 2002
- f. The Indian Contract Act, 1872
- g. The Sales of Goods Act, 1930
- h. Legal Metrology Act, 2009
- i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.
- ii. Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except the following:

1. *"As per Rule 3(5) of the Companies (Accounts) Rules 2014, it is mandated that the backup of the company's books of account and other relevant documents maintained in electronic format, including those stored outside India, must be stored on servers physically located within India on a daily basis. The company has not maintained backup of books of accounts on daily basis in electronic mode in a server physically located in India. (Refer Note 43 to the financial statements).*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

We further report that Risk Management Committee of the Board of Directors is empowered to monitor compliances applicable to the Company and there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.,

For **V. SREEDHARAN & ASSOCIATES**  
Company Secretaries

Sd/-

**(V Sreedharan)**

Partner

FCS: 2347; CP No. 833

Place: Bengaluru

Date: 23 May, 2025

UDIN: F002347G000417146

Peer Review Certificate No. 5543/2024

This report is to be read with our letter of even date which is annexed as '**Annexure -1**' and forms an integral part of this report.

**Annexure –1**

To,  
The Members of  
**TIMKEN INDIA LIMITED**  
39-42, Electronic City, Phase II, Hosur Road,  
Bengaluru - 560100

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **V. SREEDHARAN & ASSOCIATES**  
Company Secretaries

Sd/-  
**(V Sreedharan)**  
Partner  
FCS: 2347; CP No. 833

Place: Bengaluru  
Date: 23 May, 2025  
UDIN: F002347G000417146  
Peer Review Certificate No. 5543/2024



## Annexure – III

## FORM NO. AOC - 2

(Pursuant to clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis					
During FY 2024-25, there were no contracts or arrangements or transactions entered into by the Company which were not on arm's length basis.					
2. Details of material* contracts or arrangement or transactions at arm's length basis					
Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions - (Value in ₹ / Millions)	Duration of contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/ Shareholders, if any	Amount paid as advances, if any
The Timken Corporation (Fellow Subsidiary)	Purchase of Goods	- 1,458.12	Based on Transfer Pricing guidelines/ market rates	Board Approval: 9 May, 2024 Shareholders' Approval: 19 August, 2024	Not applicable
	Sale of Goods	- 2,769.77			
	Purchase of Property, Plant & Equipment	- 15.33			
	Agency Commission (Income)-	12.87			
	Expense Receivable	- 3.55			
The Timken Company (Ultimate Holding Company)	Purchase of Goods	- 526.97		Board Approval: 9 May, 2024 Shareholders' Approval: 19 August, 2024	Not applicable
	Sale of Goods	- 1,352.65			
	Expense Receivable	- 3.84			
	Expense Payable	- 219.33			
	Agency Commission (Income)-	3.69			
	Purchase of Property, Plant & Equipment	- 0.79			
	Royalty	- 808.16			
Timken Engineering and Research-India Pvt. Ltd (Fellow Subsidiary)	Expense Receivable	- 44.15		Board Approval: 9 May, 2024 Shareholders' Approval: 19 August, 2024	Not applicable
	Expense Payable	- 123.46			
	Purchase of Goods	- 1,577.04			
	Sale of Goods	- 201.64			
	Purchase of Property, Plant & Equipment	- 12.44			
Purchase of Export Licenses	- 1.07				
Timken Wuxi Bearings Co. Ltd. (Fellow Subsidiary)	Purchase of Goods	- 3,728.24		Board Approval: 9 May, 2024 Shareholders' Approval: 19 August, 2024	Not applicable
	Sale of Goods	- 26.92			
	Expense Receivable	- 0.38			
	Purchase of Property, Plant & Equipment	- 0.28			

**\*Note:** Transaction with a related party is considered material as per definition given under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

Sd/-  
**Sanjay Koul**  
Chairman & Managing Director  
DIN: 05159352

Date: 4 July, 2025  
Place: Bengaluru

**Annual Report on Corporate Social Responsibility ('CSR') activities for FY 2024-25**

1.	Brief outline on CSR Policy of the Company		<p>Timken makes the world a better place through a combination of volunteer efforts, community leadership and financial support. The Company's CSR vision includes (i) consult with local communities to identify needs (ii) partnering with organizations of repute including NGOs, educational institutions and (iii) continuously endeavor to find out ways to bring a stronger community.</p> <p>The Company wishes to focus on programs and agencies that (i) promote lifelong learning through education; (ii) work collaboratively to deliver health and human services; and (iii) foster innovative ways to build a strong community. In terms of the CSR Policy, the Company is willing to take any activity covered under Schedule VII of the Act for CSR expenditure. However, the Company focuses primarily on two broad areas namely promotion of education including enhancing vocational skills and preventive healthcare.</p>		
2.	Composition of CSR Committee during FY 2024-25:				
	Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
	1.	Mr. Sanjay Koul	Chairman/ Managing Director	2	1
	2.	Mr. Avishrant Keshava	Member/ Whole-time Director		2
	3.	Dr. Lakshmi Lingam	Member/ Independent Director		2
3.	Web-links where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company			<b>CSR Committee Composition:</b> <a href="https://www.timken.com/en-in/investors/">https://www.timken.com/en-in/investors/</a> <b>CSR Policy:</b> <a href="https://www.timken.com/en-in/investors/policies/">https://www.timken.com/en-in/investors/policies/</a> <b>CSR Projects approved by the Board</b> <a href="https://www.timken.com/en-in/investors/statutory-compliances/">https://www.timken.com/en-in/investors/statutory-compliances/</a>	
4.	Details of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)			Not Applicable	
5.	(a)	Average net profit of the Company as per sub-section (5) of Section 135 of the Companies Act, 2013		Rs. 4,94,74,95,140/-	
	(b)	Two percent of average net profit of the Company as per sub-section (5) of Section 135 of the Companies Act, 2013		Rs. 9,89,49,903/-	
	(c)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years		Nil	
	(d)	Amount required to be set off for FY 2024-25, if any		Nil	
	(e)	Total CSR obligation for FY 2024-25 (b+c-d)		Rs. 9,89,49,903/-	
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)		Rs 3,98,65,398/-	
	(b)	Amount spent in Administrative Overheads		Rs. 4,92,244/-	
	(c)	Amount spent on Impact Assessment, if applicable		Nil	
	(d)	Total amount spent for FY 2024-25 [(a)+(b)+(c)]		Rs. 4,03,57,642/-	

(e)	CSR amount spent or unspent for the current financial year:							
	Total Amount Spent in FY 2024-25 (in ₹)	Amount Unspent in FY 2024-25						
		Total amount transferred to Unspent CSR Account as per sub-section 6 of section 135			Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of section 135			
		Amount (in ₹)	Date of transfer		Amount (in ₹)	Date of transfer		
	4,03,57,642	5,91,17,048		17 April, 2025		Nil		
(f)	Excess amount for set-off, if any			Nil				
Sl. No.	Particulars			Amounts (in ₹)				
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135			9,89,49,903				
(ii)	Total amount spent in FY 2024-25			4,03,57,642				
(iii)	Amount transferred to Unspent CSR Account			5,91,17,048				
(iv)	Excess amount spent for the financial year			5,24,787				
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any			Nil				
(v)	Amount available for set off in succeeding Financial Years			5,24,787				
7.	Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:							
1	2	3	4	5	6		7	8
Sl. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under subsection (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount Spent in FY 2024-25 (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	2023-24	3,09,87,635	Nil	3,09,87,635	Nil	Nil	Nil	Nil
2.	2022-23	2,46,63,101	Nil	Nil	Nil	Nil	Nil	Nil
3.	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8.	Whether any capital assets have been created or acquired in the name of Company through Corporate Social Responsibility amount spent in the Financial Year			No				
9.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135			Not Applicable				

For and on behalf of the Board of Directors

Sd/-

**Sanjay Koul**Chairman & Managing Director  
(Chairman – CSR Committee)

DIN: 05159352

Date: 4 July, 2025

Place: Bengaluru

**Ratio of Remuneration**

**Details as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:**

(i) the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2024-25;	Employee to CMD* Ratio: 38.7 Employee to WTD* Ratio: 11.6 Independent Directors are paid only sitting fees. Non-executive Directors are not paid any remuneration.
(ii) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY 2024-25;	5.5%-8%
(iii) the percentage increase in median remuneration of employees in FY 2024-25;	7.61%
(iv) the number of permanent employees on the rolls of Company;	1,282 as on 31 March, 2025 (including Union & Salaried Operators)
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in FY 2024-25 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	7% There have been no exceptions made, all hikes were made as per the Company's Remuneration Policy.
(vi) Affirmation that the remuneration is as per Nomination and Remuneration policy of the Company.	Yes

\*CMD: Chairman & Managing Director

\*WTD: Whole-time Director

For and on behalf of the Board of Directors

Date: 4 July, 2025

Place: Bengaluru

Sd/-  
**Sanjay Koul**  
Chairman & Managing Director  
DIN: 05159352

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO****A. CONSERVATION OF ENERGY**

Energy efficiency and adoption of renewable energy is a key lever for us to lower Scope 2 GHG emissions. Initiatives on energy efficiency improvement projects and green energy adoption help us to manage and optimize energy consumption across operations, resulting in lower operational costs. Our manufacturing plants are compliant and certified with Energy Management System (ISO 50001:2018).

Many energy saving strategies are undertaken at the plants/office's with below approach.

- Assessment
- Implementation
- Monitoring & Continuous Improvement

We are building climate resilience through innovative designs with more recycled materials, continuous process improvements, improved energy efficient processes and focused approach on GHG emission reductions. Our target is to reduce our aggregate Scope 1 and 2 GHG emissions intensity by 50% by 2030 (with base line year 2018). This covers direct emissions from our operations, and indirect emissions from purchased energy. We continue to track GHG emissions and take necessary actions to reduce the same.

**1. Steps taken/impact on conservation of energy:**

Both Plants at Jamshedpur and Bharuch are following ISO 50001 - Energy Management System and below are few energy conservation initiatives taken at Jamshedpur and Bharuch Plant during FY 2024-25:

**a) JAMSHEDPUR:**

- RHF 04- PLC with Thyristor upgradation for heating control
- Replacement of conventional fans with BLDC fans
- Replacement of continuous duty IE1 & IE2 motors with high efficiency IE#4 motors
- Elimination of Coolant Chiller with Keller Filter for Spindles
- Maintain power factor above 0.995 by regular monitoring and controls

**b) BHARUCH:**

- Replaced MS compressed airline by Aluminum profile lines to reduce compressed air consumption
- Replaced old 22KV Incoming HT fuse system by HTMC system to reduce diesel consumption of DG sets
- Improved power factor above 0.995 through regular monitoring and controls
- Replaced older air conditioner with 4-star rated devices in conference and production area
- Centralized Air compressor area for better control of pneumatic energy

**2. Steps taken by the Company for utilizing alternate sources of energy:****a) JAMSHEDPUR:**

Jamshedpur plant is fully utilizing its roof top solar panels with a capacity of 1267 KWP. Additional 2248 KWP installation is ongoing & there are further plans to enhance solar power panels capacity in near future.

**b) BHARUCH:**

Bharuch plant is fully utilizing its roof top panels with a capacity of 1000 KWP and there are further plans to enhance this by wind-solar hybrid power purchase model.

**3. Capital investment on energy conservation equipments:**

The Company has invested ₹ 9.7 crores during FY 2024-25 on energy conservation projects.

**B. TECHNOLOGY ABSORPTION****1. Efforts made towards technology absorption**

Following efforts were made for technology absorption:

**a) JAMSHEDPUR:**

- Auto loading and unloading done in Y12 Gardner
- FPS system installed in Utility and warehouse
- Replaced three nos. obsolete mechanical spindle with electric spindle
- Machine Guarding & Mist Controller - 43 machines
- Obsolete PLC upgraded in RHF-1 and RHF-2
- Line connectivity for material movement in X1/X2/X3
- Wet Scrubber installed in RHF4-RHF-5 & Main Chimney

**b) BHARUCH:**

- Installation of new digital gauging systems in grinding and assembly
- Upgraded machines with latest servo systems
- Installation of wireless machine monitoring system
- Replaced conventional hydraulic press by new servo press
- Introduced auto post process gauging system for cone bore checking in assembly

**2. Benefits derived from technology absorption:**

Technology absorption over the years has helped the Company to develop new part numbers and to manufacture products in time efficient manner.

**3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year: a) Details of technology imported. b) Year of import c) Whether the technology been fully absorbed d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof:**

The Timken Company, ultimate Parent Company of our Company, conducts research and development activities and focuses on development of new products and technologies. The Timken Company passes on newly developed products and technologies to all its group companies in the world from time to time.

Our Company has received technology from The Timken Company from time to time starting from FY 1991 -92 mainly in the areas of machining, heat treatment and finishing to make further improvements in the manufacturing process, product quality and production output and related activities for manufacturing of bearings and components. This is a continuous process.

**4. Expenditure incurred on Research and Development: Nil****C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	FY 2024-25 (₹/Million)	FY 2023-24 (₹/Million)
Foreign Exchange Earnings	5,936.22	6,010.20
Foreign Exchange Outgo	10,262.76	8,748.26

For and on behalf of the Board of Directors

Sd/-

**Sanjay Koul**

Chairman & Managing Director

DIN: 05159352

Date: 4 July, 2025

Place: Bengaluru

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Timken India Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Timken India Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p><b>Capital work-in-progress (CWIP)</b></p> <p>The Company had embarked on capacity augmentation / expansion projects at its multiple plant locations in line with approved business plans. Assets acquired which were yet to be capitalized i.e., Capital work-in-progress amounted to Rs. 5,916.58 million; additions to Property, Plant and Equipment (PPE) under these projects during the year amounted to Rs. 422.53 million and capital advances as at March 31, 2025 amounted to Rs. 297.12 million.</p> <p>Given the nature and size of the aforesaid expansion projects, the underlying assets acquired (including Capital Advances given) require substantial time to meet the criteria for capitalization. The assets are capitalized and depreciated once the assets are ready for use as intended by the management. Inappropriate timing of capitalization of the project, inappropriate useful life and/or inappropriate classification as PPE could result in material misstatement of capital work-in-progress/ PPE balances with a consequential impact on depreciation charge and results for the year.</p> <p>Accordingly, we have considered this as a key audit matter.</p> <p>Refer Note 2.7.1 for the accounting policy</p>	<p>Principal audit procedures performed included the following:</p> <p>We tested the design, implementation and operating effectiveness of controls in respect of review of capital work in progress, particularly in respect of timing of the capitalization and recording of additions to items of PPE with source documentation.</p> <p>We tested details of the assets capitalized under PPE during the year and those classified as capital work in progress on a sample basis to source documentation to determine whether the expenditure is of a capital nature and has been appropriately approved. For the assets capitalized during the year, we verified the basis considered by the management to determine useful life of each PPE.</p> <p>Our tests included validating the appropriateness of the cut-off date considered for project capitalization based on discussions with the project personnel and corroborative evidence obtained during the audit.</p>



### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Board's report but does not include the financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the remaining sections of the Annual report, which is expected to be made available to us after that date.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information that we obtained prior to the date of auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- When we read the remaining sections of annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

### Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

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 financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 financial statements.

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 financial controls 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the back-up of books of account maintained in electronic mode were not maintained on servers physically located in India on a daily basis (refer Note 43 to the financial statements).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 34 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 42(e) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 42(f) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- As stated in note 16(c) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-

**Ankit Daga**

Partner

(Membership No. 512486)

(UDIN : 25512486BMOZQC2470)

Bangalore, May 23, 2025

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to financial statements of Timken India Limited ("the Company") as at March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

*Sd/-*

**Ankit Daga**

Partner

(Membership No. 512486)

(UDIN : 25512486BMOZQC2470)

Bangalore, May 23, 2025

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of verification of property, plant and equipment, capital work-in-progress, investment properties and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in progress and investment property are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties, written confirmations have been obtained during the year and in respect of goods in transit at the year-end, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has granted unsecured loans during the year to other parties (employees).
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.
  - (b) In our opinion, the terms and conditions of the grant of loans, during the year to employees are, prima facie, not prejudicial to the Company's interest.
  - (c) In respect of loans granted to employees, the schedule of repayment of principal has been stipulated and the repayment of principal amounts are regular as per stipulation. The Loans granted to employees are interest free.
  - (d) According to the information and explanations given to us and based on the audit procedures performed, in respect of loans granted to employees, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - (f) According to the information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans. The Company has not made any investment or provided any guarantee or security.

- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities during the year. As explained to us by the Management, there were no dues payable in respect of Sales Tax, Service Tax, duty of Excise and Value Added tax during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2025, for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025, on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in million)	Amount Unpaid (Rs. in million)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	FY 2002-03, 2017-18	25.11	21.61
		Income Tax Appellate Tribunal	FY 2016-17, 2019-20, 2020-21	476.70	455.20
Various State	Various Sales Tax	Various Appellate Authorities	2005-06, 2014-15	5.95	5.40
Various State Tax Acts	Various Sales Tax	Deputy Commissioner Appeals	2009-10 to 2015-16	20.81	13.53
Finance Act, 1994	Service Tax	Central Excise and Service Tax Appellate Tribunal	2013-14, 2015-16	10.96	10.26
Goods & Service Tax, 2017	Goods & Service Tax	Commissioner Appeals	2017-18	13.80	12.42
		Commissioner Appeals	Jul-17 to Oct-21	81.92	73.72
		Commissioner Appeals	2017-18 to 2020-21, 2022-23	42.29	38.13
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	Jharkhand High Court, Ranchi	March 2018	1,035.53	1,035.53

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) The Company has not raised any funds on short-term basis and hence, reporting under clause (ix)(d) of the Order is not applicable.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.



- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and the draft of the internal audit reports issued after the balance sheet date for the period under audit.
- (viii) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any core investment company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-

**Ankit Daga**

Partner

(Membership No. 512486)

(UDIN : 25512486BMOZQC2470)

Bangalore, May 23, 2025

**BALANCE SHEET**

₹ in million

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	3	4,648.79	4,990.46
(b) Right-of-use assets	4	1,125.55	1,177.32
(c) Capital work-in-progress	5	5,916.58	1,041.28
(d) Investment Property	6	96.23	98.42
(e) Goodwill	7	1,813.11	1,813.11
(f) Other Intangible assets	8	402.71	449.75
(g) Financial assets			
(i) Investments	9 A	0.30	0.30
(ii) Loans	10 A	0.60	0.65
(iii) Other financial assets	11 A	218.11	162.11
(h) Non-current tax assets (net)		138.12	204.01
(i) Other non-current assets	12 A	367.72	1,450.93
<b>Total non-current assets</b>		<b>14,727.82</b>	<b>11,388.34</b>
<b>2 Current assets</b>			
(a) Inventories	13	6,446.61	6,666.86
(b) Financial assets			
(i) Investments	9 B	1,171.00	1,604.91
(ii) Trade receivables	14	6,998.24	6,519.49
(iii) Cash & Cash equivalents	15 A	3,943.49	3,282.09
(iv) Bank balances other than cash & cash equivalents mentioned above	15 B	31.27	31.52
(v) Loans	10 B	1.27	1.26
(vi) Other financial assets	11 B	145.92	102.38
(c) Other current assets	12 B	787.94	278.95
<b>Total current assets</b>		<b>19,525.74</b>	<b>18,487.46</b>
<b>Total Assets</b>		<b>34,253.56</b>	<b>29,875.80</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	752.19	752.19
(b) Other equity	17	27,696.46	23,420.45
<b>Equity attributable to owners of the Company</b>		<b>28,448.65</b>	<b>24,172.64</b>
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	18	136.95	165.31
(ii) Other financial liabilities	24 A	2.40	2.40
(b) Provisions	19 A	100.94	479.76
(c) Deferred tax liabilities (Net)	20 A	209.76	225.93
(d) Other non-current liabilities	21 A	237.68	97.80
<b>2 Total non-current liabilities</b>		<b>687.73</b>	<b>971.20</b>
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	-	60.43
(ii) Lease liabilities	18	29.22	27.88
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		460.59	366.47
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,509.49	3,490.81
(iv) Other financial liabilities	24 B	646.88	196.14
(b) Other current liabilities	21 B	86.83	158.60
(c) Provisions	19 B	77.33	86.30
(d) Current tax liabilities (net)	25	306.84	345.33
<b>Total current liabilities</b>		<b>5,117.18</b>	<b>4,731.96</b>
<b>Total Liabilities</b>		<b>5,804.91</b>	<b>5,703.16</b>
<b>Total Equity and Liabilities</b>		<b>34,253.56</b>	<b>29,875.80</b>

See accompanying notes forming part of the Financial Statements

As per our report of even date

**For Deloitte Haskins & Sells LLP**Chartered Accountants  
(Firm's Registration No. 117366W/W – 100018)**Ankit Daga**Partner  
Membership No. 512486  
Bengaluru, May 23, 2025

For and on behalf of the Board of Directors of Timken India Limited

**Sanjay Koul**Chairman & Managing Director  
DIN: 05159352**Avishrant Keshava**Whole-time Director  
DIN: 07292484**Sujit Kumar Pattanaik**Business Controller - India &  
CFO**Mandar Vasmatkar**Company Secretary & Chief - Compliance  
Bengaluru, May 23, 2025

## STATEMENT OF PROFIT AND LOSS

₹ in million

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income</b>			
Revenue from Operations	26	<b>31,478.10</b>	29,095.41
Other Income	27	<b>501.81</b>	407.65
<b>I. Total Income</b>		<b>31,979.91</b>	29,503.06
<b>Expenses</b>			
Cost of materials consumed		<b>9,571.98</b>	9,051.64
Purchases of Stock-in-Trade		<b>9,012.76</b>	8,971.99
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	28	<b>419.19</b>	(857.41)
Employee benefits expenses	29	<b>1,700.23</b>	1,639.53
Finance costs	30	<b>42.89</b>	37.89
Depreciation and amortisation expenses	31	<b>847.70</b>	851.68
Other expenses	32	<b>4,857.87</b>	4,565.60
<b>II. Total Expenses</b>		<b>26,452.62</b>	24,260.92
<b>III. Profit before tax (I-II)</b>		<b>5,527.29</b>	5,242.14
<b>Tax expenses:</b>			
(i) Current tax (includes reversal relating to earlier years)		<b>1,069.60</b>	1,358.65
(ii) Deferred tax		<b>(16.17)</b>	(37.93)
<b>IV. Total Tax Expenses</b>	20 B	<b>1,053.43</b>	1,320.72
<b>V. Profit for the year (III - IV)</b>		<b>4,473.86</b>	3,921.42
<b>Other Comprehensive Income</b>			
Items that will not to be reclassified to profit or loss:			
(i) Re-measurement gains/ (losses) on defined benefit plans		<b>(13.14)</b>	(10.23)
(ii) Income tax (losses)/gains effect on above		<b>3.31</b>	2.57
<b>VI. Other comprehensive income / (loss) for the year, net of tax</b>		<b>(9.83)</b>	(7.66)
<b>VII. Total Comprehensive Income for the year (V + VI)</b>		<b>4,464.03</b>	3,913.76
<b>VIII. Earnings per equity share (₹ 10 each) in INR: Basic &amp; Diluted</b>	33	<b>59.48</b>	52.13

See accompanying notes forming part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Timken India Limited

**For Deloitte Haskins & Sells LLP**Chartered Accountants  
(Firm's Registration No. 117366W/W – 100018)**Ankit Daga**Partner  
Membership No. 512486  
Bengaluru, May 23, 2025**Sanjay Koul**Chairman & Managing Director  
DIN: 05159352**Sujit Kumar Pattanaik**Business Controller - India &  
CFO**Avishrant Keshava**Whole-time Director  
DIN: 07292484**Mandar Vasmatkar**Company Secretary & Chief - Compliance  
Bengaluru, May 23, 2025

## STATEMENT OF CHANGES IN EQUITY

## A) Equity Share Capital (Refer note 16)

	Subscribed and Fully Paid-up		Subscribed and partly paid-up		Total Equity share capital
	No. of Shares	Amount (₹ in million)	No. of Shares	Amount (₹ in million)	Amount (₹ in million)
<b>As at April 1, 2023</b>	<b>75,218,734</b>	<b>752.19</b>	-	-	<b>752.19</b>
Changes in equity share capital during the year	-	-	-	-	-
<b>As at March 31, 2024</b>	<b>75,218,734</b>	<b>752.19</b>	-	-	<b>752.19</b>
Changes in equity share capital during the year	-	-	-	-	-
<b>As at March 31, 2025</b>	<b>75,218,734</b>	<b>752.19</b>	-	-	<b>752.19</b>

## B) Other Equity (Refer note 17)

₹ in million

	Reserves and Surplus			Total
	Capital Redemption Reserve	Securities Premium	Retained earnings	
<b>Balance as at April 1, 2023 (a)</b>	<b>260.00</b>	<b>5,348.67</b>	<b>14,010.86</b>	<b>19,619.53</b>
Profit for the year (b)	-	-	3,921.42	3,921.42
Other comprehensive income/ (loss) for the year, net of tax (c)	-	-	(7.66)	(7.66)
<b>Total comprehensive income (d) = (b+c)</b>	<b>-</b>	<b>-</b>	<b>3,913.76</b>	<b>3,913.76</b>
Equity dividend paid for the year 2022-23 (e)	-	-	(112.84)	(112.84)
<b>Balance as at March 31, 2024 (f) = (a+d+e)</b>	<b>260.00</b>	<b>5,348.67</b>	<b>17,811.78</b>	<b>23,420.45</b>
Profit for the year (g)	-	-	4,473.86	4,473.86
Other comprehensive income/ (loss) for the year, net of tax (h)	-	-	(9.83)	(9.83)
<b>Total comprehensive income (i) = (g+h)</b>	<b>-</b>	<b>-</b>	<b>4,464.03</b>	<b>4,464.03</b>
Equity dividend paid for the year 2023-24 (j)	-	-	(188.02)	(188.02)
<b>Balance as at March 31, 2025 (k) = (f+i+j)</b>	<b>260.00</b>	<b>5,348.67</b>	<b>22,087.79</b>	<b>27,696.46</b>

See accompanying notes forming part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Timken India Limited

**For Deloitte Haskins & Sells LLP**Chartered Accountants  
(Firm's Registration No. 117366W/W – 100018)**Ankit Daga**Partner  
Membership No. 512486  
Bengaluru, May 23, 2025**Sanjay Koul**Chairman & Managing Director  
DIN: 05159352**Sujit Kumar Pattanaik**Business Controller - India &  
CFO**Avishrant Keshava**Whole-time Director  
DIN: 07292484**Mandar Vasmatkar**Company Secretary & Chief - Compliance  
Bengaluru, May 23, 2025

## STATEMENT OF CASH FLOWS

₹ in million

	For the year ended March 31, 2025		For the year ended March 31, 2024	
<b>A. Cash Flow from Operating Activities :</b>				
Profit for the year		4,473.86		3,921.42
<b>Adjustments for :</b>				
Income tax expenses	1,053.43		1,320.72	
Depreciation and amortisation expenses	847.70		851.68	
Interest income	(220.49)		(145.33)	
Finance costs	42.89		37.89	
Dividend Income on current investments- Non trade	(141.93)		(167.48)	
(Profit)/Loss on disposal of Property, Plant & Equipment (Net)	(18.23)		(13.04)	
Deferred government grant income	(18.59)		(47.46)	
Unrealised foreign exchange loss / (gain)	(15.55)		1.78	
		1,529.23		1,838.76
<b>Operating profit before working capital changes</b>		6,003.09		5,760.18
<b>Changes in working capital</b>				
(Increase) / Decrease in Trade receivables	(492.02)		(742.67)	
(Increase) / Decrease in Loans, other financial assets and other assets	(586.41)		163.49	
(Increase) / Decrease in Inventories	220.25		(971.96)	
Increase / (Decrease) in Trade payables	138.24		395.67	
Increase / (Decrease) of Short term borrowings	(60.43)		(233.97)	
Increase/(Decrease) in Other financial liabilities, other liabilities & provisions	59.45		334.75	
		(720.92)		(1,054.69)
Cash generated from Operations		5,282.17		4,705.49
Direct taxes paid (net of refund)		(1,409.19)		(1,306.30)
<b>Net Cash generated from Operating Activities (A)</b>		3,872.98		3,399.19
<b>B. Cash Flow from Investing Activities :</b>				
Purchase of Property, Plant & Equipment including capital work in progress and capital advances		(3,775.48)		(2,616.54)
Proceeds from disposal of property, plant & equipment		37.51		23.20
Dividend received		141.93		167.48
Interest received		220.49		145.33
<b>Net Cash used in Investing Activities (B)</b>		(3,375.55)		(2,280.53)

## Statement of Cash Flows

(Contd.)

₹ in million

	For the year ended March 31, 2025		For the year ended March 31, 2024	
<b>C. Cash Flow from Financing Activities :</b>				
Interest paid		(42.89)		(37.89)
Repayment of lease liabilities		(42.37)		(23.00)
Dividend paid		(188.02)		(112.83)
<b>Net Cash used in Financing Activities (C)</b>		<b>(273.28)</b>		<b>(173.72)</b>
<b>Net Increase in Cash &amp; Cash equivalents (A + B + C)</b>		<b>224.15</b>		<b>944.94</b>
<b>Cash &amp; Cash equivalents - Opening Balance</b>		<b>4,887.00</b>		<b>3,942.94</b>
Effect of exchange differences on restatement of foreign currency cash & cash equivalents		<b>3.34</b>		<b>(0.88)</b>
<b>Cash &amp; Cash equivalents - Closing Balance</b>		<b>5,114.49</b>		<b>4,887.00</b>

Cash & 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 & cash equivalents included in the statement of cash flows comprises the following balance sheet amounts :

₹ in million

	As at March 31, 2025	As at March 31, 2024
Balance with banks (Refer. Note 15A)	<b>3,943.49</b>	3,282.09
Short term Investments (Refer Note 9B)	<b>1,171.00</b>	1,604.91
<b>Cash &amp; Cash equivalents</b>	<b>5,114.49</b>	<b>4,887.00</b>

Refer Note 18 for changes in lease liabilities arising from financing activities

See accompanying notes forming part of the Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Timken India Limited

**For Deloitte Haskins & Sells LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W – 100018)

**Ankit Daga**

Partner  
Membership No. 512486  
Bengaluru, May 23, 2025

**Sanjay Koul**

Chairman & Managing Director  
DIN: 05159352

**Sujit Kumar Pattanaik**

Business Controller - India &  
CFO

**Avishrant Keshava**

Whole-time Director  
DIN: 07292484

**Mandar Vasmatkar**

Company Secretary & Chief - Compliance  
Bengaluru, May 23, 2025

## Notes to financial statements as at and for the year ended March 31, 2025

### 1. CORPORATE INFORMATION

Timken India Limited ('the Company') is a public limited company incorporated on 15<sup>th</sup> June 1987 under the provisions of the erstwhile Companies Act, 1956. The Company's shares are listed in National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at 39-42, Electronics City, Phase II, Hosur Road, Bengaluru - 560 100. The Company is into manufacture, distribution and sale of anti-friction bearings primarily tapered roller bearings, other roller bearings, components, accessories, and mechanical power transmission products for diverse customer base. The Company also provides maintenance contract and refurbishment services. The Company's manufacturing plants are located at Jamshedpur in Jharkhand & Bharuch in Gujarat and distribution centers are located in various parts of the country.

These financial statements of the Company for the year ended March 31, 2025, were authorised for issue in accordance with the resolution of the Board of Directors on May 23, 2025.

### 2. BASIS OF PREPARATION AND PRESENTATION, MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.1 Statement of compliance

The financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

#### 2.2 Basis of preparation and measurement

These financial statements have been prepared on going concern and accrual basis. The accounting policies have been followed consistently across all the periods in the financial statements. All assets and liabilities are classified as current or non-current as per Company's operating cycle and other criteria defined in the Schedule III of the Companies Act, 2013. The operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of business and the time between the asset acquisition and their conversion into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of identification of current or non-current assets and liabilities.

These Ind-AS Financial Statements have been prepared on historical cost basis, except for certain financial instruments and defined benefit plans which have been measured at fair value or amortised cost at the end of each reporting period as explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### 2.3 Functional and Presentation currency

These financial statements are prepared in Indian Rupees (₹), the functional currency of the Company, which is the currency of the primary economic environment in which the Company operates (the 'functional currency').



## Notes to financial statements as at and for the year ended March 31, 2025

All amounts presented in the financial statements which also includes accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated.

### 2.4 Cash flow statement

Cash flows from operating activities is prepared using indirect method as set out in Ind-AS -7 ("Statement of Cash Flows").

### 2.5 Use of Estimates and Judgments:

The preparation of the Company's financial statements in conformity with IND AS requires management to make judgements, estimates and assumptions in application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and accompanying disclosures. Estimates and assumptions are reviewed on an ongoing basis, based on historical experience and other factors including the expectation of the future factors that are believed to be reasonable. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods affected.

Information about critical judgements, estimates and assumptions that have significant effect to the carrying amount of assets and liabilities in the financial statements are included in the following notes below:

Sl. No	Judgement, Estimates, Assumptions	Accounting Policy Reference	Note Reference
1	Estimation of useful life of tangible, intangible assets and investment property	2.7.1; 2.7.2 & 2.7.4	3,6 & 8
2	Measurement of Right -of- use assets and Lease liability	2.7.3	4 & 18
3	Measurement of defined benefit obligations and key actuarial assumptions	2.7.8	40
4	Recognition of current and deferred taxes	2.7.9	20 A, 25
5	Goodwill Impairment and future cashflow projection	-	7
6	Impairment of Trade receivables: Expected credit loss	2.7.6.1.3	14
7	Measurement and likelihood of occurrence of contingencies	-	34

### 2.6 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2025, MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind As 116 – Leases, relating to sale and lease back transactions, applicable from April 1, 2024. The Company has assessed that there is no significant impact on financial statements.

MCA notification dated May 7, 2025, has the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The company is evaluating the amendments on its financial statements and does not expect to have any significant impact.

### 2.7 MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.7.1 Property, Plant and Equipment

- All items of Property, Plant and Equipment including freehold land, are initially recorded at cost. Cost comprises the purchase price including import duties and non-refundable, purchase taxes (net of taxes credits wherever applicable), and erection / commissioning & any incidental expenses which are directly attributable in bringing the asset to its working condition for the intended use. Subsequent to initial recognition, property, plant, and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

## Notes to financial statements as at and for the year ended March 31, 2025

- Plant and Equipment acquired in a business combination are recognised at fair value at the acquisition date.
- The amount of asset related grants are added to the cost of respective asset with a corresponding recognition of deferred income in respect of Government grant (also refer accounting policy on Government grants in note 2.7.7).
- Spares which meet the definition of property, plant and equipment are capitalised as on the date of acquisition. The corresponding old spares are de-capitalised on such date with consequent impact on the statement of Profit and Loss.
- Property, Plant and Equipment not ready for its intended use at the date of Balance Sheet are disclosed as "Capital Work in progress". Such items are classified to specific sections of the Property, Plant and equipment as and when ready for its intended use.
- Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other non-current assets".
- The Company identifies and determines cost of each component of an asset separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the useful life of the principal asset.
- **Depreciation and useful lives**
  - Depreciation is charges so as to write off cost or value of assets over their estimated useful lives and are capitalised in the books of accounts, when the assets are ready for its intended use.
  - Depreciation on items of property, plant & equipment (Other than free hold land) is calculated on a straight-line basis using the rates based on the useful lives estimated by the management.
  - Estimated useful life of the assets are determined based on various technical parameters / assessments and aligned to the prescribed useful life specified under schedule II of the Companies Act, 2013. The useful economic life of buildings and plant and equipment as estimated by the management, is supported by independent assessment by professionals, are lower than those indicated in Schedule II to the Companies Act, 2013. The estimated useful lives are as below:

Block of Assets	Useful life
Factory Buildings	5 -30 Years
Furniture & Fixtures	5 -10 Years
Plant & Equipment	5 -20 Years
Computers	3 - 6 Years
Vehicles	8 Years
Office Equipment	5 Years

### 2.7.2 Investment Property

- Investment property is held to earn rentals or for capital appreciation or both (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements. Cost comprises the purchase price including purchase taxes (net of taxes credits wherever applicable), and erection / commissioning & any incidental expenses which are directly attributable in bringing the asset to its working condition for the intended use.
- Depreciation on investment property is calculated on a straight-line basis using the rates based on the useful lives estimated by the management. Estimated useful life of Building classified as investment property is 7-30 years. Depreciation is determined based on various technical parameters / assessments and aligned to the prescribed useful life specified under schedule II of the Companies Act, 2013.

## Notes to financial statements as at and for the year ended March 31, 2025

### 2.7.3 Leases and Right-of-use assets

The Company lease asset classes primarily consist of leases for land, buildings, plant and machinery, furniture & fixtures and motor vehicles. The Company, at the inception of a contract, assesses whether the contract is a lease or contain a lease.

At the date of commencement of lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it's a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less accumulated depreciation and impairment losses if any. The ROU asset is depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the discount rate implicit in the lease, if not determinable, discounted with the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

Assets or liabilities recognised under IND AS 103 (Business Combinations), relating to favorable or unfavorable terms of an operating lease, acquired during business combination, the same is derecognised and appropriate ROU and lease liability is recognised on the date of transition.

ROU and lease liability are separately presented in the Balance Sheet and lease payments have been classified as financing cashflows. The Company does not have any financial leases at the end of the reporting period.

### 2.7.4 Intangible assets

- **Intangible assets acquired separately** are carried at cost less accumulated amortisation less accumulated impairment losses if any.
- **Intangible assets acquired in a business combination:**
  - Intangible assets acquired in a business combination are recognised at fair value at the acquisition date
  - Subsequent to initial recognition, the intangible assets are reported at cost less accumulated depreciation and accumulated impairment if any
- **Amortisation :**
  - For all finite life intangibles, amortisation is charged on straight line basis over their estimated useful economic lives.
  - The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss under the heading "Depreciation and amortisation expense"
  - Estimated useful economic life of Intangibles are as follows:

Intangibles	Useful economic life (years)
Computer Software	3-7
Tradename and Trademark	15
Developed Technology	15
Customer Relationship	20

## Notes to financial statements as at and for the year ended March 31, 2025

### 2.7.5 Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and slow-moving inventory as follows:

Inventory Types	Valuation methodology
Raw materials, components, stores and spares	These are valued at lower of cost and net realisable value. Cost includes cost of purchase including duties & taxes (other than the taxes, which can be taken as input tax credit) and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work-in-progress and finished goods	These are valued at lower of cost and net realisable value. Cost includes direct materials and labour and an allocated proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Traded goods	Valued at lower of cost and net realisable value. Cost includes cost of purchase including duties & taxes (other than the taxes, which can be taken as input tax credit) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

### 2.7.6 Financial Instruments

#### 2.7.6.1 Financial Assets:

Company's financial assets broadly comprise the following:

- (a) Current financial assets: Investments, trade receivables, cash and cash equivalents, loans and advances, other short-term receivables
- (b) Non-current financial assets: Investments, loans and advances, other long-term receivables and deposits

#### 2.7.6.1.1 Initial recognition and measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Profit and loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through Profit and loss are recognised immediately in statement of profit and loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### 2.7.6.1.2 Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified into following categories:

##### (a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost, if both the below conditions are met:

1. These financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows
2. Contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these financial assets are subsequently measured using the effective interest rate (EIR) method, less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, recognised in the statement of Profit and loss. This category generally applies to trade and other receivables. For the impairment policy on financial assets measured at amortised cost, refer note no 2.7.6.1.3

## Notes to financial statements as at and for the year ended March 31, 2025

### (b) Financial Assets at fair value through other comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if both the below conditions are met:

1. These financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates and selling financial assets
2. These assets contractual cash flows represent solely payments of principal and interest on the principal amount outstanding

The Company does not own any financial asset classified at FVTOCI.

### (c) Financial assets at fair value through Profit and loss (FVTPL)

This is a residual category. Any financial assets which do not fall under the category of financial assets measured at amortised cost or FVTOCI are classified as FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with gain or loss arising on remeasurement recognised in statement of Profit and loss incorporates any dividend or interest earned on the financial assets and is included in other Income line item.

The Company's investment as presented in note 9A and 9B are valued at FVTPL.

#### 2.7.6.1.3 Impairment of Financial Assets

In accordance with Ind AS 109 "Financial Instruments", the Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following and the basis of its measurement:

- Trade Receivable – For Trade receivable and other financial assets that results from transactions that are in scope of Ind AS 115, the Company applies the simplified approach required in Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.
- Financial assets measured at amortised cost (other than trade receivable) - In case of other than trade receivable, the Company determines, if there is any significant increase in credit risk of the financial asset since initial recognition. Below methods are followed based on the credit risk changes:
  - o If there are no significant changes in credit risk since initial recognition, twelve months ECL is used to provide the impairment loss
  - o If there is a significant change in credit risk, lifetime ECL is measured for making the impairment loss assessment. Subsequently if there is an improvement in credit risk, the Company reverts to recognition of impairment loss based on twelve months ECL.

To make the assessment whether there is any significant change in risk, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with a risk of default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events, over the expected life of a financial assets. 12 months ECL is a portion of lifetime ECL which result from default events that are possible within 12 months from the reporting period.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (EIR).

As a practical expedient and as permitted under Ind AS 109, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking information available. At each reporting date, the historically observed default rates and changes in the forward-looking information are updated.

ECL allowance recognised (or reversed) during the period is recognised as income or expense in the statement of profit and loss under the head 'Other Expenses'. If the reversal of ECL allowance related to prior financial year, these are accounted as part of other Income in the statement of profit and loss.

## Notes to financial statements as at and for the year ended March 31, 2025

### 2.7.6.2 Financial liabilities and Equity instruments issued by the Company:

#### 2.7.6.2.1 Financial liabilities:

Company's financial liabilities broadly comprises, Short term borrowings, Trade payables, Liabilities for capital expenditure and Other long term/ short term obligations

##### 2.7.6.2.1.1 Initial recognition and measurement:

- Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.
- All financial liabilities are recognised initially at Fair value. In case of loans, borrowings and payables, net of directly attributable transaction costs.
- Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortised cost as appropriate.

##### 2.7.6.2.1.2 Subsequent measurement:

- Financial Liabilities at amortised cost - The carrying amounts of financial liabilities that are subsequently measured at amortised cost using the effective interest method. All the financial liabilities of the Company fall under this category.
- The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.
- Financial Liabilities at FVTPL - Financial liabilities at fair value through Profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Profit and loss. The Company does not owe any financial liability which is classified at FVTPL

##### 2.7.6.2.1.3 Derecognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in statement of profit and loss.

### 2.7.6.3 Offsetting financial asset and financial liability

The Company offsets a financial asset and a financial liability and report this as a net balance in the Balance sheet only when:

- There is a legally enforceable right to set off the recognised amounts and
- There is an intention to realise the asset and settle the liability simultaneously.

### 2.7.7 Government Grants

Government grants are recognised when there is a reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and its amortisation re-recognised in the statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

## Notes to financial statements as at and for the year ended March 31, 2025

### 2.7.8 Employee benefits

#### 2.7.8.1 Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits generally include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

#### 2.7.8.2 Other than short term employee benefits:

##### 2.7.8.2.1 Defined Contribution schemes:

Contributions to defined contribution scheme such as Employee state insurance, labour welfare fund, superannuation scheme (for specific employee group) are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administrated fund and charged as an expense to the statement of profit and loss. The above benefits are classified as Defined Contribution schemes as the Company has no further defined obligations beyond the monthly contribution.

##### 2.7.8.2.2 Defined benefit schemes:

The Company operates the following schemes which are under defined benefit plans:

- Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.
- The liability on account of long-term compensated absences and death benefit scheme (in respect of certain employees) due to the employees are provided for on the basis of an actuarial valuation on projected unit credit method at the end of each financial year.

**2.7.8.2.3** Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to Statement of profit and loss in subsequent periods.

**2.7.8.2.4** Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b) Net interest expense or income

**2.7.8.2.5** The current and non-current classification of gratuity, compensated absences, and death benefit scheme liabilities is based on the independent actuarial valuation reports.

### 2.7.9 Income Taxes

Income tax expense comprises current tax and the net change in the deferred tax asset or liability during the year and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or review during the relevant period. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

#### Current income taxes

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years in accordance with Income Tax Act, 1961 including the relevant transfer price regulations prescribed there under, read with applicable judicial precedents or interpretations wherever relevant.

Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in other income.

## Notes to financial statements as at and for the year ended March 31, 2025

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and liabilities on net basis.

Management periodically evaluates contingencies and position taken on uncertain tax positions in tax return with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit and loss at the time of the transaction.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantially enacted, by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be realised or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to income tax levied by the same taxation authority.

### 2.7.10 Revenue Recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

#### Sale of Goods

Revenue is recognised upon transfer of control of promised products to customers and when there are no longer any unfulfillment obligations. The performance obligations in our contracts are fulfilled either at the time of dispatch, delivery or upon formal customer acceptance dependent on customer terms agreed in the contract.

Revenue is measured based on the transaction price, which is the consideration received or receivable, adjusted of any discounts, service level credits, performance bonuses, price concessions and incentives, if any, estimated based on the expected value of outflow as specified in the contract with the customer. Revenue excludes taxes or duties collected from customers on behalf of Government. The revenue is recognised to the extent that it is highly probable a significant reversal will not occur. No element of financing is deemed present as the sales are made with credit term as per the contract terms agreed with the customers, which is consistent with market practice and the industry norms, that the Company operates.

#### Income from Services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

#### Export Incentive Income

Export incentives are recognised when the right to receive such incentives as per the applicable terms is established, in respect of the exports made and when there is no significant uncertainty regarding the ultimate realisation / utilisation of such incentives.



## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 3 : PROPERTY, PLANT & EQUIPMENT

Refer Note 2.7.1 for material accounting policy information on Property, Plant and Equipment

₹ in million

Gross carrying amount	Buildings	Plant & Equipment	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
<b>Balance as at April 1, 2023</b>	<b>1,842.17</b>	<b>7,347.43</b>	<b>64.17</b>	<b>73.60</b>	<b>26.93</b>	<b>16.55</b>	<b>9,370.85</b>
Additions	84.93	638.62	1.33	19.25	1.81	12.15	758.09
Disposals	-	(63.35)	(1.03)	(0.11)	-	(1.69)	(66.18)
<b>Balance as at March 31, 2024</b>	<b>1,927.10</b>	<b>7,922.70</b>	<b>64.47</b>	<b>92.74</b>	<b>28.74</b>	<b>27.01</b>	<b>10,062.76</b>
Additions	9.01	374.53	2.77	27.95	6.75	1.52	422.53
Disposals	(0.55)	(80.05)	(0.13)	-	(0.04)	(0.83)	(81.60)
<b>Balance as at March 31, 2025</b>	<b>1,935.56</b>	<b>8,217.18</b>	<b>67.11</b>	<b>120.69</b>	<b>35.45</b>	<b>27.70</b>	<b>10,403.69</b>

Accumulated Depreciation and Impairment	Buildings	Plant & Equipment	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
<b>Balance as at April 1, 2023</b>	<b>314.25</b>	<b>3,961.03</b>	<b>18.64</b>	<b>56.09</b>	<b>10.21</b>	<b>4.39</b>	<b>4,364.61</b>
Depreciation	83.02	659.98	0.24	15.20	2.79	2.48	763.71
Eliminated on disposals	-	(53.19)	(1.03)	(0.11)	-	(1.69)	(56.02)
<b>Balance as at March 31, 2024</b>	<b>397.27</b>	<b>4,567.82</b>	<b>17.85</b>	<b>71.18</b>	<b>13.00</b>	<b>5.18</b>	<b>5,072.30</b>
Depreciation	85.51	634.57	0.50	18.05	3.07	3.16	744.86
Eliminated on disposals	(0.11)	(61.43)	(0.13)	-	(0.02)	(0.57)	(62.26)
<b>Balance as at March 31, 2025</b>	<b>482.67</b>	<b>5,140.96</b>	<b>18.22</b>	<b>89.23</b>	<b>16.05</b>	<b>7.77</b>	<b>5,754.90</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>1,529.83</b>	<b>3,354.88</b>	<b>46.62</b>	<b>21.56</b>	<b>15.74</b>	<b>21.83</b>	<b>4,990.46</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>1,452.89</b>	<b>3,076.22</b>	<b>48.89</b>	<b>31.46</b>	<b>19.40</b>	<b>19.93</b>	<b>4,648.79</b>

- (i) Contractual commitments for the acquisition of property, plant and equipment are disclosed in Note no. 34 B

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 4 : RIGHT-OF-USE ASSETS

Refer Note 2.7.3 for material accounting policy information on Leases and Right-of-use assets

₹ in million

Gross carrying amount	Land usage rights	Buildings	Plant and Machinery	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2023	1,093.77	26.50	1.15	-	2.96	1,124.38
Additions	-	185.83	-	9.84	4.16	199.83
Disposals	-	(22.38)	-	-	(1.63)	(24.01)
Balance as at March 31, 2024	1,093.77	189.95	1.15	9.84	5.49	1,300.20
Additions	-	0.35	-	-	4.52	4.87
Disposals	-	(7.58)	-	-	-	(7.58)
Balance as at March 31, 2025	1,093.77	182.72	1.15	9.84	10.01	1,297.49

Accumulated Depreciation	Land usage rights	Buildings	Plant and Machinery	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2023	88.16	18.88	0.38	-	1.30	108.72
Depreciation	17.93	16.64	0.25	1.39	1.55	37.76
Eliminated on disposals	-	(21.97)	-	-	(1.63)	(23.60)
Balance as at March 31, 2024	106.09	13.55	0.63	1.39	1.22	122.88
Depreciation	17.93	31.16	0.25	1.97	2.30	53.61
Eliminated on disposals	-	(4.55)	-	-	-	(4.55)
Balance as at March 31, 2025	124.02	40.16	0.88	3.36	3.52	171.94
Net carrying amount as at March 31, 2024	987.68	176.40	0.52	8.45	4.27	1,177.32
Net carrying amount as at March 31, 2025	969.75	142.56	0.27	6.48	6.49	1,125.55

### NOTE 5 : CAPITAL WORK-IN-PROGRESS (CWIP)

Refer Note 2.7.1 for material accounting policy information on Property, Plant and Equipment

₹ in million

CWIP	As at March 31, 2025					As at March 31, 2024				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in progress	4,999.80	878.79	34.25	3.74	5,916.58	917.12	118.21	5.95	-	1,041.28
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	4,999.80	878.79	34.25	3.74	5,916.58	917.12	118.21	5.95	-	1,041.28

Expected completion of Capital Work-In-Progress which has exceeded the original time line:

₹ in million

CWIP	As at March 31, 2025					As at March 31, 2024				
	To be completed in				Total	To be completed in				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in progress										
Project -1	67.82	-	-	-	67.82	78.65	-	-	-	78.65
Project -2	22.40	-	-	-	22.40	139.60	-	-	-	139.60
Project -3	21.87	-	-	-	21.87	12.88	-	-	-	12.88
Project -4	0.29	-	-	-	0.29	11.23	-	-	-	11.23
Others*	34.41	-	-	-	34.41	11.22	-	-	-	11.22
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	146.79	-	-	-	146.79	253.58	-	-	-	253.58

\* Individual Projects less than ₹ 10 million have been clubbed together in Others

None of the projects in CWIP exceeded cost compared to original plan, hence no disclosure is given for the same.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 6 : INVESTMENT PROPERTY

Refer Note 2.7.2 for material accounting policy information on Investment Property

₹ in million

Gross carrying amount	Land	Buildings	Total
<b>Balance as at April 1, 2023</b>	47.11	61.45	108.56
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2024</b>	<b>47.11</b>	<b>61.45</b>	<b>108.56</b>
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2025</b>	<b>47.11</b>	<b>61.45</b>	<b>108.56</b>

Accumulated Depreciation	Land	Buildings	Total
<b>Balance as at April 1, 2023</b>	-	7.95	7.95
Depreciation	-	2.19	2.19
Eliminated on disposals	-	-	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>10.14</b>	<b>10.14</b>
Depreciation	-	2.19	2.19
Eliminated on disposals	-	-	-
<b>Balance as at March 31, 2025</b>	<b>-</b>	<b>12.33</b>	<b>12.33</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>47.11</b>	<b>51.31</b>	<b>98.42</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>47.11</b>	<b>49.12</b>	<b>96.23</b>

The fair value of investment property as on March 31, 2025 is ₹ 115.82 million (March 31, 2024 ₹115.82 million), based on a valuation carried out by an independent valuer during the financial year 2024-25, who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of the investment property has been arrived at by means of market approach. As per the said technique, fair value of investment property is arrived by considering the comparable prices of similar property at that location.

### Amounts recognised in the statement of Profit or Loss for investment property

₹ in million

Particulars	As at March 31, 2025	As at March 31, 2024
Depreciation charge on investment property (refer Note 31)	<b>2.19</b>	2.19
Rental income (refer Note 27)	<b>5.56</b>	5.29

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 7 : GOODWILL

Refer Note 2.7.4 for material accounting policy information on Intangible assets

₹ in million

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying value at the beginning of the year	1,813.11	1,813.11
<b>Closing value as at the reporting date</b>	<b>1,813.11</b>	<b>1,813.11</b>

#### Impairment assessment of goodwill as at March 31, 2025:

The Company has performed the annual impairment assessment of the goodwill by determining the "value in use" of the Cash Generating Unit (CGU) as an aggregate of present value of cash flow projections covering a five year period and the terminal value. The management considers the entire business operations of the Company as a single CGU for the impairment assessment. Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. These estimates and assumptions, primarily include, but not limited to, the Industry trend, the revenue growth and profitability during the forecasted period, the discount rate and the terminal growth rate.

Considering the historical performance of the CGU and based on the forward looking estimates, revisions were made to the cash flow projections and other key assumptions such as discount rate and the perpetual growth rate. The cash flows are discounted using a post tax discount rate of 12.9%, PY (13.5%). The outcome of the impairment assessment remains unchanged in both pre tax and post tax discount rate scenarios. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity considering a nil growth rate

During the year ended March 31, 2025, the testing did not result in any impairment in the carrying amount of goodwill.

#### Sensitivity Analysis:

Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating unit.

### NOTE 8 : OTHER INTANGIBLE ASSETS

Refer Note 2.7.4 for material accounting policy information on Intangible assets

₹ in million

Gross carrying amount	Computer Software	Tradename and Trademark	Developed Technology	Customer Relationship	Total
<b>Balance as at April 1, 2023</b>	<b>37.43</b>	<b>119.00</b>	<b>476.00</b>	<b>119.00</b>	<b>751.43</b>
Additions	0.32	-	-	-	0.32
Disposals	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>37.75</b>	<b>119.00</b>	<b>476.00</b>	<b>119.00</b>	<b>751.75</b>
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>Balance as at March 31, 2025</b>	<b>37.75</b>	<b>119.00</b>	<b>476.00</b>	<b>119.00</b>	<b>751.75</b>

Accumulated amortisation	Computer Software	Tradename and Trademark	Developed Technology	Customer Relationship	Total
<b>Balance as at April 1, 2023</b>	<b>29.73</b>	<b>38.99</b>	<b>156.01</b>	<b>29.25</b>	<b>253.98</b>
Amortisation	2.41	7.93	31.73	5.95	48.02
Eliminated on disposals	-	-	-	-	-
<b>Balance as at March 31, 2024</b>	<b>32.14</b>	<b>46.92</b>	<b>187.74</b>	<b>35.20</b>	<b>302.00</b>
Amortisation	1.43	7.93	31.73	5.95	47.04
Eliminated on disposals	-	-	-	-	-
<b>Balance as at March 31, 2025</b>	<b>33.57</b>	<b>54.85</b>	<b>219.47</b>	<b>41.15</b>	<b>349.04</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>5.61</b>	<b>72.08</b>	<b>288.26</b>	<b>83.80</b>	<b>449.75</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>4.18</b>	<b>64.15</b>	<b>256.53</b>	<b>77.85</b>	<b>402.71</b>

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 9 : INVESTMENTS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

#### A: NON-CURRENT INVESTMENTS

	Face Value	Holdings as at March 31, 2025		Face Value	Holdings as at March 31, 2024	
	₹ per unit	Nos	₹ in million	₹ per unit	Nos	₹ in million
<b>At Fair Value Through Profit and Loss (FVTPL)</b>						
<b>Trade (Unquoted)</b>						
<b>Equity Shares fully paid up</b>						
Nicco Jubilee Park Limited	10	30,000	0.30	10	30,000	0.30
<b>Total</b>			<b>0.30</b>			<b>0.30</b>

#### B: CURRENT INVESTMENTS

₹ in million

	Holdings as at March 31, 2025	Holdings as at March 31, 2024
<b>At Fair Value Through Profit and Loss (FVTPL)</b>		
<b>Unquoted Instruments</b>		
Investments in Mutual Funds	1,171.00	1,604.91
<b>Total</b>	<b>1,171.00</b>	<b>1,604.91</b>

Refer note 38 for information about fair value measurement and note 39A for credit risk and market risk of the investments.

### NOTE 10: LOANS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

#### A: Non current

(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2025	As at March 31, 2024
Loans to employees	0.60	0.65
<b>Total</b>	<b>0.60</b>	<b>0.65</b>

#### B: Current

(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2025	As at March 31, 2024
Loans to employees	1.27	1.26
<b>Total</b>	<b>1.27</b>	<b>1.26</b>

- (i) No loans are due from directors or other officers of the Company or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.
- (ii) Refer note 39A for information about credit risk and market risk of other financial assets.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 11 : OTHER FINANCIAL ASSETS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

#### A : Non current

(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2025	As at March 31, 2024
Security Deposits	196.72	162.11
Other receivables	21.39	-
<b>Total</b>	<b>218.11</b>	<b>162.11</b>

#### B : Current

(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2025	As at March 31, 2024
Security Deposits	123.69	86.07
Advances to employees	0.13	0.27
Other receivables	12.99	5.79
Expense receivables from related parties (Refer Note 37)	9.11	10.25
<b>Total</b>	<b>145.92</b>	<b>102.38</b>

- (i) Advances to employees include for March 31, 2025 ₹ NIL (March 31, 2024 ₹NIL) given to directors of the company. No other advances are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no advances are due from firms or private companies in which any director is a partner, a director or a member.
- (ii) Refer note 39 A for credit risks on other financial assets.

### NOTE 12 : OTHER ASSETS

#### A : Non current

(at amortised cost)

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Secured, considered good</b>		
Capital advances	189.98	1,032.65
<b>Unsecured, considered good</b>		
Capital advances	107.14	324.95
Deposits paid under protest	3.92	3.29
Prepaid expenses	3.09	3.32
Trade advances to suppliers	63.59	86.72
<b>Total</b>	<b>367.72</b>	<b>1,450.93</b>

#### B : Current

(at amortised cost)

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Balance with Statutory/ Government authorities	525.27	170.94
Prepaid expenses	26.05	24.24
Export incentives	13.58	17.41
Trade advances to suppliers	223.04	66.36
<b>Unsecured , doubtful</b>		
Trade advances to suppliers	-	0.95
Allowance for doubtful advances	-	(0.95)
<b>Total</b>	<b>787.94</b>	<b>278.95</b>

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 13 : INVENTORIES

Refer Note 2.7.5 for material accounting policy information on Inventories

₹ in million

	As at March 31, 2025	As at March 31, 2024
Raw materials *	1,476.19	1,310.26
Work - in - progress	505.10	620.02
Finished stock*	1,031.43	1,130.06
Stock-in-trade*	3,081.07	3,286.71
Stores and Spares *	352.82	319.81
<b>Total</b>	<b>6,446.61</b>	<b>6,666.86</b>

\* Including goods in transit :

₹ in million

Raw Materials	170.41	87.38
Finished Stock	93.35	180.22
Stock-in-trade	920.20	980.41
Stores & Spares	3.25	1.44

### NOTE 14 : TRADE RECEIVABLES

(at amortised cost)

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

₹ in million

	Current	
	As at March 31, 2025	As at March 31, 2024
<b>Trade receivables</b>		
Secured, considered Good	20.88	19.12
Unsecured		
- considered Good	6,997.76	6,520.66
- which have significant increase in Credit Risk	1.32	3.26
- credit impaired	1.42	1.42
	<b>7,021.38</b>	<b>6,544.46</b>
Allowance for Expected credit losses	(23.14)	(24.97)
<b>Total</b>	<b>6,998.24</b>	<b>6,519.49</b>

(i) Movement of expected credit loss allowance

Particulars	₹ in million
Expected credit loss allowance on April 1, 2023	21.89
Change in Expected credit loss allowance	3.08
Expected credit loss allowance on March 31, 2024	24.97
Change in Expected credit loss allowance	(1.83)
<b>Expected credit loss allowance on March 31, 2025</b>	<b>23.14</b>

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 14 : TRADE RECEIVABLES (Contd.)

- (ii) No trade receivables are due from directors or other officers of the Company or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.
- (iii) Trade receivables are non-interest bearing and are generally settled on terms of credit periods agreed with the customers, which is generally in line with the industry the Company operates.
- (iv) Refer note 39A for information about credit risk and currency risk which may impact trade receivables.
- (v) Refer note 37 for trade receivables from related parties.
- (vi) The Company has determined the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.

In computing the expected credit losses, the Company has also considered external sources of information relating to its customers' credit risk that were available in public domain to estimate the probability of default in future.

₹ in million

Particulars	Outstanding for the following period from due date of payments as at 31 March 2025							Total
	Not Yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled trade receivables	
(i) Undisputed Trade Receivables - Considered Good	4,798.23	2,102.01	44.70	-	-	-	73.70	7,018.64
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	1.32	-	-	-	-	1.32
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	1.42	-	1.42
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Expected credit loss allowance	-	-	-	-	-	-	-	(23.14)
	4,798.23	2,102.01	46.02	-	-	1.42	73.70	6,998.24

₹ in million

Particulars	Outstanding for the following period from due date of payments as at 31 March 2024							Total
	Not Yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled trade receivables	
(i) Undisputed Trade Receivables - Considered Good	4,202.28	2,240.95	8.60	-	-	-	87.94	6,539.77
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	3.27	-	-	-	-	3.27
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	1.42	-	1.42
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Expected credit loss allowance	-	-	-	-	-	-	-	(24.97)
	4,202.28	2,240.95	11.87	-	-	1.42	87.94	6,519.49



## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 15: CASH & CASH EQUIVALENTS AND OTHER BANK BALANCES

#### A : CASH & CASH EQUIVALENTS

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Cash &amp; Cash Equivalents :</b>		
Balance with Banks		
Current Accounts	544.69	582.47
Deposit Accounts with original maturity less than three months	3,332.67	2,678.43
Foreign Currency Account (USD)	66.13	21.19
<b>Total</b>	<b>3,943.49</b>	<b>3,282.09</b>

There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior period.

#### B : BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

₹ in million

	As at March 31, 2025	As at March 31, 2024
Earmarked balances with Banks- Unpaid dividend accounts	31.27	31.52
<b>Total</b>	<b>31.27</b>	<b>31.52</b>

Earmarked bank balances on unpaid dividend accounts represent monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them.

### NOTE 16 : SHARE CAPITAL

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Authorised :</b>		
87,000,000 (March 31, 2024: 87,000,000) Equity Shares of ₹ 10/- each	870.00	870.00
2,600,000 (March 31, 2024: 2,600,000) 9% Cumulative Redeemable Preference Shares of ₹100/- each	260.00	260.00
	<b>1,130.00</b>	<b>1,130.00</b>
<b>Issued :</b>		
75,233,884 (March 31, 2024: 75,233,884) Equity Shares of ₹10/- each	752.34	752.34
<b>Subscribed and fully paid-up:</b>		
75,218,734 (March 31, 2024: 75,218,734) Equity Shares of ₹ 10/- each fully paid-up	752.19	752.19
	<b>752.19</b>	<b>752.19</b>

- (i) No Equity shares have been allotted during the year ended March 31, 2025 out of 15,150 shares of ₹ 10/- each kept in abeyance as at March 31, 1998.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 16 : SHARE CAPITAL (Contd.)

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

<u>Equity Shares</u>	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	₹ in million	No. of Shares	₹ in million
At the beginning of the year	75,218,734	752.19	75,218,734	752.19
Movement during the year	-	-	-	-
Outstanding at the end of the year	75,218,734	752.19	75,218,734	752.19

#### b. Terms/rights attached to equity shares

The Company has only one class of equity shares issued having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### c. Dividend details

The Company declares and pays dividends in Indian Rupees. The final dividend proposed by Board of Directors of ₹ 36.00 per equity share (March 31, 2024 ₹ 2.50 per equity share) is subject to the approval of the shareholders in the ensuing Annual General Meeting upon which the liability will be recorded in the books.

The final dividend for the year 2023-24 proposed by the Board and approved by the shareholders at the 37th Annual General Meeting, has been paid to the eligible shareholders during the year ended March 31, 2025.

#### d. Details of shareholders holding more than 5% of the aggregate shares and promoters holding in the Company (Refer note (i) & (ii) below)

	As at March 31, 2025			As at March 31, 2024		
	No. of Shares*	₹ in million	% of share holding	No. of Shares*	₹ in million	% of share holding
Timken Singapore PTE Limited	38,399,988	384	51.05%	43,399,988	434	57.70%

(i) Out of the total shares issued, 38,399,988 (March 31, 2024: 43,399,988) fully paid-up Equity shares of ₹10/- each are held by Timken Singapore PTE Limited. However, The Timken Company is the ultimate holding company. No shares in the Company are held by any subsidiary or associates of the holding company or the ultimate holding company.

(ii) As per records of the Company, including its register of shareholders/ members, the above shareholding represents legal ownership of shares.

### NOTE 17 : OTHER EQUITY

₹ in million

	As at March 31, 2025	As at March 31, 2024
a) <b>Capital Redemption Reserve</b> Capital Redemption Reserve created on redemption of preference shares in earlier years	260.00	260.00
b) <b>Securities Premium Account</b> Amounts received on issue of shares in excess of the par value has been classified as securities premium.	5,348.67	5,348.67
c) <b>Retained Earnings (refer (i) &amp; (ii) below)</b> Surplus in Statement of Profit & Loss	22,087.79	17,811.78
<b>Total - Other equity</b>	<b>27,696.46</b>	23,420.45

#### (i) Movement in Retained Earnings

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Opening Balance</b>	<b>17,811.78</b>	14,010.86
Add: Profit for the year	4,473.86	3,921.42
Other Comprehensive income for the year, net of tax	(9.83)	(7.66)
Less: Appropriations		
Final Equity Dividend of ₹ 2.50 /- per equity share for FY 2023-24		
(FY 2022-23 - ₹ 1.50/- per equity share)	(188.02)	(112.84)
<b>Closing Balance</b>	<b>22,087.79</b>	17,811.78

(ii) Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 18 : LEASE LIABILITIES

#### (at amortised cost)

Refer Note 2.7.3 for material accounting policy information on Leases and Right of use assets

The following is the movement in lease liabilities:

₹ in million

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Carrying amount at the beginning of the year	193.19	11.06
Additions	4.87	199.83
Deletions	(3.03)	(0.40)
Add : Finance cost accrued during the period	13.51	5.70
Less: Repayment of lease liabilities	(42.37)	(23.00)
<b>Carrying amount at the end of the year</b>	<b>166.17</b>	<b>193.19</b>
Non current Lease Liabilities	136.95	165.31
Current Lease Liabilities	29.22	27.88
<b>Total</b>	<b>166.17</b>	<b>193.19</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in million

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Current</b>		
Less than one year	40.86	41.66
<b>Total</b>	<b>40.86</b>	<b>41.66</b>
<b>Non-current</b>		
One to five years	129.24	168.84
More than five years	52.47	52.47
<b>Total</b>	<b>181.71</b>	<b>221.31</b>

The weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 "Leases" was at 8% .

#### Amounts recognised in the statement of Profit or Loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation charge on Right-of-use asset (refer Note 31)	53.61	37.76
Interest expense (refer Note 30)	13.51	5.70
Short term lease payments (refer Note 32)	13.20	13.53

#### Amounts recognised in the statement of cash flows

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash outflows for lease payments	42.37	23.00

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 19 : PROVISIONS

Refer Note 2.7.8 for material accounting policy information on Employee benefits

#### A: Non-Current

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Provision for Employee benefits :</b>		
Employees' Death Benefit Scheme (refer Note 40)	9.23	12.00
Compensated absences (refer Note 40)	91.71	97.46
<b>Total (a)</b>	<b>100.94</b>	109.46
<b>Others :</b>		
Other provisions (refer note (ii) below)	-	370.30
<b>Total (b)</b>	<b>-</b>	370.30
<b>Total (a) + (b)</b>	<b>100.94</b>	479.76

#### B: Current

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Provision for Employee benefits :</b>		
Employees' Death Benefit Scheme (refer Note 40)	6.56	7.66
Gratuity (refer Note 40)	42.78	55.80
Compensated absences (refer Note 40)	18.29	13.14
<b>Total (a)</b>	<b>67.63</b>	76.60
<b>Others :</b>		
Provision for Indirect taxes (refer note (I) below)	9.70	9.70
<b>Total (b)</b>	<b>9.70</b>	9.70
<b>Total (a) + (b)</b>	<b>77.33</b>	86.30

(i) Provision for Indirect taxes

₹ in million

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	9.70	11.07
Additions during the year	-	-
Utilisation/Reversal during the year	-	(1.37)
<b>Closing Balance</b>	<b>9.70</b>	9.70

The Company has reviewed the various liabilities/ claims relating to indirect taxes and estimated the provision for contingencies based on assessment of its probability of outflows. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

- (ii) The management of the Company has evaluated the other provisions ₹ NIL (PY ₹ 370.30 million) relating to the certain transactions of acquired Company for earlier period and expects that there will not be any future outflow of resources as on March 31, 2025 and accordingly reversed the provisions in the current financial year.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 20 A: DEFERRED TAX LIABILITIES (net)

Refer Note 2.7.9 for material accounting policy information on Income taxes

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Deferred Tax Assets</b>		
- Provision for employee benefits & other expenses	50.11	66.14
- Allowance of doubtful receivables and other assets	5.82	6.10
- Lease liabilities	41.82	48.62
<b>Deferred Tax Assets</b>	<b>97.75</b>	<b>120.86</b>
<b>Deferred Tax Liabilities</b>		
- Depreciation and amortisation differences	(268.30)	(299.06)
- Right-of-use assets	(39.21)	(47.73)
<b>Deferred Tax Liabilities</b>	<b>(307.51)</b>	<b>(346.79)</b>
<b>Deferred Tax Liabilities (net)</b>	<b>(209.76)</b>	<b>(225.93)</b>

Significant Components of net Deferred Tax Assets and Liabilities on account of temporary differences are as follows :

₹ in million

	2024-2025			
Particulars	Balance as at March 31, 2024	Recognised in the statement of profit and Loss	Recognised in OCI	Balance as at March 31, 2025
<b>Deferred Tax Assets</b>				
Provision for employee benefits & other expenses	66.14	(16.03)	-	50.11
Allowance of doubtful receivables and other assets	6.10	(0.28)	-	5.82
Lease liabilities	48.62	(6.80)	-	41.82
<b>Deferred Tax Liabilities</b>				
Depreciation and amortization differences	(299.06)	30.76	-	(268.30)
Right-of-use assets	(47.73)	8.52	-	(39.21)
<b>Deferred Tax Assets/ Liabilities (Net)</b>	<b>(225.93)</b>	<b>16.17</b>	<b>-</b>	<b>(209.76)</b>

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 20 A: DEFERRED TAX LIABILITIES (net) (Contd.)

₹ in million

Particulars	2023-2024			
	Balance as at March 31, 2023	Recognised in the statement of profit and Loss	Recognised in OCI	Balance as at March 31, 2024
<b>Deferred Tax Assets</b>				
Provision for employee benefits & other expenses	62.14	4.00	-	66.14
Allowance of doubtful receivables and other assets	5.51	0.59	-	6.10
Lease liabilities	2.79	45.83	-	48.62
<b>Deferred Tax Liabilities</b>				
Depreciation and amortization differences	(331.77)	32.71	-	(299.06)
Right-of-use assets	(2.53)	(45.20)	-	(47.73)
<b>Deferred Tax Assets/ Liabilities (Net)</b>	<b>(263.86)</b>	<b>37.93</b>	<b>-</b>	<b>(225.93)</b>

- (i) During FY 2018-19, the Company acquired ABC Bearings Limited vide a NCLT approved Scheme of amalgamation. The Company continues to apply the initial recognition exemption under Ind AS 12 in respect of recognition of deferred tax liability on Goodwill arising out of the aforesaid acquisition.
- (ii) Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to income tax levied by the same taxation authorities.
- (iii) The Company has done a detailed analysis of future recoverability of the Deferred Tax assets based on the internal and external information and expects, the recoverability of the Deferred Tax asset is not impacted.

### NOTE 20 B : INCOME TAXES AND RECONCILIATION OF STATUTORY TAX RATE AND EFFECTIVE TAX RATE

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit before Tax (a)	5,527.29	5,242.14
Tax Expense (b)	1,053.43	1,320.72
<b>Tax rate as a % of PBT (b)/(a)</b>	<b>19.06%</b>	25.19%
At India's statutory income tax rate of 25.168% (March 31, 2024: 25.168%)	1,391.11	1,319.34
Adjustments:		
(i) Tax on Permanent Disallowances / (Exempt Income)	17.67	20.95
(ii) Reversal of other provision	(370.30)	-
(iii) Other adjustments {includes reversal of provisions ₹ 17.93 million (March 31, 2024 - net charge of ₹ 21.99 million) relating to earlier years}	14.95	(19.57)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1,053.43</b>	1,320.72

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 21 : OTHER LIABILITIES

#### A: Non-Current

Refer Note 2.7.7 for material accounting policy information on Government grants

₹ in million

	As at March 31, 2025	As at March 31, 2024
Government Grants		
Opening Balance	97.80	145.26
Received during the year	158.47	-
Released to the statement of profit and loss (refer Note 27)	(18.59)	(47.46)
<b>Total</b>	<b>237.68</b>	<b>97.80</b>

Government grants have been received for import of certain items of Property, Plant and Equipment and capital work in progress against import licenses taken under export promotion capital goods (EPCG) scheme of Government of India. The Company has certain export obligations against such benefits availed which it would fulfil within the required time period under the scheme. In case of such commitments are not met, the Company would be required to pay the duty along with interest to the regulatory authorities.

#### B: Current

₹ in million

	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	71.75	80.89
Advances from Customers	15.08	77.71
<b>Total</b>	<b>86.83</b>	<b>158.60</b>

### NOTE 22: SHORT-TERM BORROWINGS

#### (at amortised cost, unsecured)

Refer Note 2.7.6.2 for material accounting policy information on Financial liabilities

₹ in million

	As at March 31, 2025	As at March 31, 2024
Bills discounted with bank	-	60.43
<b>Total</b>	<b>-</b>	<b>60.43</b>

Bills discounted with banks are with recourse to the Company with various maturity dates ranging from 1- 3 months. Interest payable is 9% of the overdue bills as at March 31, 2024.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 23 : TRADE PAYABLES

(at amortised cost)

Refer Note 2.7.6.2 for material accounting policy information on Financial liabilities

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Trade Payables :</b>		
a) Total outstanding dues of micro and small enterprises (refer note below)	<b>460.59</b>	366.47
b) Total outstanding dues of creditors other than micro and small enterprises (for dues to related parties refer note 37)	<b>3,509.49</b>	3,490.81
<b>Total Trade Payables</b>	<b>3,970.08</b>	3,857.28

Trade payables are generally settled as per payment terms agreed by the Company and vendor.

Note: Information in terms of section 22 of the Micro, Small and Medium Enterprises Development Act 2006:

₹ in million

Details of dues to Micro and small enterprises	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal [Including Capital Creditor INR 182.23 Million (Year ended March 31, 2024 INR 67.26 Million)]	<b>642.82</b>	331.75
Interest	-	0.62
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	6.14
The amount of interest accrued for the year and remaining unpaid at the end of each accounting year	-	29.94
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company.

₹ in million

Reconciliation to trade payable-total outstanding dues of micro and small enterprises and MSME disclosure principal amount.	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises	<b>460.59</b>	366.47
Accrued payables	-	(101.98)
Capital creditors	<b>182.23</b>	67.26
MSME principal	<b>642.82</b>	331.75



## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 23 : TRADE PAYABLES (Contd.)

(at amortised cost)

₹ in million

Particulars	Outstanding for the following period from due date of payments as on March 31, 2025					Unbilled trade payables	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	404.64	-	-	-	-	55.95	<b>460.59</b>
(ii) Others	1,318.48	1,853.33	5.02	2.91	6.86	322.89	<b>3,509.49</b>
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,723.12</b>	<b>1,853.33</b>	<b>5.02</b>	<b>2.91</b>	<b>6.86</b>	<b>378.84</b>	<b>3,970.08</b>

₹ in million

Particulars	Outstanding for the following period from due date of payments as on March 31, 2024					Unbilled trade payables	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	231.60	85.49	9.27	2.05	12.46	25.60	<b>366.47</b>
(ii) Others	1,255.63	1,983.28	4.89	3.30	3.30	240.41	<b>3,490.81</b>
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,487.23</b>	<b>2,068.77</b>	<b>14.16</b>	<b>5.35</b>	<b>15.76</b>	<b>266.01</b>	<b>3,857.28</b>

### NOTE 24 : OTHER FINANCIAL LIABILITIES

(at amortised cost, unsecured)

Refer Note 2.7.6.2 for material accounting policy information on Financial liabilities

#### A: Non-Current

₹ in million

	As at March 31, 2025	As at March 31, 2024
Lease deposit	<b>2.40</b>	2.40
<b>Total</b>	<b>2.40</b>	2.40

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 24 : OTHER FINANCIAL LIABILITIES (Contd.)

#### B: Current

₹ in million

	As at March 31, 2025	As at March 31, 2024
Security deposits received from Customers (refer note (i))	26.70	25.90
Interest accrued on Security deposit from customers	2.41	2.23
Unpaid dividends (refer note (ii))	31.27	31.52
Capital creditors	586.50	136.49
<b>Total</b>	<b>646.88</b>	<b>196.14</b>

- (i) These are interest bearing deposits accepted from dealers / distributors which are repayable only upon termination of the dealership / distributor agreement.
- (ii) Investor Education and Protection Fund will be credited by the amount of unpaid dividends as and when due.

### NOTE 25 : CURRENT TAX LIABILITIES

Refer Note 2.7.9 for material accounting policy information on Income taxes

₹ in million

	As at March 31, 2025	As at March 31, 2024
Income tax payable (net of advance tax of ₹ 5,894.94 million (March 31, 2024 - ₹ 4,585.36 million))	306.84	345.33
<b>Total</b>	<b>306.84</b>	<b>345.33</b>

The Company is subject to tax assessments and ongoing proceedings from the Income Tax department. Management periodically reviews and evaluates various tax positions taken in tax returns, including unresolved tax disputes, which involves interpretation of applicable tax regulations and judicial precedents. Current tax liability and tax asset balances are presented, after recognising as appropriate, provision for taxes payable and contingencies basis management's assessment (including tax experts' based on requirement) of outcome of such ongoing proceedings and amounts that may become payable to the tax authorities. Considering the nature of such estimates and uncertainties involved, the amount of such provisions may change upon final resolution of the matters with tax authorities.

### NOTE 26 : REVENUE FROM OPERATIONS

Refer Note 2.7.10 for material accounting policy information on Revenue recognition

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from contracts with customers</b>		
Sale of Products	28,606.22	26,868.82
Sale of Services	2,735.69	2,088.31
<b>Other operating revenue</b>		
Export incentives (refer note (i) below)	136.19	138.28
<b>Revenue from operations</b>	<b>31,478.10</b>	<b>29,095.41</b>

- (i) Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and only when there is reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.
- (ii) Performance obligations and remaining performance obligations:  
The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less.
- (iii) Revenue from contracts with customers for the year ended March 31, 2025 includes income of ₹ 275.27 million, (PY NIL) consequent to the Bilateral Advance Pricing Agreement signed with the Central Board of Direct Taxes for the financial years 2019-20 to 2023-24.
- (iv) Refer note 37 for revenue from related parties.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 27 : OTHER INCOME

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income recognised on Financial assets, recognised at amortised cost	220.49	145.33
Dividend Income on current investments - non-trade (refer note (i) below)	141.93	167.48
Profit on sale of property, plant and equipment (net)	18.23	13.04
Gain on foreign currency transaction and translation (net)	31.93	-
Provision no longer required written back	7.82	7.19
Deferred Government grant income (refer note (ii) below)	18.59	47.46
Rental Income	5.56	5.29
Miscellaneous Income	57.26	21.86
<b>Total</b>	<b>501.81</b>	<b>407.65</b>

(i) Includes fair value gain on current investments classified as fair value through profit and loss.

(ii) Government grants on capital goods are recognised on a systematic basis over the useful life of the asset.

### NOTE 28 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK- IN-TRADE

Refer Note 2.7.5 for material accounting policy information on Inventories

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Inventories at the beginning of the year</b>		
Work in Progress	620.02	701.12
Finished Goods (Including in transit)	1,130.06	1,127.42
Stock-in-trade (Including in transit)	3,286.71	2,350.84
<b>(A)</b>	<b>5,036.79</b>	<b>4,179.38</b>
<b>Inventories at the end of the year</b>		
Work in Progress	505.10	620.02
Finished Goods (Including in transit)	1,031.43	1,130.06
Stock-in-trade (Including in transit)	3,081.07	3,286.71
<b>(B)</b>	<b>4,617.60</b>	<b>5,036.79</b>
<b>(Accretion)/Decretion to Inventories</b>	<b>(A)-(B)</b>	<b>(857.41)</b>

During the year ended March 31, 2025 ₹ 91.05 million (March 31, 2024 ₹ 50.08 million) was recognised as reversal /(expenses) for inventories carried at net realisable value.

### NOTE 29 : EMPLOYEE BENEFITS EXPENSES

Refer Note 2.7.8 for material accounting policy information on Employee benefits

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Wages and Bonus	1,423.75	1,337.91
Contribution to provident and other funds (Note 40)	122.87	162.57
Staff welfare expense	153.61	139.05
<b>Total</b>	<b>1,700.23</b>	<b>1,639.53</b>

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 30 : FINANCE COSTS

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expense	42.89	37.89
<b>Total</b>	<b>42.89</b>	<b>37.89</b>

Includes interest expense on lease liabilities for year ended March 31, 2025 ₹ 13.51 million ( March 31, 2024 ₹ 5.70 million)

### NOTE 31: DEPRECIATION AND AMORTISATION EXPENSES

Refer Note 2.7.1 , 2.7.2 , 2.7.3 , 2.7.4 for material accounting policy information on PPE, Investment property, Right of use assets and Intangible assets

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on Property, plant and equipment (refer Note 3)	744.86	763.71
Depreciation on Right of use assets (refer Note 4)	53.61	37.76
Depreciation on Investment Property (refer Note 6)	2.19	2.19
Amortisation of Intangible assets (refer Note 8)	47.04	48.02
<b>Total</b>	<b>847.70</b>	<b>851.68</b>

### NOTE 32 : OTHER EXPENSES

₹ in million

	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spares (refer note (i) below)	967.86	934.86
Power & Fuel	428.39	445.73
Repairs and Maintenance		
-Buildings	29.71	17.88
-Machineries	172.58	168.97
-Others	124.27	110.43
Royalty	808.16	703.46
Rent	13.20	13.53
Rates and Taxes (refer note (ii) below)	26.98	36.76
Insurance	26.25	24.71
Freight, Delivery and Shipping charges	694.37	685.02
Travelling	111.86	92.07
Services outsourced	624.14	548.59
Professional Fees (refer note (iii) below)	332.62	319.73
Inter company Service Charges	117.25	127.06
ERP and other applications expenses	90.96	77.74
CSR Expenditure (refer note (iv) below)	99.47	77.10
Bad debts written off	0.73	-
Provision for doubtful debts, deposits & advance	6.18	10.26
Foreign Exchange Loss (net)	-	6.57
Other Expenses	182.89	165.13
<b>Total</b>	<b>4,857.87</b>	<b>4,565.60</b>

- (i) Consumption of stores and spares includes packaging cost for year ended March 31, 2025 ₹ 333.79 million (March 31, 2024 ₹ 312.41 million)
- (ii) Rates & Taxes includes GST paid on stocks written off, issue of free samples/supplies and other items covered under section 17(5)(h) of GST Act 2017.

## Notes to financial statements as at and for the year ended March 31, 2025 Contd.

### NOTE 32 : OTHER EXPENSES (Contd.)

(iii) Professional Fees include:

₹ in million

Auditor's remuneration (exclusive of GST)	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory Audit		
As Auditors		
- For Statutory Audit	4.04	3.28
- For Limited Reviews	2.18	2.06
- For out-of-pocket expenses	1.13	1.10
For Other Matters		
- For Tax Audit	1.08	1.03
- For Other Services	0.32	0.32

(iv) Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 ("the Act"), a Company meeting the applicability threshold, needs to spend at least 2% of average net profits made during immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are mentioned in Schedule VII of the Act. During the FY 2024-25, the Company has spent ₹ 40.35 million on CSR activities primarily covering these areas namely promoting education including vocational skills, setting up old age homes and preventive healthcare. An amount of ₹ 59.12 million is transferred to 'unspent CSR account', which is related to ongoing projects.

₹ in million

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gross amount required to be spent by the Company during the year	98.95	77.10
Amount spent during the year :		
i) On purposes of promotion of education, sports, setting up old age homes and preventive healthcare	40.35	46.11
ii) Amount transferred to 'unspent CSR account'	59.12	30.99
iii) Amount to be carried forward as excess spent	(0.52)	-
<b>Total</b>	<b>98.95</b>	<b>77.10</b>
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Amount spent on CSR activities through related parties	-	-
Whether any provision made with respect to a liability incurred by entering into a contractual obligation	No	No

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 33 : EARNINGS PER SHARE (EPS)

	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Profit attributable to equity shareholders of the Company (₹ in million)	4,473.86	3,921.42
b) Weighted average number of equity shares outstanding @ ₹ 10/- each	75,218,734	75,218,734
<b>Earnings per share - Basic &amp; Diluted* (a)/(b)(in ₹)</b>	<b>59.48</b>	<b>52.13</b>

\* There are no dilutive potential equity shares.

### NOTE 34 : CONTINGENT LIABILITIES AND COMMITMENTS

#### A. CONTINGENT LIABILITIES

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Claims against the Company not acknowledged as debts</b>		
a) Indirect tax matters (refer Note below)	175.72	43.35
b) Direct tax matters (refer Note below)	501.81	118.02
c) Provident fund related (refer Note below)	1,035.53	-
c) Other claims (refer Note below)	2.33	3.19

#### Indirect tax contingencies

The Company has outstanding disputes with indirect tax authorities, mainly relating to Goods and Services Tax matters concerning the classification of certain transactions on which tax has been paid under the reverse charge mechanism, as well as certain input tax credit disallowances.

#### Direct tax contingencies

The Company has outstanding disputes with direct tax authorities, mainly relating to transfer pricing adjustments for the determination of the arm's length price of certain international transactions.

#### Provident fund related

In June 2024, the Company received orders from the Regional Provident Fund Commissioner (RPFC) claiming damages and interest totaling approximately INR 1,035.53 million. These orders pertain to the closure of the Company's provident fund trust and the subsequent transfer of trust assets to the Employees' Provident Fund Organization ("EPFO"). The orders allege that the surrender of trust assets did not comply with the applicable timing guidelines prescribed by the EPFO.

The Company is disputing the merits of the orders and has filed an appeal with the Hon'ble High Court of Jharkhand. Management believes that the Company will be granted relief upon full adjudication of the matter. Accordingly, no provision has been recorded in the financial statements.

#### Other claims

The Company has outstanding disputes from various other statutes, which is consolidated for disclosure as the value is not material.

These demands are being contested by the Company based on the management evaluation and advice of consultants as appropriate. In respect of above matters, future cash outflows are determinable only on receipt of judgments/decisions, which are pending at various authorities and the Company's rights for future appeals.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements.

The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

#### B. CAPITAL AND OTHER COMMITMENTS

₹ in million

	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for; (net of advance of ₹ 297.11 million (March 31, 2024 - ₹ 1,357.60 million))	952.54	3,065.21

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 35 : SEGMENT INFORMATION

#### Operating Segment:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. Information reported to the Chief Operating Decision Maker (CODM) for the assessment of segment performance focuses on the types of products and services delivered or provided. The Company's CODM is the Board of the Company.

The Company has only one reportable primary segment, viz. 'Bearings and allied goods & services'. Accordingly, no separate disclosure of segment information has been made.

#### Entity wide disclosures

- The revenue from the reportable segment 'Bearings and allied goods & services' for year ended March 31, 2025 ₹ 31,478.10 million (March 31, 2024 ₹ 29,095.41 million)
- The Company is domiciled in India. Geographical revenue is allocated based on the location of the customers. Information regarding geographical revenue is as follows:

₹ in million

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from Operations</b>		
India	<b>25,696.45</b>	23,260.08
Outside India		
- USA	<b>3,167.93</b>	3,092.10
- Others	<b>2,613.72</b>	2,743.23
	<b>5,781.65</b>	5,835.33
<b>Total</b>	<b>31,478.10</b>	29,095.41

Geographical non-current assets (other than financial instruments and deferred tax assets) are allocated based on the location of the assets. Non-current assets includes Property plant & equipment, right of use assets, capital work in progress, investment property, goodwill, non-current tax assets and other non-current assets. Information regarding geographical non-current assets is as follows:

₹ in million

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Non-current assets other than financial assets</b>		
India	<b>14,508.81</b>	11,225.28
Outside India	-	-
<b>Total</b>	<b>14,508.81</b>	11,225.28

- Revenue from one of the customer group amounted to ₹ 5,856.95 million (March 31, 2024 : ₹ 5,698.93 million) arising from sale of products & services.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 36 : UNHEDGED FOREIGN CURRENCY EXPOSURE

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign Currency (in million)	Value (₹ in million)	Amount in Foreign Currency (in million)	Value (₹ in million)
a) Trade Receivables	USD	21.57	1,813.20	22.47	1,839.08
	EURO	0.02	1.99	0.06	5.32
b) Trade Payables and capital creditors	USD	20.87	1,816.63	24.38	2,066.21
	EURO	1.91	179.04	0.01	1.23
	JPY	84.15	48.57	-	-
c) EEFC Bank account	USD	0.79	66.13	0.26	21.19

### NOTE 37 : RELATED PARTY DISCLOSURE:

#### Related parties where control exists :

Holding company	- Timken Singapore PTE. Limited
Ultimate Holding company	- The Timken Company

#### Other related parties with whom transactions have taken place during the year :

Fellow subsidiaries	1) The Timken Corporation 2) Timken (Wuxi) Bearings Co., Ltd. 3) Timken UK Limited 4) Timken Do Brazil Comercial Importadora LTDA. 5) Timken Korea Limited Liability Corp 6) Timken South Africa (PTY) Limited 7) Timken Romania SA 8) Yantai Timken Co., Ltd. 9) Australian Timken Proprietary Limited 10) Timken Polska SP z.o.o. 11) Timken Industrial Services, LLC, US 12) Timken (Shanghai) Distribution and Sales Co., Ltd 13) Timken PWP SRL 14) Timken Engineering and Research - India Private Limited 15) Timken De Mexico, S.A. De C.V. 16) Timken Canada LP 17) Timken (Chengdu) Aerospace and Precision Products Co., Ltd. 18) Timken (Hunan) Bearing Co., Ltd 19) Timken SMO LLC 20) Cone Drive Operations Inc 21) Timken GmbH 22) GROENEVELD-BEKA GMBH 23) Rollon India Pvt Ltd 24) Cone Drive (Jiangsu) Power Transmission 25) Groeneveld Transport Efficiency B V 26) Timken GGB Technology Private Limited 27) PT Timken Bearings Indonesia 28) Timken Netherlands Holding B.V 29) Timken Argentina
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#### Key management personnel

Chairman & Managing Director	- Mr. Sanjay Koul
Business Controller-India, CFO & Whole-time Director	- Mr. Avishrant Keshava (Business Controller-India, CFO till March 31, 2025)
Business Controller - India & CFO	- Mr. Sujit Kumar Pattanaik ( w.e.f. April 1, 2025)
Company Secretary & Chief of Compliance	- Mr. Mandar Vasmatkar

#### Non-executive Directors

Independent Director	- Mr. P.S. Dasgupta (Till March 31, 2024)
Independent Director	- Mrs. N S Rama ( Till October 24, 2023)
Non-executive Director	- Mr. Douglas H Smith
Independent Director	- Mr. George J Ollapally
Independent Director	- Mr. Veerappan V ( Till May 31, 2024)
Non-executive Director	- Mr. Hansal Patel
Independent Director	- Mr. Ajay Sood ( From October 1, 2023)
Independent Director	- Dr. Lakshmi Lingam ( From October 1, 2023)
Independent Director	- Mr. Soumitra Hazra ( From May 31, 2024)

#### Trusts managed by the Company

- Timken India Provident Fund
- Timken India Gratuity Fund
- Timken India Superannuation Fund
- ABC Bearings Employees Gratuity Fund



## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 37 : RELATED PARTY DISCLOSURE: (Contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in million

SI No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended	Outstanding as at	Transaction Amount for the year ended	Outstanding as at
				March 31, 2025		March 31, 2024	
1	The Timken Company	Ultimate holding company	Purchase of goods	526.97	111.99	519.82	119.52
			Sale of goods	1,352.65	646.71	1,509.19	436.45
			Expense receivable	3.84	1.66	21.56	20.30
			Expense payable	219.33	70.64	200.93	34.64
			Agency Commission (Income)	3.69	0.24	3.98	0.40
			Royalty	808.16	187.08	703.46	451.36
			Purchase of Property, Plant & Equipment	0.79	-	4.70	-
2	Timken Singapore PTE. Limited	Holding company	Purchase of goods	11.79	0.42	12.82	1.31
			Sale of goods	224.10	0.40	196.75	0.46
			Expense receivable	2.49	0.37	6.76	0.18
			Agency Commission (Income)	10.77	0.95	28.17	1.23
			Dividend paid	96.00	-	65.10	-
3	The Timken Corporation	Fellow Subsidiary	Purchase of goods	1,458.12	379.13	969.52	201.35
			Sale of goods	2,769.77	718.21	2,908.84	892.95
			Expense Receivables	3.55	-	3.02	1.38
			Agency Commission (Income)	12.87	1.44	10.04	0.97
			Purchase of Property, Plant & Equipment	15.33	-	30.20	0.11
4	Timken (Wuxi) Bearings Co. Ltd.	Fellow Subsidiary	Purchase of goods	3,728.24	655.57	3,594.64	647.93
			Sale of goods	26.92	3.70	20.06	1.03
			Expense receivable	0.38	-	0.20	-
			Purchase of Property, plant and equipments	0.28	-	-	-
5	Other Fellow Subsidiaries		Purchase of goods	3,037.11	350.47	3,557.75	580.47
			Sale of goods	1,447.35	223.46	1,018.69	151.29
			Expense receivable	57.81	4.42	61.72	4.69
			Expense payable	149.48	32.17	169.96	10.33
			Agency Commission (Income)	0.82	-	1.06	-
			Agency Commission (Expense)	6.60	-	14.34	2.92
			Purchase of Property, Plant & Equipment	17.52	2.85	5.39	0.75
			Purchase of export licences	1.07	1.07	-	-
6	Trusts managed by the Company		Employee benefits expenses	56.06	-	20.48	-
7	Non-executive Directors		Sitting fees	3.54	-	2.70	-
8	Key Managerial Personnel		Short-term employee benefits	74.53	-	72.66	-
			Post-employment benefits	2.00	-	1.82	-
			Other long-term benefits	1.60	-	1.46	-

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 38 : CATEGORIES OF FINANCIAL INSTRUMENTS

Refer Note 2.7.6 for material accounting policy information on Financial instruments

₹ in million

	As at March 31, 2025	As at March 31, 2024
<b>Financial Assets</b>		
<b>Break up of financial assets carried at amortised cost</b>		
Loans - non-current (refer Note 10 A)	0.60	0.65
Trade receivables-current (refer Note 14)	6,998.24	6,519.49
Cash and bank balances (refer Note 15 A & 15 B)	3,974.76	3,313.61
Loans - current (refer Note 10 B)	1.27	1.26
Other non-current financial assets (refer Note 11 A)	218.11	162.11
Other current financial assets (refer Note 11 B)	145.92	102.38
<b>Total financial assets carried at amortised cost</b>	<b>11,338.90</b>	<b>10,099.50</b>
<b>Break up of financial assets at fair value through profit or loss</b>		
Investments (refer Note 9 A & 9 B)		
Non-current	0.30	0.30
Current	1,171.00	1,604.91
<b>Total financial assets carried at fair value through profit or loss</b>	<b>1,171.30</b>	<b>1,605.21</b>
<b>Financial Liabilities</b>		
<b>Break up of financial liabilities carried at amortised cost</b>		
Non-current lease liabilities (refer Note 18)	136.95	165.31
Other non-current financial liabilities (refer Note 24 A)	2.40	2.40
Short term borrowings (refer Note 22)	-	60.43
Trade payables-current (refer Note 23)	3,970.08	3,857.28
Current lease liabilities (refer Note 18)	29.22	27.88
Other current financial liabilities (refer Note 24 B)	646.88	196.14
<b>Total financial liabilities carried at amortised cost</b>	<b>4,785.53</b>	<b>4,309.44</b>

The management has assessed that the carrying values of the Financial Assets and Liabilities at amortised cost approximate their fair value largely due to the short-term maturities of these instruments.

### NOTE 39A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial assets include trade & other receivables and cash & cash equivalents that derives directly from its operations. The Company's principal financial liabilities comprise trade & other payables and short term borrowings. The main purpose of majority of these financial liabilities is to manage working capital of the Company.

The Company is exposed to credit risk, market risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The below note explains the sources of risk which the Company is exposed to and how the entity manage the risk :

Risk	Exposure arising from	Measurement	Risk Management
1. Credit Risk	Trade Receivable, Cash and cash equivalents, other financial assets, loans & deposits	Ageing Analysis Financial Analysis Credit information on need basis	1. Review of credit limits and credit lock, secured mode of payments 2. Diversification of Short term investments
2. Market Risk			
i. Commodity risk	Movement in prices of commodities mainly steel	Sensitivity Analysis	1. Price negotiation and productivity improvement, expanding vendor base 2. Negotiation with customers for significant changes
ii. Foreign currency risk	Financial assets and liabilities denominated in other than functional currency	Sensitivity Analysis	1. Periodical review of exposure limits 2. Natural hedging
iii. Interest rate risk	Security deposit from distributors	Sensitivity Analysis	Periodical reset of interest linked to market
3. Liquidity Risk	Trade Payable, Security deposits from distributors and other financial liabilities	Maturity date analysis Rolling cash flow forecasts	1. Preparing and monitoring forecast of cash flows 2. Maintaining optimum cash and cash equivalents 3. Availability of sanctioned credit lines and borrowing facilities

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 39A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

#### 1. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, primarily cash & cash equivalents.

##### i. Trade receivables

Customer credit risk is managed in accordance with the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored through credit lock and release effectively managing the exposure.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets disclosed in Note 14. The Company does not hold any collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as most of its external customers (other than related party customers) are established players in their industry or are distributors/ dealers against which the Company holds security deposit as its policy and operate in largely independent markets. All the related party receivables are from various Timken group companies where there is a minimal default risk.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered related credit information for its customer, that's available in public domain to estimate the probability of default in future.

##### ii. Cash and Cash equivalents and Other financial assets

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made for deposit with banks and short-term liquid funds of rated mutual funds. Investments and Bank deposits are reviewed by the Board of Directors on a quarterly basis.

Credit risk arising from short term liquid fund investments, cash and cash equivalents and other balances with banks is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions. None of the financial instruments of the Company result in material exposure of credit risk as at March 31, 2025.

Other financial assets mainly include, loans and security deposits given, other receivables. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

#### 2. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to different types of market risks. For the Company, the market risk is the possibility of changes in foreign currency exchange rates and commodity prices which may affect the value of the Company's financial assets, liabilities or expected future cash flows.

##### i. Commodity Risk

Commodity risk for the Company is mainly related to fluctuations in steel prices which drives the prices of steel bars, tubes and wire rods. Since, steel is the primary input materials for making of rings, rollers and cages, which are used in manufacturing the final products, any fluctuation in steel prices can lead to drop in operating margin. Most of these input materials are procured from approved vendors and subject to price negotiations. In order to mitigate the risk associated with raw material and components prices, the Company manages its procurement through productivity improvements, expanding vendor base and constant pricing negotiation with vendors. The Company renegotiates the prices with its customers in case there is more than normal deviation in the prices of its major raw materials. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team.

##### ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk of fluctuations in foreign currency exchange rates on its financial liabilities including trade and other payables etc., which are mainly in US Dollars are mitigated through the natural hedge alignment, as Company's export sales are predominantly in US dollars and such economic exposure through trade and other receivables in US dollars provide natural alignment. Hence, a reasonable variation in the Foreign exchange rate would not have much impact on the profit or loss/ equity of the Company. Net foreign currency exposure also reviewed by the Board of Directors on a quarterly basis.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 39A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

#### Foreign currency sensitivity analysis

The Company is exposed to the currencies USD, EURO, GBP and JPY on account of outstanding receivables(+) and payables(-). The Company's net exposure to foreign currency risk at the end of the reporting period expressed in respective currencies given below.

₹ in million

Currency	As at March 31, 2025	As at March 31, 2024
USD	1.49	(1.65)
EURO	(1.88)	0.05
JPY	(84.15)	-

The following table details the Company's sensitivity to a 10% increase and decrease in INR against the USD, EURO, GBP and JPY. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A negative number below indicates a decrease in profit or equity where the INR weakens 10% against the relevant currency. For a 10% strengthening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive.

₹ in million

Particulars	As at March 31, 2025		As at March 31, 2024	
	Profit & Loss	Equity	Profit & Loss	Equity
USD	12.98	12.98	(13.96)	(13.96)
EURO	(17.70)	(17.70)	0.43	0.43
JPY	(4.86)	(4.86)	-	-
<b>Total</b>	<b>(9.58)</b>	<b>(9.58)</b>	<b>(13.53)</b>	<b>(13.53)</b>

#### iii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risks arises primarily from security deposits from distributors. The Company has taken interest earning security deposits from the distributors as disclosed in note No.24. An increase / decrease of 1% of interest rate, the profit for the year ended March 31, 2025 would decrease / increase by ₹ 0.32 million (Year ended March 31, 2024 ₹ 0.31 million)

### 3. Liquidity risk

Liquidity risk is defined as a risk that the Company will not be able to meet its obligations on time or at a reasonable price. An effective liquidity risk management takes into consideration in maintaining optimum level of cash and cash equivalents and the availability of funding through credit facilities at a reasonable cost to meet the obligation when due. The Company's treasury department drives the liquidity, funding as well as settlement management. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team. Management continuously reviews the actual cash flows and forecasts the expected cash flows to monitor the liquidity position. The Company has large investments and deposits either in short term liquid funds or in bank deposits, which can be converted to cash at a very short notice and hence carry negligible liquidity risk. All the current financial liabilities of the Company are due to be paid within twelve months from the Balance sheet date. All non-current financial liabilities are due to be paid in more than twelve months from the Balance sheet date. However the interest component of all the non-current financial liabilities if any will be payable as and when due, which may be within twelve months from the date of Balance sheet date.

#### Fair values

₹ in million

(i) Class wise fair value of the Company's financial instruments:	As at March 31, 2025	As at March 31, 2024
Investments (unquoted) in Equity shares	0.30	0.30
Investments (unquoted) in mutual funds	1,171.00	1,604.91

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 39A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

#### (ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets

₹ in million

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:</b>			
Assets measured at fair value:			
Investments in mutual funds	1,171.00	-	-
Investment in equity shares	-	-	0.30
<b>Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024:</b>			
Assets measured at fair value:			
Investments in mutual funds	1,604.91	-	-
Investment in equity shares	-	-	0.30

- a) The Fair value for investments in mutual funds have been determined based on the NAV of the respective funds as on balance sheet date.
- b) The Company has determined the carrying value of the investment as its fair value in the absence of any available fair value for its non-current investment which is carried at cost.

### NOTE 39B: CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maximise the shareholder value. For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company's objective when managing capital is to :

- Safeguard its ability to continue as a going concern, so that the Company maximises shareholder value and provides benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the weighted average cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares or sell non-core assets to reduce debts.

The Company is not subject to any externally imposed capital requirements. The Company is a Zero debt Company with no long-term borrowings. The debt as shown in the financial statements as defined in note no. 22 is on account of bills discounted with bank.

₹ in million

	Note Reference Number	As at March 31, 2025	As at March 31, 2024
Total Debt	22	-	60.43
Total Equity	16 and 17	28,448.65	24,172.64
Debt to Equity %		0.00%	0.25%

Total amount of Debt ₹ NIL (March 31, 2024 ₹ 60.43 million) represents bills discounted with banks and there are no covenants attached to the facility.

### NOTE 40 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

Refer Note 2.7.8 for material accounting policy information on Employee benefits

The Company has a defined benefit gratuity plan (funded). Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. Certain employees who have completed more than 25 years of service get 20 days salary for every completed year of service in excess of 25 years upto 30 years and completed more than 30 years of service get one month salary for every completed year of service in excess of 30 years.

The Company also has a Death Benefit Scheme (unfunded) for specific employee group where the immediate beneficiaries are entitled to a monthly fixed sum till the date of superannuation, for death in harness.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 40 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

The disclosures of Employee Benefits as defined in Ind AS 19 are given below:

#### Profit and Loss account :

Net employee benefit expense (recognised in Employee Cost)

₹ in million

	Gratuity fund		Employee Death Benefit scheme	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>I) Expenses recognised in the Statement of Profit &amp; Loss</b>				
1) Current service cost and Past service Cost	28.09	48.50	0.27	0.30
2) Interest cost	1.87	0.29	1.09	1.32
3) Expected return on plan assets	-	-	-	-
4) Immediate recognition of (gains)/losses other long term employee benefits plans	-	-	-	-
<b>5) Total Expenses (disclosed part of Contribution to provident and other funds in note 29)</b>	<b>29.96</b>	<b>48.79</b>	<b>1.36</b>	<b>1.62</b>
<b>Expense recognised in OCI</b>				
6) Net remeasurement (gain) / loss recognised in the year	12.83	8.45	0.31	-
<b>7) Total Expense</b>	<b>42.79</b>	<b>57.24</b>	<b>1.67</b>	<b>1.62</b>
<b>II) Net Asset/ (Liability) recognised in the Balance Sheet</b>				
1) Present Values of Defined Benefit Obligation	541.06	527.77	15.79	19.66
2) Fair value of Plan Assets	498.28	471.97	-	-
<b>3) Net Asset/ (Liability)</b>	<b>(42.78)</b>	<b>(55.80)</b>	<b>(15.79)</b>	<b>(19.66)</b>
<b>III) Change in Obligation during the year</b>				
1) Present Value of Defined Benefit Obligation at the beginning of the year	527.78	478.09	19.66	23.14
2) Current service cost/ Plan amendments	28.09	48.50	0.27	0.30
3) Acquisitions (Credits)/cost	1.27	0.28	-	-
4) Interest Cost	34.81	32.58	1.09	1.32
5) Benefit Paid	(67.44)	(41.06)	(5.54)	(6.88)
6) Net changes to other reported provisions	-	-	-	-
<b>7) Remeasurement (Gain)/ Losses</b>				
Arising from the change in experience	3.78	13.01	0.15	1.72
Arising from the change in financial assumptions	12.77	(3.63)	0.16	0.06
<b>Total</b>	<b>16.55</b>	<b>9.38</b>	<b>0.31</b>	<b>1.78</b>
<b>8) Present Values of Defined Benefit Obligation at the end of the year (disclosed in Provisions in note 19)</b>	<b>541.06</b>	<b>527.77</b>	<b>15.79</b>	<b>19.66</b>
<b>IV) Change in the Fair Value of Plan Assets</b>				
1) Plan assets at the beginning of the year	471.97	467.57	-	-
2) Expected return on plan assets	32.95	32.27	-	-
3) Contribution by employer	55.80	11.98	-	-
4) Actual benefit paid	(67.44)	(41.06)	-	-
5) Return of Plan Assets greater/ (lesser) than discount rate	3.72	0.93	-	-
6) Remeasurement (Gain)/ Losses	-	-	-	-
7) Acquisition adjustments	1.28	0.28	-	-
<b>8) Plan Asset at the end of the year</b>	<b>498.28</b>	<b>471.97</b>	<b>-</b>	<b>-</b>

V) In FY 2025-26, the Company expects to contribute ₹ 43 million (FY 2024-25: ₹ 56 million) to gratuity fund.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 40 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

#### VI) Actuarial Assumptions

	Gratuity fund		Employee Death Benefit scheme	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
1) Discount Rate	6.40 % to 6.50 %	6.90 % to 7.00 %	6.40%	7.10%
2) Expected rate of return on plan asset	NA	NA	NA	NA
3) Mortality	IALM (2006-2008) (modified) Ult	IALM (2006-2008) (modified) Ult	IALM (2006-2008) (modified) Ult	IALM (2006-2008) (modified) Ult
4) Average attained age (years)	39	39	55	55
5) Average past service (years)	12	12	31	30
6) Employee Turnover Rate	0.10% - 10.00%	0.10% - 10.00%	0.1% - 0.5%	0.1% - 0.5%
7) Rate of escalation in salary (per annum)	8.00%	8.00%	8.00%	8.00%

#### Actuarial Assumptions for compensated absences

	Compensated absences	
	For the year ended March 31, 2025	For the year ended March 31, 2024
1) Discount Rate	6.40% to 6.50%	6.90% to 7.00%
2) Rate of escalation in salary (per annum)	8.00%	8.00%
3) Mortality	IALM (2006-2008) (modified) Ult	IALM (2006-2008) (modified) Ult
4) Withdrawal rate	Bharuch: 3% Officers: 10% Non-officers: Ages : Rate 20 - 25 : 0.50%, 26 - 30 : 0.30%, 31 - 35 : 0.20%, 36 - 50 : 0.10%, 51 - 55 : 0.20%, 56 - 60 : 0.30%	Bharuch: 3% Officers: 10% Non-officers: Ages : Rate 20 - 25 : 0.50%, 26 - 30 : 0.30%, 31 - 35 : 0.20%, 36 - 50 : 0.10%, 51 - 55 : 0.20%, 56 - 60 : 0.30%

#### VII) Maturity Profile of the defined benefit obligation

	Gratuity fund		Employee Death Benefit scheme	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Weighted average duration of the defined benefit obligation	7 years	7 years	5 years	5 years
Not later than 1 year (₹ in million)	74.32	62.37	6.77	7.92
Later than 1 year and not later than 5 years (₹ in million)	290.24	465.79	18.17	19.78
More than 5 years (₹ in million)	210.46	427.39	7.17	8.22

The estimates of rate of escalation in salary considered in actuarial valuation taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

Each year, the Board of Trustees reviews the level of funding in the Gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 40 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

VIII) Amounts for the current and previous four periods are as follows:

(₹ in million)

	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
<b>1. Gratuity</b>					
Defined Benefit Obligation	<b>541.06</b>	527.77	478.09	460.11	436.21
Plan Assets	<b>498.28</b>	471.97	467.57	424.44	418.18
Surplus/ (Deficit)	<b>(42.78)</b>	(55.80)	(10.52)	(35.67)	(18.03)
Experience (Gain)/ loss adjustment on plan liabilities	<b>3.78</b>	13.01	3.85	15.23	(0.68)
Experience (Gain)/ loss adjustment on plan assets	-	-	-	-	-

A quantitative sensitivity analysis for significant assumption are as shown below:

**a) Gratuity (Funded)**

₹ in million

Impact on defined benefit obligation (Increase/ (decrease))	March 31, 2025		March 31, 2024	
	Discount rate		Discount rate	
	1% increase	1% decrease	1% increase	1% decrease
	(24.91)	27.65	(50.82)	55.58

₹ in million

Impact on defined benefit obligation (Increase/ (decrease))	March 31, 2025		March 31, 2024	
	Salary Growth		Salary Growth	
	1% increase	1% decrease	1% increase	1% decrease
	25.06	(23.02)	55.56	(50.83)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

**b) Employee Death Benefit Scheme (Unfunded)**

₹ in million

Impact on employee death benefits obligation (Increase/ (decrease))	March 31, 2025		March 31, 2024	
	Discount rate		Discount rate	
	1% increase	1% decrease	1% increase	1% decrease
	(0.32)	0.34	(0.42)	0.44

₹ in million

Impact on employee death benefits obligation (Increase/ (decrease))	March 31, 2025		March 31, 2024	
	Salary Growth		Salary Growth	
	1% increase	1% decrease	1% increase	1% decrease
	0.20	(0.19)	0.26	(0.25)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.



## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 41 : FINANCIAL RATIOS

- a. **Ratio** Current Ratio  
**Numerator** Current Assets  
**Denominator** Current Liabilities

₹ in million

#### Ratios / measures

Current Assets (A)  
 Current Liabilities (B)

**Current ratio (C) = (A) / (B)**

**%Change from previous year**

As at March 31, 2025	As at March 31, 2024
19,525.74	18,487.46
5,117.18	4,731.96
3.82	3.91
-2%	

- b. **Ratio** Debt Equity Ratio  
**Numerator** Borrowings  
**Denominator** Shareholders' equity

₹ in million

#### Ratios / measures

Borrowings (A)  
 Shareholder's equity (B)

**Debt equity ratio (C) = (A) / (B)**

**%Change from previous year**

As at March 31, 2025	As at March 31, 2024
-	60.43
28,448.65	24,172.64
-	0.002
-100%	

The ratio has decreased from 0.002 in March 2024 to NIL in March 2025 because of no borrowings.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 41 : FINANCIAL RATIOS (Contd.)

- c. **Ratio** Debt service coverage ratio  
**Numerator** Earnings available for debt services  
**Denominator** Debt service

₹ in million

#### Ratios / measures

Profit after tax for the year (A)

#### Add: Non cash operating expenses and finance cost

Depreciation and Amortisation expenses (B)

Finance costs (C)

Provision for doubtful debts, deposits &amp; advance (D)

**Earnings available for debt services (E) = (A)+(B)+(C)+(D)**

Finance costs (F)

Borrowings (G)

Lease liabilities (H)

**Debt service (I) = (F) + (G) + (H)****Debt service coverage ratio (J) = (E) / (I)****%Change from previous year**

As at March 31, 2025	As at March 31, 2024
4,473.86	3,921.42
847.70	851.68
42.89	37.89
6.18	10.26
5,370.63	4,821.25
42.89	37.89
-	60.43
166.17	193.19
209.06	291.51
25.69	16.54
55%	

The ratio increased due to increase in earnings available for debt services and no borrowings as at March 31, 2025.

- d. **Ratio** Return on equity [%]  
**Numerator** Profit after tax  
**Denominator** Average Shareholder's Equity

₹ in million

#### Ratios / measures

Profit after tax for the year (A)

Closing shareholder's equity (B)

Average shareholder's equity [(opening + closing) / 2] (C)

**Return on equity [%] (D) = (A)/(C) \*100****%Change from previous year**

As at March 31, 2025	As at March 31, 2024
4,473.86	3,921.42
28,448.65	24,172.64
26,310.64	22,272.18
17.00%	17.61%
-3%	

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 41 : FINANCIAL RATIOS (Contd.)

- e. **Ratio** Inventory turnover ratio  
**Numerator** Cost of goods sold  
**Denominator** Average inventory

₹ in million

#### Ratios / measures

Cost of goods sold\* (A)

Closing Inventory (B)

Average inventory [(opening + closing) /2] (C)

Inventory turnover ratio (D) = (A)/(C)

%Change from previous year

\* Cost of goods sold represents the aggregate of cost of materials consumed, purchase of stock-in-trade and changes in inventory of stock-in-trade.

As at March 31, 2025	As at March 31, 2024
19,003.93	17,166.22
6,446.61	6,666.86
6,556.74	6,180.88
2.90	2.78
4%	

- f. **Ratio** Trade receivables turnover ratio  
**Numerator** Revenue from operations  
**Denominator** Average trade receivables

₹ in million

#### Ratios / measures

Revenue from operations (A)

Closing Trade Receivables

Average Trade Receivables [(opening + closing) /2] (B)

Trade receivables turnover ratio (C) = (A) / (B)

%Change from previous year

As at March 31, 2025	As at March 31, 2024
31,478.10	29,095.41
6,998.24	6,519.49
6,758.87	6,138.42
4.66	4.74
-2%	

- g. **Ratio** Trade payables turnover ratio  
**Numerator** Total purchases  
**Denominator** Average trade payables

₹ in million

#### Ratios / measures

Total purchases \* (A)

Closing Trade Payables

Average Trade Payables [(opening + closing) /2] (B)

Trade payables turnover ratio (C) = (A) / (B)

%Change from previous year

As at March 31, 2025	As at March 31, 2024
23,861.80	21,731.82
3,970.08	3,857.28
3,913.68	3,650.74
6.10	5.95
3%	

\* Total purchases represents purchase of goods and services which is the aggregate of cost of materials consumed, purchase of stock-in-trade, changes in Inventories of finished goods, work-in-progress and stock-in-trade and other expenses.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 41 : FINANCIAL RATIOS (Contd.)

- h. **Ratio** Net capital turnover ratio  
**Numerator** Revenue from operations  
**Denominator** Working capital

₹ in million

#### Ratios / measures

Revenue from operations (A)

Working Capital (Current Assets - Current Liabilities) (B)

**Net capital turnover ratio (C) = (A)/ (B)****%Change from previous year**

As at March 31, 2025	As at March 31, 2024
31,478.10	29,095.41
14,408.56	13,755.50
2.18	2.12
3%	

- i. **Ratio** Net profit [%]  
**Numerator** Profit after tax  
**Denominator** Revenue from operations

₹ in million

#### Ratios / measures

Profit after tax for the year (A)

Revenue from operations (B)

**Net profit [%] (C) = (A) / (B) \*100****%Change from previous year**

As at March 31, 2025	As at March 31, 2024
4,473.86	3,921.42
31,478.10	29,095.41
14.21%	13.48%
5%	

- j. **Ratio** Return on capital employed [%]  
**Numerator** Earning before interest and taxes  
**Denominator** Capital Employed (Total equity, Total borrowings and Total lease liabilities)

₹ in million

#### Ratios / measures

Profit after tax for the year (A)

#### Adjustments

Add: Total tax expenses (B)

Add: Finance costs (C)

**Earnings before interest and tax (D) = (A) + (B) + (C)**

Total equity (E)

Borrowings (F)

Current and Non-current lease liabilities (G)

Deferred tax liabilities (net) (H)

**Capital Employed (I) = (E) + (F) + (G) + (H)****Return on capital employed [%] (J) = (D) / (I) \*100****%Change from previous year**

As at March 31, 2025	As at March 31, 2024
4,473.86	3,921.42
1,053.43	1,320.72
42.89	37.89
5,570.18	5,280.03
28,448.65	24,172.64
-	60.43
166.17	193.19
209.76	225.93
28,824.58	24,652.19
19.32%	21.42%
-10%	

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 41 : FINANCIAL RATIOS (Contd.)

<b>k. Ratio</b>	Return on Investment [%]
<b>Numerator</b>	Income generated from investments
<b>Denominator</b>	Average investments

#### Ratios / measures

Income generated from investments (A)  
 Closing Investments  
 Average Investments [(opening + closing) / 2] (B)

**Return on Investment [%] (C) = (A) / (B) \* 100**

**%Change from previous year**

₹ in million

<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>141.93</b>	167.48
<b>1,171.30</b>	1,605.21
<b>1,388.26</b>	1,982.22
<b>10.22%</b>	8.45%
<b>21%</b>	

### NOTE 42: ADDITIONAL REGULATORY INFORMATION NOT DISCLOSED ELSEWHERE IN THE FINANCIAL STATEMENTS

- There are no properties / assets which are not held or registered in the name of the Company (benami property), other than those disclosed in these standalone financial statements.
- Transactions and balances with companies which have been removed from register of Companies [struck off companies] as at the above reporting periods is Nil.
- The Company has not traded / invested in Crypto currency.
- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company is not a declared willful defaulter by any bank or financial Institution or other lender.

**NOTE 43 :** Pursuant to the amendments in Rule 3(5) of the Companies (Accounts) Rules, 2014 from August 5, 2022, back-up of the books of account and other books and papers of the Company maintained in electronic mode, including at a place outside India, if any, shall be kept in servers physically located in India on a 'daily' basis. The Company has implemented this process, post the closure of the financial year. As on the date of approval of financial statements, the Company is in compliance with the said requirement.

## Notes to financial statements as at and for the year ended March 31, 2025

### NOTE 44: PREVIOUS PERIOD COMPARATIVES

Previous year figures have been regrouped or reclassified wherever necessary to conform to current year's grouping or classification.

Signatures to Note 1-44 of the financial statements

As per our report of even date

#### For Deloitte Haskins & Sells LLP

Chartered Accountants  
(Firm's Registration No. 117366W/W – 100018)

#### Ankit Daga

Partner  
Membership No. 512486  
Bengaluru, May 23, 2025

For and on behalf of the Board of Directors of Timken India Limited

#### Sanjay Koul

Chairman & Managing Director  
DIN: 05159352

#### Avishrant Keshava

Whole-time Director  
DIN: 07292484

#### Sujit Kumar Pattanaik

Business Controller - India &  
CFO

#### Mandar Vasmatkar

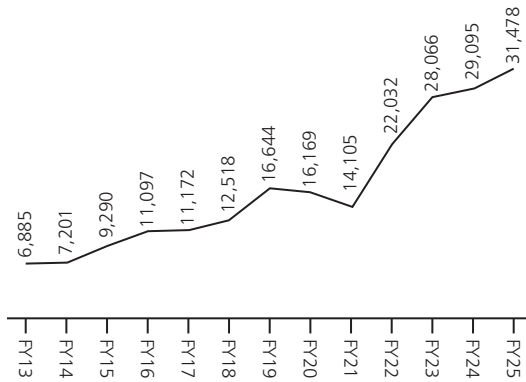
Company Secretary & Chief - Compliance  
Bengaluru, May 23, 2025

## FIVE YEARS AT A GLANCE

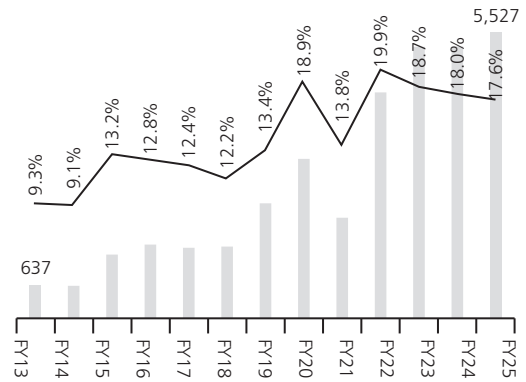
	Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2023	Year Ended 31.03.2022	Year Ended 31.03.2021
<b>Rs/millions</b>					
<b>Profit &amp; Loss Account</b>					
(i) Total Income					
(a) Domestic	25,696	23,260	20,478	15,525	10,661
(b) Export	5,782	5,835	7,588	6,508	3,444
(C) Other income	502	408	532	143	196
Total (a+b+c)	31,980	29,503	28,598	22,175	14,301
(ii) EBITDA	6,418	6,132	6,135	5,250	2,714
(iii) Profit Before Tax (PBT)	5,527	5,242	5,235	4,382	1,951
(iv) Profit After Tax (PAT)	4,474	3,921	3,907	3,271	1,432
<b>Balance Sheet</b>					
(i) Gross Block (includes CWIP)	17,181	11,964	10,765	10,083	9,316
(ii) Net Block	5,148	5,539	5,604	5,748	5,304
(iii) Net Current Assets	14,409	13,756	11,844	8,242	5,077
(iv) Capital Employed	29,136	25,144	21,292	17,580	14,512
(v) Total Debt	-	60	294	298	327
(vi) Total Equity	28,449	24,173	20,372	16,569	13,435
<b>Other Comparative Data</b>					
(i) Net Profit (%)	14.21%	13.48%	13.92%	14.85%	10.15%
(ii) EBITDA / Capital Employed (%)	22.03%	24.39%	28.82%	29.86%	18.70%
(ii) Return on Equity (%)	17.00%	17.61%	21.15%	21.80%	9.81%
(iii) E.P.S (Rs)	59.48	52.13	51.95	43.49	19.03
(iv) Total Debt to Total Equity (%)	0.00%	0.25%	1.45%	1.80%	2.43%
(v) Total Debt to Capital Employed (%)	0.00%	0.24%	1.38%	1.69%	2.25%
(vi) Fixed Asset Turnover (times)	6.21	5.33	5.10	3.86	2.70
(vii) Working Capital Turnover (times)	2.22	2.14	2.41	2.69	2.82
(viii) Current Ratio (times)	3.82	3.91	3.77	2.89	2.16
(ix) Interest Cover (times)	129.87	139.35	187.11	180.07	136.37
(x) Total Income/Employee (Rs/millions)	24.95	23.07	21.26	16.83	11.11

**Notes:** (i) EBITDA is not a GAAP measurement, and used internally to measure the company's performance.  
(ii) Return on Equity is profit after tax divided by average total equity.  
(iii) Fixed Asset Turnover is total income divided by net fixed assets as at the end of the year.  
(iv) Working Capital Turnover is total income divided by net current asset as at the end of the year.  
(v) Current ratio is current assets divided by current liabilities.  
(vi) Interest Cover is profit before interest and taxation divided by net interest expenses.

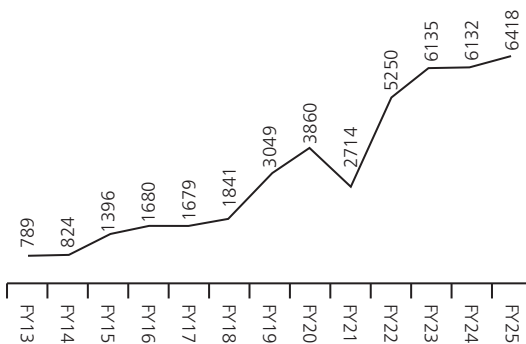
Revenue (Rs. M)



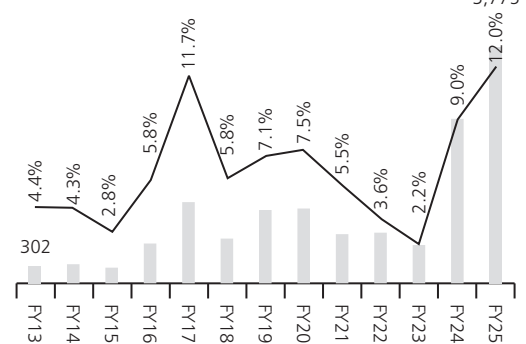
PBT (Rs. M) &amp; PBT Margin



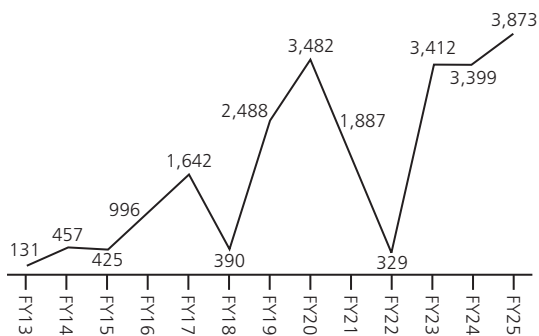
EBITDA (Rs. M)



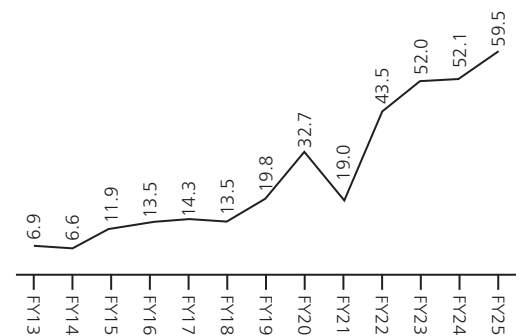
Capex (Incl. advance) (in Rs. M) &amp; % to Revenue



Cash from Operations (Rs. M)



EPS (RS.)





## TIMKEN INDIA LIMITED

Regd. Office: 39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100

(CIN: L29130KA1996PLC048230)

Phone No. 080-41362000

Website: [www.timken.com/en-in](http://www.timken.com/en-in); Email Id: [tilinvestor@timken.com](mailto:tilinvestor@timken.com)

### **Notice**

Notice is hereby given that 38<sup>th</sup> Annual General Meeting ('AGM') of Timken India Limited will be held on Tuesday, 19 August, 2025 at 3.00 PM (IST) through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact following businesses:

#### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements for the financial year ended 31 March, 2025 and reports of the Board of Directors and Statutory Auditors.
2. To declare dividend of Rs. 36/- per equity share of Rs.10/- each fully paid up for the financial year ended 31 March, 2025.
3. To appoint a Director in place of Mr. Avishrant Keshava (DIN: 07292484), who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS:**

**4. Appointment of Mr. Sumit Rathor (DIN: 00128517) as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification, following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder read with Schedule-IV of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or amendments or re-enactments thereof) and based on recommendation of the Nomination and Remuneration Committee and consent of the Board of Directors, approval of the Members be and is hereby accorded for appointment of Mr. Sumit Rathor (DIN: 00128517) as an Independent Director of the Company for a period of 2 years w.e.f. 1 October, 2025."

**5. Re-appointment of Dr. Lakshmi Lingam (DIN: 10181197) as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification, following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder read with Schedule-IV of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or amendments or re-enactments thereof) and based on recommendation of the Nomination and Remuneration Committee and consent of the Board of Directors, approval of the Members be and is hereby accorded for re-appointment of Dr. Lakshmi Lingam (DIN: 10181197) as an Independent Director of the Company for a further period of 3 years w.e.f. 1 October, 2025."

**6. Appointment of Mr. Sujit Kumar Pattanaik (DIN: 10709015) as a Whole-time Director of the Company**

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

**"RESOLVED**

**THAT** pursuant to the provisions of Sections 152, 196, 197, 198 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder read with Schedule-V of the Act and Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or amendments or re-enactment thereof) and based on recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, consent of the Members of the Company be and is hereby accorded for appointment of Mr. Sujit Kumar Pattanaik (DIN: 10709015) ('Mr. Pattanaik') as a Whole-time Director of the Company, liable to retire by rotation, w.e.f. 30 September, 2025 for a period of 5 years on the terms and conditions including remuneration as set out in explanatory statement attached hereto;

**THAT** Mr. Sanjay Koul (DIN:05159352), Chairman & Managing Director of the Company be and is hereby authorized to take all such steps in this regard as may be necessary, proper and expedient, to give effect to this Resolution."

**7. Ratification of remuneration payable to the Cost Auditors**

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

**“RESOLVED THAT** pursuant to provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modifications or amendments or re-enactments thereof) and based on recommendation of the Audit Committee and approval of the Board of Directors, remuneration of Rs. 6,62,000/- (Rupees Six Lakhs and Sixty Two Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses payable to M/s. Shome & Banerjee (Firm Registration No. 000001), Cost Auditors, to conduct Cost Audit for the financial year 2025-26 be and is hereby ratified and approved.”

**8. Appointment of Secretarial Auditor**

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

**“RESOLVED THAT** pursuant to provisions of Section 204 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or amendments or re-enactments thereof) and based on recommendation of the Audit Committee and approval of the Board of Directors, consent of the Members be and is hereby accorded for appointment of Mr. Nagarjun Y G, Practicing Company Secretary as Secretarial Auditor of the Company to conduct audit for a period of 5 years from FY 2025-26 to FY 2029-30 on such remuneration as may be decided by the Board of Directors of the Company.”

**9. Material Transactions with Related Party – The Timken Company**

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

**“RESOLVED –**

**THAT** pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications or amendments or re-enactments thereof) and such other applicable provisions of laws, approval of the Members of the Company be and is hereby accorded to estimated related party transactions with The Timken Company, a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, as set out in explanatory statement attached hereto;

**THAT** the Audit Committee of the Board of Directors be and is hereby authorized to do all such acts, deeds and things to give effect to this Resolution.”

**10. Material Transactions with Related Party – The Timken Corporation**

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

**“RESOLVED –**

**THAT** pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications or amendments or re-enactments thereof) and such other applicable provisions of laws, approval of the Members of the Company be and is hereby accorded to estimated related party transactions with The Timken Corporation, a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, as set out in explanatory statement attached hereto;

**THAT** the Audit Committee of the Board of Directors be and is hereby authorized to do all such acts, deeds and things to give effect to this Resolution.”

**11. Material Transactions with Related Party – Timken Engineering and Research-India Private Limited**

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

**“RESOLVED –**

**THAT** pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications or amendments or re-enactments thereof) and such other applicable provisions of laws, approval of the Members of the Company be and is hereby accorded to estimated related party transactions with Timken Engineering and Research-India Private Limited, a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, as set out in explanatory statement attached hereto;

**THAT** the Audit Committee of the Board of Directors be and is hereby authorized to do all such acts, deeds and things to give effect to this Resolution.”

**12. Material Transactions with Related Party – Timken Wuxi Bearings Co. Ltd.**

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

**“RESOLVED –**

**THAT** pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications or amendments or re-enactments thereof) and such other applicable provisions of laws, approval of the Members of the Company be and is hereby accorded to estimated related party transactions with Timken Wuxi Bearings Co. Ltd., a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, as set out in explanatory statement attached hereto;

**THAT** the Audit Committee of the Board of Directors be and is hereby authorized to do all such acts, deeds and things to give effect to this Resolution.”

By Order of the Board

Date: 4 July, 2025

Place: Bengaluru

Sd/-

**Mandar Vasmatkar**

Company Secretary

& Chief - Compliance

ACS-23953

**NOTES :**

1. The Ministry of Corporate Affairs vide its Circular dated 19 September, 2024 read with Circulars dated 8 April, 2020, 13 April, 2020, 5 May, 2020 and other relevant Circulars (collectively referred to as “MCA Circulars”) has allowed to conduct AGM through VC/OAVM without physical presence of the Members. In view of the same, AGM of the Company is being held through VC/OAVM. Deemed venue for the AGM shall be the Registered Office of the Company. Since physical attendance is dispensed with for this Meeting being conducted through VC/OAVM, facility of appointment of proxy is not available. In view of same, proxy form, attendance sheet and route map are not attached to this Notice.
2. Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act') in respect of item nos. 4 to 12 is annexed hereto. Applicable details relating to Directors pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard-2 ('SS-2') are also annexed to this Notice.
3. Those Members whose dividend is unpaid or unclaimed for financial years 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 of the Company including for erstwhile ABC Bearings Limited (amalgamated) may please contact Investor Relations at [tilinvestor@timken.com](mailto:tilinvestor@timken.com) for payment.
4. Amount outstanding in unpaid dividend accounts in respect of financial years as mentioned above will be transferred to Investor Education and Protection Fund (“IEPF”) after end of seven years from the date when the said dividend was transferred to unpaid dividend account. Accordingly, unpaid dividend for financial year 2017-18 relating to Timken India Limited and for FY 2018-19 (interim dividend) of ABC Bearings Limited (amalgamated) is due for transfer to IEPF in the month of September, 2025.
5. Dividend on equity shares, as recommended by the Board of Directors (Rs. 36/- per equity share of Rs.10/- each fully paid up), if declared at 38<sup>th</sup> AGM of the Company, will be paid to those Members whose names will appear on the Register of Members of the Company or in the statement as may be furnished by the depositories for this purpose as at the close of business on 25 July, 2025.
6. Beneficial Owners of shares in demat form are advised to get particulars of their bank accounts and PAN details updated with the Depository Participants.
7. Members may note that pursuant to Section 108 of the Act read with Rules made thereunder and Regulation 44 of Listing Regulations, the Company is providing remote e-Voting facility for voting on the resolutions proposed to be passed at the 38<sup>th</sup> AGM. This Notice contains a set of instructions for remote e-Voting and also for e-Voting on the day of AGM as per applicable provisions of law.
8. In compliance with MCA Circulars read with Regulation 36 of Listing Regulations, Annual Report and Notice of AGM will be sent by e-mail to those Members who have registered their e-mail address with the Company/Registrar and Transfer Agent (RTA)/Depository Participants. Additionally, the Company will be also sending a letter to Members whose e-mail addresses are not registered with Company/RTA/Depository Participants providing weblink from where the Annual Report for FY 2024-25 can be accessed. The Company will provide physical copies of Annual Report on request from Shareholder. Copies of Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which the Directors are interested, will be available for inspection by the Members upto the date of AGM. Members seeking to inspect such documents can send an email to [tilinvestor@timken.com](mailto:tilinvestor@timken.com).

9. It may please be noted that dividend to shareholders holding shares in physical form shall be paid only if all KYC details are mapped with the Company/RTA. It may also be noted that dividend for the financial year 2024-25, if declared at 38<sup>th</sup> AGM, shall be paid only through electronic mode to Shareholders. All relevant forms (i.e. Forms ISR-1, ISR-2, ISR-3, ISR-4, ISR-5, SH-13 and SH-14) for updating KYC details are available on the website of the Company at <https://www.timken.com/en-in/investors/statutory-compliances/#download-application>. Shareholders holding shares in physical form shall update their KYC on or before 25 July, 2025 to receive dividends.
10. Pursuant to Finance Act 2020, dividend income is taxable in the hands of Shareholders effective 1 April, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the rates prescribed in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company/RTA to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption. Detailed process is available on the Company's website at <https://www.timken.com/en-in/investors/statutory-compliances/#dividend>. For any tax related query, you may write to [TIL.TDS@timken.com](mailto:TIL.TDS@timken.com).

## **Annexure to the Notice – Statement pursuant to Section 102 of the Act**

### **Item No. 4**

Based on recommendation of the Nomination and Remuneration Committee, the Board has approved appointment of Mr. Sumit Rathor (DIN: 00128517) ('Mr. Rathor') as an Independent Director of the Company effective 1 October, 2025 for a period of two years subject to approval of the Members of the Company. The Company is in receipt of a notice under Section 160 of the Act from a Member proposing candidature of Mr. Rathor for the office of Independent Director of the Company.

The Company has received from Mr. Rathor:

- a) Consent in Form DIR-2
- b) Intimation in Form DIR-8 and
- c) Declaration to the effect that he meets the criteria of independence in terms of Section 149 of the Act and Regulation 16 of Listing Regulations.

Nomination and Remuneration Policy (NRC Policy) of the Company provides personal specifications and aspects that needs to be considered for appointment of Director. The Nomination and Remuneration Committee evaluated candidature of Mr. Rathor taking into consideration personal specifications and aspects covered in the NRC Policy and since he met with criteria laid down and possesses the skills and capabilities required for the role, the Nomination and Remuneration Committee recommended his appointment as an Independent Director of the Company.

Mr. Rathor is not debarred/disqualified to act as Director. Mr. Rathor fulfils the criteria of independence provided in the Act and Listing Regulations. Brief profile of Mr. Rathor and relevant details as per SS-2 are provided as a part of this Notice.

### **Rationale:**

The Board evaluated candidature of Mr. Rathor considering skills, expertise required in the context of business and after deliberation, felt that his skills, expertise will add value to the Board to function effectively.

Proposal for appointment of Mr. Rathor as an Independent Director of the Company is therefore, placed before the Members for approval as set out under item no. 4 of the accompanying Notice. In the opinion of Board of Directors, Mr. Rathor fulfils the conditions specified in the Act and he is independent of the management. The Board recommends Resolution set out under item no. 4 for approval of the Members.

### **Memorandum of Interest**

No Director, Key Managerial Personnel or their relatives is concerned or interested in this Resolution.

### **Item No. 5**

Dr. Lakshmi Lingam (DIN: 10181197) ('Dr. Lakshmi') was appointed as an Independent Director of the Company effective 1 October, 2023 for a period of 2 years. Dr. Lakshmi is eligible to be re-appointed as an Independent Director of the Company for another term.

NRC Policy of the Company provides personal specifications and aspects that needs to be considered for appointment of Director. The Nomination and Remuneration Committee evaluated candidature of Dr. Lakshmi taking into consideration personal specifications and aspects covered in NRC Policy and since she met with the criteria laid down and possesses the skills and capabilities required for the role, recommended her re-appointment as an Independent Director of the Company for a further period of 3 years w.e.f. 1 October, 2025.

## TIMKEN INDIA LIMITED

In the opinion of the Board of Directors, Dr. Lakshmi fulfills the conditions specified in the Act and the Rules made thereunder and she is independent of the management. The Board has identified skills/expertise required in the context of business. Dr. Lakshmi possesses required skills to be on the Board of the Company. For more details regarding skills possessed by Dr. Lakshmi, please refer Corporate Governance Report forming part of the Board's Report.

The Company is in receipt of a notice under Section 160 of the Act from a Member proposing candidature of Dr. Lakshmi for the office of Independent Director.

The Company has also received from Dr. Lakshmi:

- a) Consent in Form DIR-2
- b) Intimation in Form DIR-8 and
- c) Declaration to the effect that she meets the criteria of independence in terms of Section 149 of the Act and Regulation 16 of Listing Regulations.

Brief profile of Dr. Lakshmi and relevant details as per SS-2 are provided as a part of this Notice. Dr. Lakshmi is not debarred/disqualified to act as Director.

### Rationale:

The Board of Directors, based on performance evaluation of first tenure and considering her knowledge, expertise and contribution, believes that continued association of Dr. Lakshmi will be of immense benefit to the Company and therefore, approved re-appointment of Dr. Lakshmi as an Independent Director of the Company for a further period of 3 years w.e.f. 1 October, 2025, subject to approval of Members. Proposal for re-appointment of Dr. Lakshmi as an Independent Director of the Company is therefore, placed before the Members for approval as set out under item no. 5 of the accompanying Notice. The Board recommends Resolution set out under item no. 5 for approval of the Members.

### Memorandum of Interest

Except Dr. Lakshmi, no other Director, Key Managerial Personnel or their relative is concerned or interested in this Resolution.

### Item No. 6

The Board of Directors, based on recommendation of the Nomination and Remuneration Committee, has approved appointment of Mr. Sujit Kumar Pattanaik (DIN: 10709015) ('Mr. Pattanaik') as a Whole-time Director of the Company for a period of 5 years w.e.f. 30 September, 2025 subject to approval of the Members of the Company on the terms and condition given below:

Salary and allowances	In the range of Rs 1,04,13,096 to Rs 2,09,44,431 per annum
Term	5 years with effect from 30 September, 2025 Liable to retire by rotation
Performance Incentive	As per rules of the Company
Perquisites	<ol style="list-style-type: none"><li>i) Medical facilities as per rules of the Company.</li><li>ii) Leave -accrual and encashment - as per rules of the Company.</li><li>iii) Leave travel assistance as per rules of the Company.</li><li>iv) Company's contribution to Provident Fund / Pension Fund / Employee Deposit Linked Insurance/ Group Insurance/ Superannuation Fund etc.</li><li>v) Gratuity and superannuation benefits as per rules of the Company.</li><li>vi) All other benefits, allowances, amenities and facilities including long term incentive payments, stock options of Parent Company as are available to the whole-time employees of the Company as per Rules of the Company.</li></ol>
Duties and Conditions	<ol style="list-style-type: none"><li>i) Mr. Pattanaik will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by Managing Director or Board of Directors.</li><li>ii) This appointment may be terminated by either party by giving three months' notice in writing or salary in lieu of that unless termination at a shorter notice is mutually agreed by both Mr. Pattanaik and Managing Director on behalf of the Company.</li><li>iii) Mr. Pattanaik shall be entitled to be reimbursed for all expenses incurred by him for the purpose of business of the Company.</li><li>iv) All other terms and conditions shall be as per appointment letter issued by the Company for his employment with the Company.</li></ol>

Performance incentive is determined basis of criteria set at start of the year which is common for all employees. Further, individual performance ratings are considered to determine exact amount of incentive payable to each associate. It is anticipated that performance incentive payable per year to Mr. Pattanaik will not exceed 30% of salary and allowances payable for such year.

The Company has received from Mr. Pattanaik:

- a) Consent in Form DIR-2
- b) Intimation in Form DIR-8

NRC Policy of the Company provides personal specifications and aspects that needs to be considered for appointment of Director. The Nomination and Remuneration Committee evaluated candidature of Mr. Pattanaik taking into consideration personal specifications and aspects covered in the NRC Policy and since he met with criteria laid down and possesses the skills and capabilities required for the role, the Nomination and Remuneration Committee recommended his appointment as a Whole-time Director of the Company. Mr. Pattanaik presently serves as Business Controller – India & Chief Financial Officer and Chief Risk Officer of the Company. Post his appointment as a Whole-time Director, Mr. Pattanaik will be appointed as Member of Committees of the Board.

The Board also evaluated candidature of Mr. Pattanaik considering skills, expertise required in the context of business and after deliberation, felt that his skills, expertise will add value to the Board to function effectively. Brief profile of Mr. Pattanaik and relevant details as per SS-2 are provided as a part of this Notice. Mr. Pattanaik is not debarred/disqualified to act as Director.

#### **Rationale:**

The proposal for appointment of Mr. Pattanaik as a Whole-time Director of the Company on the terms and conditions referred above is placed before the Members for approval taking into account Mr. Pattanaik's long association with the Company and his rich experience and as part of Company's succession planning. The Board recommends Resolution set out under item no. 6 for approval of the Members.

#### **Memorandum of Interest**

Except Mr. Pattanaik, No Director, Key Managerial Personnel or their relatives is concerned or interested in the Resolution.

#### **Item No. 7**

Pursuant to Section 148 of the Act read with Rules made thereunder, the Company is required to maintain cost records and get the same audited by Cost Accountant in Practice. The Board of Directors, based on recommendation of the Audit Committee, has re-appointed M/s. Shome & Banerjee (Firm Registration No. 000001), as Cost Auditors for financial year 2025-26 at a remuneration of Rs. 6,62,000/- (Rupees Six Lakhs and Sixty Two Thousand only) plus applicable taxes and out-of-pocket expenses. Pursuant to Section 148 of the Act read with Rules made thereunder, remuneration payable to the Cost Auditors requires ratification by the Members.

#### **Rationale:**

M/s. Shome & Banerjee have requisite experience, expertise and skills to conduct cost audit. This appointment is in compliance with applicable laws. This item involving payment of remuneration to the Cost Auditors is therefore, placed before the Members for ratification. The Board recommends Resolution set out under item no. 7 for ratification by the Members.

#### **Memorandum of Interest**

No Director, Key Managerial Personnel or their relatives is concerned or interested in this Resolution.

#### **Item No. 8**

Mr. Nagarjun Y G (Membership No F13541 / CP: 19301) is having close to 18 years of experience in regulatory and corporate law matters. He was part of the Regulatory Team at PricewaterhouseCoopers Private Limited (PwC) Bangalore before starting his own practice. He has been acting as Practicing Company Secretary for more than 8 years. He has been assisting many MNCs/ Start-ups on policy matters, setting up their India operations, ECB, FDI, ODI, ESOP, Seed funding, Series A and obtaining various regulatory approvals. His expertise includes Corporate Secretarial services, Overseas Direct Investment, Foreign Direct Investment, RBI and FEMA Compliances, fund raising. He has subjected himself to peer review process as per ICSI guidelines and holds valid peer review certificate issued as per guidelines of ICSI. The Company is in receipt of confirmation from him regarding his consent/eligibility for appointment as the Secretarial Auditor.

Based on recommendation of the Audit Committee, the Board after taking into consideration expertise and rich experience has approved appointment of Mr. Nagarjun Y G as Secretarial Auditor to conduct audit for a period of 5 years from FY 2025-26 to FY 2029-30 subject to approval of the Members of the Company. Terms of appointment of Secretarial Auditor includes following:

- Tenure : 5 years to conduct audit from FY 2025-26 to FY 2029-30.
- Proposed Fees for FY 2025-26 : Rs. 3,00,00/- plus taxes and out of pocket expenses. The Board shall determine fees payable to him for remaining tenure of his proposed appointment. The Board every year may offer increase in the range of 5%-15% on previous year fees. There is no material change in fees payable to Secretarial Auditor since fees paid for previous year.
- The Audit will be conducted in line with the provisions the Act and Rules made thereunder.
- The Board of Directors may engage him for other services as allowed under the Act and Listing Regulations.



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### Rationale:

Mr. Nagarjun Y G has requisite experience, expertise and skills to conduct secretarial audit. This appointment is in compliance with applicable laws. The Board recommends Resolution set out under item no. 8 for approval of the Members.

### Memorandum of Interest

No Director, Key Managerial Personnel or their relatives is concerned or interested in this Resolution.

### Item Nos. 9, 10, 11 & 12

The Company is listed on BSE Ltd and National Stock Exchange of India Limited with majority of its share capital held by Timken Singapore Pte. Limited. The Company anticipates material related party transactions with following four related parties:

- The Timken Company: Ultimate Holding Company
- The Timken Corporation: Fellow Subsidiary
- Timken Engineering and Research- India Pvt Ltd (TERI): Fellow Subsidiary
- Timken Wuxi Bearings Co Ltd (Timken Wuxi): Fellow Subsidiary

Summary of material related party transactions is as under:

(₹ in Million)

Name of Related Party	Nature of Transactions	Actual transactions for year ended 31 March, 2025	Estimated transactions for FY 2025-26	Estimated transaction as % to turn-over of FY 2024-25
(1)	(2)	(3)	(4)	(5)
The Timken Company	Purchase of Goods	526.97	1,188.00	-
	Sale of Goods	1,352.65	3,056.00	
	Expense Receivable	3.84	96.00	
	Expense Payable	219.33	348.00	
	Agency Commission (Income)	3.69	60.00	
	Purchase of Property, Plant & Equipment	0.79	120.00	
	Royalty	808.16	984.00	
<b>Total</b>		<b>2,915.43</b>	<b>5,852.00</b>	<b>19%</b>
The Timken Corporation	Purchase of Goods	1,458.12	1,685.00	-
	Sale of Goods	2,769.77	8,052.00	
	Purchase of Property, Plant & Equipment	15.33	708.00	
	Expense Receivable	3.55	60.00	
	Expense Payable	-	120.00	
	Agency Commission (Income)	12.87	60.00	
<b>Total</b>		<b>4,259.64</b>	<b>10,685.00</b>	<b>34%</b>
Timken Engineering and Research-India Private Limited	Expense Receivable	44.15	108.00	-
	Expense Payable	123.46	216.00	
	Purchase of Goods	1577.04	4,056.00	
	Sale of Goods	201.64	636.00	
	Purchase of Property, Plant & Equipment	12.44	96.00	
	Purchase of export Licenses	1.07	-	
<b>Total</b>		<b>1,959.8</b>	<b>5,112</b>	<b>16%</b>
Timken Wuxi Bearings Co. Ltd.	Purchase of Goods:	3728.24	6372.00	-
	Sale of Goods:	26.92	84	
	Expense Receivable:	0.38	60	
	Expenses Payable	-	60	
	Purchase of Property, Plant & Equipment	0.28	84	
<b>Total</b>		<b>3755.82</b>	<b>6660</b>	<b>21%</b>

As per SEBI Circular dated 22 November, 2021 read with Circular dated 8 April, 2022 approval of the Shareholders for material related party transactions will be valid till next AGM not exceeding 15 months. Shareholders approval is sought for following :

For FY 2025-26 : total amount of transactions mentioned in column (4) above for each related party.

From 1 April, 2026 till next AGM: 51% of total amount mentioned in column (4) above for each related party. At next AGM, the Company will again seek approval for related party transactions for entire FY 2026-27.

Amount of individual category of transactions mentioned above may vary within total amount of transactions. Further, modification in above transactions not qualifying as material modification may be approved by the Audit Committee as specified in the Listing Regulations.

#### **Brief about transactions with The Timken Company**

The Timken Company was founded by Mr. Henry Timken in 1899 with innovation and patent of the first tapered roller bearing. With its rich history of 125 years and expertise in materials science, friction management, and mechanical power transmission, The Timken Company plays a pivotal role in enhancing the performance and reliability of industrial machinery and equipment globally. Based in Canton, Ohio, USA, The Timken Company has continually evolved, serving a broad spectrum of industries including aerospace, mining, railroads, construction, automotive, energy, and the wind sector, as well as various after-market sectors. Through its strategic acquisitions, The Timken Company has expanded its global footprint and diversified its business operations, enabling it to launch innovative products and services. The Company mainly buys or sells products or their components from/to The Timken Company. The Company has been granted license by The Timken Company to use its tradename and technology for which the Company pays royalty to The Timken Company. Transactions referred above between the Company and The Timken Company amounts to approx. 1 % of The Timken Company's revenue for 1 January, 2024 to 31 December, 2024 (CY 2024).

#### **Brief about transactions with The Timken Corporation**

The Timken Corporation works as the distribution center of Timken Group companies through whom majority of exports and imports of the Company are routed through for better distribution of Timken products and services. Instead of buying and selling products to individual Timken entities across the world or to final customer, the Company mainly buys or sells products from/to The Timken Corporation. Transactions referred above between the Company and The Timken Corporation amounts to approx. 3 % of The Timken Corporation's revenue for CY 2024.

#### **Brief about transactions with TERI**

TERI has technology center in Bangalore which caters to inhouse requirements of Timken group companies. TERI has a manufacturing plant in Chennai. This plant is located in a Special Economic Zone. The Company avails services from this technology center in the areas of product engineering, manufacturing technology and other general enterprise level administrative services. The Company buys products manufactured by TERI Chennai plant for further sale in India. Transactions referred above between the Company and TERI amounts to approx. 24 % of TERI's revenue for FY 2024-25.

#### **Brief about transactions with Timken Wuxi**

Timken Wuxi mainly manufactures bearings and components. The Company buys mainly various types of bearings , its components and rollers (components) from Timken Wuxi to cater domestic demands. Transactions referred above between the Company and Timken Wuxi amounts to approx. 13 % of Timken Wuxi's revenue for CY 2024.

#### **Rationale or justification for transactions with aforesaid related parties**

Timken is a well recognized brand in India and all over the world. The Company derives significant branding strength by using Timken tradename. Transactions with aforesaid related parties are undertaken mainly to buy and sale finished products or components thereof. Timken group companies across the world use same quality standards including in India. When transactions with aforesaid related parties are undertaken, it is assured that quality of products is same. Timken has worldwide presence; likewise many of its customers also have worldwide presence. Global customers having presence in India or outside would like buy products from the Company as they are ensured that quality of product is same at all locations, and they don't face issues on this account. This helps the Company to enlarge the customer reach and market with business ease. Further, when the Company sells the products to aforesaid related parties it does not face issues in payment recovery which otherwise it may face in the event of sale to end customer in other geographies. Transactions with these related parties provide access to valuable management expertise and deep industry knowledge and also facilitate the integration of cutting-edge proprietary technologies and a robust synergy between the Company and related parties which promotes a conducive environment for mutual growth and innovation. These related party transactions have helped the Company so far and is expected to continue to help achieve lean supply chain, cost efficiency, quick payment recovery and administrative convenience.



### Ordinary course of business and arm's length price determination

Proposed business transactions mainly cover following which are in the ordinary course of business and are at arm's length price:

- **Purchase or Sale of goods:** It mainly covers purchase or sale of finished bearings and its components which is the main business activity of the Company.
- **Purchase of Property, Plant & Equipments:** It mainly covers machines, capital tooling & gauges which are used in manufacturing activities. These capital tooling & gauges are Timken's proprietary design and are not off-the-shelf tools which can be procured from third party vendors directly.
- **Payment of Royalty to The Timken Company** is for the use of trademark and technology used in the process of manufacturing and sale of goods. Effective rate of royalty paid is approx. 2.57% of Company's revenue for FY 2024-25.
- **Other transactions:** Expenses Payable is in the nature of service charges, ERP & other software applications expenses. Expenses Receivable is in the nature of salary and other expenses which are cross charged at actuals and Agency Commission (Income) is received in relation to distribution of goods in India.

Arm's length price of aforesaid related party transactions is determined using methods specified under the Income Tax Act, 1961 such as Transaction Net Margin Method (TNMM), cost plus related margin basis, cost-to-cost basis, Comparable Uncontrolled Price (CUP) etc which broadly involves comparison for same or similar transactions.

### Other Disclosures

- Above transactions do not pertain to loans, advances, inter corporate deposits or investments.
- The Company did not rely on any external valuation report for these transactions.
- The Timken Company, The Timken Corporation, TERI, Timken Wuxi are related parties as defined under Regulation 2(1)(zb) of Listing Regulations and with each of whom the aggregate value of transactions during the financial year 2025-26 and year after that is estimated to exceed ten per cent of annual turnover of the Company as per the last audited financial statements as on 31 March, 2025.
- The Audit Committee was provided with relevant information as per SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22 November, 2021 regarding these transactions such as nature of transaction, tenure, material terms, estimated transaction values for financial year 2025-26 etc. The Audit Committee, after deliberation, has approved aforesaid related party transactions.

The Board recommends Resolutions set out under item nos. 9, 10, 11 and 12 for approval of Members.

### Memorandum of Interest

No Director, Key Managerial Personnel or their relatives is concerned or interested in the Resolutions except Mr. Hansal Patel for item nos. 9 and 10 and Mr. Sanjay Koul for item no. 11.

By Order of the Board

Date: 4 July, 2025  
Place: Bengaluru

Sd/-  
**Mandar Vasmatkar**  
Company Secretary  
& Chief - Compliance  
ACS-23953

## INSTRUCTIONS

### INSTRUCTIONS FOR REMOTE E-VOTING:

1. In compliance with the provisions of Section 108 of the Act read with Rules made thereunder and Regulation 44 of Listing Regulations, the Company is pleased to provide to Members a facility to exercise their right to vote on resolutions proposed to be considered at the 38<sup>th</sup> AGM by remote e-Voting. The facility of casting the votes by the Members through remote e-Voting will be provided by National Securities Depository Limited ("NSDL").
2. The facility of e-Voting on the day of AGM shall also be made available by NSDL and the Members attending the Meeting who have not cast their vote by remote e-Voting shall be eligible to exercise their right to vote at AGM.
3. The Members who have cast their vote by remote e-Voting prior to AGM may also attend AGM but shall not be entitled to cast their vote again.
4. The remote e-Voting facility will be available during the following period:

Commencement of e-Voting	End of e-Voting
16 August, 2025 from 9.00 A.M.	18 August, 2025 till 5.00 P.M.

During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12 August, 2025 may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

### 5. How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

- A. Login method for e-Voting and joining virtual meeting for individual Shareholders holding securities in demat mode:** In terms of SEBI Circular dated 9 December, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the Meeting.</li> <li>2. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>3. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home</li> </ol>

Type of shareholders	Login Method
	<p>page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>5. Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="text-align: center;">   </div> <div style="text-align: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi/Easiest facility, they can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing Myeasi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk details for individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL are hereunder:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911

B. **Login Method for e-Voting and joining virtual meeting:****How to Log-in to NSDL e-Voting website?**

1. Visit e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e- Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN number followed by Folio number register with the Company. For example if Folio number is 001*** and EVEN number is 101456 then user ID is 101456001***.

5. Password details for Shareholders other than Individual Shareholders are given below:
  - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your Password.
  - c. How to retrieve your 'initial password'?
    - i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open .pdf file. The password to open .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - ii. If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a. Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).
  - b. **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com/).

- c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system**

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of TIMKEN. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **Process for procuring user ID and password for e-Voting for those Shareholders whose email IDs are not registered with the depositories/ Company:**

The Shareholders whose email ids are not registered with Depositories shall send following documents to NSDL to obtain user id and password and registration of e mail ids for e-Voting for the resolutions set out in the Notice:

- a. In case shares are held in physical mode, please provide Folio No, name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [tilinvestor@timken.com](mailto:tilinvestor@timken.com).
- b. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [tilinvestor@timken.com](mailto:tilinvestor@timken.com). If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. [Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode](#).
- c. Alternatively Shareholder/Members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user ID and password for e-voting by providing above mentioned documents.
- d. In terms of SEBI circular dated December 9, 2020, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **INSTRUCTIONS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**

1. The procedure for e-Voting on the day of AGM is same as mentioned above for remote e-Voting.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### **INSTRUCTIONS FOR MEMBERS ATTENDING AGM THROUGH VC/OAVM:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker. For this purpose, please send request mentioning name, demat account number/folio number, email id, mobile number at [tilinvestor@timken.com](mailto:tilinvestor@timken.com) at least 5 (five) days before AGM date. Those Members who have registered themselves as a speaker will only be considered to express their views/ask questions during the meeting. However, the Company reserves a right to restrict number of speakers depending on availability of time for AGM. Members who would like to ask questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [tilinvestor@timken.com](mailto:tilinvestor@timken.com), 5 (five) days before the AGM date. The same will be replied by the Company suitably in the meeting.
6. Members can join AGM in VC/OAVM mode 30 minutes before and after scheduled time of commencement of the meeting by following procedure mentioned in the Notice. Members attending the AGM through VC/OAVM will be counted for purpose of reckoning the quorum.

#### **GENERAL GUIDELINES FOR MEMBERS/SHAREHOLDERS**

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer, by e-mail to [compliance@sreedharancs.com](mailto:compliance@sreedharancs.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022-48867000 or send request at [evoting@nsdl.com](mailto:evoting@nsdl.com).
4. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 12 August, 2025.
5. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Notice of AGM and holding shares as of the aforesaid cut-off date may obtain login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e- Voting then you can use your existing user ID and password for casting your vote.

6. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on aforesaid cut-off date only shall be entitled to avail the facility of remote e-Voting as well as e-Voting on the day of AGM. A person who is not a Member (not holding shares of the Company) as on aforesaid cut-off date should treat this Notice for information purposes only.
7. Mr. V. Sreedharan failing whom Mr. Pradeep B. Kulkarni, Practicing Company Secretary, have been appointed as the Scrutinizer to scrutinize remote e-Voting and e-Voting on the day of AGM in a fair and transparent manner.
8. The Scrutinizer shall after the conclusion of voting at the AGM, will unblock the votes cast through e-Voting (remote e-Voting as well as e-Voting on the day of AGM) and shall submit, not later than two working days from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
9. Results declared along with the report of the Scrutinizer shall be placed on the Company's website at [in/investors/statutory-compliances/#general](#) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed.



**Details of Directors in terms of Regulation 36 of Listing Regulations and SS-2**

<b>Name of Director</b>	<b>Mr. Avishrant Keshava</b>	<b>Mr. Sumit Rathor</b>	<b>Dr. Lakshmi Lingam</b>	<b>Mr. Sujit Kumar Pattanaik</b>
Brief resume of the Director	Mr. Avishrant Keshava (Mr. Keshava), Whole-time Director, has work experience of about 32 years including 25 years with the Company. He was named to this position in 2015. He has worked in various positions in Finance. Till 31 March, 2025, Mr. Keshava also served as Business Controller- India & CFO.  Mr. Keshava started his career with Modi Cement in May 1993 and moved to Hyderabad in Pharma Industry. He joined the Company as Asst. Manager in 2000 and moved up through the Organization to reach Plant Controller in 2009. He was promoted as Deputy Controller of Accounts in April, 2012 and later in 2014, he occupied the position of Controller of Accounts – India.	Mr. Sumit Rathor (Mr. Rathor) is a seasoned entrepreneur and he has successfully managed and built business ventures in India and abroad. His business interest mainly spans into fitness, outdoor furniture, beverage manufacturing. Mr. Rathor is founder and Director of Sumit Rathor Consulting Private Limited which is known for marketing, branding and business development. Mr. Rathor is leading golfer and has represented various prestigious clubs at national and international tournaments.	Dr. Lakshmi Lingam (Dr. Lakshmi) has overall 37 years of experience as a teacher, researcher, consultant and in advocacy for women's rights and human rights. Dr. Lakshmi served as Dean and Professor with the School of Media and Cultural Studies, Tata Institute of Social Sciences (TISS), Mumbai. During her association with TISS, she contributed in the field of Social Sciences and in the field of interventions and public policy in the social sector. She has undertaken several research projects in the area of public health, many of those were funded by Government of India. She is author of several well researched publications which appeared in Indian as well as international journals.	Mr. Sujit Kumar Pattanaik (Mr. Pattanaik), member of Timken India leadership team, serves as the Business Controller - India & Chief Financial Officer. In this role, he oversees financial controlling responsibilities for India.  Mr. Pattanaik began his career at Timken in September 2010 as Manager Accounts. Over the years, he has held several positions in finance and accounts, and worked in many areas such as plant controllership, compliance, Special Economic Zone regulations, IT, listed entity regulations, tax system implementations and has been part of multiple strategic projects and system implementations.  Prior to joining Timken, Mr. Pattanaik gained valuable experience at Visteon as an Assistant Manager Internal Controls for Asia Pacific operations and at Areva T&D as a Manager of Internal Audit.
Date of Birth/Age	17 January, 1968/ 57 years	5 January, 1968/57 Years	6 February, 1958/67 Years	14 June 1980/45 Years
Date of first appointment	30 September, 2015	Proposed to be appointed w.e.f. 1 October, 2025	1 October, 2023	Proposed to be appointed w.e.f. 30 September, 2025
Expertise in specific functional areas	<ul style="list-style-type: none"> <li>Finance &amp; Accounting</li> <li>Tax and Legal</li> <li>General Management</li> </ul> For more details, please refer Corporate Governance Report	<ul style="list-style-type: none"> <li>Sales and marketing</li> <li>Business strategy and systems</li> </ul>	<ul style="list-style-type: none"> <li>CSR</li> <li>Human Rights/Resources</li> <li>Public Health</li> </ul> For more details, please refer Corporate Governance Report	<ul style="list-style-type: none"> <li>Financial Management</li> <li>Tax</li> <li>Business Strategy and Systems</li> </ul>
Qualifications	<ul style="list-style-type: none"> <li>Bachelor's Degree in Commerce</li> <li>Associate Member of The Institute of Chartered Accountants of India</li> <li>Associate Member of The Institute of Cost Accountants of India</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's Degree in Economics</li> <li>Post graduate diploma in marketing</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's Degree in Commerce</li> <li>MA in Sociology</li> <li>Ph.D – IIT-Bombay</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor's Degree in Commerce</li> <li>Member of The Institute of Chartered Accountants of India</li> <li>Diploma in IFRS from the ACCA, UK</li> </ul>
List of companies in which Directorship/ Committee position is held as on 31 March, 2025 (other than Timken India Limited)	Timken GGB Technology Private Limited	Sumit Rathor Consulting Private Limited	Nil	Timken GGB Technology Private Limited



**Details of Directors in terms of Regulation 36 of Listing Regulations and SS-2 (Cont.)**

<b>Name of Director</b>	<b>Mr. Avishrant Keshava</b>	<b>Mr. Sumit Rathor</b>	<b>Dr. Lakshmi Lingam</b>	<b>Mr. Sujit Kumar Pattanaik</b>
Listed entities from which the Director has resigned in the past three years	Nil	Nil	Nil	Nil
Chairman/Member of the Committees of the Board of the listed Companies in which he/she is a Director as on 31 March, 2025	Timken India Limited Member: Stakeholders Relationship Committee Member: Risk Management Committee Member : Corporate Social Responsibility Committee	Nil	Timken India Limited Member: Stakeholders Relationship Committee Member : Corporate Social Responsibility Committee Member : Nomination and Remuneration Committee	Nil
Shareholding in the Company including beneficial ownership	2 Equity Shares	Nil	Nil	2 Equity Shares
Relationship with other Directors/KMP	No relationship with other Directors/ KMP	No relationship with other Directors/ KMP	No relationship with other Directors/ KMP	No relationship with other Directors/ KMP
No. of Board Meetings attended in FY 2024-25	6	NA	6	NA
Terms of Appointment/ Re-appointment	Liable to retire by rotation	2 Years w.e.f. 1 October, 2025 (For more details, please refer "Terms of appointment of Independent Director" hosted on the website of the Company at <a href="http://www.timken.com/en-in">www.timken.com/en-in</a> )	3 Years w.e.f. 1 October, 2025 (For more details, please refer "Terms of appointment of Independent Director" hosted on the website of the Company at <a href="http://www.timken.com/en-in">www.timken.com/en-in</a> )	5 Years w.e.f. 30 September, 2025
Remuneration paid in FY 2024-25	For more details, please refer Corporate Governance Report	Nil	Only Sitting fees of Rs. 8.25 lakhs was paid.	Rs 1,32,34,929/- (paid as employee)
Remuneration sought to be paid	As earlier approved by the Shareholders at AGM held in 20 August, 2020.	Sitting fees as approved by the Board of Directors will be paid.	Sitting Fees as approved by the Board of Directors of the Company.	Please refer Resolution no 6 and explanatory statement for the same.



**TIMKEN**

Stronger. By Design.