ABC Bearings Limited

Registered Office : 402-B, Poonam Chambers,
Dr. Annie Besant Road, Worli, Mumbai - 400 018.
CIN: L29130MH1961PLC012028

ABC

Phone : +91 22 2496 4500
Fax : +91 22 2495 0527
E-mail : regdoff@abcbearings.com
Website : www.abcbearings.com

SEC/ABC/BSE/SBD/RK/199/2017

14th December, 2017.

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001

Sub: Notice of National Company Law Tribunal ('NCLT') Convened Meeting of ABC Bearings Limited ('the Company')
Ref: Scrip Code No. 505665.

Notice is hereby given in pursuance of sub-section (5) of section 230 of the Companies Act, 2013, that as directed by the Mumbai Bench of the National Company Law Tribunal ("Tribunal"), by an order dated 23rd day of November, 2017 under sub-section (1) of Section 230 of the Act, a meeting of the equity shareholders of ABC Bearings Limited scheduled be held on Monday, the 15th day of January, 2018 at 4.00 p.m. at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018, for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation and Arrangement between ABC Bearings Limited ("Applicant/Transferor Company") and Timken India Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme").

Further, the Company has also provided voting facility through remote e- voting and postal ballot to the equity shareholders of the Company in connection with the resolution proposed in the aforesaid notice of the NCLT Convened Meeting of equity shareholders. The voting period of remote e-voting and postal ballot will commence on Saturday, 16th of December, 2017 at 9:00 a.m. IST and end on Sunday, 14th January, 2018 at 5:00p.m. IST. The Cut off date for determining the eligibility to vote is Friday, 1st December, 2017.

The Notice of the NCLT Convened meeting has been sent via e-mail to all the equity shareholders for whom the Company has e-mail ids and despatched the physical copy of the NCLT Convened Meeting Notice to all the shareholders at their registered addresses for the purpose of exercising vote by postal ballot. Further, pursuant

ABC BEARINGS LIMITED

CIN	:	L29130MH1961PLC012028
PAN	:	AAACT5018Q
Registered Office	:	402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018.
Email ID	:	regdoff@abcbearings.com
Tel No	:	022-24964500,24964501
Website	:	www.abcbearings.com

MEETING OF THE EQUITY SHAREHOLDERS OF ABC BEARINGS LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

MEETING:	
Day	Monday
Date	15th January, 2018
Time	4:00 pm
Venue	Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018

POSTAL BALLOT AND REMOTE E-VOTING:	
Start Date and Time	16th December, 2017 at 9:00 a.m. (IST)
End Date and Time	14th January, 2018 at 5:00 p.m. (IST)

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY SCHEME APPLICATION NO 998 OF 2017

IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF SCHEME OF AMALAGAMATION AND ARRANGEMENT BETWEEN ABC BEARINGS LIMITED ("TRANSFEROR COMPANY") AND TIMKEN INDIA LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

ABC Bearings Limited, a company incorporated)
under the provisions of the Companies Act, 1956,)
and having its registered office at 402-B,)
Poonam Chambers, Dr. Annie Besant Road,)
Worli, Mumbai – 400018) **……. Applicant /Transferor Company**

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

To,

All the Equity Shareholders of ABC Bearings Limited **(the 'Applicant Company')**

NOTICE is hereby given that by an order dated 23nd day of November, 2017,in the above mentioned Company Scheme Application (the **"Order"**), the National Company Law Tribunal, Mumbai Bench (**"NCLT"**) has directed a meeting to be held of equity shareholders of the Applicant Company for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation and Arrangement of ABC Bearings Limited ("the Applicant /Transferor Company") with Timken India Limited ("Transferee") and their respective shareholders and creditors ("**Scheme**").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of equity shareholders of the Applicant / Transferor Company will be held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai - 400 018 on Monday, 15th January, 2018, at 4.00 p.m. at which time and place you are requested to attend.

*"**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 the Companies Act, 2013 (including any statutory modification(s) thereof for the time being in force) and other applicable provisions of the Memorandum and Articles of Association of the Company and subject to the National Company Law Tribunal at Bengaluru and Mumbai and subject to such other approvals and permissions, which may be prescribed or imposed by the respective Bench of the Hon'ble National Company Law Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to mean and include one or more committee(s) constituted/ to be constituted by the Board or any other person authorized by it to exercise its power including the powers conferred by this resolution), the arrangement embodied in the Scheme of Amalgamation and Arrangement between ABC Bearings Limited ("Transferor Company") and Timken India Limited ("Transferee Company") and their respective shareholders and creditors (hereinafter referred to as "Scheme") placed before this Meeting and initialed by the Chairman of the Meeting for the purpose of identification, be and is hereby approved.*

RESOLVED FURTHER THAT *any Director and the Company Secretary, be and are hereby severally authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendment's, limitations and/ or conditions, if any, which may be required and/ or imposed by the Bengaluru bench and Mumbai bench of the Hon'ble National Company Law Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper"*

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company at 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018 not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

TAKE FURTHER NOTICE that in compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; and (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company has provided the facility of voting by equity shareholders of the Applicant Company to the Scheme through e-voting or postal ballot or polling paper at the venue of the meeting to be held on 15th January, 2018.

Copies of the Scheme and of the Explanatory Statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant/Transferor Company at 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018.

Forms of proxy can be obtained free of charge at the registered office of the Transferor Company at 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018.

The NCLT has appointed Mr. Sudhir Manubhai Patel, the Chairman of the Company failing him, Mr. Pradip Manubhai Patel, the Managing Director of the Company, to be the Chairman of the said meeting including for any adjournment or adjournments thereof. The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of the NCLT.

A copy of the Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-
Sudhir Manubhai Patel
Chairperson appointed for the meeting
DIN: 00012036

Dated this 5th day of December, 2017.

Registered Office:
402-B, Poonam Chambers,
Dr. Annie Besant Road,
Worli, Mumbai – 400018

Notes:

1. NCLT by its Order has directed that a meeting of the equity shareholders of the Transferor Company shall be convened and held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Monday, 15th January 2018, at 4.00 p.m. for the purpose of considering, and if thought fit, approving, with or without modification(s), the resolution approving arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either through e-voting or postal ballot or polling paper at the venue of meeting.

2. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; and (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Transferor Company has provided the facility of voting by equity shareholders of the Transferor Company to the Scheme through e-voting or postal ballot or polling paper at the venue of the meeting to be held on 15th January, 2018.

3. The quorum of the meeting of the equity shareholders of the Transferor Company shall be 30 (thirty) equity shareholders of the Transferor Company, present in person.

4. Only registered equity shareholders of the Transferor Company may attend and vote either in person or by proxy (a proxy need not be an equity shareholder of the Transferor Company) or in the case of a body corporate or Registered Foreign Portfolio Investors ("RFPI") or Foreign Institutional Investors ("FII"), by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the equity shareholders of the Transferor Company. The authorised representative of a body corporate/ RFPI/ FII which is a registered equity shareholder of the Transferor Company may attend and vote at the meeting of the equity shareholders of the Transferor Company provided a copy of the resolution of the board of directors or other governing body of the body corporate/ RFPI/ FII authorising such representative to attend and vote at the meeting of the equity shareholders of the Transferor Company, duly certified to be a true copy by a director, the manager, the secretary or other authorised officer of such body corporate/ RFPI/ FII, is deposited at the registered office of the Transferor Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the equity shareholders of the Transferor Company.

5. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) equity shareholders holding in aggregate, not more than 10% (ten percent) of the total share capital of the Transferor Company carrying voting rights. Equity shareholders holding more than 10% (ten percent) of the total share capital of the Transferor Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.

6. The form of proxy can be obtained free of charge from the registered office of the Transferor Company or can be downloaded from the website of the Transferor Company.

7. All alterations made in the form of proxy should be initialed.

8. A registered equity shareholder or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.

9. The registered equity shareholders who hold shares in dematerialized form and who are attending the meeting are requested to bring their DP ID and Client ID for easy identification.

10. The registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the register of members of the Transferor Company/ list of beneficial owners as received from Central Depository Services Limited ("CDSL") in respect of such joint holding, will be entitled to vote.

11. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, an equity shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Transferor Company, provided that not less than 3 (three) days of notice in writing is given to the Transferor Company.

12. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Transferor Company between 10:00 a.m. and 12:00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the Meeting.

13. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders either by registered post or speed post or by courier service or electronically by e-mail to those equity shareholders who have registered their e-mail id's with the Transferor Company/ registrar and share transfer agents/ CDSL/NSDL whose names appear in the register of members/ list of beneficial owners as received from CDSL as on 01st day of December, 2017. The Notice will be displayed on the website of the Transferor Company www.abcbearings.com and on the website of CDSL www.evotingindia.com.

14. The equity shareholders holding equity shares as on 01st day of December, 2017, being the **Cut-Off Date**, will be entitled to exercise their right to vote on the above resolution.

15. A person, whose name is not recorded in the register of members or in the register of beneficial owners maintained by CDSL as on such Cut-Off Date shall not be entitled to avail the facility of e-voting or voting through postal ballot or voting at the meeting to be held on 15th day of January, 2018. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of equity shareholders as on the Cut-Off Date. Persons who are not equity shareholders of the Transferor Company as on the Cut-Off Date should treat this notice for information purposes only. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting or voting at the meeting or voting through postal ballot.

16. The voting by the equity shareholders through the postal ballot or e-voting shall commence at 9:00 a.m. on 16th day of December, 2017 and shall close at 5:00 p.m. on 14th day of January, 2018.

17. The notice convening the meeting will be published through advertisement in (i) Free Press Journal in the English language; and (ii) translation thereof in Navshakti in Marathi language, having circulation in the Maharashtra, where the registered office of the Transferor Company is located.

18. In accordance with the provisions of Sections 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three-fourth (3/4th) in value of the equity shareholders of the Transferor Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.

19. The voting through postal ballot and e-voting period will commence at 9:00 a.m. on Saturday the 16th day of December, 2017 and will end at 5:00 p.m. on Sunday, the 14th day of January, 2018. During this period, the equity shareholders of the Transferor Company holding shares either in physical form or in dematerialized form, as on the Cut-Off Date may cast their vote electronically or by postal ballot. The e-voting module shall be disabled for voting on 14th day of January, 2018 at 05.00 p.m. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.

20. The Transferor Company has engaged the services of CDSL for facilitating e-voting for the said meeting to be held on 15th day of January, 2018. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in Note 31 below.

21. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Equity shareholders voting in physical form are requested to carefully read the instructions printed in the attached postal ballot form. Equity shareholders who have received the postal ballot form by e-mail and who wish to vote through the postal ballot form, can download the postal ballot form from the Transferor's Company website www.abcbearings.com or seek duplicate postal ballot form along with self-addressed postage pre-paid envelope from the Transferor Company.

22. Equity shareholders shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer before 05.00 p.m. on or before the 14th day of January, 2018. Postal ballot form, if sent by courier or by registered post/ speed post at the expense of an equity shareholders will also be accepted. Any postal ballot form received after the said date and time period shall be treated as if the reply from the equity shareholders has not been received.

23. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.

24. The vote on postal ballot cannot be exercised through proxy. There will be only 1 (one) postal ballot form for every registered folio/ client ID irrespective of the number of joint equity shareholders.

25. The postal ballot form should be completed and signed by the equity shareholder (as per specimen signature registered with the Transferor Company and/ or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named equity shareholder and in his/ her absence, by the next named equity shareholder. Holder(s) of the Power of Attorney ("PoA") on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Transferor Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies, etc, the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/ authorization giving requisite authority to the person voting on the postal ballot.

26. The equity shareholders of the Transferor Company can opt only for one mode of voting i.e. by postal ballot or e-voting or voting at the venue of the meeting. If an equity shareholder has opted for e-voting, then he/ she should not vote by postal ballot form also and vice-versa. However, in case equity shareholder(s) cast their vote both via postal ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

27. The equity shareholders of the Transferor Company attending the meeting who have not cast their vote either through postal ballot or e-voting shall be entitled to exercise their vote at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or e-voting may also attend the meeting but shall not be entitled to cast their vote again.

28. Mr. D. M. Dalal, Practicing Company Secretary (Membership No. ACS 4147 & C.P. No. 8728) has been appointed as the scrutinizer to conduct the e-voting process and voting at the venue of the meeting and voting though postal ballot in a fair and transparent manner.

29. The scrutinizer will submit his combined report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the equity shareholders of the Transferor Company though e-voting or postal ballot or polling paper at the venue of the meeting. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final. The results of votes cast through electronic voting system or postal ballot or polling paper at the venue of the meeting will be announced on or before the 17th day of January, 2018 at the registered office of the Transferor Company. The results, together with the Scrutinizer's Report, will be displayed at the registered office of the Transferor Company, on the website of the Transferor Company, www.abcbearings.com and on the website of CDSL i.e. www.evotingindia.com, besides being communicated to BSE Limited.

30. Any queries/ grievances in relation to the voting by postal ballot or e-voting may be addressed to Mr. Sanjay Desai, Company Secretary of the Transferor Company at 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018 or through email to desaisb@abcbearings.com. Mr. Sanjay Desai, Company Secretary of the Transferor Company can also be contacted at 022-24964500/01. In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

31. **Instructions for voting through Electronic Means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members are provided with the facility to cast their votes electronically, through the remote e-voting services provided by CDSL, on all the resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

i. The voting period begins on Saturday, 16th December, 2017 at 9.00 a.m. (IST) and ends on Sunday, 14th January, 2018 at 500 p.m. (IST). During this period members of the Transferor Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. The shareholders should log on to the e-voting website www.evotingindia.com.

iii. Click on Shareholders/ Members.

iv. Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in physical form should enter folio number registered with the Company.

v. Next enter the image verification as displayed and click on login.

vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. (For sequence number refer serial no. printed on the name and address sticker)
	• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
	• If both the details are not recorded with the depository or company please enter the member id/ folio number in the dividend bank details field as mentioned in instruction (iv).

ix. After entering these details appropriately, click on "SUBMIT" tab.

x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii. Click on the EVSN for ABC Bearings Limited.

xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option 'YES/ NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.

xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.

xviii. If demat account holder has forgotten the changed login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xx. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and POA which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the FAQs and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY SCHEME APPLICATION NO 998 OF 2017

IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF SCHEME OF AMALAGAMATION AND ARRANGEMENT BETWEEN ABC BEARINGS LIMITED ("TRANSFEROR COMPANY") AND TIMKEN INDIA LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

ABC Bearings Limited, a company incorporated)
under the provisions of the Companies Act, 1956,)
and having its registered office at 402-B,)
Poonam Chambers, Dr. Annie Besant Road,)
Worli, Mumbai – 400018) **……. Applicant / Transferor Company**

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to an Order dated 23rd November, 2017, passed by the National Company Law Tribunal, Mumbai Bench ("NCLT") in the Company Application No. 998 of 2017 ("Order"), a meeting of the Equity Shareholders of ABC Bearings Limited (hereinafter referred to as "Applicant Company" or "Transferor Company" or "ABC" or "Company") is being convened and held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Monday, 15th January 2018, at 4.00 p.m. for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation and Arrangement between ABC Bearings Limited and Timken India Limited ("Timken" or "Transferee Company") and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013 ("the Act"), and other applicable provisions of the Companies Act, 2013 ('the Scheme")
2. In terms of the said Order, the quorum for the said meeting is 30 (thirty) as prescribed under Section 103 of the Act, present in person. Further in terms of the said Order, NCLT has appointed Mr. Sudhir Manubhai Patel, the Chairman of the Applicant Company failing him, Mr. Pradip Manubhai Patel, the Managing Director of the Applicant Company to be the Chairman of the said meeting including for any adjournment or adjournments thereof
3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "Rules").
4. As stated earlier, the NCLT by its said Order has, inter alia, directed that a meeting of the equity shareholders of the Transferor Company shall be convened and held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Monday, 15th January, 2018 at 4.00 p.m. for the purpose of considering, and if thought fit, approving, with or without modification(s), the amalgamation embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either through e-voting or postal ballot or polling paper at the venue of the meeting.

5. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority of persons representing three-fourths (3/4th) in value of the equity shareholders, of the Transferor Company, voting in person or by proxy or e-voting or postal ballot, agree to the Scheme.

6. In terms of the Order dated 23rd November, 2017, passed by the NCLT, in Company Scheme Application No 998 of 2017, if the entries in the records/ registers of the Transferor Company in relation to the number or value, as the case may be, of the equity shares, are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for the purposes of the said meeting and his decision in that behalf would be final.

7. A copy of the Scheme as approved by the Board of Directors of the Transferor Company is enclosed as **Annexure 1** herewith.

8. The Scheme was placed before the Audit Committee and Board of Directors of the Transferor Company at their respective meetings held on 4th July, 2017. The Scheme was placed before the Audit Committee and Board of Directors of the Transferee Company at their respective meetings held on 4th July, 2017. In accordance with Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, issued by the Securities and Exchange Board of India (referred to as "SEBI Circular"), the Audit Committee of the Company recommended the Scheme to the Board of Directors of the Transferor Company inter-alia taking into account:

   a) The Valuation Report dated 4th July, 2017 issued by M/s. SSPA & Co, Chartered Accountants for issue of shares by the Transferee Company pursuant to the Scheme;

   b) The Fairness Opinion dated 4th July, 2017, issued by M/s. Keynote Corporate Services Limited, Category – I Merchant Bankers to the Transferor Company;

   c) Statutory Auditor's Certificate dated 4th July, 2017 issued by M/s S.R. Batiboi & Co., Chartered Accountants, Statutory Auditors of the Transferee Company, in relation to the accounting treatment prescribed in the Scheme.

   Copy of the Valuation Report and Fairness Opinion is enclosed as **Annexure 2** and **Annexure 3** to this Notice.

9. Based upon the recommendations of the Audit Committee and on the basis of the evaluation, the Board of Directors of the Transferor Company has come to the conclusion that the Scheme is in the interest of the Transferor Company and its shareholders.

10. Overview:

    The Scheme envisages Amalgamation and Arrangement between the Transferor Company and the Transferee Company and their respective shareholders and creditors under Section 230 to 232 of the Act, and other applicable provisions of the Act, with effect from the opening hours of business on the date on which the last of the Sanction Orders is passed or such other date as the NCLT may direct ("Appointed Date").

11. Background of the companies involved in the Scheme is as under:

11.1. ABC Bearings Limited ("Applicant Company" or "Transferor Company" or "ABC" or "Company")

   a) The Transferor Company is a public limited company which was incorporated on May 30, 1961 under the name and style of 'The Antifriction Bearings Corporation Limited' under the Companies Act, 1956. Subsequently, its name was changed from "The Antifriction Bearings Corporation Limited" to "ABC Bearings Limited" and a fresh certificate of incorporation consequent on the change of name was issued to it on September 27, 2002.

   b) Corporate Identification Number (CIN): L29130MH1961PLC012028

   c) Permanent Account Number (PAN): AAACT5018Q

d) Registered Office of the Transferor Company:

402 – B, Poonam Chambers, Dr. A.B. Road, Mumbai – 400 018

Email address: regdoff@abcbearings.com

e) There has been no change in the name and registered office of the Transferor Company during the last five (5) years.

f) The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company are hereunder:

"

(1) To acquire and take over as a going concern the business now carried on at Lonavla (Maharashtra) in the firm name and style of Messrs. Dhirajlal & Co., (Lonavla) and all or any of the assets and liabilities of the proprietors of the said business in connection therewith and with a view thereto to enter into the agreement referred to in Article 2 of the Articles of Association and to carry the same into effect with or without modifications.

(2) To carry on all or any of the business of importing, exporting, dealing, manufacturing, buying, selling and distributing and generally dealing in ball bearings, cylindrical roller bearings, spherical roller bearings, taper roller bearings, thrust ball bearings, compound roller and thrust bearings, needle roller bearings, aircraft bearings, taper roller thrust bearings and any type of common or special bearings, steel rollers and steel balls for paint industries and other uses and any other articles and things allied or otherwise.

(3) To carry on all or any of the trades or business of machine makers, metal-workers, tool makers, boiler-makers, mill-wrights, mechanics, iron-founders, iron and steel converters, compressor manufacturers, metallurgists, smelters, refiners, wood workers, electrical and mechanical engineers and contractors in all or any of their details, branches and processes and to manufacture, produce, buy, sell, hire, import, export, let out on hire, trade and deal in machinery and tools of all descriptions, mill-wrights, work engines, boilers, compressors, engineers and contractors plant and other articles, apparatus, appliances, substances, products and materials connected with the business aforesaid or any of them.

(4) To carry on any business relating to the production and working of metals, and the production, manufacture, and preparation of any materials which may be usefully or conveniently combined with the manufacturing and other business of the Company.

(a) i. To manufacture, purchase, put up and use all the apparatus now known or that may hereafter be invented, connected with the generation, accumulation, storage, distribution, supply and employment of electricity produced by harnessing wind energy, including all wind-mills, electric generators, storage batteries, cables, wires or appliances for connecting the apparatus at a distance with other apparatus and including the setting up of stations, sub-stations and to channelise all electrical power so generated into the state or national grid or to set up a distribution network and system for the purpose of making available the electrical energy to members of the public.

ii. To acquire, construct, erect, lay down, maintain, enlarge, alter, work and use all lands, buildings, easements, windmills, transmissions, towers, electric generators, storage batteries, power line networks and other works, machinery, plant, stock, pipes, motors, fittings, meters, apparatus, materials and things as may be necessary, incidental or convenient in connection with the production, use, storage regulation, measurement, supply and distribution of the electrical energy produced by the Company by harnessing wind energy.

(5) To acquire, construct, carry out, equip, maintain, alter, improve, develop, manage, work, control and superintend any tanks, coolie, lines and houses and bustees, villages, roads, ways, tramways, water-courses, dykes, drains, wharves, furnaces, crushing works, hydraulic works, workshops, factories, warehouses, sheds, dwellings, offices, shops, stores, buildings and other works and conveniences which may seem directly or indirectly conducive to any of the objects of the Company and to contribute to subsidise or otherwise aid by taking part in any such operations.

(6) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plaint, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers of or persons having dealings with the Company or commonly dealt in by persons engaged in such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by- products incidental to or obtained in any of the business carried on by the Company.

(7) To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire any estate or interest whatsoever and to hold, develop, work, cultivate, deal with and turn to account concessions, grants, decrees, licences, privileges, claims, options, leases, property, real or personal or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company and to purchase, charter, hire, build or otherwise acquire vehicles of any or every sort or description for use on or under land or water or in the air and to employ the same in the carriage of merchandise of all kinds or passengers and to carry on the businesses of owners of trucks, trams, lorries, motor cars and of ship- owners and lighter-men and owners of aircrafts in all or any of their respective branches.

(8) To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose off the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit and in particular for stock, shares whether fully or partly paid up or securities of any other Company.

(9) To advance, deposit with or lend money, securities and property to or receive loans or grants or deposits from the Government.

(10) To lend money, either or without security and generally to such persons and upon such terms and conditions as the Company may think fit.

(11) To undertake financial and commercial obligations, transactions and operations of all kinds.

(12) To guarantee the performance of the obligations of and the payment of dividends and interest on any stock, shares or securities of any company, corporation, firm or person in any case in which such guarantee may be considered likely directly or indirectly to further the objects of the Company or the interests of its shareholders.

(13) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debentures stocks, contracts, mortgages, charges, obligations instruments and securities of any company or of any authority, supreme, municipal, local or otherwise or of any persons whomsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.

(14) To subscribe for, absolutely or conditionally, purchase or otherwise acquire and to hold, dispose off and deal in shares, stocks and securities or obligations of any other Company whether Indian or foreign.

(15) To invest any moneys of the Company in such investments (other than shares or stock in the Company) as may be thought proper and to hold, sell or otherwise deal with such investments.

(16) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture - stock prepetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital and to purchase, redeem and pay off any such securities.

(17) To draw, make, accept, discount, execute and issue bills of exchange, Government of India and other promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.

(18) To apply for, purchase or otherwise acquire and protect, prolong and renew whether in India or elsewhere any patents, patent rights, brevets d'invention, trade marks, designs, licenses, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, manufacture under or grant licences or privileges in respect of or otherwise turn to account the property rights and information so acquired and carry on any business in any way connected therewith.

(19) To spend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.

(20) To establish, provide maintain and conduct research laboratories, training colleges, schools and other institutions for the training education and instruction of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith.

(21) To acquire and undertake all or any part of the business, property and liabilities of any person or Company carrying on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of the Company.

(22) To take part in the management, supervision or control of the business or operations of any Company or undertaking and to act as Managing Agents or Secretaries thereof and for that purpose to appoint and remunerate any Directors, Accountants or other experts or agents.

(23) To procure the registration or incorporation or recognition of the Company in or under the laws of any place outside India.

(24) To form, incorporate or promote any company or companies, whether in India or in any foreign country, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the Company or any other objects or object which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or Company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscription or the placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company or any stock, shares, bonds, debentures, obligations or securities of any other Company held or owned by the Company or in which the Company may have

interest or in or about the formation or promotion of the company or the conduct of its business or in or about the promotion or formation of any other Company in which the Company may have an interest.

(25) To enter into partnership or into any arrangement for sharing profits or into any union of interests, joint-adventure, reciprocal concession or co-operation with any person or persons or Company or Companies carrying on, or engaged in, or about to carry on or engage in, or being authorised to carry on or engage in or any business or transaction which this company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.

(26) To enter into any arrangements and to take all necessary or proper steps with governments or with other authorities imperial, supreme, national, local, municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the company or furthering the interest of its members and to oppose any such steps taken by any other Company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members and to promote or assist the promotion, whether directly or indirectly, of any legislation which may appear to be in the interests of the Company and to oppose and resist, whether directly or indirectly, any legislation which may seem disadvantageous to the Company and to obtain from any such government authority or any Company any charters, contracts, decrees, right, grants, loans, privileges or concessions which the Company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges or concessions.

(27) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.

(28) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.

(29) To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade, commerce generally including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire, accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependents and whether or not in common with other persons or classes of persons and in particular of friendly, co-operative and other societies, reading rooms, libraries, educational and charitable institutions, refectories, dining and recreation rooms, churches, chapels, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscriptions for any purpose whatsoever.

(30) To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.

(31) To subscribe or guarantee money for any national, charitable, benevolent, political, public, general or useful object or for any exhibition.

(32) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or have been directors of or who are or have been employed by or who are serving or have

served the Company or any Company which is a subsidiary or associate of the Company or its predecessors in business or the dependent, or connections of such persons and to grant pensions and allowances and to make payments towards insurance.

(33) To distribute all or any of the property of the Company amongst the members in specie or kind.

(34) To carry on any other business whether manufacturing or otherwise that may seem to the company capable of being conveniently carried on in connection with the above objects or calculated directly, or indirectly to enhance the value of or render profitable any of the company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property real or personal belonging to the Company or in which the Company may be interested and to do all or any of the above things, either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.

(35) To do all such things as are incidental or conducive to the attainment of the above objects.

(36) To acquire, amalgamate, absorb or merge or enter into any partnerships, joint ventures or undertake any business or any scheme of arrangement or restructuring with the creditors or shareholders of the company."

Objects Clause III of Memorandum of Association of the Transferor Company was altered by adding the new Clause No. 36 in the Annual General Meeting held on 3rd August, 2012. Apart from this, there has been no change in the object clause of the Transferor Company during the last five (5) years.

g) The Transferor Company is inter alia engaged in the business of (i) engineering, product design, manufacturing, distribution and sale of bearings including inter alia taper roller bearings, cylindrical roller bearings, spherical roller bearings and slewing bearings; and (ii) procurement, distribution and sale of other bearings, grease, oil and UJ Cross, which are not manufactured by the Transferor Company but sold by the Transferor Company under the "ABC" brand.

h) The current financial year of the Transferor Company is the period of 01st April to 31st March. The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on 31st March, 2017 (as on the date of latest audited accounts of the Transferor Company) is as under:

Particulars	Rupees
Authorized Capital	
1,20,00,000 Equity Shares of Rs. 10 each	12,00,00,000
Total	**12,00,00,000**
Issued, Subscribed and Paid-up	
1,15,50,000 Equity Shares of Rs. 10 each	11,55,00,000
Total	**11,55,00,000**

Subsequent to 31st March, 2017, there has been no change in the share capital of the Transferor Company.

i) The shares of the Transferor Company are currently listed on BSE Limited ('BSE').

j) Names and addresses of the Directors and Promoters of the Transferor Company are as under:

Name of Directors	Address of Directors
Sudhir Manubhai Patel	No 12, Second Floor, Dalamal Court 7/18 Worli Seaface Mumbai 00018
Pradip Manubhai Patel	318, Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai 400018
Sahir Sudhir Patel	9, Dalamal Court 7/18, Worli Seaface Mumbai 400018
Tanuj Manubhai Patel	Turf View, A Wing Nehru Planetarium Road, Worli Mumbai 400018
Jal Ratanshaw Patel	Flat 33, Vaikunth, Behind Deepak Foundation, Gotri Road, Vadodara 90021
Shishir Kisonlal Diwanji	Wyoming Little Gibbs Road Mumbai 400006
Nalin Mansukhlal Shah	18A, Floor-18, Plot- 333, A, Great Eastern Royal, Jahangir Boman Behram Marg, Bellasis Bridge Tardeo Mumbai 400034
Jolly Plammoottil Abraham	1A Sharon, I C Colony, Borivali West Mumbai 400103

Name of Promoters	Address of Promoters
Unnati Niren Kulur	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Essex Properties LLP	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Pradip Manubhai Patel (HUF)	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Tanuj Manubhai Patel (HUF)	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Nehal Pradip Patel	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Maple Investments Company Pvt Ltd	402 C Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Manoway Investments Pvt Ltd	402 D Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai City MH 400018
Tanuj Manubhai Patel	Turf View, A Wing Nehru Planetarium Road, Worli Mumbai 400018
Sudhir Manubhai Patel	No 12, Second Floor, Dalamal Court 7/18 Worli Seaface Mumbai 400018
Mipco Investments Pvt Ltd	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Emsons Leasing Company Pvt Ltd	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Pradip Manubhai Patel	318 Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai 400018
Ziwani properties Pvt. Limited	402 C Poonam Chambers, Dr Annie Besant Road, Worli, Mumbai 4000018
Archana Tanuj Patel	Turf View, A Wing Nehru Planetarium Road, Worli Mumbai 400018
Trupti Pradip Patel	318 Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai 400018
Saturn Holdings And Properties Pvt Ltd	402 B Poonam Chambers, Dr Annie Besant Road, Worli, Mumbai 400018
Meena Sudhir Patel	NO 12, Second Floor, Dalamal Court 7/18 Worli Seaface Mumbai 400018
M I Patel No 2 (HUF)	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
M I Patel HUF No 1	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Neel Tanuj Patel	Turf View, A Wing Nehru Planetarium Road, Worli, Mumbai 400018
Rishabh Tanuj Patel	Turf View, A Wing Nehru Planetarium Road, Worli, Mumbai 400018

11.2 Timken India Limited ("Timken" or "Transferee Company")

a) The Transferee Company was incorporated on June 15, 1987 as a public limited company under the name and style of 'Tata Timken Limited' under Companies Act, 1956. The Transferee Company changed its registered office from the State of West Bengal to the State of Bihar under the order of the Company Law Board, Eastern Region Bench dated September 21, 1996, the certificate of registration of order of the court confirming transfer of the registered office from one state to another was issued on December 12, 1996 by the Registrar of Companies, Bihar. Subsequently, the name of the Transferee Company was changed from "Tata Timken Limited" to "Timken India Limited" and a fresh certificate of incorporation consequent on the change of name was issued to it on July 02, 1999. Subsequently, the Transferee Company changed its registered office from the State of Bihar (now Jharkhand) to the State of Karnataka and under the order of Company Law Board, Eastern Region Bench dated September 09, 2008, the certificate of registration of order of the court confirming transfer of the registered office from one state to another was issued on November 10, 2008 by the Registrar of Companies, Karnataka.

b) Corporate Identification Number (CIN): L29130KA1996PLC048230.

c) Permanent Account Number (PAN): AABCT0596J.

d) Registered Office of the Transferee Company:

39-42, Electronic City, Phase II, Hosur Road, Bengaluru – 560 100, Karnataka, India.

Email address: tilinvestor@timken.com.

e) There is no change in registered office of the Transferee Company during the last five (5) years.

f) The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are set out hereunder:

(1) To research and develop, manufacture, purchase for resale, sell, import and export, trade in, assemble, distribute, service, overhaul, repair and undertake maintenance of, all kinds of anti-friction bearings and other goods and products, raw materials, components, tools, accessories, parts, semi-finished and complete units of any of the foregoing or any combination thereof and devices and consumables (including devices and consumables used for the reduction of friction), whether or not related, and including, without limitation, those manufactured or used in any kind of plant, machinery (stationery or mobile and whether functioning alone or in conjunction with one or more other machines), equipment or process.

(2) To import, purchase for resale, export, trade, assemble, distribute, service, overhaul, repair, undertake maintenance and/or act as a sales agent, for commission and/or any other form of remuneration, in connection with products manufactured by the Timken Company and/or any of its subsidiaries or divisions and/or any other person (individual, firm, trust, partnership or corporate entity, including combinations and variations thereof), including, without limitation, all kinds of equipment, machinery, anti-friction bearings and other goods and products, raw materials, components, tools, accessories, parts, semi-finished and complete units of any of the foregoing or any combination thereof and devices and consumables (including devices and consumables used for the reduction of friction), whether or not related, and including, without limitation, those manufactured or used in any kind of plant, machinery (stationery or mobile and whether functioning alone or in conjunction with one or more other machines), equipment or process.

(3) To act as a sales agent earning commission or any other form of remuneration in relation to the business activities of the Company, to render any and all kinds of

consultancy, advisory and technical services including, without limitation, in the areas of information technology, mechanical and electrical engineering, electronics, purchase and procurement, sales and marketing, human resources, finance and accounting.

(4) To carry on any other trade or business that can be conveniently or advantageously combined with the business activities of the Company and to do any and all acts or things that may be necessary or desirable to give effect to or in connection with any of the foregoing."

There is no change in object clause of the Transferee Company during the last five (5) years.

g) The Transferee Company is inter alia engaged in the business of engineering and manufacturing bearings and mechanical power transmission components including gear drives, couplings belts and chain. The Transferee Company also provides industrial services including those in the nature of bearing repair and powertrain rebuild.

h) The current financial year of the Transferee Company is the period from 01st April to 31st March. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferee Company as on 31st March 2017, are as under:

Particulars	Rupees
Authorised Capital	
7,50,00,000 Equity Shares of Rs.10/- each	75,00,00,000
26,00,000 9% Cumulative Redeemable Preference Shares of Rs. 100/- each	26,00,00,000
Issued, Subscribed and Paid-up Capital	
6,79,75,784 Equity Shares of Rs. 10/- each fully paid-up	67,97,57,840
24,200 Equity shares of Rs. 10/- each partly paid-up Less: Calls in arrears – Rs. 1,12,000/-	1,30,000
Total	**67,98,87,840**

As on 30th November, 2017, the issued, subscribed and paid-up share capital of the Transferee Company, are as under:

Particulars	Rupees
Authorised Capital	
7,50,00,000 Equity Shares of Rs.10/- each	75,00,00,000
26,00,000 9% Cumulative Redeemable Preference Shares of Rs. 100/- each	26,00,00,000
Issued, Subscribed and Paid-up Capital	
6,79,75,984 Equity Shares of Rs. 10/- each fully paid-up	67,97,59,840
24,000 Equity shares of Rs. 10/- each partly paid-up Less: Calls in arrears – Rs. 1,10,750/-	1,29,250
Total	**67,98,89,090**

i) The shares of the Transferee Company are currently listed on BSE and National Stock Exchange of India Limited ('NSE').

j) Names and addresses of the directors and promoters of the Transferee Company are as under:

Name of Directors	Address of Directors
Priya Shankar Dasgupta	J-1810, Chittaranjan Park, New Delhi 110019
Ajay Kumar Das	House No. 6076, Kinloch Court NW, City-Massilon, State-Ohio, USA - 851101
Sanjay Koul	AA-05, Concorde Silicon Valley, Doddathogur Village, Begur Hobli, South Taluk, Bangalore – 560100
Rupa Mahanty	No 201, Neel House Road No 5, 12 Circuit House Area Jamshedpur 831001
Avishrant Keshava	#C - 704, Divaysree Elan Homes Sarjapur Main Road, Kaikondrahalli Bangalore 560035

Name of Promoters	Address of Promoters
Timken Singapore PTE Ltd.	51, Changi Business Park, Central 2, #08-06/07 The Signature Building Singapore - 486066

12. Board Approval:

The Board of Directors of the Transferor Company and the Transferee Company had approved the Scheme in their separate meetings held on 4th July 2017.

A. Details of directors of the Transferor Company who voted in favour/ against/ did not participate on resolution passed at the meeting of the Board of Directors of the Transferor Company are given below:

ABC Bearings Limited			
Name of the Directors*	Voted in Favour	Voted Against	Abstain from voting
Sudhir Manubhai Patel	Yes	-	-
Pradip Manubhai Patel	Yes	-	-
Tanuj Manubhai Patel	Yes	-	-
Sahir Sudhir Patel	Yes	-	-
Nalin Mansukhlal Shah	Yes	-	-
Shishir Kisonlal Diwanji	Yes	-	-
Jolly Plammoottil Abraham	Yes	-	-

Note: * Mr. Jal Ratanshaw Patel did not attend the meeting.

B. Details of directors of the Transferee Company who voted in favour/ against/ did not participate on resolution passed at the meeting of the Board of Directors of the Transferee Company are given below:

Timken India Limited			
Name of the Directors*	Voted in Favour	Voted Against	Abstain from voting
Sanjay Koul	Yes	-	-
Avishrant Keshava	Yes	-	-
Priya Shankar Dasgupta	Yes	-	-
Rupa Mahanty	Yes	-	-

Note: * Mr. Ajay Kumar Das and Mr. Jai Swaroop Pathak did not attend the meeting phisically but were connected over the call.

13. Important Provisions of the Scheme

(a) Appointed Date: 'Appointed Date' means the opening hours of business on the date on which the last of the Sanction Orders is passed or such other date as the NCLT may direct.

(b) Effective Date: 'Effective Date' means the last of the dates on which all the conditions and matters referred to in Clause 20.1 of the Scheme have been fulfilled, obtained or waived, as applicable. References in the Scheme to the date of 'coming into effect of this Scheme' or 'Scheme becoming effective' shall be construed accordingly.

(c) Share Exchange Ratio: Upon coming into effect of the Scheme and in consideration for the Amalgamation, the Transferee Company shall, without any further application or deed, issue and allot its equity shares, credited as fully paid up, to all the equity shareholders of the Transferor Company whose names appear in its register of members as on the Record Date to be fixed in that behalf for the purpose of reckoning names of equity shareholders of the Transferor Company, in the following ratio:

"5 (five) equity shares of the Transferee Company of Rs. 10 (Rupees ten only) each, fully

currently being manufactured by the Transferor Company. The Transferee Company is desirous of acquiring a capacity that meets the increasing demand for its products across the globe. The Transferor Company possess such manufacturing facility and is seeking to access new technology and new markets.

2. Both the Transferor Company and Transferee Company intend to and can achieve larger product portfolio, access new domestic and export markets, increase market share, economies of scale, efficiency, and other related economies through this Amalgamation. This Scheme intends to merge the operations of the Transferor Company with that of the Transferee Company to fulfil this objective.

3. The Amalgamation would be beneficial to the respective shareholders, investors and creditors of the Transferor Company and the Transferee Company.

15. Salient features of the Scheme

15.1. Salient features of the Scheme are set out as below:

- The Scheme is presented under Section 230 to Section 232 and other applicable provisions of the Companies Act, 2013 to the extent notified, and as amended from time to time for amalgamation and arrangement between ABC Bearings Limited and Timken India Limited and their respective shareholders and creditors.
- The Scheme provides for amalgamation of ABC Bearings Limited into Timken India Limited. Thus, upon amalgamation the entire business of ABC Bearings Limited shall be transferred to Timken India Limited.
- The Transferor Company and the Transferee Company shall make applications and/ or petitions under Section 230 read with Section 232 and other applicable provisions of the Companies Act, 2013 to Mumbai Bench and Bangalore Bench of the NCLT respectively, for sanction of this Scheme and all matters ancillary or incidental thereto vide their orders ('Sanction Orders').
- On the Scheme becoming effective, the Transferee Company shall account for the Amalgamation in its books as per Indian Accounting Standard 103 or any other applicable Indian Accounting Standard.
- All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.
- This Scheme is conditional upon and subject to the following:

  a) The Scheme being approved by the written consents or requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Companies as may be directed by the relevant NCLTs or any other competent authority, as may be applicable.

  b) Receipt of pre-filing and post sanction approvals of the Stock Exchanges and the Securities and Exchange Board of India ('SEBI') in terms of the applicable circulars issued by SEBI.

  c) The Scheme being sanctioned by the concerned NCLTs under Sections 230 to 232 of the Companies Act, 2013.

  d) Certified copy of the Order of the NCLTs sanctioning the Scheme being filed with the Registrars of Companies having jurisdiction over the Companies.

  e) The fulfillment, satisfaction or waiver (as the case may be) of such other conditions precedent as may be agreed in writing inter-alia between the Transferor Company and the Transferee Company.

f) The provisions contained in the Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Companies.

The features set out above being only the salient features of the Scheme of Amalgamation and Arrangement, the equity shareholders of the Transferor Company are requested to read the entire text of the Scheme of Amalgamation and Arrangement to get themselves fully acquainted with the provisions thereof.

16. Summary of valuation report and fairness opinions

(a) Valuation report

Income approach has been considered to arrive at the value per share of the Transferor Company and the Transferee Company. Further, the fair share exchange ratio i.e. 5 (Five) equity shares of the Transferee Company of INR 10 (Rupees Ten Only) each fully paid for every 8 (Eight) shares of the Transferor Company of INR 10 (Rupees Ten Only) each fully paid has been arrived based on the relative valuation after considering various qualitative factors relevant to the companies, business dynamics and growth potential of the businesses of the Transferor Company and the Transferee Company.

(b) Fairness Opinion

The share exchange ratio recommended by the valuer is fair for the equity shareholders of the Transferor Company.

17. Capital Structure Pre and Post Amalgamation

17.1. The pre-Scheme capital structure of the Transferor Company is mentioned in paragraph 11 above. Post the amalgamation, the Transferor Company shall stand dissolved without being wound-up.

17.2. The pre-Scheme capital structure of the Transferee Company is mentioned in paragraph 11 above. Post amalgamation, as consideration, equity shares in the Transferee Company will be issued to the equity shareholders of the Transferor Company in accordance with the valuation report obtained from an independent Chartered Accountant.

18. Pre and Post Amalgamation Shareholding Pattern

18.1. The pre-Scheme shareholding pattern of the Transferor Company as on 30th September, 2017, as filed with the Stock Exchange, is as under:

Category Code	Category of shareholders	Number of shareholders	Total no. of shares	Percentage
(A)	Promoter and Promoter Group			
(1)	Indian	19	43,71,470	37.85%
(2)	Foreign	2	1,05,255	0.91%
	Total shareholding of Promoter and Promoter Group	**21**	**44,76,725**	**38.76%**
(B)	**Public shareholding (Institutions, Non-Institutions and shares held by Custodians)**	**6,703**	**70,73,275**	**61.24%**
	Grand Total (A) + (B)	**6,724**	**1,15,50,000**	**100.00%**

18.2. The Transferor Company will stand dissolved without winding up in accordance with the Scheme. Therefore, there will not be any post-Scheme shareholding pattern of the Transferor Company.

18.3. The pre-Scheme shareholding pattern of the Transferee Company as on 30th September, 2017, as filed with the Stock Exchanges, is as under:

Category Code	Category of shareholders	Number of shareholders	Total no. of shares	Percentage
(A)	Promoter and Promoter Group			
(1)	Indian	-	-	-
(2)	Foreign	1	5,09,99,988	75.00%
	Total shareholding of Promoter and Promoter Group	**1**	**5,09,99,988**	**75.00%**
(B)	**Public shareholding (Institutions, Non-Institutions and shares held by Custodians)**	**50,994**	**1,69,99,996**	**25.00%**
	Grand Total (A) + (B)	**50,995**	**6,79,99,984**	**100.00%**

18.4. The post-Scheme shareholding pattern of the Transferee Company, is as under:

Category Code	Category of shareholders	Number of shareholders	Total no. of shares	Percentage
(A)	Promoter and Promoter Group			
(1)	Indian	-	-	-
(2)	Foreign	1	5,09,99,988	67.80%
	Total shareholding of Promoter and Promoter Group	**1**	**5,09,99,988**	**67.80%**
(B)	**Public shareholding (Institutions, Non-Institutions and shares held by Custodians)**	**57,718**	**2,42,18,746**	**32.20%**
	Grand Total (A) + (B)	**57,719**	**7,52,18,734**	**100.00%**

18.5. All shareholders of the Transferor Company (including Promoters) to be classified as Public shareholders in the Transferee Company.

18.6. Amount due to Secured Creditors:

The amount due from the Transferor Company to its Secured Creditors as on 30th November, 2017 is INR 26.87 crores.

The amount due from the Transferee Company to its Secured Creditors as on 30th November, 2017 is Nil.

18.7. Amount due to Unsecured Creditors:

The amount due from the Transferor Company to its Unsecured Creditors as on 30th November, 2017 is INR 29.16 crores.

The amount due from the Transferee Company to its Unsecured Creditors as on 30th November, 2017 is INR 129.52 crores.

19. Extent of shareholding of directors and key managerial personnel:

19.1. The Directors and Key Managerial Personnel (KMP) and their respective relatives of the Transferor Company may be deemed to be concerned and/ or interested in the Scheme only to the extent of their shareholding in the Transferor Company or to the extent the said Directors/ KMP are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/ or beneficiary of trust that hold shares in the Transferor Company. Save as aforesaid, none of the Directors, Managing Director or the Manager or KMP of the Transferor Company have any material interest in the Scheme.

19.2. The details of the present directors and KMP of the Transferor Company and their respective shareholdings in the Transferor Company and the Tranferee Company as on 30th September, 2017 are as follows:

Name of Directors / KMP of the Transferor Company	Designation	Shares held in the Transferor Company	Shares held in the Transferee Company
Sudhir Manubhai Patel	Executive Chairman	32,400	Nil
Pradip Manubhai Patel	Managing Director	109,124	Nil
Tanuj Manubhai Patel	Executive Director	100,374	Nil
Sahir Sudhir Patel	Executive Director	Nil	Nil
Shishir Kisonlal Diwanji	Independent Director	7,950	Nil
Jal Ratanshaw Patel	Independent Director	350	Nil
Nalin Mansukhlal Shah	Independent Director	Nil	Nil
Jolly Plammoottil Abraham	Independent Director	Nil	Nil
S.K. Choudhary	Chief Financial Officer	Nil	Nil
S. B. Desai	Company Secretary	Nil	Nil

19.3. The details of the present directors and KMP of the Transferee Company and their respective shareholdings in the Transferee Company and the Tranferor Company as on 30th September, 2017, are as follows:

Name of Directors / KMP of the Transferee Company	Designation	Shares held in the Transferee Company	Shares held in the Transferor Company
Sanjay Koul	Chairman and Managing Director	Nil	Nil
Avishrant Keshava	CFO and Whole Time Director	2	Nil
Priya Shankar Dasgupta	Independent Director	1	Nil
Rupa Mahanty	Independent Director	Nil	Nil
Ajay Kumar Das	Director	16	Nil
Soumitra Hazra	Company Secretary and Chief- Compliance	3	Nil

20. Disclosure about the material adverse effect of the amalgamation and arrangement:

There is no adverse effect of the proposed Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders, creditors, employees and other stakeholders of the Company.

21. Investigations and proceedings, if any pending against the Transferor Company and the Transferee Company under the Act:

No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Transferor Company and the Transferee Company.

22. There are no common directors on the Board of Directors of the Transferor Company and the Transferee Company.

23. Details of approval from regulatory authorities:

23.1. Pursuant to the SEBI Circular read with Regulation 37 of SEBI (listing obligations and Disclosure Requirements) Regulations, 2015, the Transferor Company has filed necessary application before the stock exchange viz. BSE seeking its no-objection to the Scheme. The Transferor Company has received Observation Letter dated 03rd November 2017 from BSE. Copy of the Observation Letter is enclosed as **Annexure 4**.

23.2. As required by the SEBI Circular, the Transferor Company has filed a Report on Complaints dated 6th September, 2017 with BSE. After filing the Complaint Report, the Transferor Company has received NIL Complaints. A copy of the aforementioned Compliant Report is enclosed as **Annexure 5**.

23.3. Pursuant to the SEBI Circular read with Regulation 37 of SEBI (listing obligations and Disclosure Requirements) Regulations, 2015, the Transferee Company has filed necessary applications before the stock exchanges viz. BSE and NSE seeking their no-objection to the Scheme. The Transferee Company has received Observation Letters dated 3rd November, 2017 and 6th November, 2017 from BSE and NSE respectively. Copy of the Observation Letters are enclosed as **Annexure 6**.

23.4. The Transferor Company and the Transferee Company have made separate applications before the NCLT, Mumbai Bench and NCLT, Bangalore Bench respectively for the sanction of the Scheme under Sections 230-232 and other applicable provisions Companies Act, 2013.

23.5. A copy of the Scheme along with the explanatory statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is also being forwarded, inter alia to the Registrar of Companies, in terms of the Order of the NCLT.

24. General

24.1. Equity Shareholders of the Transferor Company whose names appearing in the records of the Transferor Company as on the Cut-Off Date shall be eligible to attend and vote at the meeting of the Equity Shareholders either through postal ballot or in person or by proxies convened as per the directions of the NCLT or cast their votes using remote e-voting facility.

24.2. The rights and interests of Secured Creditors and Unsecured Creditors of either of the companies will not be prejudicially affected by the Scheme as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner and post the Scheme, the Transferee Company will be able to meet its liabilities as they arise in the ordinary course of business.

24.3. None of Directors and KMP of the Transferor Company or their respective relatives is in any way connected or interested in the aforesaid resolution except to the extent of their respective shareholding, if any.

24.4. The latest audited accounts for the year ended 31st March, 2017 and unaudited financial statements for the quarter ended 30th June, 2017 of the Transferee Company indicates that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any Secured Creditor or Unsecured Creditor of the Transferor Company would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be adversely modified in any manner. Hence, the amalgamation of the Transferor Company with the Transferee Company will not cast any additional burden on the shareholders or creditors of the Transferor Company, nor will it adversely affect the interest of any of its shareholders or creditors.

24.5. There are no winding up proceedings pending against the Transferor Company as of date.

24.6. The Transferor Company and the Transferee Company are required to seek approvals/ sanctions/ no- objections from certain regulatory and governmental authorities for the Scheme which inter alia includes Registrar of Companies, Regional Director and Income-tax authorities which it will obtain at the relevant time.

24.7. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

24.8. A copy of the Scheme has been filed with the Registrar of Companies, Mumbai by the Trasferor Company.

24.9. A report adopted by the Directors of the Transferor Company, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, laying out in particular the share allotment, is enclosed as **Annexure 7** herewith. The Transferor Company does not have any depositors, deposit trustee and debenture trustee. There will be no adverse effect on account of the Scheme as far as the employees and creditors of the Transferor Company are concerned.

24.10. A copy of the Unaudited Account Statement of the Transferor Company for the period ended 30th September, 2017 is enclosed as **Annexure 8** herewith.

24.11. A copy of the Unaudited Account Statement of the Transferee Company for the period ended 30th June, 2017 is enclosed as **Annexure 9** herewith.

24.12. As far as the employees of the Transferor Company are concerned, there would not be any change in their terms of employment on account of the Scheme.

25. Inspection:

25.1. The following documents will be open for inspection by the equity shareholders of the Transferor Company at its registered office at 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018 between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting:

(i) Copy of the Scheme;

(ii) Copy of the order passed by the NCLT, Mumbai in Company Scheme Application No. 998 of 2017, of the Transferor Company;

(iii) Copy of the order passed by the NCLT, Bangalore in Company Scheme Application No. CA(CAA)85/BB/2017 of the Transferee Company;

(iv) Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;

(v) Copy of the Annual Report of the Transferor Company for the financial year ended 31st March, 2017;

(vi) Copy of the Annual Report of the Transferee Company for the financial year ended 31st March, 2017;

(vii) Copy of the Unaudited Financial Statements of the Transferor Company, for the period ended 30th September, 2017;

(viii) Copy of the Unaudited Financial Statement of the Transferee Company, for the period ended 30th June, 2017;

(ix) Copy of Valuation Report dated 4th July, 2017 submitted by M/s SSPA & Co., Chartered Accountants;

(x) Copy of the Fairness Opinion dated 4th July, 2017, issued by Keystone Corporate Services Limited;

(xi) Copy of the Audit Committee Report dated 4th July, 2017 of the Transferor Company;

(xii) Copy of the resolutions dated 4th July, 2017 passed by the respective Board of Directors of the Transferor Company and the Transferee Company, approving the Scheme;

(xiii) Copy of the Statutory Auditors' certificate dated 4th day of July, 2017 issued by S.R. Batliboi and Co., Chartered Accountants, to the Transferee Company;

(xiv) Copy of Observation Letter issued to ABC Bearings Limited by BSE on 3rd November, 2017;

(xv) Copy of Observation Letter issued to Timken India Limited by BSE on 3rd November, 2017 and by NSE on 6th November, 2017;

(xvi) Copy of the Reports adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013; and

(xvii) Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.

25.2. This Statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016. A copy of this Scheme, Explanatory Statement and Form of Proxy may be obtained free of charge on any working day (except Saturdays, Sundays and public holidays) prior to the date of the meeting, from the Registered Office of the Transferor Company.

The persons may vote in the meeting either in person or by proxies or by voting through electronic means, as specifically provided for in the Notice convening the meeting of the shareholders of the Company.

Sd/-
Mr. Sudhir Manubhai Patel
Chairman appointed for the meeting
DIN : 00012036

Dated this 5th day of December, 2017

Registered Office:
402-B, Poonam Chambers,
Dr. Annie Besant Road,
Worli, Mumbai – 400018

Annexure 1

SCHEME OF AMALGAMATION AND ARRANGEMENT

UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013

AMONGST

ABC BEARINGS LIMITED;
(Transferor Company)
AND
TIMKEN INDIA LIMITED;
(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Chapter 1

(A) Background of Companies and Rationale

a) This Scheme of Amalgamation and Arrangement (the "**Scheme**") amongst ABC Bearings Limited ("**Transferor Company**") and Timken India Limited ("**Transferee Company**") provides for (1) the amalgamation of the Transferor Company with the Transferee Company and in consideration thereof issue of equity shares by the Transferee Company to the shareholders of the Transferor Company ("**Amalgamation**"), pursuant to the relevant provisions of the Companies Act, 2013, as may be applicable; and (2) various other matters consequential or integrally connected therewith, in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B).

b) The Transferor Company, a public limited company incorporated on 1961 under the Companies Act, 1956, has its registered office situated at 402 – B, Poonam Chambers, Dr. A.B. Road, Mumbai – 400 018. The equity shares of the Transferor Company are listed on the BSE Limited. The Transferor Company is *inter alia* engaged in the Business (as defined below).

c) The Transferee Company, a public limited company incorporated on 1987 under the Companies Act, 1956 has its registered office situated at 39-42, Electronic City, Phase II, Hosur Road, Bengaluru – 560 100, Karnataka, India. The equity shares of the Transferee Company are listed on the BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**"). The Transferee Company is engaged in the business of engineering and manufacturing bearings and mechanical power transmission components including gear drives, couplings belts and chain. The Transferee Company also provides industrial services including those in the nature of bearing repair and powertrain rebuild.

d) The Transferee Company and the Transferor Company are desirous of amalgamating the Transferor Company as a going concern with the Transferee Company in accordance with Sections 230 to 232 and/ or other applicable provisions of the Act.

e) The Amalgamation of the Transferor Company with the Transferee Company is sought to be undertaken to help in achieving the following:

(i) The Transferee Company is a subsidiary of The Timken Company, which is a US based leading manufacturer of taper roller bearings, which is the also the main product currently being manufactured by the Transferor Company. The Transferee Company is desirous of acquiring a capacity that meets the increasing demand for its products across the globe. The Transferor Company possess such manufacturing facility and is seeking to access new technology and new markets.

(ii) Both the Transferor Company and Transferee Company intend to and can achieve larger product portfolio, access new domestic and export markets, increase market share, economies of scale, efficiency, and other related economies through this Amalgamation. This Scheme intends to merge the operations of the Transferor Company with that of the Transferee Company to fulfil this objective.

(iii) The Amalgamation would be beneficial to the respective shareholders, investors and creditors of the Transferor Company and the Transferee Company.

f) The Scheme is expected to be in the best interests of the shareholders, employees and the creditors of the Transferor Company and the Transferee Company.

g) The Amalgamation shall comply with the provisions of Section 2(1B) of the Income Tax Act, 1961.

(B) Chapters in the Scheme

The Scheme is divided into 3 chapters, the details of which are as follows:

1. **Chapter 1:** Chapter 1 of this Scheme sets forth the background of the Companies, overview and objects of the Scheme and definitions and interpretation which are common and applicable to all Chapters of the Scheme.

2. **Chapter 2:** Chapter 2 deals with the Amalgamation and transfer and vesting of all assets and liabilities of the Transferor Company to/in the Transferee Company.

3. **Chapter 3:** Chapter 3 provides for general terms and conditions applicable to this Scheme.

4. Chapters 2 is further sub-divided into the following parts:

   (a) *Part 1* provides for the current capital structure of the Transferor Company and the Transferee Company;

   (b) *Part 2* deals with the Amalgamation of the Transferor Company with the Transferee Company, in accordance with Sections 230 to 232 and/or other applicable provisions of the Act; and

   (c) *Part 3* deals with accounting treatment and consideration.

1. GENERAL DEFINITIONS AND INTERPRETATIONS

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the meanings given below:

"Act" means the Companies Act, 2013 and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof;

"ABC" means ABC Bearings Limited, CIN No.: L29130MH1961PLC012028 a company incorporated under the Companies Act, 1956, and having its registered office at 402 – B, Poonam Chambers, Dr. A.B. Road, Mumbai – 400 018;

"Amalgamation Consideration Shares" has the meaning ascribed to it Clause 12.1 of the Scheme;

"Applicable Law" means any applicable statute, law, regulation, ordinance, rule, judgment, order, decree, clearance, approval, directive, guideline, requirement or any similar form of determination by or decision of any Governmental Authority, that is binding or applicable to a Person, whether in effect as of the date on which this Scheme has been approved by the Boards of Directors of the Companies or at any time thereafter;

"Appointed Date" means the opening hours of business on the date on which the last of the Sanction Orders is passed or such other date as the NCLT may direct;

"Board of Directors" shall mean the board of directors or any committee thereof, of the Transferor Company and the Transferee Company, as the context may require;

"Business" means the business of: (i) engineering, product design, manufacturing, distribution and sale of bearings including inter alia taper roller bearings, cylindrical roller bearings, spherical roller bearings and slewing bearings; and (ii) procurement, distribution and sale of other bearings, grease, oil and UJ Cross not manufactured by the Transferor Company but are sold by the Transferor Company under the "ABC" brand;

"Companies" shall collectively mean the Transferor Company and the Transferee Company;

"Contracts" with respect to a Person, means any agreement, contract, undertaking, or legally binding commitment entered into by such Person**;**

"Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 20.1 have been fulfilled, obtained or waived, as applicable. References in this Scheme to the date of "coming into effect of this Scheme" or "Scheme becoming effective" shall be construed accordingly;

"Encumbrance" means any options, pledge, mortgage, lien, security interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint, or any other encumbrance of any kind or nature whatsoever, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law;

"Goodwill" means and includes the goodwill of Transferor Company, together with the exclusive right for the Transferee Company and its assignees to represent themselves as carrying on the Business in succession to the Transferor Company and includes the Business related claims, information, records, relationships with customers, product registrations/approvals, skilled employees, trademark, technical know-how and other Intangible Assets, as defined below;

"Governmental Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial, quasi-judicial or arbitral body in India or outside India and includes SEBI and the Stock Exchanges;

"Intangible Assets" means and includes all intellectual property and industrial property rights and rights in confidential information of every kind and description throughout the world, in each case whether registered or unregistered, and including but not limited to (i) rights in computer programs (whether in source code, object code, or other form), algorithms, databases, compilations and data, technology supporting the foregoing, and all documentation, including user manuals and training materials, related to any of the foregoing; (ii) copyrights and copyrightable subject matter; (iii) trademarks, service marks, names, corporate names, trade names, domain names, logos, slogans, trade dress, registered designs, design rights and other similar designations of source or origin; (iv) all know-how, patents, confidential information, trade secrets, ideas, proprietary processes, formulae, models and methodologies; (v) rights of publicity, privacy, and rights to personal information; (vi) moral rights and rights of attribution and integrity; or (vii) any rights or forms of protection of a similar nature or having equivalent or similar effect to any of the foregoing which subsist anywhere in the world;

"NCLT" means the National Company Law Tribunal at Mumbai and Bengaluru, or such other forum or authority as may be vested with the powers of the High Court under Sections 230 to 232 of the Act, as may be applicable;

"Person" means any individual, partnership, joint venture, firm, corporation, company, association, trust or other enterprise (whether incorporated or not) or government (central, state or otherwise), sovereign, or any agency, department, authority or political sub-division thereof, international organization, agency or authority (in each case, whether or not having separate legal personality) and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs;

"Record Date" shall mean such date to be fixed by the Board of Directors of the Transferor Company after consultation with the Board of Directors of the Transferee Company for the purpose of determining the members of the Transferor Company to whom shares of the Transferee Company will be allotted pursuant to this Scheme in terms of Clause 12;

"Sanction Orders" means, collectively, the orders of the NCLT sanctioning the Scheme and "**Sanction Order**" means the order of either NCLT sanctioning the Scheme;

"Scheme" means this scheme of amalgamation and arrangement with such modification(s), if any made, in accordance with the terms hereof or the directions of the Stock Exchanges or any other Governmental Authority including SEBI or the NCLT, and approved by the NCLT;

"Stock Exchanges" means BSE Limited and National Stock Exchange of India Limited;

"TIL" means Timken India Limited, CIN No. L29130KA1996PLC048230, a company incorporated under the Companies Act, 1956, and having its registered office at 39-42, Electronic City, Phase II, Hosur Road, Bengaluru – 560 100, Karnataka, , India;

"Taxes" or "Tax" or "Taxation" means all forms of taxation with reference to profits, gains, net wealth, asset values, turnover, gross receipts, duties (including stamp duties), levies, imposts, including without limitation corporate income–tax, wage withholding tax, fringe benefit tax, provident fund, employee state insurance and gratuity contributions, value added tax, customs, service tax, excise duties, goods and services tax, fees or levies and other legal transaction taxes, dividend/withholding tax, real estate taxes, other municipal taxes and duties, environmental taxes and duties, any other similar assessments or other type of taxes or duties in any relevant jurisdiction, together with any interest, penalties, surcharges or fines relating thereto, assessments, or addition to Tax, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction or country; and

"Transferor Company Shareholders" has the meaning ascribed to it Clause 12.1 of the Scheme.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996, other Applicable Laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND APPOINTED DATE

The Scheme shall come into operation from the Effective Date but with effect from the Appointed Date.

Chapter 2

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

Part 1

3. SHARE CAPITAL

The authorized, issued, subscribed and paid up share capital of the Transferee Company as on 31 March 2017 is below:

Particulars	Rupees
Authorized Capital	
75,000,000 Equity Shares of Rs. 10 /- each	750,000,000
2,600,000 9% Cumulative Redeemable Preference Shares of Rs.100/- each	260,000,000
Total	1,010,000,000
Issued	
68,015,134 Equity Shares of Rs.10/- each	680,151,340
Subscribed and fully paid up	
67975784 Equity Shares of Rs.10/- each	679,757,840
Subscribed and partly paid up	
24200 Equity Shares of Rs.10/- each (net of calls in arrears)	130,000
Total	679,887,840

The authorized, issued, subscribed and paid up share capital of the Transferor Company as on 31 March 2017 is as under:

Particulars	Rupees
Authorized Capital	
1,20,00,000 Equity Shares of Rs. 10 each	12,00,00,000
Total	12,00,00,000
Issued, Subscribed and Paid-up	
1,15,50,000 Equity Shares of Rs. 10 each	11,55,00,000
Total	11,55,00,000

Part 2

4. AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall, in accordance with Sections 230 to 232 of the Act, without any further act or deed, stand amalgamated with the Transferee Company and consequently (i) all assets and liabilities of the Transferor Company shall, as on the Appointed Date, stand transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company as a going concern, and (ii) the Transferor Company shall stand dissolved without being wound up.

4.1. TRANSFER OF ASSETS

4.1.1. Upon the Scheme becoming effective, as on the Appointed Date, the whole of the assets of Transferor Company, wherever situated and of whatsoever nature whether capable of passing by manual delivery and/ or endorsement or otherwise however shall, under the provisions of Sections 230 to 232, without any further

act or deed be transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to vest in, become and form part of the Transferee Company along with all the rights, claims, title and interest of the Transferee Company therein, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

4.1.2. Without prejudice to Clause 4.1.1, upon the Scheme becoming effective, as on the Appointed Date, all moveable assets including cash, if any, of Transferor Company which are capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed as the case may be to the Transferee Company and shall become the property of the Transferee Company, to the end and intent that the ownership and property therein passes to the Transferee Company in pursuance of the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same, subject only to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

4.1.3. Without prejudice to Clause 4.1.1, upon the Scheme becoming effective, in respect of the moveable assets of the Transferor Company, as on the Appointed Date, other than those specified in Clause 4.1.2 above and any intangible assets, including sundry debtors, loans, receivables, bills, credits, advances, if any, recoverable in cash or kind or for value to be received, bank accounts including bank balances, investments, cash equivalents, financial assets, insurance policies, provisions, funds, equipment, and any related capitalized items and other tangible property of every kind, nature and description, share of any joint assets, benefits of any bank guarantee, performance guarantee and any letter of credit, earnest money, advances and deposits, if any, with government, semi-government, local and other authorities and bodies, companies, firm, individuals, trusts, etc., the same shall, on and from the Appointed Date, stand transferred to the Transferee Company to the end and intent that the right of the Transferor Company to receive the benefit of such investments, cash equivalents, financial assets, insurance policies, provisions, funds, equipment, capitalized items and tangible property, share of any joint assets, bank guarantee, performance guarantee and any letter of credit earnest money, advances or deposits or recover or realize all such debts (including the debts payable by such Persons or depositors to the Transferor Company) stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors or other Persons (although the Transferee Company may itself without being obliged and if it so deems appropriate at its sole discretion, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law, give notices in such form as it may deem fit and proper, to each Person, debtors or depositors, as the case may be, that pursuant to the NCLTs having sanctioned the Scheme, the said asset stands transferred and vested in the Transferee Company and be paid or made good or held on account of the Transferee Company as the Person entitled thereto.

4.1.4. Without prejudice to Clause 4.1.1, upon the Scheme becoming effective, as on the Appointed Date, all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise, any tenancies in relation to warehouses, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authority pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof.

4.1.5. In respect of the assets belonging to the Transferor Company, other than those referred to in Clauses 4.1.2 and 4.1.4 above, whether or not recorded in the books of the Transferor Company, including but not limited to all earnest money, security deposits and advances paid by the Transferor Company and benefit of any deposits, the same shall, as more particularly provided in Clause 4.1.1 above, without any further act, instrument or deed, stand transferred to and vested in and/or be deemed to be amalgamated with the Transferee Company

upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

4.1.6. All the licenses, permissions, approvals, sanctions, consents, permits, entitlements, quotas, registrations, bids, tenders, letters of intent, expressions of intent, memoranda of understanding or similar instruments, incentives, exemptions and benefits, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall, without any further act, instrument or deed, cost or charge be and stand transferred to and vested in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permissions, approvals, sanctions, consents, permits, entitlements, quotas, registrations, incentives, exemptions and benefits, grants, rights, claims, liberties, special status and other benefits or privileges of the Transferor Company and shall remain valid, effective and enforceable on the same terms and conditions. For the avoidance of doubt and without prejudice to the generality of the foregoing, all consents, no-objection certificates, certificates, clearances, authorities (including operation of bank accounts), powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company.

4.1.7. All cheques and other negotiable instruments, payment orders, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be deemed to be in the name of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company or received through electronic transfers and the bankers of the Transferee Company shall accept the same. Similarly, the banker of the Transferee Company shall honour all cheques/electronic fund transfer instructions issued by the Transferor Company for payment after the Effective Date. If required, the bankers of the Transferor Company and/or the Transferee Company shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of the Transferee Company, subject to such accounts being operated by the Transferee Company.

4.1.8. Without prejudice to the generality of the foregoing, upon the effectiveness of the Scheme, all Intangible Assets including but not limited to rights in intellectual property (whether owned, licensed or otherwise, whether registered or unregistered) used in relation to the Transferor Company, including with respect to the Business, including the logo and trademark of the Transferor Company, and all other trade names, service names, trademarks, brands, copyrights, designs, know-how and trade secrets, patents, along with all rights of commercial nature including attached Goodwill, title, interest, labels and brand registrations and all such other industrial or intellectual rights of whatsoever nature and advantages of whatever nature in connection with the above including any Goodwill relating to such intellectual property, whether or not provided in the books of accounts of the Transferor Company, shall under the provisions of Sections 230 to 232 of the Act, as applicable, and all other provisions of Applicable Law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the Intangible Asset of the Transferee Company.

4.1.9. All books, records, files, papers, engineering and process information, software, licenses for software, algorithms, programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form of the Transferor Company, including in connection with or relating to the Business, shall, under the provisions of Sections 230 to 232 of the Act, as applicable, and all other provisions of Applicable Law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, with effect from the Appointed Date.

4.1.10. All benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, shall under the provisions of Sections 230 to 232 of

the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken/complied with by the Transferee Company.

4.1.11. Any assets, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date shall upon the coming into effect of this Scheme also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in the Transferee Company upon the coming into effect of this Scheme.

4.1.12. Without prejudice to the provisions of the foregoing Clauses, upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall execute all necessary instruments or documents or do all the acts and deeds as may be required, including making the necessary filings with the relevant Governmental Authority or any other third party, to give formal effect to the above provisions, if required.

5. TRANSFER OF LIABILITIES

5.1. Upon the Scheme becoming effective, all the liabilities of the Transferor Company, as on the Appointed Date, shall also, under the provisions of Sections 230 to 232 of the Act without any further act or deed be transferred or deemed to be transferred to the Transferee Company so as to become as and from the Appointed Date the debts, liabilities, duties, losses, obligations of the Transferee Company and further that all the liabilities incurred/contracted by the Transferor Company during the period commencing from the Appointed Date till the Effective Date shall be deemed to have been incurred/contracted by the Transferee Company and shall be deemed to be the liabilities and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any Person in order to give effect to the provisions of this Clause.

5.2. Where any of the loans, debts, liabilities, duties and obligations of the Transferor Company which are deemed to be transferred to the Transferee Company under this Scheme have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

5.3. Without prejudice to Clause 5.1, upon the coming into effect of the Scheme, all loans raised and used and all debts, liabilities, duties and obligations incurred by the Transferor Company for the operations of the Business with effect from the Appointed Date and prior to the Effective Date shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company, and shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the loans, debts, liabilities, duties and obligations of the Transferee Company.

5.4. The Scheme shall not operate to enlarge the security of any loan, deposit or facility created by or available to Transferor Company which shall vest in the Transferee Company by virtue of the Scheme, including for the avoidance of doubt and notwithstanding anything contained herein, that no Encumbrances shall be extended to any of the assets of the Transferee Company.

5.5. It is expressly provided that, no term or condition of the liabilities that are being transferred to the Transferee Company as part of the Scheme and terms on which the liabilities are transferred to the Transferee Company as part of the Scheme, shall be modified by virtue of this Scheme.

5.6. Upon the Scheme becoming effective, with effect from the Appointed Date, all inter-se liabilities, between Transferee Company and Transferor Company, if any, due or outstanding or which may at any time immediately prior to the Appointed Date become due or remain outstanding, shall stand cancelled and be deemed to have been discharged by such cancellation and consequently, there shall remain no inter-se liability between them as of the Appointed Date and corresponding effect shall be given in the books of account and records of Transferee Company.

5.7. Without prejudice to the provisions of the foregoing Clauses, upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall execute all instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modifications of charge with the Registrar of Companies, to give formal effect to the above provisions, if required.

5.8. The provisions of this Clause 5 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant liability relates or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified by the foregoing provisions.

6. TAXES AND TAXATION

6.1. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws, excise duty laws and other Tax laws, and to claim refunds and/or credit for Taxes paid (including, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.

6.2. Without prejudice to the generality of the above, all Tax benefits, incentives, credits (including, without limitation in respect of income tax, service tax, excise duty, central sales tax, applicable state value added tax, goods and service tax, etc.) to which the Transferor Company is entitled to in terms of Applicable Laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.

6.3. All Taxes payable by the Transferor Company from the Appointed Date onwards for the operations of the Transferor Company, including the Business, shall be to the account of the Transferee Company; similarly all Tax credits pertaining to the Transferor Company, shall be made or deemed to have been made and duly complied with by the Transferee Company if so made by Transferor Company. If, during the period between the Appointed Date and the Effective Date, any Tax returns or any other filings, representations or other submissions pertaining to the Transferor Company are required to be filed or made by the Transferor Company with or to the Tax authorities, the Transferor Company shall do the same in consultation with the Transferee Company and not without the prior written consent of the Transferee Company.

6.4. The provisions of this Scheme, as they relate to amalgamation of the Transferor Company into the Transferee Company, have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

7. EMPLOYEES

7.1. On the Scheme becoming effective, all employees of the Transferor Company (other than the current executive directors of the Transferor Company) who are employed with the Transferor Company on the Effective Date ("**Transferred Employees**"), shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them as employees of the Transferor Company on the Effective Date.

7.2. The services of the Transferred Employees with the Transferor Company prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the Transferred Employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in the Transferor Company.

7.3. It is expressly provided that, on the Scheme becoming effective, the contributions made by the Transferor Company in respect of the Transferred Employees under Applicable Law to the provident fund, gratuity fund, contribution towards employees state insurance, superannuation fund, retirement fund or any other special fund or trusts created or existing for the benefit of the Transferred Employees (collectively referred to as the "**Funds**") for the period after the Appointed Date shall be deemed to be contributions made by Transferee Company, and the Funds shall be transferred to similar Funds created by the Transferee Company and shall

be held for their benefit pursuant to this Scheme or, at the Transferee Company's sole discretion, maintained as separate Funds by the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous and not interrupted for the purpose of the said Fund or Funds.

7.4. In relation to any other fund created or existing for the benefit of the Transferred Employees, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such Transferred Employees.

8. LEGAL PROCEEDINGS

All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising before the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company, as the case may be, in a manner and to a similar extent as would or might have been continued and enforced by or against the Transferor Company.

9. CONTRACTS, DEEDS, ETC.

9.1. Upon the coming into effect of the Scheme and with effect from the Appointed Date, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, shall continue in full force and effect against or in favour of the Transferee Company, and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto from inception.

9.2. Without prejudice to Clause 9.1, upon the Scheme becoming effective, with effect from the Appointed Date, all Contracts and arrangements in any form relating to the Business, including Contracts pertaining to, customers, vendors, benefits of all Contracts, whether registered or not registered, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.

9.3. The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if it considers necessary, enter into, or issue or execute deeds, writings, tripartite arrangements, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company. The Transferor Company shall execute such writings as may be reasonably required by the Transferee Company in this regard.

9.4. For the avoidance of doubt, it is clarified that upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Transferor Company in any leasehold/licensed properties or otherwise of the Transferor Company, including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, pursuant to Section 232(4) of the Act, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants thereunder.

10. CONDUCT OF BUSINESSES TILL THIS SCHEME COMES INTO EFFECT

10.1. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company:

10.1.1. shall be deemed to have been carrying on and to be carrying on the Business and other activities in relation to the operations of the Transferor Company and stand possessed of all the estates, assets, rights,

title, interest, authorities, contracts, investments and strategic decisions of the Transferor Company for and on account of, and in trust for, the Transferee Company;

10.1.2. all profits or income arising or accruing in favour of the Transferor Company whether or not in relation to the Business and all Taxes paid thereon or losses, expenditures arising or incurred by the Transferor Company in relation thereto shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, expenditures as the case may be, of the Transferee Company;

10.1.3. any of the rights, powers, authorities, privileges, attached, related or pertaining to the Business exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Business that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company;

10.1.4. shall cause the Business (including making applications to any Governmental Authority for the renewal of permits which have expired) to be conducted as a going concern in trust for the Transferee Company and in the ordinary course of business; and

10.1.5. shall not, except as may be expressly required or permitted under this Scheme, make any change in its capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organization, or in any other manner which may, in any way, affect the Share Exchange Ratio, except with the prior approval of the Transferee Company.

10.2. Except with the prior approval of the Transferee Company, with effect from the date on which the board of directors of the Companies approve this Scheme up to and including the Effective Date, the Transferor Company shall not take any actions prohibited in terms of any agreement, arrangement, undertaking, deed or other document executed in writing *inter-alia* between the Companies and/or any of its shareholders.

11. SAVINGS OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets and liabilities of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date or till the Effective Date in accordance with this Scheme.

Part 3

12. CONSIDERATION

12.1. Upon coming into effect of the Scheme and in consideration for the Amalgamation, the Transferee Company shall, without any further application or deed, issue and allot its equity shares, credited as fully paid up, to all the equity shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company as on the Record Date to be fixed in that behalf for the purpose of reckoning names of equity shareholders of the Transferor Company ("**Transferor Company Shareholders**"), in the following ratio:

*"5 (five) equity shares of the Transferee Company of Rs. 10 (Rupees ten only) each, fully paid up to be issued for every 8 (eight) equity shares of Rs. 10 (Rupees ten only) each held by Transferor Company Shareholders" (the "***Share Exchange Ratio***").*

*The equity shares of the Transferee Company issued and allotted to the Transferor Company Shareholders based on the Share Exchange Ratio provided above shall be referred to as "***Amalgamation Consideration Shares***".*

12.2. In case any equity shareholder of the Transferor Company owns shares in the Transferor Company, such that it becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional share certificates to such member but shall instead, at its absolute discretion, decide to take any or a combination of the following actions:

12.2.1. consolidate such fractions and issue consolidated shares to a trustee nominated by the Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements;

12.2.2. round off all fractional entitlements to the next whole number above the fractional entitlement and issue such number of securities to the relevant shareholders; or

12.2.3. deal with such fractional entitlements in such other manner as they may deem to be in the best interests of the Transferor Company Shareholders and the Transferee Company.

12.3. SSPA & Co., have issued the valuation report on the Share Exchange Ratio adopted under the Scheme. Keynote Corporate Services Limited, a Category-I Merchant Banker, has provided its fairness opinion on the Share Exchange Ratio to the Board of Directors of the Transferor Company and JM Financial Institutional Securities Limited, a Category-I Merchant Banker, has provided its fairness opinion on the Share Exchange Ratio to the Board of Directors of the Transferee Company. Additionally, the Transferee Company has also procured a fairness opinion on the Share Exchange Ratio from SBI Capital Markets Limited, a Category-I Merchant Banker.

12.4. Equity shares to be issued by the Transferee Company to the respective Transferor Company Shareholders as above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company in all respects including dividends.

12.5. Equity shares in the Transferee Company shall be issued in dematerialized form to the Transferor Company Shareholders who hold shares of the Transferor Company in dematerialized form, in to the account in which the Transferor Company shares are held or such other account as is intimated by the shareholders to the Transferee Company and/or its Registrar. All the Transferor Company Shareholders who hold equity shares of the Transferor Company in physical form shall also have the option to receive the equity shares in the Transferee Company, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Transferee Company and/or its Registrar. If not so notified, they would be issued equity shares in physical form.

12.6. The Board of Directors of the Transferee Company and the Transferor Company shall, if and to the extent required, apply for and obtain any approvals from all appropriate Governmental Authorities for the issue and allotment of equity shares to the Transferor Company Shareholders pursuant to Clause 12.1 of the Scheme.

12.7. Equity shares to be issued by the Transferee Company to the Transferor Company Shareholders pursuant to Clause 12.1 of this Scheme shall, subject to the receipt of necessary approvals, be listed and/or admitted to trading on the Stock Exchanges, where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the said Stock Exchanges. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchange.

12.8. The equity shares to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the Act or otherwise shall, pending allotment or settlement of dispute by order of a court or otherwise, also be kept in abeyance by the Transferee Company. In the event of there being any pending share transfers, whether lodged or outstanding, of any of the Transferor Company Shareholders, the board of directors of the Transferee Company shall be empowered to take such actions as may be necessary in order to remove any difficulties arising to the transferor of the share in the Transferee Company and in relation to the shares issued by the Transferee Company pursuant to the Scheme.

12.9. Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of Section 62 of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the Transferor Company Shareholders, as provided in this Scheme and there shall be no need to pass a separate shareholders' resolution at a general meeting for the same, as is required under Section 62 and other applicable provisions of the Act.

12.10. The equity shares of the Transferee Company issued pursuant to this Scheme may not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In the event the Transferee Company elects to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the NCLTs to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the equity shares of the Transferee Company for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.

13. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the effectiveness of the Scheme, the Transferor Company shall be dissolved without winding up and the Board of Directors and any committees thereof of the Transferor Company shall, without any further act, instrument or deed, be and stand dissolved.

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

14.1. On the Scheme becoming effective:

14.1.1. The Transferee Company shall record all the assets and liabilities of the Transferor Company transferred and vested in it pursuant to the Scheme, as per Indian Accounting Standard 103 or any other applicable Indian Accounting Standard.

14.1.2. The Transferee Company shall account for shares issued to the Transferor Company Shareholders as per applicable Indian Accounting Standard.

14.1.3. The difference between the value of Net Assets ("Net Assets" means value of assets over the value of liabilities as per Clause 14.1.1 pertaining to the Transferor Company and the value of Amalgamation Consideration Shares) shall be recorded as per Indian Accounting Standard 103 or any other applicable Indian Accounting Standard.

15. INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE TRANSFEREE COMPANY

15.1. As an integral part of the Scheme, and, upon the Scheme becoming effective, the authorized share capital of the Transferor Company, as on the Effective Date, shall be added to the authorized share capital of the Transferee Company, as on the Effective Date, without any further act or deed and without any further payment of stamp duty or registration fees and Clause V of the Memorandum of Association of the Transferee Company and Article 5 of the Articles of Association of the Transferee Company shall be altered accordingly.

15.2. It is clarified that the approval of the members of Transferee Company to the Scheme shall be deemed to be their consent/approval for the increase of the authorized capital, amendment of the capital clause of the Memorandum of Association and the relevant provision of the Articles of Association of the Transferee Company under the provisions of Section 13, 14 and 61 of the Act and other applicable provisions of the Act. Pursuant to this Scheme, the Transferee Company shall file requisite forms with the relevant Registrar of Companies to give effect to the increase in its authorized equity share capital, as may be directed.

16. BOOKS AND RECORD OF THE TRANSFEROR COMPANY

The Transferor Company acknowledges that all books, records, files, papers, engineering and process information, software, licenses for software, algorithms, programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic of the Transferor Company shall be transferred to the Transferee Company on the Effective Date.

Chapter 3

GENERAL TERMS AND CONDITIONS

17. APPLICATION TO NCLT

17.1. The Transferor Company and the Transferee Company shall make applications/petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to their respective jurisdictional NCLTs for sanction of this Scheme under the provisions of law.

17.2. The Transferee Company shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Applicable Law for such consents and approvals which the Transferee Company may require to effect the transactions contemplated under the Scheme.

17.3. The shareholders of the Transferor Company and the Transferee Company, including public shareholders, shall be able to vote in relation to the Scheme through e-voting or postal ballot at the time of the court convened meeting of the shareholders of the Transferor Company and the Transferee Company in relation to the Scheme in accordance with the applicable provisions of the Companies (Management and Administration) Rules, 2014 and Clause 9(a) of Para I.A of Annexure I to SEBI Circular dated March 10, 2017 (reference no. CFD/DIL3/CIR/2017/21). Further, the Transferor Company and the Transferee Company shall provide all shareholders the Scheme and disclose all material facts and information in relation to the Scheme in the explanatory statement sent to the shareholders in relation to such resolution.

18. DECLARATION OF DIVIDEND, BONUS, ETC.

18.1. During the period between the date of approval of this Scheme by its Board of Directors and up to and including the Effective Date, the Transferor Company shall not declare or pay any dividends.

18.2. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Boards of Directors of the Companies and subject, wherever necessary, to the approval of the shareholders of the concerned Company.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

19.1. The Transferor Company and the Transferee Company agree that if, at any time, either of the NCLTs or any Governmental Authority directs or requires any material modification or amendment of the Scheme, such material modification or amendment shall not be binding on the Transferor Company or the Transferee Company, except where the prior written consent of both the Transferor Company or the Transferee Company, as the case may be, has been obtained for such modification or amendment, which consent shall not be unreasonably withheld by the Transferor Company and the Transferee Company. Notwithstanding the above, if any modification or amendment to the Scheme, whether material or not, adversely affects the interest of the Transferor Company or the Transferee Company, then, such modification or amendment shall not be binding on the Transferor Company or the Transferee Company, except where the prior written consent of both the Transferor Company or the Transferee Company, as the case may be, has been obtained for such modification or amendment, which consent shall not be unreasonably withheld by the Transferor Company and the Transferee Company.

19.2. In the event a modification or amendment to the Scheme as required by the NCLTs or any Governmental Authority is not approved in accordance with this Clause 19, the Transferor Company and the Transferee Company shall enter into good faith discussions on the manner in which they shall proceed in relation to consummation of the transactions contemplated under the Scheme.

19.3. Notwithstanding anything contained in Clauses 19.1 and 19.2, any modification to the Scheme by any of the Companies, after receipt of sanction by the NCLTs and/or the Stock Exchanges, shall be made only with the prior approval of the NCLTs and/or the Stock Exchanges.

20. CONDITIONALITY OF THE SCHEME

20.1. This Scheme is conditional upon and subject to:

20.1.1. The Scheme being approved by the written consents or requisite majorities in number and value of such classes of Persons including the respective members and/or creditors of the Companies as may be directed by the relevant NCLTs or any other competent authority, as may be applicable.

20.1.2. Receipt of pre-filing and post sanction approvals of the Stock Exchanges and the Securities and Exchange Board of India ("SEBI") in terms of the applicable circulars issued by SEBI.

20.1.3. The Scheme being sanctioned by the concerned NCLTs under Sections 230 to 232 of the Act.

20.1.4. Certified copy of the Order of the NCLTs sanctioning the Scheme being filed with the Registrars of Companies having jurisdiction over the Companies.

20.1.5. The fulfillment, satisfaction or waiver (as the case may be) of such other conditions precedent as may be agreed in writing *inter-alia* between the Transferor Company and the Transferee Company.

20.1.6. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Companies.

20.2. The Scheme shall come into operation from the Effective Date but with effect from the Appointed Date.

21. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION

21.1. In the event the Scheme does not come into effect within 18 (eighteen) months from the date on which the board of directors of the Companies have approved this Scheme ("**Long Stop Date**"), either the Transferor Company or the Transferee Company may opt to terminate this Scheme and if required may file appropriate proceedings before the concerned NCLT in this respect. Provided however, that the Transferor Company or the Transferee Company shall have the right to mutually extend the Long Stop Date, in writing and provided, however, that the right to terminate this Scheme shall not be available to the Transferor Company or the Transferee Company if its failure to fulfil any of its obligation contained hereunder or otherwise agreed in writing between the Companies, shall have been the cause of, or shall have resulted in, the failure of the Effective Date to occur on or prior to the Long Stop Date.

22. EXPENSES CONNECTED WITH THE SCHEME

22.1. Except as stated in Clause 22.2 below, each Company shall bear its own costs, charges and expenses in relation to the transactions contemplated herein.

22.2. All costs, charges and expenses in respect of the Amalgamation of the Transferor Company with the Transferee Company in terms of or pursuant to the Scheme and in relation to the registration and the stamping of the Sanction Orders including registration charges, stamp duty, transfer charges/duty/fees and all other expenses in respect of the Amalgamation, including transfer of all properties, if any, in terms of or pursuant to the Scheme shall be borne by the Transferee Company.

23. POWER TO REMOVE DIFFICULTIES

The Board of Directors of the Companies, either by themselves or through a committee appointed by them in this behalf, may jointly and as mutually agreed in writing:

23.1. give such directions (acting jointly) as may be mutually agreed in writing by the Companies as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those.

23.2. do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

24. SAVINGS

Nothing contained in this Scheme shall be deemed as a waiver or modification of the rights/obligations of the Transferor Company, Transferee Company and / or any shareholders of the Companies that arise from the Implementation Agreement dated July 4, 2017 executed between them (and the documents referred to therein) in relation to the amalgamation of the Transferor Company with the Transferee Company as contemplated in this Scheme.

Annexure 2

Annexure 3

KEYNOTE
Private and Confidential

July 04, 2017

The Board of Directors,

ABC Bearings Limited
402-B, Poonam Chambers,
Dr. Annie Besant Road,
Mumbai - 400 018

Dear Sirs,

Reg: Fairness Opinion in connection with the Fair Share Exchange Ratio recommendation for the proposed amalgamation of ABC Bearings Limited into Timken India Limited

Keynote Corporate Services Limited ("Keynote" or "we" or "us"), a Category I Merchant Banker registered with Securities and Exchange Board of India ("SEBI"), has been appointed by ABC Bearings Limited ("ABC") to provide a "Fairness Opinion" to the Board of Directors of ABC, pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 (SEBI Circular) for the proposed amalgamation of ABC into Timken India Limited ("TIL").

We understand that the Board of Directors of ABC is contemplating an amalgamation of the Company with TIL through a composite Scheme of Amalgamation ("Scheme"). We understand that the consideration for the proposed amalgamation shall be paid to the shareholders of ABC by issuance of shares of TIL. The proposed amalgamation is to be carried out pursuant to the composite Scheme of Amalgamation under section 230 to 232 and other applicable provisions of the Companies Act, 2013. We have perused the documents/ information provided by you in respect of the said amalgamation and the Valuation Report as issued by SSPA & Co. ("SSPA") dated 04th July, 2017 and state as follows:

Company Profile:

ABC Bearings Limited, incorporated in 1961, is engaged in engineering, product design, manufacturing, distribution and sale of various types of bearings. The Company primarily manufactures Taper Roller Bearings, Cylindrical Roller Bearings and is a leading OEM and after-market supplier to the automotive industry in the country and overseas markets. ABC is also engaged in the manufacturing of Slewing Bearings, Spherical Bearings and trading of goods for industrial usage including wind power & gear box manufacturers. Company's manufacturing facilities are located at Bharuch and Dehradun with Regional offices at Delhi (North), Jamshedpur (East), Chennai (South) & Pune (West) and Depots at Jamshedpur & Pune. The equity shares of ABC are listed on the Bombay Stock Exchange (Scrip Code: 505665).

Timken India Limited is engaged in the business of engineering and manufacturing bearings and mechanical power transmission components including gear drives, coupling belts and chains. TIL is a leading manufacturer of Taper Roller Bearings and bearing components. It was incorporated in 1987 as a JV with Tata Steel, but it subsequently acquired Tata Steel's stake in 1999. Currently, Timken Group (USA), through its Singapore arm, holds 75% stake in the company. TIL's production facility is located at Jamshedpur and has sales offices in Kolkata, Delhi, Bangalore, Pune and Jamshedpur. The Company also imports products such as spherical roller bearings, cylindrical roller bearings and specialty roller bearings from various Timken group entities. The equity shares of TIL are listed on the Bombay Stock Exchange (Scrip Code: 522113) and National Stock Exchange (Scrip Code: TIMKEN).

Keynote Corporate Services Limited
The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net
CIN-L67120MH1993PLC072407

Rationale of the Report:

We have been informed that pursuant to the Draft Composite Scheme of Amalgamation and subject to necessary approvals, ABC Bearings Limited will be amalgamated into Timken India Limited.

In this regard, we have been requested by the Board of Directors of ABC to issue a Fairness Opinion as of the date hereof, as to the fairness of the Fair Share Exchange Ratio recommendation for the proposed amalgamation of ABC Bearings Limited into Timken India Limited.

Sources of Information:

For arriving at the Fairness Opinion set forth below, we have relied upon the following sources of information:

- Valuation Report by SSPA & Co dated 4th July, 2017;
- Draft composite Scheme of Amalgamation;
- Audited financial statements of ABC and TIL for the financial year ended March 31, 2017;

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.

Our Recommendation:

As stated in the Valuation Report by SSPA & Co, they have recommended the following:

"5 (Five) equity shares of TIL of INR 10 each fully paid for every 8 (Eight) equity shares of ABC of INR 10 each fully paid"

The aforesaid arrangement shall be pursuant to the Draft Composite Scheme of Amalgamation and shall be subject to receipt of approval from the National Company Law Tribunal or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the arrangement are more fully set forth in the Draft Composite Scheme of Amalgamation. Keynote has issued the Fairness Opinion with the understanding that Draft Composite Scheme of Amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final Composite Scheme of Amalgamation alters the transaction.

Based on the information, data made available to us, including the Valuation Report, to the best of our knowledge and belief, the Fair Share Exchange Ratio recommendation for the proposed Amalgamation of ABC Bearings Limited into Timken India Limited is Fair to the equity shareholders of ABC Bearings Limited in our opinion.

KEYNOTE CORPORATE SERVICES LTD. MUMBAI-28

Keynote Corporate Services Limited
The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net
CIN-L67120MH1993PLC072407

Exclusions and Limitations:

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by ABC for the purpose of this opinion. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of ABC & TIL. We have solely relied upon the information provided to us by ABC. We have not reviewed any books or records of ABC & TIL (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of ABC & TIL and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of ABC & TIL. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by ABC for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of ABC & TIL with respect to these matters. In addition, we have assumed that the Draft Scheme of Amalgamation will be approved by the regulatory authorities and that the proposed transaction will be consummated substantially in accordance with the terms set forth in the Draft Scheme of Amalgamation.

We understand that the managements of ABC during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Draft Scheme of Amalgamation, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that ABC & TIL may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving ABC & TIL or any of its assets, nor did we negotiate with any other party in this regard.

We have acted as a financial advisor to ABC for providing a fairness view on the proposed transaction and will receive a fee for our services.

In the ordinary course of business, Keynote is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Keynote may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the transaction.

The Fairness Opinion is addressed only to the Board of Directors of ABC and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of ABC and the Stock Exchanges and also be made part of the explanatory statement to be

KEYNOTE CORPORATE SERVICES LTD. MUMBAI-28

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CIN-L67120MH1993PLC072407

Annexure 4

BSE
EXPERIENCE THE NEW

DCS/AMAL/SD/R37/969/2017-18 November 3, 2017

The Company Secretary
ABC Bearings Limited.
402 - B, Poonam Chambers,
Dr Annie Besant Road, Worli ,
Mumbai ,Maharashtra ,400018

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited

We are in receipt of Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 02, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;

- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed;
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Sr. Manager

Annexure 5

Registered Office : 402-B, Poonam Chambers,
Dr. Annie Besant Road, Worli, Mumbai - 400 018.
CIN: L29130MH1961PLC012028

Fax : +91 22 2495 0527
E-mail : regdoff@abcbearings.com
Website : www.abcbearings.com

Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil
3.	Nil	Nil	Nil

Yours sincerely,

Annexure 6

BSE
EXPERIENCE THE NEW

DCS/AMAL/SD/R37/970/2017-18 **November 3, 2017**

The Company Secretary
Timken India Ltd.
39-42, Electronic City Phase II,
Hosur Road , Bengaluru ,Karnataka ,560100

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited

We are in receipt of Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 02, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;

- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed;
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Sr. Manager

Ref: NSE/LIST/12821_1 November 06, 2017

The Company Secretary
Timken India Limited
39-42, Electronic City,
Phase II, Hosur Road,
Bangalore - 560100

Kind Attn.: Mr. Soumitra Hazra

Dear Sir,

Sub: **Observation letter for draft Scheme of Arrangement and Amalgamation between Timken India Limited and ABC Bearigns Limited and its respective shareholders and Creditors**

We are in receipt of the draft Scheme of Arrangement and Amalgamation between Timken India Limited and ABC Bearigns Limited and its respective shareholders and Creditors, filed by Timken India Limited vide application dated August 07, 2017.

Based on our letter reference no Ref: NSE/LIST/12821 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated November 02, 2017, has given following comments:

a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the receipt of this letter is displayed on the website of the listed company.*

b. *The Company shall duly comply with various provisions of the Circulars.*

c. *The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from November 06, 2017, within which the scheme shall be submitted to NCLT. Further pursuant to the above SEBI circulars upon sanction of the Scheme by NCLT, you shall submit to NSE the following:

a. Copy of Scheme as approved by NCLT;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
d. Status of compliance with the Observation Letter/s of the stock exchanges
e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
f. Complaints Report as per Annexure III of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Yours faithfully,
For **National Stock Exchange of India Limited**

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

Signer: Divya Babu Poojari
Date: Mon, Nov 6, 2017 17:25:12 IST
Location: NSE

Annexure 7

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ABC BEARINGS LIMITED AT ITS MEETING HELD ON 1st DAY OF NOVEMBER, 2017 AT MUMBAI EXPLAINING EFFECT OF THE SCHEME ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS.

The proposed merger of ABC Bearings Limited ('ABC') or ('the Company') with Timken India Limited ('Timken') through a Scheme of Amalgamation and Arrangement ('the Scheme) was considered and approved by the Board of Directors

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining effect of compromise on shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the equity shareholders along with the notice convening the meeting.

Having regard to the aforesaid provisions, following was discussed by the Board of Directors:

1. Based on the Valuation Report on share exchange ratio obtained from M/s. SSPA & Co., the Scheme of Amalgamation and Arrangement provides the following exchange ratio:

   "5 (five) equity shares of the Transferee Company of Rs. 10 (Rupees ten only) each, fully paid up to be issued for every 8 (eight) equity shares of Rs. 10 (Rupees ten only) each held by Transferor Company Shareholders".

2. Post the Scheme becoming effective and allotment of shares by the Transferee Company as mentioned above, the rights and interests of the shareholders of the Transferor Company shall not be affected and the Scheme shall also not be prejudicial to the interest of the shareholders of the Transferor Company. Further, the shares of the Transferee Company will be listed on the stock exchanges wherein the shares of the Transferor Company are listed.

3. There would be no adverse effect of the proposed Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders, creditors, employees and other stakeholders of the Company.

4. In the opinion of the Board, the said scheme will be advantageous and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable. Accordingly, the Board of Directors has approved the Scheme at their meeting held on 4th July, 2017.

For ABC Bearings Limited
Sd/-
Sudhir M. Patel
Director
DIN:00012036

	As at 30-Sep-17 Amount (Rs.)	As at 31-Mar-17 Amount (Rs.)
ASSETS		
1. Non-current assets		
(a) Property, plant and equipment	1,380,015,830	1,439,070,211
(b) Capital work in progress	34,122,400	30,674,872
(c) Other Intangible assets	10,370,186	12,258,014
(d) Financial assets		
(i) Others	88,411,727	81,278,656
(e) Income tax Assets (net)	34,094,279	34,093,032
(f) Prepayments and Advances	24,208,860	24,487,686
	1,571,223,282	**1,621,862,471**
2. Current assets		
(a) Inventories	285,273,919	312,298,006
(b) Financial assets		
(i) Trade Receivables	276,740,414	276,314,797
(ii) Cash and cash equivalents	11,476,635	33,860,819
(iii) Other financial assets	38,331,664	21,610,207
(c) Other current assets	126,721	83,479
(d) Prepayments and Advances	7,155,837	7,583,320
	619,105,190	**651,750,629**
TOTAL ASSETS	**2,190,328,472**	**2,273,613,100**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	115,500,000	115,500,000
(b) Other equity		
(i) Share premium	15,213,720	15,213,720
(ii) Retained earnings	202,001,081	201,758,178
(iii) Reserves representing unrealised gains/ losses	(7,066,283)	(7,416,133)
(iv) Other reserves	1,049,590,724	1,049,590,724
Reserves of a disposal group classified as held for distribution		
Equity attributable to equity holders of the parent	**1,375,239,242**	**1,374,646,489**
Non-controlling interests		
Total Equity	**1,375,239,242**	**1,374,646,489**
Liabilities		
Non-Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	32,494,082	65,286,111
(b) Provisions	14,622,945	13,673,233
(c) Deferred tax liabilities	183,762,380	186,254,681
	230,879,407	**265,214,025**
Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	170,807,204	192,674,952
(ii) Trade payables	187,734,980	236,167,664
(iii) Other financial liabilities	203,651,813	192,337,738
(b) Other Current Liabilities	11,828,990	9,734,532
(c) Provisions	4,419,990	2,837,700
(d) Income tax liabilities (Net)	5,766,846	-
	584,209,823	**633,752,586**
Total Liabilities	**815,089,230**	**898,8**

ABC Bearings Limited
Unaudited Statement of Profit and Loss for the period ended 30.09.2017

	30-Sep-17	31-Mar-17
	Amount (Rs.)	**Amount (Rs.)**
Revenue from operations	854,098,599	2,061,821,229
Other income	2,244,680	5,749,814
Total Revenue	**856,343,279**	**2,067,571,043**
Cost of materials consumed	356,984,806	904,077,875
Purchase of Stock in Trade	3,141,934	5,748,649
Changes in inventories of finished goods, stock in trade and work in progress	31,700,001	(20,154,542)
Employee benefits expense	114,829,739	211,552,172
Finance costs	12,079,527	51,336,978
Depreciation and amortization expense	59,532,598	125,384,051
Excise duty paid on goods sold	40,651,437	209,124,770
Other expenses	194,140,843	433,201,897
Total Expense	**813,060,884**	**1,920,271,850**
Profit/(loss) before exceptional items and tax from continuing operations	43,282,394	147,299,193
Exceptional items	-	-
Profit/(loss) before and tax from continuing operations	**43,282,394**	**147,299,193**
(1) Current tax	17,698,387	31,716,298
(2) MAT Credit Entitlement	-	(8,395,000)
(3) Adjustment of tax relating to earlier periods	-	
(4) Deferred tax	(2,461,594)	29,708,130
Income tax expense	15,236,793	53,029,428
Profit for the year from continuing operations	**28,045,601**	**94,269,765**
DISCONTINUED OPERATIONS		
Profit/(loss) before tax for the year from discontinued operations		
Tax Income/ (expense) of discontinued operations	-	-
Profit/(loss) for the year	**28,045,601**	**94,269,765**
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Net gain on hedge of a net investment		
Income tax effect	-	-
Exchange differences on translation of foreign operations		
Income tax effect	-	-
Net movement on cash flow hedges	539,919	
Income tax effect	190,069	-
	349,850	
Net (loss)/gain on FVTOCI debt securities	-	-
Income tax effect	-	-
	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Re-measurement gains (losses) on defined benefit plans		(5,556,557)
Income tax effect		(1,185,858)
	-	(4,370,699)
Revaluation of land and buildings		
Income tax effect	-	-
	-	-
Net (loss)/gain on FVTOCI equity Securities		57,230,616
Income tax effect		7,469,560
	-	**49,761,056**
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		
	349,850	**45,390,357**
Other comprehensive income for the year, net of tax	**349,850**	**45,390,357**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**28,395,451**	**139,660,122**
Earnings per equity share of face value of Rs. 10 each		
Basic, profit for the year attributable to equity holders of the Company	2.46	12.09
Diluted, profit for the year attributable to equity holders of the Company	2.46	12.09

For ABC Bearings Limited

Sd/-
S. B. Desai
Company Secretary

Sd/-
P. M. Patel
Managing Director
DIN:00012138

Place : Mumbai

Annexure 9

TIMKEN INDIA LIMITED
UNAUDITED PROVISIONAL BALANCE SHEET AS AT JUNE 30, 2017

Particulars	As at June 30, 2017 Rupees	As at March 31, 2017 Rupees
ASSETS		
(1) Non-current Assets		
(a) Property, plant and equipment	2,264,297,330	2,305,827,615
(b) Capital Work-in-Progress	788,183,612	581,314,087
(c) Intangible Assets	341,252	380,627
(d) Intangible assets under development	-	-
(e) Financial assets		
(i) Investments	300,000	300,000
(ii) Trade receivables	15,348,779	14,100,147
(iii) Loans	31,311,466	30,536,076
(f) Deferred tax assets (Net)	45,304,864	32,240,764
(g) Other Non-current assets	177,238,853	268,296,468
	3,322,326,156	**3,232,995,784**
(2) Current Assets		
(a) Inventories	2,016,705,796	1,880,282,913
(b) Financial assets		
(i) Investments	850,697,924	905,514,763
(ii) Trade receivables	1,914,833,651	1,920,683,831
(iii) Cash and cash equivalents	230,799,542	146,589,603
(iv) Bank balances other than (iii) above	36,773,138	36,863,169
(v) Loans	1,677,652	1,403,063
(vi) Other current financial assets	35,386,663	52,966,686
(c) Other current assets	590,265,610	549,688,327
	5,677,139,976	**5,493,992,355**
Total Assets	**8,999,466,132**	**8,726,988,139**
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	679,887,840	679,887,840
(b) Other Equity	5,714,573,122	5,498,806,960
Total Equity	**6,394,460,962**	**6,178,694,800**
LIABILITIES		
Non-current Liabilities		
(a) Long term provisions	35,573,364	34,409,720
(b) Other non-current liabilities	237,247,890	182,943,213
	272,821,254	**217,352,933**
Current Liabilities		
(a) Financial liabilities		
(i) Short term borrowings	51,130,915	83,986,116
(ii) Trade payables	1,668,321,046	1,494,337,397
(iii) Other Current Financial Liabilities	264,200,217	374,013,958
(b) Other Current Liabilities	72,414,137	118,038,878
(c) Short-term Provisions	276,117,601	260,564,057
	2,332,183,916	**2,330,940,406**
Total Liabilities	**2,605,005,170**	**2,548,293,339**
Total Equity and Liabiltiies	**8,999,466,132**	**8,726,988,139**

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

Avishrant Keshava
Business Controller, CFO & Whole-time Director
DIN - 07292484

Soumitra Hazra
Company Secretary & Chief- Compliance

Place : Bangalore

Particulars	For the Period ended June 30, 2017 Rupees	For the Year ended March 31, 2017 Rupees
Revenue		
Revenue from Operations	3,176,454,261	11,172,182,574
Other Income	20,072,379	99,228,299
Total Income (I)	**3,196,526,640**	**11,271,410,873**
Expenses		
Cost of Materials Consumed	1,219,725,982	3,347,461,019
Purchase of Traded Goods	572,185,397	2,823,544,801
Changes in Inventories of Finished Goods, Traded Goods and Work-in-progress	(127,797,041)	33,866,028
Excise Duty on movement in stock of Finished goods	56,751,573	34,701,817
Excise duty on sale of goods	177,628,305	610,430,085
Employee Benefits Expense	216,218,946	737,156,522
Finance costs	2,275,227	8,369,928
Depreciation and amortisation expense	111,744,394	288,896,741
Other Expenses	638,080,455	2,005,197,307
Total Expenses (II)	**2,866,813,238**	**9,889,624,248**
III. Profit before tax for the year (I- II)	**329,713,402**	**1,381,786,625**
IV. Tax expense:		
(1) Current tax charge	123,691,909	407,620,539
(2) Deferred tax	(13,064,100)	2,185,834
Total Tax Expenses	**110,627,809**	**409,806,373**
V. Profit for the year (III - IV)	**219,085,593**	**971,980,252**
VI. Other Comprehensive Income		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
(i) Re-measurement gains/ (losses) on defined benefit plans	(5,076,203)	(17,361,600)
(ii) Income tax effect on above	1,756,772	6,008,503
Other comprehensive income for the year, net of tax	**(3,319,431)**	**(11,353,097)**
VII. Total Comprehensive Income for the year (V + VI)	**215,766,162**	**960,627,155**
VIII. Earnings per equity share: Basic & Diluted (Nominal value Rs.10 per share (PY Rs. 10 per share)	3.22	14.30

ABC Bearings Limited

CIN: L29130MH1961PLC012028

Regd. Office : 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018
Ph No.: 022-24964500, Fax:022-2495 0527, E-Mail: regdoff@abcbearings.com,
Website:www.abcbearings.com

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY SCHEME APPLICATION NO 998 OF 2017

IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF SCHEME OF AMALAGAMATION AND ARRANGEMENT BETWEEN ABC BEARINGS LIMITED ("TRANSFEROR COMPANY") AND TIMKEN INDIA LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

ABC Bearings Limited, a company incorporated)
under the provisions of the Companies Act, 1956,)
and having its registered office at 402-B,)
Poonam Chambers, Dr. Annie Besant Road,)
Worli, Mumbai – 400018) **……. Applicant / Transferor Company**

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s):_____

Registered Address:_____

E-mail ID:_____

Folio/DP ID - Client ID No*.:_____

I/We being the member(s) of _____ shares of ABC Bearings Limited hereby appoint:

*Applicable in case shares are held in electronic form.

(1) Name:_____ Address:_____

E-mail ID:_____Signature:_____, or failing him/her

(2) Name:_____ Address:_____

E-mail ID:_____Signature:_____, or failing him/her

(3) Name:_____ Address:_____

E-mail ID:_____Signature:_____

as my/ our proxy, to act for me/ us at the meeting of the Equity Shareholders of ABC Bearings Limited to be held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Monday, 15th January, 2018, at 4.00 p.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation and Arrangement between the ABC Bearings Limited and Timken India

Limited and their respective shareholders and creditors (the "Scheme") and at such meeting and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) _____ here, if 'for', insert **'FOR'**, if 'against', insert **'AGAINST'.**

Sr. No.	Particulars	For	Against
1	Approval of Scheme of Amalgamation and Arrangement between the ABC Bearings Limited ('the Transferor Company' or 'the Applicant Company') and Timken India Limited ('Transferee Company') and their respective shareholders and creditors		

Signed this _____ day of _____ 20_____

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue Stamp of Re. 1

(Signature across the stamp)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. The Form of Proxy must be deposited at the registered office of the Company at 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018 not less than 48 (Forty Eight) hours prior to the commencement of the aforesaid meeting. A person can act as proxy on behalf of shareholders not exceeding 50 (fifty) and/ or holding in aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by shareholder(s) holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder. All alterations made in the Form of Proxy should be initialed.
3. All alterations made in the Form of Proxy should be initialed.
4. In case multiple proxies are received not less than 48 (Forty Eight) hours before the time of holding the aforesaid meeting, the proxy received later in time shall be accepted.
5. Also, a person who is a minor cannot be appointed as proxy.
6. Please affix appropriate revenue stamp before putting signature.
7. Proxy need not be a shareholder of ABC Bearings Limited.
8. The proxy of a shareholder, blind or incapable of writing, would be accepted if such shareholder has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address: provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the shareholder before he attached his signature or mark.
9. The proxy of a shareholder who does not know English would be accepted if it is executed in the manner prescribed in point no. 8 above and the witness certifies that it was explained to the shareholder in the language known to him, and gives the shareholder's name in English below the signature.

ABC Bearings Limited

CIN: L29130MH1961PLC012028

Regd. Office : 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018
Ph No.: 022-24964500, Fax:022-2495 0527, E-Mail: regdoff@abcbearings.com,
Website:www.abcbearings.com

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL MEETING OF THE EQUITY SHAREHOLDERS ON MONDAY THE 15th DAY OF JANUARY 2018 AT 4:00 P.M.

I/We hereby record my/our presence at the meeting of the Equity Shareholders of ABC Bearings Limited, convened under the directions of National Company Law Tribunal, Mumbai Bench pursuant to the order dated 23rd November, 2017 passed in Company Scheme Application No. 998 of 2017 held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Monday, 15th January 2018, at 4.00 p.m.

Name and Address of the Equity Shareholder:_____

(If represented by Authorized Representative, details of the same)

No. of Shares: _____

DP Id*: _____

Client Id*: _____

Regd. Folio No.: _____

Name of the proxy holder/ Authorized representative: _____

* Applicable for shareholder(s) holding shares in dematerialized form.

I further declare that above particulars are true and correct to the best of my knowledge.

Place: Signature: _____

Date:

Important:

1. The Shareholder, proxy holder or the Authorized Representative attending this meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled and signed.
2. The Shareholder, proxy holder or the Authorized Representative are requested to bring their copy of notice for reference at the meeting.
3. The Shareholders are requested to hand over the enclosed Attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.
4. The authorized representative of a body corporate which is a shareholder of ABC Bearings Limited must bring a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorizing such representative to attend and vote at the said meeting.
5. Equity Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
6. Equity Shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name appears first in the Register of Members of ABC Bearings Limited in respect of such joint holding will be entitled to vote.

Postal Ballot Form with instructions and self addressed postage prepaid Business Reply Envelope

ABC Bearings Limited

CIN: L29130MH1961PLC012028

Regd. Office : 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018
Ph No.: 022-24964500, Fax:022-2495 0527, E-Mail: regdoff@abcbearings.com,
Website:www.abcbearings.com

POSTAL BALLOT FORM

MEETING OF THE EQUITY SHAREHOLDERS CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ON 15TH JANUARY, 2018 AT 4.00 P.M.

Name of Shareholder	
Name of Proxy/ Representative	
Registered Folio No.	
DP ID*	
Client ID*	
No. of Shares held	

*Applicable for Investors holding shares in electronic form.

I/ We cast my/ our Vote as under as a Member/ Proxy/ Authorised Representative

Item No. of the Agenda		Type of Resolution (Ordinary / Special)	VOTE CAST		Abstain / Not Voting	Remarks
			I / We Assent to the Resolution (For)	I / We dissent to the Resolution Against		
1	Approval of Amalgamation and Arrangement between ABC Bearings Limited (Transferor Company) and Timken India Limited (Transferee Company) and their respective shareholders and creditors and related matters thereto.	Special				

Place:

Date: Signature of the Shareholder

Instructions:

1. If you cast all Votes "For" or "Against" put a tick under the relevant column. In case some votes "For" and some "Against" put the number of votes in each of the columns.
2. If you are not voting, put a tick in the "Not Voting" column.
3. Separate postal ballot paper to be used for casting vote as a member and as Proxy/ Authorised Representative.
4. Please complete the postal ballot paper in all respects. An incomplete postal ballot paper is liable to be treated as invalid
5. The equity shareholders can opt only for one mode of voting i.e. by postal ballot or e-voting or voting at the venue of the meeting. If an equity shareholder has opted for e-voting, then he/ she should not vote by postal ballot form also and vice-versa. However, in case equity shareholder(s) cast their vote both via postal ballot and e-voting then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
6. The equity shareholders of the Applicant Company attending the meeting who have not cast their vote either through postal ballot or e-voting shall be entitled to exercise their vote at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or e-voting may also attend the meeting but shall not be entitled to cast their vote again.

Route Map for the Venue of the Meeting

If undelievered, please return to:

ABC Bearings Limited

Registered Office: 402 - B, Poonam Chambers,
Dr. Annie Besant Road, Worli, Mumbai - 400 018.
+91 - 22 - 24964500 / 1 / 3
+91 - 22 - 24950527 (Fax)
regdoff@abcbearings.com
www.abcbearings.com

ABC BEARINGS LIMITED

CIN : L29130MH1961PLC012028
Registered Office : 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018.
Email ID : regdoff@abcbearings.com
Tel No : 022-24964500,24964501
Website : www.abcbearings.com

FORM NO. CAA.2

[Pursuant to Section 230 (3) and rules 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016)]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY SCHEME APPLICATION NO 998 OF 2017

IN THE MATTER OF SECTIONS 230 TO 232 OF THE COMPANIES ACT 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013

AND

IN THE MATTER OF SCHEME OF AMALAGAMATION AND ARRANGEMENT BETWEEN ABC BEARINGS LIMITED ("TRANSFEROR COMPANY") AND TIMKEN INDIA LIMITED ("TRANSFEREE COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

ABC Bearings Limited, a company incorporated)
under the provisions of the Companies Act, 1956,)
and having its registered office at 402-B,)
Poonam Chambers, Dr. Annie Besant Road,)
Worli, Mumbai – 400018) **……. Applicant /Transferor Company**

NOTICE OF COMPANY SCHEME APPLICATION

To,

The UNSECURED CREDITOR

As per the records of the Transferor Company, you are an Unsecured Creditor of the Transferor Company as on 30th November, 2017.

TAKE NOTICE THAT an application under Sections 230 and 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for sanctioning the arrangement embodied in the Scheme of Amalgamation and Arrangement between ABC Bearings Limited ("Applicant/Transferor Company") and Timken India Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme"), was

presented by the Applicant Company before the National Company Law Tribunal, Mumbai Bench ("NCLT") on 23rd November, 2017.

In terms of the above application, the NCLT by its order dated 23rd November, 2017 ("Order"), inter alia, dispensed with the meeting of the Unsecured Creditors and directed the Transferor Company to issue notices to the Unsecured Creditors of the Transferor Company.

NOTICE is hereby given to the Unsecured Creditor of the Transferor Company pursuant to the Order passed by the NCLT in the captioned Company Scheme Application.

You as an Unsecured Creditor of the Transferor Company are hereby informed that representations, if any, in connection with the proposed Scheme may be made to the NCLT within thirty (30) days from the date of receipt of this notice. The address of the NCLT is 6th floor, Fountain Telecom Building, 1 Mahatma Gandhi Road, Fort, Mumbai - 400 001. A copy of the representation may simultaneously be sent to the Transferor Company. In case no representation is received within the stated period of thirty (30) days, it shall be presumed that you as an Unsecured Creditor have no representation to make on the proposed Scheme.

Please note that the Statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with the Scheme and other annexures is enclosed.

Copy of this notice can also be obtained free of charge at the registered office of the Transferor Company.

Dated this 5th day of December, 2017

Place: Mumbai

Yours faithfully,

Sd/-
Sudhir Manubhai Patel
Chairman
DIN : 00012036

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to an Order dated 23rd November, 2017, passed by the National Company Law Tribunal, Mumbai Bench ("NCLT") in the Company Application No. 998 of 2017 ("Order"), a meeting of the Equity Shareholders of ABC Bearings Limited (hereinafter referred to as "Applicant Company" or "Transferor Company" or "ABC" or "Company") is being convened and held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Monday, 15th January 2018, at 4.00 p.m. for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation and Arrangement between ABC Bearings Limited and Timken India Limited ("Timken" or "Transferee Company") and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013 ("the Act"), and other applicable provisions of the Companies Act, 2013 ('the Scheme")

2. In terms of the said Order, the quorum for the said meeting is 30 (thirty) as prescribed under Section 103 of the Act, present in person. Further in terms of the said Order, NCLT has appointed Mr. Sudhir Manubhai Patel, the Chairman of the Applicant Company failing him, Mr. Pradip Manubhai Patel, the Managing Director of the Applicant Company to be the Chairman of the said meeting including for any adjournment or adjournments thereof

3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "Rules").

4. As stated earlier, the NCLT by its said Order has, inter alia, directed that a meeting of the equity shareholders of the Transferor Company shall be convened and held at Hall of Culture, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Monday, 15th January, 2018 at 4.00 p.m. for the purpose of considering, and if thought fit, approving, with or without modification(s), the amalgamation embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either through e-voting or postal ballot or polling paper at the venue of the meeting.

5. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority of persons representing three-fourths (3/4th) in value of the equity shareholders, of the Transferor Company, voting in person or by proxy or e-voting or postal ballot, agree to the Scheme.

6. In terms of the Order dated 23rd November, 2017, passed by the NCLT, in Company Scheme Application No 998 of 2017, if the entries in the records/ registers of the Transferor Company in relation to the number or value, as the case may be, of the equity shares, are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for the purposes of the said meeting and his decision in that behalf would be final.

7. A copy of the Scheme as approved by the Board of Directors of the Transferor Company is enclosed as **Annexure 1** herewith.

8. The Scheme was placed before the Audit Committee and Board of Directors of the Transferor Company at their respective meetings held on 4th July, 2017. The Scheme was placed before the Audit Committee and Board of Directors of the Transferee Company at their respective meetings held on 4th July, 2017. In accordance with Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, issued by the Securities and Exchange Board of India (referred to as "SEBI Circular"), the Audit Committee of the Company recommended the Scheme to the Board of Directors of the Transferor Company inter-alia taking into account:

   a) The Valuation Report dated 4th July, 2017 issued by M/s. SSPA & Co, Chartered Accountants for issue of shares by the Transferee Company pursuant to the Scheme;

   b) The Fairness Opinion dated 4th July, 2017, issued by M/s. Keynote Corporate Services Limited, Category – I Merchant Bankers to the Transferor Company;

c) Statutory Auditor's Certificate dated 4th July, 2017 issued by M/s S.R. Batiboi & Co., Chartered Accountants, Statutory Auditors of the Transferee Company, in relation to the accounting treatment prescribed in the Scheme.

Copy of the Valuation Report and Fairness Opinion is enclosed as **Annexure 2** and **Annexure 3** to this Notice.

9. Based upon the recommendations of the Audit Committee and on the basis of the evaluation, the Board of Directors of the Transferor Company has come to the conclusion that the Scheme is in the interest of the Transferor Company and its shareholders.

10. Overview:

The Scheme envisages Amalgamation and Arrangement between the Transferor Company and the Transferee Company and their respective shareholders and creditors under Section 230 to 232 of the Act, and other applicable provisions of the Act, with effect from the opening hours of business on the date on which the last of the Sanction Orders is passed or such other date as the NCLT may direct ("Appointed Date").

11. Background of the companies involved in the Scheme is as under:

11.1. ABC Bearings Limited ("Applicant Company" or "Transferor Company" or "ABC" or "Company")

a) The Transferor Company is a public limited company which was incorporated on May 30, 1961 under the name and style of 'The Antifriction Bearings Corporation Limited' under the Companies Act, 1956. Subsequently, its name was changed from "The Antifriction Bearings Corporation Limited" to "ABC Bearings Limited" and a fresh certificate of incorporation consequent on the change of name was issued to it on September 27, 2002.

b) Corporate Identification Number (CIN): L29130MH1961PLC012028

c) Permanent Account Number (PAN): AAACT5018Q

d) Registered Office of the Transferor Company:

402 – B, Poonam Chambers, Dr. A.B. Road, Mumbai – 400 018

Email address: regdoff@abcbearings.com

e) There has been no change in the name and registered office of the Transferor Company during the last five (5) years.

f) The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company are hereunder:

(1) To acquire and take over as a going concern the business now carried on at Lonavla (Maharashtra) in the firm name and style of Messrs. Dhirajlal & Co., (Lonavla) and all or any of the assets and liabilities of the proprietors of the said business in connection therewith and with a view thereto to enter into the agreement referred to in Article 2 of the Articles of Association and to carry the same into effect with or without modifications.

(2) To carry on all or any of the business of importing, exporting, dealing, manufacturing, buying, selling and distributing and generally dealing in ball bearings, cylindrical roller bearings, spherical roller bearings, taper roller bearings, thrust ball bearings, compound roller and thrust bearings, needle roller bearings, aircraft bearings, taper roller thrust bearings and any type of common or special bearings, steel rollers and steel balls for paint industries and other uses and any other articles and things allied or otherwise.

(3) To carry on all or any of the trades or business of machine makers, metal-workers, tool makers, boiler-makers, mill-wrights, mechanics, iron-founders, iron and steel converters, compressor manufacturers, metallurgists, smelters, refiners, wood workers, electrical and mechanical engineers and contractors in all or any of their details, branches and processes and to manufacture, produce, buy, sell, hire, import, export, let out on hire,

trade and deal in machinery and tools of all descriptions, mill-wrights, work engines, boilers, compressors, engineers and contractors plant and other articles, apparatus, appliances, substances, products and materials connected with the business aforesaid or any of them.

(4) To carry on any business relating to the production and working of metals, and the production, manufacture, and preparation of any materials which may be usefully or conveniently combined with the manufacturing and other business of the Company.

(a) i. To manufacture, purchase, put up and use all the apparatus now known or that may hereafter be invented, connected with the generation, accumulation, storage, distribution, supply and employment of electricity produced by harnessing wind energy, including all wind-mills, electric generators, storage batteries, cables, wires or appliances for connecting the apparatus at a distance with other apparatus and including the setting up of stations, sub-stations and to channelise all electrical power so generated into the state or national grid or to set up a distribution network and system for the purpose of making available the electrical energy to members of the public.

ii. To acquire, construct, erect, lay down, maintain, enlarge, alter, work and use all lands, buildings, easements, windmills, transmissions, towers, electric generators, storage batteries, power line networks and other works, machinery, plant, stock, pipes, motors, fittings, meters, apparatus, materials and things as may be necessary, incidental or convenient in connection with the production, use, storage regulation, measurement, supply and distribution of the electrical energy produced by the Company by harnessing wind energy.

(5) To acquire, construct, carry out, equip, maintain, alter, improve, develop, manage, work, control and superintend any tanks, coolie, lines and houses and bustees, villages, roads, ways, tramways, water-courses, dykes, drains, wharves, furnaces, crushing works, hydraulic works, workshops, factories, warehouses, sheds, dwellings, offices, shops, stores, buildings and other works and conveniences which may seem directly or indirectly conducive to any of the objects of the Company and to contribute to subsidise or otherwise aid by taking part in any such operations.

(6) To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plaint, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers of or persons having dealings with the Company or commonly dealt in by persons engaged in such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by- products incidental to or obtained in any of the business carried on by the Company.

(7) To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire any estate or interest whatsoever and to hold, develop, work, cultivate, deal with and turn to account concessions, grants, decrees, licences, privileges, claims, options, leases, property, real or personal or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company and to purchase, charter, hire, build or otherwise acquire vehicles of any or every sort or description for use on or under land or water or in the air and to employ the same in the carriage of merchandise of all kinds or passengers and to carry on the businesses of owners of trucks, trams, lorries, motor cars and of ship- owners and lighter-men and owners of aircrafts in all or any of their respective branches.

(8) To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose off the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as may be thought fit and in particular for stock, shares whether fully or partly paid up or securities of any other Company.

(9) To advance, deposit with or lend money, securities and property to or receive loans or grants or deposits from the Government.

(10) To lend money, either or without security and generally to such persons and upon such terms and conditions as the Company may think fit.

(11) To undertake financial and commercial obligations, transactions and operations of all kinds.

(12) To guarantee the performance of the obligations of and the payment of dividends and interest on any stock, shares or securities of any company, corporation, firm or person in any case in which such guarantee may be considered likely directly or indirectly to further the objects of the Company or the interests of its shareholders.

(13) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debentures stocks, contracts, mortgages, charges, obligations instruments and securities of any company or of any authority, supreme, municipal, local or otherwise or of any persons whomsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.

(14) To subscribe for, absolutely or conditionally, purchase or otherwise acquire and to hold, dispose off and deal in shares, stocks and securities or obligations of any other Company whether Indian or foreign.

(15) To invest any moneys of the Company in such investments (other than shares or stock in the Company) as may be thought proper and to hold, sell or otherwise deal with such investments.

(16) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture - stock prepetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital and to purchase, redeem and pay off any such securities.

(17) To draw, make, accept, discount, execute and issue bills of exchange, Government of India and other promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.

(18) To apply for, purchase or otherwise acquire and protect, prolong and renew whether in India or elsewhere any patents, patent rights, brevets d'invention, trade marks, designs, licenses, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to use any secret or other information as to any invention, process or privilege which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, manufacture under or grant licences or privileges in respect of or otherwise turn to account the property rights and information so acquired and carry on any business in any way connected therewith.

(19) To spend money in experimenting on and testing and in improving or seeking to improve any patents, rights, inventions, discoveries, processes or information of the Company or which the Company may acquire or propose to acquire.

(20) To establish, provide maintain and conduct research laboratories, training colleges, schools and other institutions for the training education and instruction of students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith.

(21) To acquire and undertake all or any part of the business, property and liabilities of any person or Company carrying on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of the Company.

(22) To take part in the management, supervision or control of the business or operations of any Company or undertaking and to act as Managing Agents or Secretaries thereof and for that purpose to appoint and remunerate any Directors, Accountants or other experts or agents.

(23) To procure the registration or incorporation or recognition of the Company in or under the laws of any place outside India.

(24) To form, incorporate or promote any company or companies, whether in India or in any foreign country, having amongst its or their objects the acquisition of all or any of the assets or control, management or development of the Company or any other objects or object which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or otherwise prove advantageous to the Company and to pay all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or Company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place or to obtain subscriptions for or for guaranteeing the subscription or the placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company or any stock, shares, bonds, debentures, obligations or securities of any other Company held or owned by the Company or in which the Company may have interest or in or about the formation or promotion of the company or the conduct of its business or in or about the promotion or formation of any other Company in which the Company may have an interest.

(25) To enter into partnership or into any arrangement for sharing profits or into any union of interests, joint-adventure, reciprocal concession or co-operation with any person or persons or Company or Companies carrying on, or engaged in, or about to carry on or engage in, or being authorised to carry on or engage in or any business or transaction which this company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.

(26) To enter into any arrangements and to take all necessary or proper steps with governments or with other authorities imperial, supreme, national, local, municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the company or furthering the interest of its members and to oppose any such steps taken by any other Company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members and to promote or assist the promotion, whether directly or indirectly, of any legislation which may appear to be in the interests of the Company and to oppose and resist, whether directly or indirectly, any legislation which may seem disadvantageous to the Company and to obtain from any such government authority or any Company any charters, contracts, decrees, right, grants, loans, privileges or concessions which the Company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges or concessions.

(27) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.

(28) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.

(29) To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade, commerce generally including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, strikes, combinations, fire, accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependents and whether or not in common with other persons or classes of persons and in particular of friendly, co-operative and other societies, reading rooms, libraries, educational and charitable institutions, refectories, dining and recreation rooms, churches, chapels, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscriptions for any purpose whatsoever.

(30) To aid, pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.

(31) To subscribe or guarantee money for any national, charitable, benevolent, political, public, general or useful object or for any exhibition.

(32) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit persons who are or have been directors of or who are or have been employed by or who are serving or have served the Company or any Company which is a subsidiary or associate of the Company or its predecessors in business or the dependent, or connections of such persons and to grant pensions and allowances and to make payments towards insurance.

(33) To distribute all or any of the property of the Company amongst the members in specie or kind.

(34) To carry on any other business whether manufacturing or otherwise that may seem to the company capable of being conveniently carried on in connection with the above objects or calculated directly, or indirectly to enhance the value of or render profitable any of the company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property real or personal belonging to the Company or in which the Company may be interested and to do all or any of the above things, either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise.

(35) To do all such things as are incidental or conducive to the attainment of the above objects.

(36) To acquire, amalgamate, absorb or merge or enter into any partnerships, joint ventures or undertake any business or any scheme of arrangement or restructuring with the creditors or shareholders of the company."

Objects Clause III of Memorandum of Association of the Transferor Company was altered by adding the new Clause No. 36 in the Annual General Meeting held on 3rd August, 2012. Apart from this, there has been no change in the object clause of the Transferor Company during the last five (5) years.

g) The Transferor Company is inter alia engaged in the business of (i) engineering, product design, manufacturing, distribution and sale of bearings including inter alia taper roller bearings, cylindrical roller bearings, spherical roller bearings and slewing bearings; and (ii) procurement, distribution and sale of other bearings, grease, oil and UJ Cross, which are not manufactured by the Transferor Company but sold by the Transferor Company under the "ABC" brand.

h) The current financial year of the Transferor Company is the period of 01st April to 31st March. The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on 31st March, 2017 (as on the date of latest audited accounts of the Transferor Company) is as under:

Particulars	Rupees
Authorized Capital	
1,20,00,000 Equity Shares of Rs. 10 each	12,00,00,000
Total	**12,00,00,000**
Issued, Subscribed and Paid-up	
1,15,50,000 Equity Shares of Rs. 10 each	11,55,00,000
Total	**11,55,00,000**

Subsequent to 31st March, 2017, there has been no change in the share capital of the Transferor Company.

i) The shares of the Transferor Company are currently listed on BSE Limited ('BSE').

j) Names and addresses of the Directors and Promoters of the Transferor Company are as under:

Name of Directors	Address of Directors
Sudhir Manubhai Patel	No 12, Second Floor, Dalamal Court 7/18 Worli Seaface Mumbai 00018
Pradip Manubhai Patel	318, Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai 400018
Sahir Sudhir Patel	9, Dalamal Court 7/18, Worli Seaface Mumbai 400018
Tanuj Manubhai Patel	Turf View, A Wing Nehru Planetarium Road, Worli Mumbai 400018
Jal Ratanshaw Patel	Flat 33, Vaikunth, Behind Deepak Foundation, Gotri Road, Vadodara 90021
Shishir Kisonlal Diwanji	Wyoming Little Gibbs Road Mumbai 400006
Nalin Mansukhlal Shah	18A, Floor-18, Plot- 333, A, Great Eastern Royal, Jahangir Boman Behram Marg, Bellasis Bridge Tardeo Mumbai 400034
Jolly Plammoottil Abraham	1A Sharon, I C Colony, Borivali West Mumbai 400103

Name of Promoters	Address of Promoters
Unnati Niren Kulur	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Essex Properties LLP	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Pradip Manubhai Patel (HUF)	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Tanuj Manubhai Patel (HUF)	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Nehal Pradip Patel	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018

Name of Promoters	Address of Promoters
Maple Investments Company Pvt Ltd	402 C Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Manoway Investments Pvt Ltd	402 D Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai City MH 400018
Tanuj Manubhai Patel	Turf View, A Wing Nehru Planetarium Road, Worli Mumbai 400018
Sudhir Manubhai Patel	No 12, Second Floor, Dalamal Court 7/18 Worli Seaface Mumbai 400018
Mipco Investments Pvt Ltd	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Emsons Leasing Company Pvt Ltd	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Pradip Manubhai Patel	318 Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai 400018
Ziwani properties Pvt. Limited	402 C Poonam Chambers, Dr Annie Besant Road, Worli, Mumbai 4000018
Archana Tanuj Patel	Turf View, A Wing Nehru Planetarium Road, Worli Mumbai 400018
Trupti Pradip Patel	318 Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai 400018
Saturn Holdings And Properties Pvt Ltd	402 B Poonam Chambers, Dr Annie Besant Road, Worli, Mumbai 400018
Meena Sudhir Patel	NO 12, Second Floor, Dalamal Court 7/18 Worli Seaface Mumbai 400018
M I Patel No 2 (HUF)	402 B Poonam Chambers, Dr Annie Besant Road, Worli, Mumbai 400018
M I Patel HUF No 1	402 B Poonam Chambers, Dr Annie Besant Road, Worli,Mumbai 400018
Neel Tanuj Patel	Turf View, A Wing Nehru Planetarium Road, Worli, Mumbai 400018
Rishabh Tanuj Patel	Turf View, A Wing Nehru Planetarium Road, Worli, Mumbai 400018

11.2 Timken India Limited ("Timken" or "Transferee Company")

a) The Transferee Company was incorporated on June 15, 1987 as a public limited company under the name and style of 'Tata Timken Limited' under Companies Act, 1956. The Transferee Company changed its registered office from the State of West Bengal to the State of Bihar under the order of the Company Law Board, Eastern Region Bench dated September 21, 1996, the certificate of registration of order of the court confirming transfer of the registered office from one state to another was issued on December 12, 1996 by the Registrar of Companies, Bihar. Subsequently, the name of the Transferee Company was changed from "Tata Timken Limited" to "Timken India Limited" and a fresh certificate of incorporation consequent on the change of name was issued to it on July 02, 1999. Subsequently, the Transferee Company changed its registered office from the State of Bihar (now Jharkhand) to the State of Karnataka and under the order of Company Law Board, Eastern Region Bench dated September 09, 2008, the certificate of registration of order of the court confirming transfer of the registered office from one state to another was issued on November 10, 2008 by the Registrar of Companies, Karnataka.

b) Corporate Identification Number (CIN): L29130KA1996PLC048230.

c) Permanent Account Number (PAN): AABCT0596J.

d) Registered Office of the Transferee Company:

39-42, Electronic City, Phase II, Hosur Road, Bengaluru – 560 100, Karnataka, India.

Email address: tilinvestor@timken.com.

e) There is no change in registered office of the Transferee Company during the last five (5) years.

f) The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are set out hereunder:

(1) To research and develop, manufacture, purchase for resale, sell, import and export, trade in, assemble, distribute, service, overhaul, repair and undertake maintenance of, all kinds of anti-friction bearings and other goods and products, raw materials, components, tools, accessories, parts, semi-finished and complete units of any of the foregoing or any combination thereof and devices and consumables (including devices and consumables used for the reduction of friction), whether or not related, and including, without limitation, those manufactured or used in any kind of plant, machinery (stationery or mobile and whether functioning alone or in conjunction with one or more other machines), equipment or process.

(2) To import, purchase for resale, export, trade, assemble, distribute, service, overhaul, repair, undertake maintenance and/or act as a sales agent, for commission and/or any other form of remuneration, in connection with products manufactured by the Timken Company and/or any of its subsidiaries or divisions and/or any other person (individual, firm, trust, partnership or corporate entity, including combinations and variations thereof), including, without limitation, all kinds of equipment, machinery, anti-friction bearings and other goods and products, raw materials, components, tools, accessories, parts, semi-finished and complete units of any of the foregoing or any combination thereof and devices and consumables (including devices and consumables used for the reduction of friction), whether or not related, and including, without limitation, those manufactured or used in any kind of plant, machinery (stationery or mobile and whether functioning alone or in conjunction with one or more other machines), equipment or process.

(3) To act as a sales agent earning commission or any other form of remuneration in relation to the business activities of the Company, to render any and all kinds of consultancy, advisory and technical services including, without limitation, in the areas of information technology, mechanical and electrical engineering, electronics, purchase and procurement, sales and marketing, human resources, finance and accounting.

(4) To carry on any other trade or business that can be conveniently or advantageously combined with the business activities of the Company and to do any and all acts or

h) The current financial year of the Transferee Company is the period from 01st April to 31st March. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferee Company as on 31st March 2017, are as under:

Particulars	Rupees
Authorised Capital	
7,50,00,000 Equity Shares of Rs.10/- each	75,00,00,000
26,00,000 9% Cumulative Redeemable Preference Shares of Rs. 100/- each	26,00,00,000
Issued, Subscribed and Paid-up Capital	
6,79,75,784 Equity Shares of Rs. 10/- each fully paid-up	67,97,57,840
24,200 Equity shares of Rs. 10/- each partly paid-up Less: Calls in arrears – Rs. 1,12,000/-	1,30,000
Total	**67,98,87,840**

As on 30th November, 2017, the issued, subscribed and paid-up share capital of the Transferee Company, are as under:

Particulars	Rupees
Authorised Capital	
7,50,00,000 Equity Shares of Rs.10/- each	75,00,00,000
26,00,000 9% Cumulative Redeemable Preference Shares of Rs. 100/- each	26,00,00,000
Issued, Subscribed and Paid-up Capital	
6,79,75,984 Equity Shares of Rs. 10/- each fully paid-up	67,97,59,840
24,000 Equity shares of Rs. 10/- each partly paid-up Less: Calls in arrears – Rs. 1,10,750/-	1,29,250
Total	**67,98,89,090**

i) The shares of the Transferee Company are currently listed on BSE and National Stock Exchange of India Limited ('NSE').

j) Names and addresses of the directors and promoters of the Transferee Company are as under:

Name of Directors	Address of Directors
Priya Shankar Dasgupta	J-1810, Chittaranjan Park, New Delhi 110019
Ajay Kumar Das	House No. 6076, Kinloch Court NW, City-Massilon, State-Ohio, USA - 851101
Sanjay Koul	AA-05, Concorde Silicon Valley, Doddathogur Village, Begur Hobli, South Taluk, Bangalore – 560100
Rupa Mahanty	No 201, Neel House Road No 5, 12 Circuit House Area Jamshedpur 831001
Avishrant Keshava	#C - 704, Divaysree Elan Homes Sarjapur Main Road, Kaikondrahalli Bangalore 560035

Name of Promoters	Address of Promoters
Timken Singapore PTE Ltd.	51, Changi Business Park, Central 2, #08-06/07 The Signature Building Singapore - 486066

12. Board Approval:

The Board of Directors of the Transferor Company and the Transferee Company had approved the Scheme in their separate meetings held on 4th July 2017.

A. Details of directors of the Transferor Company who voted in favour/ against/ did not participate on resolution passed at the meeting of the Board of Directors of the Transferor Company are given below:

ABC Bearings Limited			
Name of the Directors*	Voted in Favour	Voted Against	Abstain from voting
Sudhir Manubhai Patel	Yes	-	-
Pradip Manubhai Patel	Yes	-	-
Tanuj Manubhai Patel	Yes	-	-
Sahir Sudhir Patel	Yes	-	-
Nalin Mansukhlal Shah	Yes	-	-
Shishir Kisonlal Diwanji	Yes	-	-
Jolly Plammoottil Abraham	Yes	-	-

Note: * Mr. Jal Ratanshaw Patel did not attend the meeting.

B. Details of directors of the Transferee Company who voted in favour/ against/ did not participate on resolution passed at the meeting of the Board of Directors of the Transferee Company are given below:

Timken India Limited			
Name of the Directors*	Voted in Favour	Voted Against	Abstain from voting
Sanjay Koul	Yes	-	-
Avishrant Keshava	Yes	-	-
Priya Shankar Dasgupta	Yes	-	-
Rupa Mahanty	Yes	-	-

Note: * Mr. Ajay Kumar Das and Mr. Jai Swaroop Pathak did not attend the meeting phisically but were connected over the call.

13. Important Provisions of the Scheme

(a) Appointed Date: 'Appointed Date' means the opening hours of business on the date on which the last of the Sanction Orders is passed or such other date as the NCLT may direct.

(b) Effective Date: 'Effective Date' means the last of the dates on which all the conditions and matters referred to in Clause 20.1 of the Scheme have been fulfilled, obtained or waived, as applicable. References in the Scheme to the date of 'coming into effect of this Scheme' or 'Scheme becoming effective' shall be construed accordingly.

(c) Share Exchange Ratio: Upon coming into effect of the Scheme and in consideration for the Amalgamation, the Transferee Company shall, without any further application or deed, issue and allot its equity shares, credited as fully paid up, to all the equity shareholders of the Transferor Company whose names appear in its register of members as on the Record Date to be fixed in that behalf for the purpose of reckoning names of equity shareholders of the Transferor Company, in the following ratio:

"5 (five) equity shares of the Transferee Company of Rs. 10 (Rupees ten only) each, fully paid up to be issued for every 8 (eight) equity shares of Rs. 10 (Rupees ten only) each held by Transferor Company Shareholders".

14. Rationale of the proposed Scheme:

14.1. This Scheme of Amalgamation and Arrangement ('the Scheme') amongst ABC Bearings Limited ('Transferor Company') and Timken India Limited ('Transferee Company') provides for (1) the amalgamation of the Transferor Company with the Transferee Company and in consideration thereof issue of equity shares by the Transferee Company to the shareholders

of the Transferor Company, pursuant to the relevant provisions of the Companies Act, 2013, as may be applicable; and (2) various other matters consequential or integrally connected therewith, in the manner provided for in the Scheme and in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B).

14.2. The Transferor Company, a public limited company incorporated in 1961 under the Companies Act, 1956, has its registered office situated at 402 – B, Poonam Chambers, Dr. A.B. Road, Mumbai – 400 018. The equity shares of the Transferor Company are listed on BSE. The Transferor Company is inter alia engaged in the business of (i) engineering, product design, manufacturing, distribution and sale of bearings including inter alia taper roller bearings, cylindrical roller bearings, spherical roller bearings and slewing bearings; and (ii) procurement, distribution and sale of other bearings, grease, oil and UJ Cross, not manufactured by the Transferor Company but sold by the Transferor Company under the "ABC" brand.

14.3. The Transferee Company, a public limited company incorporated in 1987 under the Companies Act, 1956 has its registered office situated at 39-42, Electronic City, Phase II, Hosur Road, Bengaluru – 560 100, Karnataka, India. The equity shares of the Transferee Company are listed on BSE and NSE ("Stock Exchanges"). The Transferee Company is engaged in the business of engineering and manufacturing bearings and mechanical power transmission components including gear drives, couplings belts and chain. The Transferee Company also provides industrial services including those in the nature of bearing repair and powertrain rebuild.

14.4. The Transferee Company and the Transferor Company are desirous of amalgamating the Transferor Company as a going concern with the Transferee Company in accordance with Sections 230 to 232 and/ or other applicable provisions of the Companies Act, 2013.

14.5. The Amalgamation of the Transferor Company with the Transferee Company is sought to be undertaken to help in achieving the following:

1. The Transferee Company is a subsidiary of The Timken Company, which is a US based leading manufacturer of taper roller bearings, which is the also the main product currently being manufactured by the Transferor Company. The Transferee Company is desirous of acquiring a capacity that meets the increasing demand for its products across the globe. The Transferor Company possess such manufacturing facility and is seeking to access new technology and new markets.
2. Both the Transferor Company and Transferee Company intend to and can achieve larger product portfolio, access new domestic and export markets, increase market share, economies of scale, efficiency, and other related economies through this Amalgamation. This Scheme intends to merge the operations of the Transferor Company with that of the Transferee Company to fulfil this objective.
3. The Amalgamation would be beneficial to the respective shareholders, investors and creditors of the Transferor Company and the Transferee Company.

15. Salient features of the Scheme

15.1. Salient features of the Scheme are set out as below:

- The Scheme is presented under Section 230 to Section 232 and other applicable provisions of the Companies Act, 2013 to the extent notified, and as amended from time to time for amalgamation and arrangement between ABC Bearings Limited and Timken India Limited and their respective shareholders and creditors.
- The Scheme provides for amalgamation of ABC Bearings Limited into Timken India

Limited. Thus, upon amalgamation the entire business of ABC Bearings Limited shall be transferred to Timken India Limited.

- The Transferor Company and the Transferee Company shall make applications and/ or petitions under Section 230 read with Section 232 and other applicable provisions of the Companies Act, 2013 to Mumbai Bench and Bangalore Bench of the NCLT respectively, for sanction of this Scheme and all matters ancillary or incidental thereto vide their orders ('Sanction Orders').
- On the Scheme becoming effective, the Transferee Company shall account for the Amalgamation in its books as per Indian Accounting Standard 103 or any other applicable Indian Accounting Standard.
- All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.
- This Scheme is conditional upon and subject to the following:

  a) The Scheme being approved by the written consents or requisite majorities in number and value of such classes of persons including the respective members and/ or creditors of the Companies as may be directed by the relevant NCLTs or any other competent authority, as may be applicable.

  b) Receipt of pre-filing and post sanction approvals of the Stock Exchanges and the Securities and Exchange Board of India ('SEBI') in terms of the applicable circulars issued by SEBI.

  c) The Scheme being sanctioned by the concerned NCLTs under Sections 230 to 232 of the Companies Act, 2013.

  d) Certified copy of the Order of the NCLTs sanctioning the Scheme being filed with the Registrars of Companies having jurisdiction over the Companies.

  e) The fulfillment, satisfaction or waiver (as the case may be) of such other conditions precedent as may be agreed in writing inter-alia between the Transferor Company and the Transferee Company.

  f) The provisions contained in the Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Companies.

The features set out above being only the salient features of the Scheme of Amalgamation and Arrangement, the equity shareholders of the Transferor Company are requested to read the entire text of the Scheme of Amalgamation and Arrangement to get themselves fully acquainted with the provisions thereof.

16. Summary of valuation report and fairness opinions

(a) Valuation report

Income approach has been considered to arrive at the value per share of the Transferor Company and the Transferee Company. Further, the fair share exchange ratio i.e. 5 (Five) equity shares of the Transferee Company of INR 10 (Rupees Ten Only) each fully paid for every 8 (Eight) shares of the Transferor Company of INR 10 (Rupees Ten Only) each fully paid has been arrived based on the relative valuation after considering various qualitative factors relevant to the companies, business dynamics and growth potential of the businesses of the Transferor Company and the Transferee Company.

(b) Fairness Opinion

The share exchange ratio recommended by the valuer is fair for the equity shareholders of the Transferor Company.

17. Capital Structure Pre and Post Amalgamation

17.1. The pre-Scheme capital structure of the Transferor Company is mentioned in paragraph 11 above. Post the amalgamation, the Transferor Company shall stand dissolved without being wound-up.

17.2. The pre-Scheme capital structure of the Transferee Company is mentioned in paragraph 11 above. Post amalgamation, as consideration, equity shares in the Transferee Company will be issued to the equity shareholders of the Transferor Company in accordance with the valuation report obtained from an independent Chartered Accountant.

18. Pre and Post Amalgamation Shareholding Pattern

18.1. The pre-Scheme shareholding pattern of the Transferor Company as on 30th September, 2017, as filed with the Stock Exchange, is as under:

Category Code	Category of shareholders	Number of shareholders	Total no. of shares	Percentage
(A)	Promoter and Promoter Group			
(1)	Indian	19	43,71,470	37.85%
(2)	Foreign	2	1,05,255	0.91%
	Total shareholding of Promoter and Promoter Group	**21**	**44,76,725**	**38.76%**
(B)	**Public shareholding (Institutions, Non-Institutions and shares held by Custodians)**	**6,703**	**70,73,275**	**61.24%**
	Grand Total (A) + (B)	**6,724**	**1,15,50,000**	**100.00%**

18.2. The Transferor Company will stand dissolved without winding up in accordance with the Scheme. Therefore, there will not be any post-Scheme shareholding pattern of the Transferor Company.

18.3. The pre-Scheme shareholding pattern of the Transferee Company as on 30th September, 2017, as filed with the Stock Exchanges, is as under:

Category Code	Category of shareholders	Number of shareholders	Total no. of shares	Percentage
(A)	Promoter and Promoter Group			
(1)	Indian	-	-	-
(2)	Foreign	1	5,09,99,988	75.00%
	Total shareholding of Promoter and Promoter Group	**1**	**5,09,99,988**	**75.00%**
(B)	**Public shareholding (Institutions, Non-Institutions and shares held by Custodians)**	**50,994**	**1,69,99,996**	**25.00%**
	Grand Total (A) + (B)	**50,995**	**6,79,99,984**	**100.00%**

18.4. The post-Scheme shareholding pattern of the Transferee Company, is as under:

Category Code	Category of shareholders	Number of shareholders	Total no. of shares	Percentage
(A)	Promoter and Promoter Group			
(1)	Indian	-	-	-
(2)	Foreign	1	5,09,99,988	67.80%
	Total shareholding of Promoter and Promoter Group	**1**	**5,09,99,988**	**67.80%**
(B)	**Public shareholding (Institutions, Non-Institutions and shares held by Custodians)**	**57,718**	**2,42,18,746**	**32.20%**
	Grand Total (A) + (B)	**57,719**	**7,52,18,734**	**100.00%**

18.5. All shareholders of the Transferor Company (including Promoters) to be classified as Public shareholders in the Transferee Company.

18.6. Amount due to Secured Creditors:

The amount due from the Transferor Company to its Secured Creditors as on 30th November, 2017 is INR 26.87 crores.

The amount due from the Transferee Company to its Secured Creditors as on 30th November, 2017 is Nil.

18.7. Amount due to Unsecured Creditors:

The amount due from the Transferor Company to its Unsecured Creditors as on 30th November, 2017 is INR 29.16 crores.

The amount due from the Transferee Company to its Unsecured Creditors as on 30th November, 2017 is INR 129.52 crores.

19. Extent of shareholding of directors and key managerial personnel:

19.1. The Directors and Key Managerial Personnel (KMP) and their respective relatives of the Transferor Company may be deemed to be concerned and/ or interested in the Scheme only to the extent of their shareholding in the Transferor Company or to the extent the said Directors/ KMP are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/ or beneficiary of trust that hold shares in the Transferor Company. Save as aforesaid, none of the Directors, Managing Director or the Manager or KMP of the Transferor Company have any material interest in the Scheme.

19.2. The details of the present directors and KMP of the Transferor Company and their respective shareholdings in the Transferor Company and the Tranferee Company as on 30th September, 2017 are as follows:

Name of Directors / KMP of the Transferor Company	Designation	Shares held in the Transferor Company	Shares held in the Transferee Company
Sudhir Manubhai Patel	Executive Chairman	32,400	Nil
Pradip Manubhai Patel	Managing Director	109,124	Nil
Tanuj Manubhai Patel	Executive Director	100,374	Nil
Sahir Sudhir Patel	Executive Director	Nil	Nil
Shishir Kisonlal Diwanji	Independent Director	7,950	Nil
Jal Ratanshaw Patel	Independent Director	350	Nil
Nalin Mansukhlal Shah	Independent Director	Nil	Nil
Jolly Plammoottil Abraham	Independent Director	Nil	Nil
S.K. Choudhary	Chief Financial Officer	Nil	Nil
S. B. Desai	Company Secretary	Nil	Nil

19.3. The details of the present directors and KMP of the Transferee Company and their respective shareholdings in the Transferee Company and the Tranferor Company as on 30th September, 2017, are as follows:

Name of Directors / KMP of the Transferee Company	Designation	Shares held in the Transferee Company	Shares held in the Transferor Company
Sanjay Koul	Chairman and Managing Director	Nil	Nil
Avishrant Keshava	CFO and Whole Time Director	2	Nil
Priya Shankar Dasgupta	Independent Director	1	Nil
Rupa Mahanty	Independent Director	Nil	Nil
Ajay Kumar Das	Director	16	Nil
Soumitra Hazra	Company Secretary and Chief- Compliance	3	Nil

20. Disclosure about the material adverse effect of the amalgamation and arrangement:

There is no adverse effect of the proposed Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders, creditors, employees and other stakeholders of the Company.

21. Investigations and proceedings, if any pending against the Transferor Company and the Transferee Company under the Act:

No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Transferor Company and the Transferee Company.

22. There are no common directors on the Board of Directors of the Transferor Company and the Transferee Company.

23. Details of approval from regulatory authorities:

23.1. Pursuant to the SEBI Circular read with Regulation 37 of SEBI (listing obligations and Disclosure Requirements) Regulations, 2015, the Transferor Company has filed necessary application before the stock exchange viz. BSE seeking its no-objection to the Scheme. The Transferor Company has received Observation Letter dated 03rd November 2017 from BSE. Copy of the Observation Letter is enclosed as **Annexure 4**.

23.2. As required by the SEBI Circular, the Transferor Company has filed a Report on Complaints dated 6th September, 2017 with BSE. After filing the Complaint Report, the Transferor Company has received NIL Complaints. A copy of the aforementioned Compliant Report is enclosed as **Annexure 5**.

23.3. Pursuant to the SEBI Circular read with Regulation 37 of SEBI (listing obligations and Disclosure Requirements) Regulations, 2015, the Transferee Company has filed necessary applications before the stock exchanges viz. BSE and NSE seeking their no-objection to the Scheme. The Transferee Company has received Observation Letters dated 3rd November, 2017 and 6th November, 2017 from BSE and NSE respectively. Copy of the Observation Letters are enclosed as **Annexure 6**.

23.4. The Transferor Company and the Transferee Company have made separate applications before the NCLT, Mumbai Bench and NCLT, Bangalore Bench respectively for the sanction of the Scheme under Sections 230-232 and other applicable provisions Companies Act, 2013.

23.5. A copy of the Scheme along with the explanatory statement under Section 230 read with Rules 6 and 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is also being forwarded, inter alia to the Registrar of Companies, in terms of the Order of the NCLT.

24. General

24.1. Equity Shareholders of the Transferor Company whose names appearing in the records of the Transferor Company as on the Cut-Off Date shall be eligible to attend and vote at the meeting of the Equity Shareholders either through postal ballot or in person or by proxies convened as per the directions of the NCLT or cast their votes using remote e-voting facility.

24.2. The rights and interests of Secured Creditors and Unsecured Creditors of either of the companies will not be prejudicially affected by the Scheme as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner and post the Scheme, the Transferee Company will be able to meet its liabilities as they arise in the ordinary course of business.

24.3. None of Directors and KMP of the Transferor Company or their respective relatives is in any way connected or interested in the aforesaid resolution except to the extent of their respective shareholding, if any.

24.4. The latest audited accounts for the year ended 31st March, 2017 and unaudited financial statements for the quarter ended 30th June, 2017 of the Transferee Company indicates that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any Secured Creditor or Unsecured Creditor of the Transferor Company would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be adversely modified in any manner. Hence, the amalgamation of the Transferor Company with the Transferee Company will not cast any additional burden on the shareholders or creditors of the Transferor Company, nor will it adversely affect the interest of any of its shareholders or creditors.

24.5. There are no winding up proceedings pending against the Transferor Company as of date.

24.6. The Transferor Company and the Transferee Company are required to seek approvals/ sanctions/ no- objections from certain regulatory and governmental authorities for the Scheme which inter alia includes Registrar of Companies, Regional Director and Income-tax authorities which it will obtain at the relevant time.

24.7. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

24.8. A copy of the Scheme has been filed with the Registrar of Companies, Mumbai by the Trasferor Company.

24.9. A report adopted by the Directors of the Transferor Company, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, laying out in particular the share allotment, is enclosed as **Annexure 7** herewith. The Transferor Company does not have any depositors, deposit trustee and debenture trustee. There will be no adverse effect on account of the Scheme as far as the employees and creditors of the Transferor Company are concerned.

24.10. A copy of the Unaudited Account Statement of the Transferor Company for the period ended 30th September, 2017 is enclosed as **Annexure 8** herewith.

24.11. A copy of the Unaudited Account Statement of the Transferee Company for the period ended 30th June, 2017 is enclosed as **Annexure 9** herewith.

24.12. As far as the employees of the Transferor Company are concerned, there would not be any change in their terms of employment on account of the Scheme.

25. Inspection:

25.1. The following documents will be open for inspection by the equity shareholders of the Transferor Company at its registered office at 402-B, Poonam Chambers, Dr. Annie Besant Road, Worli, Mumbai – 400018 between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting:

(i) Copy of the Scheme;

(ii) Copy of the order passed by the NCLT, Mumbai in Company Scheme Application No. 998 of 2017, of the Transferor Company;

(iii) Copy of the order passed by the NCLT, Bangalore in Company Scheme Application No. CA(CAA)85/BB/2017 of the Transferee Company;

(iv) Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;

(v) Copy of the Annual Report of the Transferor Company for the financial year ended 31st March, 2017;

(vi) Copy of the Annual Report of the Transferee Company for the financial year ended 31st March, 2017;

(vii) Copy of the Unaudited Financial Statements of the Transferor Company, for the period ended 30th September, 2017;

(viii) Copy of the Unaudited Financial Statement of the Transferee Company, for the period ended 30th June, 2017;

(ix) Copy of Valuation Report dated 4th July, 2017 submitted by M/s SSPA & Co., Chartered Accountants;

(x) Copy of the Fairness Opinion dated 4th July, 2017, issued by Keystone Corporate Services Limited;

(xi) Copy of the Audit Committee Report dated 4th July, 2017 of the Transferor Company;

(xii) Copy of the resolutions dated 4th July, 2017 passed by the respective Board of Directors of the Transferor Company and the Transferee Company, approving the Scheme;

(xiii) Copy of the Statutory Auditors' certificate dated 4th day of July, 2017 issued by S.R. Batliboi and Co., Chartered Accountants, to the Transferee Company;

(xiv) Copy of Observation Letter issued to ABC Bearings Limited by BSE on 3rd November, 2017;

(xv) Copy of Observation Letter issued to Timken India Limited by BSE on 3rd November, 2017 and by NSE on 6th November, 2017;

(xvi) Copy of the Reports adopted by the Board of Directors of the Transferor Company and the Transferee Company, respectively pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013; and

(xvii) Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the Scheme.

25.2. This Statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016. A copy of this Scheme,

Explanatory Statement and Form of Proxy may be obtained free of charge on any working day (except Saturdays, Sundays and public holidays) prior to the date of the meeting, from the Registered Office of the Transferor Company.

The persons may vote in the meeting either in person or by proxies or by voting through electronic means, as specifically provided for in the Notice convening the meeting of the shareholders of the Company.

Sd/-
Mr. Sudhir Manubhai Patel
Chairman appointed for the meeting
DIN : 00012036

Dated this 5th day of December, 2017

Registered Office:
402-B, Poonam Chambers,
Dr. Annie Besant Road,
Worli, Mumbai – 400018

Annexure 1

SCHEME OF AMALGAMATION AND ARRANGEMENT

UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013

AMONGST

ABC BEARINGS LIMITED;
(Transferor Company)
AND
TIMKEN INDIA LIMITED;
(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Chapter 1

(A) Background of Companies and Rationale

a) This Scheme of Amalgamation and Arrangement (the "**Scheme**") amongst ABC Bearings Limited ("**Transferor Company**") and Timken India Limited ("**Transferee Company**") provides for (1) the amalgamation of the Transferor Company with the Transferee Company and in consideration thereof issue of equity shares by the Transferee Company to the shareholders of the Transferor Company ("**Amalgamation**"), pursuant to the relevant provisions of the Companies Act, 2013, as may be applicable; and (2) various other matters consequential or integrally connected therewith, in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B).

b) The Transferor Company, a public limited company incorporated on 1961 under the Companies Act, 1956, has its registered office situated at 402 – B, Poonam Chambers, Dr. A.B. Road, Mumbai – 400 018. The equity shares of the Transferor Company are listed on the BSE Limited. The Transferor Company is *inter alia* engaged in the Business (as defined below).

c) The Transferee Company, a public limited company incorporated on 1987 under the Companies Act, 1956 has its registered office situated at 39-42, Electronic City, Phase II, Hosur Road, Bengaluru – 560 100, Karnataka, India. The equity shares of the Transferee Company are listed on the BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**"). The Transferee Company is engaged in the business of engineering and manufacturing bearings and mechanical power transmission components including gear drives, couplings belts and chain. The Transferee Company also provides industrial services including those in the nature of bearing repair and powertrain rebuild.

d) The Transferee Company and the Transferor Company are desirous of amalgamating the Transferor Company as a going concern with the Transferee Company in accordance with Sections 230 to 232 and/ or other applicable provisions of the Act.

e) The Amalgamation of the Transferor Company with the Transferee Company is sought to be undertaken to help in achieving the following:

(i) The Transferee Company is a subsidiary of The Timken Company, which is a US based leading manufacturer of taper roller bearings, which is the also the main product currently being manufactured by the Transferor Company. The Transferee Company is desirous of acquiring a capacity that meets the increasing demand for its products across the globe. The Transferor Company possess such manufacturing facility and is seeking to access new technology and new markets.

(ii) Both the Transferor Company and Transferee Company intend to and can achieve larger product portfolio, access new domestic and export markets, increase market share, economies of scale, efficiency, and other related economies through this Amalgamation. This Scheme intends to merge the operations of the Transferor Company with that of the Transferee Company to fulfil this objective.

(iii) The Amalgamation would be beneficial to the respective shareholders, investors and creditors of the Transferor Company and the Transferee Company.

f) The Scheme is expected to be in the best interests of the shareholders, employees and the creditors of the Transferor Company and the Transferee Company.

g) The Amalgamation shall comply with the provisions of Section 2(1B) of the Income Tax Act, 1961.

(B) Chapters in the Scheme

The Scheme is divided into 3 chapters, the details of which are as follows:

1. **Chapter 1:** Chapter 1 of this Scheme sets forth the background of the Companies, overview and objects of the Scheme and definitions and interpretation which are common and applicable to all Chapters of the Scheme.

2. **Chapter 2:** Chapter 2 deals with the Amalgamation and transfer and vesting of all assets and liabilities of the Transferor Company to/in the Transferee Company.

3. **Chapter 3:** Chapter 3 provides for general terms and conditions applicable to this Scheme.

4. Chapters 2 is further sub-divided into the following parts:

   (a) *Part 1* provides for the current capital structure of the Transferor Company and the Transferee Company;

   (b) *Part 2* deals with the Amalgamation of the Transferor Company with the Transferee Company, in accordance with Sections 230 to 232 and/or other applicable provisions of the Act; and

   (c) *Part 3* deals with accounting treatment and consideration.

1. GENERAL DEFINITIONS AND INTERPRETATIONS

In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the meanings given below:

"Act" means the Companies Act, 2013 and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof;

"ABC" means ABC Bearings Limited, CIN No.: L29130MH1961PLC012028 a company incorporated under the Companies Act, 1956, and having its registered office at 402 – B, Poonam Chambers, Dr. A.B. Road, Mumbai – 400 018;

"Amalgamation Consideration Shares" has the meaning ascribed to it Clause 12.1 of the Scheme;

"Applicable Law" means any applicable statute, law, regulation, ordinance, rule, judgment, order, decree, clearance, approval, directive, guideline, requirement or any similar form of determination by or decision of any Governmental Authority, that is binding or applicable to a Person, whether in effect as of the date on which this Scheme has been approved by the Boards of Directors of the Companies or at any time thereafter;

"Appointed Date" means the opening hours of business on the date on which the last of the Sanction Orders is passed or such other date as the NCLT may direct;

"Board of Directors" shall mean the board of directors or any committee thereof, of the Transferor Company and the Transferee Company, as the context may require;

"Business" means the business of: (i) engineering, product design, manufacturing, distribution and sale of bearings including inter alia taper roller bearings, cylindrical roller bearings, spherical roller bearings and slewing bearings; and (ii) procurement, distribution and sale of other bearings, grease, oil and UJ Cross not manufactured by the Transferor Company but are sold by the Transferor Company under the "ABC" brand;

"Companies" shall collectively mean the Transferor Company and the Transferee Company;

"Contracts" with respect to a Person, means any agreement, contract, undertaking, or legally binding commitment entered into by such Person**;**

"Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 20.1 have been fulfilled, obtained or waived, as applicable. References in this Scheme to the date of "coming into effect of this Scheme" or "Scheme becoming effective" shall be construed accordingly;

"Encumbrance" means any options, pledge, mortgage, lien, security interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint, or any other encumbrance of any kind or nature whatsoever, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law;

"Goodwill" means and includes the goodwill of Transferor Company, together with the exclusive right for the Transferee Company and its assignees to represent themselves as carrying on the Business in succession to the Transferor Company and includes the Business related claims, information, records, relationships with customers, product registrations/approvals, skilled employees, trademark, technical know-how and other Intangible Assets, as defined below;

"Governmental Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial, quasi-judicial or arbitral body in India or outside India and includes SEBI and the Stock Exchanges;

"Intangible Assets" means and includes all intellectual property and industrial property rights and rights in confidential information of every kind and description throughout the world, in each case whether registered or unregistered, and including but not limited to (i) rights in computer programs (whether in source code, object code, or other form), algorithms, databases, compilations and data, technology supporting the foregoing, and all documentation, including user manuals and training materials, related to any of the foregoing; (ii) copyrights and copyrightable subject matter; (iii) trademarks, service marks, names, corporate names, trade names, domain names, logos, slogans, trade dress, registered designs, design rights and other similar designations of source or origin; (iv) all know-how, patents, confidential information, trade secrets, ideas, proprietary processes, formulae, models and methodologies; (v) rights of publicity, privacy, and rights to personal information; (vi) moral rights and rights of attribution and integrity; or (vii) any rights or forms of protection of a similar nature or having equivalent or similar effect to any of the foregoing which subsist anywhere in the world;

"NCLT" means the National Company Law Tribunal at Mumbai and Bengaluru, or such other forum or authority as may be vested with the powers of the High Court under Sections 230 to 232 of the Act, as may be applicable;

"Person" means any individual, partnership, joint venture, firm, corporation, company, association, trust or other enterprise (whether incorporated or not) or government (central, state or otherwise), sovereign, or any agency, department, authority or political sub-division thereof, international organization, agency or authority (in each case, whether or not having separate legal personality) and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs;

"Record Date" shall mean such date to be fixed by the Board of Directors of the Transferor Company after consultation with the Board of Directors of the Transferee Company for the purpose of determining the members of the Transferor Company to whom shares of the Transferee Company will be allotted pursuant to this Scheme in terms of Clause 12;

"Sanction Orders" means, collectively, the orders of the NCLT sanctioning the Scheme and "**Sanction Order**" means the order of either NCLT sanctioning the Scheme;

"Scheme" means this scheme of amalgamation and arrangement with such modification(s), if any made, in accordance with the terms hereof or the directions of the Stock Exchanges or any other Governmental Authority including SEBI or the NCLT, and approved by the NCLT;

"Stock Exchanges" means BSE Limited and National Stock Exchange of India Limited;

"TIL" means Timken India Limited, CIN No. L29130KA1996PLC048230, a company incorporated under the Companies Act, 1956, and having its registered office at 39-42, Electronic City, Phase II, Hosur Road, Bengaluru – 560 100, Karnataka, , India;

"Taxes" or "Tax" or "Taxation" means all forms of taxation with reference to profits, gains, net wealth, asset values, turnover, gross receipts, duties (including stamp duties), levies, imposts, including without limitation corporate income–tax, wage withholding tax, fringe benefit tax, provident fund, employee state insurance and gratuity contributions, value added tax, customs, service tax, excise duties, goods and services tax, fees or levies and other legal transaction taxes, dividend/withholding tax, real estate taxes, other municipal taxes and duties, environmental taxes and duties, any other similar assessments or other type of taxes or duties in any relevant jurisdiction, together with any interest, penalties, surcharges or fines relating thereto, assessments, or addition to Tax, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction or country; and

"Transferor Company Shareholders" has the meaning ascribed to it Clause 12.1 of the Scheme.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996, other Applicable Laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND APPOINTED DATE

The Scheme shall come into operation from the Effective Date but with effect from the Appointed Date.

Chapter 2

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

Part 1

3. SHARE CAPITAL

The authorized, issued, subscribed and paid up share capital of the Transferee Company as on 31 March 2017 is below:

Particulars	Rupees
Authorized Capital	
75,000,000 Equity Shares of Rs. 10 /- each	750,000,000
2,600,000 9% Cumulative Redeemable Preference Shares of Rs.100/- each	260,000,000
Total	1,010,000,000
Issued	
68,015,134 Equity Shares of Rs.10/- each	680,151,340
Subscribed and fully paid up	
67975784 Equity Shares of Rs.10/- each	679,757,840
Subscribed and partly paid up	
24200 Equity Shares of Rs.10/- each (net of calls in arrears)	130,000
Total	679,887,840

The authorized, issued, subscribed and paid up share capital of the Transferor Company as on 31 March 2017 is as under:

Particulars	Rupees
Authorized Capital	
1,20,00,000 Equity Shares of Rs. 10 each	12,00,00,000
Total	12,00,00,000
Issued, Subscribed and Paid-up	
1,15,50,000 Equity Shares of Rs. 10 each	11,55,00,000
Total	11,55,00,000

Part 2

4. AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall, in accordance with Sections 230 to 232 of the Act, without any further act or deed, stand amalgamated with the Transferee Company and consequently (i) all assets and liabilities of the Transferor Company shall, as on the Appointed Date, stand transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company as a going concern, and (ii) the Transferor Company shall stand dissolved without being wound up.

4.1. TRANSFER OF ASSETS

4.1.1. Upon the Scheme becoming effective, as on the Appointed Date, the whole of the assets of Transferor Company, wherever situated and of whatsoever nature whether capable of passing by manual delivery and/ or endorsement or otherwise however shall, under the provisions of Sections 230 to 232, without any further

act or deed be transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to vest in, become and form part of the Transferee Company along with all the rights, claims, title and interest of the Transferee Company therein, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

4.1.2. Without prejudice to Clause 4.1.1, upon the Scheme becoming effective, as on the Appointed Date, all moveable assets including cash, if any, of Transferor Company which are capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed as the case may be to the Transferee Company and shall become the property of the Transferee Company, to the end and intent that the ownership and property therein passes to the Transferee Company in pursuance of the provisions of Section 232 of the Act, without requiring any deed or instrument of conveyance for transfer of the same, subject only to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

4.1.3. Without prejudice to Clause 4.1.1, upon the Scheme becoming effective, in respect of the moveable assets of the Transferor Company, as on the Appointed Date, other than those specified in Clause 4.1.2 above and any intangible assets, including sundry debtors, loans, receivables, bills, credits, advances, if any, recoverable in cash or kind or for value to be received, bank accounts including bank balances, investments, cash equivalents, financial assets, insurance policies, provisions, funds, equipment, and any related capitalized items and other tangible property of every kind, nature and description, share of any joint assets, benefits of any bank guarantee, performance guarantee and any letter of credit, earnest money, advances and deposits, if any, with government, semi-government, local and other authorities and bodies, companies, firm, individuals, trusts, etc., the same shall, on and from the Appointed Date, stand transferred to the Transferee Company to the end and intent that the right of the Transferor Company to receive the benefit of such investments, cash equivalents, financial assets, insurance policies, provisions, funds, equipment, capitalized items and tangible property, share of any joint assets, bank guarantee, performance guarantee and any letter of credit earnest money, advances or deposits or recover or realize all such debts (including the debts payable by such Persons or depositors to the Transferor Company) stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors or other Persons (although the Transferee Company may itself without being obliged and if it so deems appropriate at its sole discretion, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law, give notices in such form as it may deem fit and proper, to each Person, debtors or depositors, as the case may be, that pursuant to the NCLTs having sanctioned the Scheme, the said asset stands transferred and vested in the Transferee Company and be paid or made good or held on account of the Transferee Company as the Person entitled thereto.

4.1.4. Without prejudice to Clause 4.1.1, upon the Scheme becoming effective, as on the Appointed Date, all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise, any tenancies in relation to warehouses, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authority pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof.

4.1.5. In respect of the assets belonging to the Transferor Company, other than those referred to in Clauses 4.1.2 and 4.1.4 above, whether or not recorded in the books of the Transferor Company, including but not limited to all earnest money, security deposits and advances paid by the Transferor Company and benefit of any deposits, the same shall, as more particularly provided in Clause 4.1.1 above, without any further act, instrument or deed, stand transferred to and vested in and/or be deemed to be amalgamated with the Transferee Company

upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

4.1.6. All the licenses, permissions, approvals, sanctions, consents, permits, entitlements, quotas, registrations, bids, tenders, letters of intent, expressions of intent, memoranda of understanding or similar instruments, incentives, exemptions and benefits, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall, without any further act, instrument or deed, cost or charge be and stand transferred to and vested in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permissions, approvals, sanctions, consents, permits, entitlements, quotas, registrations, incentives, exemptions and benefits, grants, rights, claims, liberties, special status and other benefits or privileges of the Transferor Company and shall remain valid, effective and enforceable on the same terms and conditions. For the avoidance of doubt and without prejudice to the generality of the foregoing, all consents, no-objection certificates, certificates, clearances, authorities (including operation of bank accounts), powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company.

4.1.7. All cheques and other negotiable instruments, payment orders, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be deemed to be in the name of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company or received through electronic transfers and the bankers of the Transferee Company shall accept the same. Similarly, the banker of the Transferee Company shall honour all cheques/electronic fund transfer instructions issued by the Transferor Company for payment after the Effective Date. If required, the bankers of the Transferor Company and/or the Transferee Company shall allow maintaining and operating of the bank accounts (including banking transactions carried out electronically) in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques, pay order and electronic transfers that have been issued/made in the name of the Transferee Company, subject to such accounts being operated by the Transferee Company.

4.1.8. Without prejudice to the generality of the foregoing, upon the effectiveness of the Scheme, all Intangible Assets including but not limited to rights in intellectual property (whether owned, licensed or otherwise, whether registered or unregistered) used in relation to the Transferor Company, including with respect to the Business, including the logo and trademark of the Transferor Company, and all other trade names, service names, trademarks, brands, copyrights, designs, know-how and trade secrets, patents, along with all rights of commercial nature including attached Goodwill, title, interest, labels and brand registrations and all such other industrial or intellectual rights of whatsoever nature and advantages of whatever nature in connection with the above including any Goodwill relating to such intellectual property, whether or not provided in the books of accounts of the Transferor Company, shall under the provisions of Sections 230 to 232 of the Act, as applicable, and all other provisions of Applicable Law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the Intangible Asset of the Transferee Company.

4.1.9. All books, records, files, papers, engineering and process information, software, licenses for software, algorithms, programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form of the Transferor Company, including in connection with or relating to the Business, shall, under the provisions of Sections 230 to 232 of the Act, as applicable, and all other provisions of Applicable Law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, with effect from the Appointed Date.

4.1.10. All benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, shall under the provisions of Sections 230 to 232 of

the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken/complied with by the Transferee Company.

4.1.11. Any assets, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date shall upon the coming into effect of this Scheme also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in the Transferee Company upon the coming into effect of this Scheme.

4.1.12. Without prejudice to the provisions of the foregoing Clauses, upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall execute all necessary instruments or documents or do all the acts and deeds as may be required, including making the necessary filings with the relevant Governmental Authority or any other third party, to give formal effect to the above provisions, if required.

5. TRANSFER OF LIABILITIES

5.1. Upon the Scheme becoming effective, all the liabilities of the Transferor Company, as on the Appointed Date, shall also, under the provisions of Sections 230 to 232 of the Act without any further act or deed be transferred or deemed to be transferred to the Transferee Company so as to become as and from the Appointed Date the debts, liabilities, duties, losses, obligations of the Transferee Company and further that all the liabilities incurred/contracted by the Transferor Company during the period commencing from the Appointed Date till the Effective Date shall be deemed to have been incurred/contracted by the Transferee Company and shall be deemed to be the liabilities and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any Person in order to give effect to the provisions of this Clause.

5.2. Where any of the loans, debts, liabilities, duties and obligations of the Transferor Company which are deemed to be transferred to the Transferee Company under this Scheme have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

5.3. Without prejudice to Clause 5.1, upon the coming into effect of the Scheme, all loans raised and used and all debts, liabilities, duties and obligations incurred by the Transferor Company for the operations of the Business with effect from the Appointed Date and prior to the Effective Date shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company, and shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the loans, debts, liabilities, duties and obligations of the Transferee Company.

5.4. The Scheme shall not operate to enlarge the security of any loan, deposit or facility created by or available to Transferor Company which shall vest in the Transferee Company by virtue of the Scheme, including for the avoidance of doubt and notwithstanding anything contained herein, that no Encumbrances shall be extended to any of the assets of the Transferee Company.

5.5. It is expressly provided that, no term or condition of the liabilities that are being transferred to the Transferee Company as part of the Scheme and terms on which the liabilities are transferred to the Transferee Company as part of the Scheme, shall be modified by virtue of this Scheme.

5.6. Upon the Scheme becoming effective, with effect from the Appointed Date, all inter-se liabilities, between Transferee Company and Transferor Company, if any, due or outstanding or which may at any time immediately prior to the Appointed Date become due or remain outstanding, shall stand cancelled and be deemed to have been discharged by such cancellation and consequently, there shall remain no inter-se liability between them as of the Appointed Date and corresponding effect shall be given in the books of account and records of Transferee Company.

5.7. Without prejudice to the provisions of the foregoing Clauses, upon the Scheme becoming effective, the Transferor Company and the Transferee Company shall execute all instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modifications of charge with the Registrar of Companies, to give formal effect to the above provisions, if required.

5.8. The provisions of this Clause 5 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant liability relates or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified by the foregoing provisions.

6. TAXES AND TAXATION

6.1. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws, excise duty laws and other Tax laws, and to claim refunds and/or credit for Taxes paid (including, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.

6.2. Without prejudice to the generality of the above, all Tax benefits, incentives, credits (including, without limitation in respect of income tax, service tax, excise duty, central sales tax, applicable state value added tax, goods and service tax, etc.) to which the Transferor Company is entitled to in terms of Applicable Laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.

6.3. All Taxes payable by the Transferor Company from the Appointed Date onwards for the operations of the Transferor Company, including the Business, shall be to the account of the Transferee Company; similarly all Tax credits pertaining to the Transferor Company, shall be made or deemed to have been made and duly complied with by the Transferee Company if so made by Transferor Company. If, during the period between the Appointed Date and the Effective Date, any Tax returns or any other filings, representations or other submissions pertaining to the Transferor Company are required to be filed or made by the Transferor Company with or to the Tax authorities, the Transferor Company shall do the same in consultation with the Transferee Company and not without the prior written consent of the Transferee Company.

6.4. The provisions of this Scheme, as they relate to amalgamation of the Transferor Company into the Transferee Company, have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

7. EMPLOYEES

7.1. On the Scheme becoming effective, all employees of the Transferor Company (other than the current executive directors of the Transferor Company) who are employed with the Transferor Company on the Effective Date ("**Transferred Employees**"), shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them as employees of the Transferor Company on the Effective Date.

7.2. The services of the Transferred Employees with the Transferor Company prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the Transferred Employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in the Transferor Company.

7.3. It is expressly provided that, on the Scheme becoming effective, the contributions made by the Transferor Company in respect of the Transferred Employees under Applicable Law to the provident fund, gratuity fund, contribution towards employees state insurance, superannuation fund, retirement fund or any other special fund or trusts created or existing for the benefit of the Transferred Employees (collectively referred to as the "**Funds**") for the period after the Appointed Date shall be deemed to be contributions made by Transferee Company, and the Funds shall be transferred to similar Funds created by the Transferee Company and shall

be held for their benefit pursuant to this Scheme or, at the Transferee Company's sole discretion, maintained as separate Funds by the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous and not interrupted for the purpose of the said Fund or Funds.

7.4. In relation to any other fund created or existing for the benefit of the Transferred Employees, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such Transferred Employees.

8. LEGAL PROCEEDINGS

All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising before the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company, as the case may be, in a manner and to a similar extent as would or might have been continued and enforced by or against the Transferor Company.

9. CONTRACTS, DEEDS, ETC.

9.1. Upon the coming into effect of the Scheme and with effect from the Appointed Date, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, shall continue in full force and effect against or in favour of the Transferee Company, and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto from inception.

9.2. Without prejudice to Clause 9.1, upon the Scheme becoming effective, with effect from the Appointed Date, all Contracts and arrangements in any form relating to the Business, including Contracts pertaining to, customers, vendors, benefits of all Contracts, whether registered or not registered, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.

9.3. The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if it considers necessary, enter into, or issue or execute deeds, writings, tripartite arrangements, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company. The Transferor Company shall execute such writings as may be reasonably required by the Transferee Company in this regard.

9.4. For the avoidance of doubt, it is clarified that upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Transferor Company in any leasehold/licensed properties or otherwise of the Transferor Company, including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, pursuant to Section 232(4) of the Act, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants thereunder.

10. CONDUCT OF BUSINESSES TILL THIS SCHEME COMES INTO EFFECT

10.1. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company:

10.1.1. shall be deemed to have been carrying on and to be carrying on the Business and other activities in relation to the operations of the Transferor Company and stand possessed of all the estates, assets, rights,

title, interest, authorities, contracts, investments and strategic decisions of the Transferor Company for and on account of, and in trust for, the Transferee Company;

10.1.2. all profits or income arising or accruing in favour of the Transferor Company whether or not in relation to the Business and all Taxes paid thereon or losses, expenditures arising or incurred by the Transferor Company in relation thereto shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, expenditures as the case may be, of the Transferee Company;

10.1.3. any of the rights, powers, authorities, privileges, attached, related or pertaining to the Business exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Business that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company;

10.1.4. shall cause the Business (including making applications to any Governmental Authority for the renewal of permits which have expired) to be conducted as a going concern in trust for the Transferee Company and in the ordinary course of business; and

10.1.5. shall not, except as may be expressly required or permitted under this Scheme, make any change in its capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organization, or in any other manner which may, in any way, affect the Share Exchange Ratio, except with the prior approval of the Transferee Company.

10.2. Except with the prior approval of the Transferee Company, with effect from the date on which the board of directors of the Companies approve this Scheme up to and including the Effective Date, the Transferor Company shall not take any actions prohibited in terms of any agreement, arrangement, undertaking, deed or other document executed in writing *inter-alia* between the Companies and/or any of its shareholders.

11. SAVINGS OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets and liabilities of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date or till the Effective Date in accordance with this Scheme.

Part 3

12. CONSIDERATION

12.1. Upon coming into effect of the Scheme and in consideration for the Amalgamation, the Transferee Company shall, without any further application or deed, issue and allot its equity shares, credited as fully paid up, to all the equity shareholders of the Transferor Company whose names appear in the register of members of the Transferor Company as on the Record Date to be fixed in that behalf for the purpose of reckoning names of equity shareholders of the Transferor Company ("**Transferor Company Shareholders**"), in the following ratio:

*"5 (five) equity shares of the Transferee Company of Rs. 10 (Rupees ten only) each, fully paid up to be issued for every 8 (eight) equity shares of Rs. 10 (Rupees ten only) each held by Transferor Company Shareholders" (the "***Share Exchange Ratio***").*

*The equity shares of the Transferee Company issued and allotted to the Transferor Company Shareholders based on the Share Exchange Ratio provided above shall be referred to as "***Amalgamation Consideration Shares***".*

12.2. In case any equity shareholder of the Transferor Company owns shares in the Transferor Company, such that it becomes entitled to a fraction of an equity share of the Transferee Company, the Transferee Company shall not issue fractional share certificates to such member but shall instead, at its absolute discretion, decide to take any or a combination of the following actions:

12.2.1. consolidate such fractions and issue consolidated shares to a trustee nominated by the Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the shareholders respectively entitled to the same in proportion to their fractional entitlements;

12.2.2. round off all fractional entitlements to the next whole number above the fractional entitlement and issue such number of securities to the relevant shareholders; or

12.2.3. deal with such fractional entitlements in such other manner as they may deem to be in the best interests of the Transferor Company Shareholders and the Transferee Company.

12.3. SSPA & Co., have issued the valuation report on the Share Exchange Ratio adopted under the Scheme. Keynote Corporate Services Limited, a Category-I Merchant Banker, has provided its fairness opinion on the Share Exchange Ratio to the Board of Directors of the Transferor Company and JM Financial Institutional Securities Limited, a Category-I Merchant Banker, has provided its fairness opinion on the Share Exchange Ratio to the Board of Directors of the Transferee Company. Additionally, the Transferee Company has also procured a fairness opinion on the Share Exchange Ratio from SBI Capital Markets Limited, a Category-I Merchant Banker.

12.4. Equity shares to be issued by the Transferee Company to the respective Transferor Company Shareholders as above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank *pari passu* with the existing equity shares of the Transferee Company in all respects including dividends.

12.5. Equity shares in the Transferee Company shall be issued in dematerialized form to the Transferor Company Shareholders who hold shares of the Transferor Company in dematerialized form, in to the account in which the Transferor Company shares are held or such other account as is intimated by the shareholders to the Transferee Company and/or its Registrar. All the Transferor Company Shareholders who hold equity shares of the Transferor Company in physical form shall also have the option to receive the equity shares in the Transferee Company, in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Transferee Company and/or its Registrar. If not so notified, they would be issued equity shares in physical form.

12.6. The Board of Directors of the Transferee Company and the Transferor Company shall, if and to the extent required, apply for and obtain any approvals from all appropriate Governmental Authorities for the issue and allotment of equity shares to the Transferor Company Shareholders pursuant to Clause 12.1 of the Scheme.

12.7. Equity shares to be issued by the Transferee Company to the Transferor Company Shareholders pursuant to Clause 12.1 of this Scheme shall, subject to the receipt of necessary approvals, be listed and/or admitted to trading on the Stock Exchanges, where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the said Stock Exchanges. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchange.

12.8. The equity shares to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the Act or otherwise shall, pending allotment or settlement of dispute by order of a court or otherwise, also be kept in abeyance by the Transferee Company. In the event of there being any pending share transfers, whether lodged or outstanding, of any of the Transferor Company Shareholders, the board of directors of the Transferee Company shall be empowered to take such actions as may be necessary in order to remove any difficulties arising to the transferor of the share in the Transferee Company and in relation to the shares issued by the Transferee Company pursuant to the Scheme.

12.9. Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of Section 62 of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the Transferor Company Shareholders, as provided in this Scheme and there shall be no need to pass a separate shareholders' resolution at a general meeting for the same, as is required under Section 62 and other applicable provisions of the Act.

12.10. The equity shares of the Transferee Company issued pursuant to this Scheme may not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In the event the Transferee Company elects to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the NCLTs to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the equity shares of the Transferee Company for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.

13. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the effectiveness of the Scheme, the Transferor Company shall be dissolved without winding up and the Board of Directors and any committees thereof of the Transferor Company shall, without any further act, instrument or deed, be and stand dissolved.

14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

14.1. On the Scheme becoming effective:

14.1.1. The Transferee Company shall record all the assets and liabilities of the Transferor Company transferred and vested in it pursuant to the Scheme, as per Indian Accounting Standard 103 or any other applicable Indian Accounting Standard.

14.1.2. The Transferee Company shall account for shares issued to the Transferor Company Shareholders as per applicable Indian Accounting Standard.

14.1.3. The difference between the value of Net Assets ("Net Assets" means value of assets over the value of liabilities as per Clause 14.1.1 pertaining to the Transferor Company and the value of Amalgamation Consideration Shares) shall be recorded as per Indian Accounting Standard 103 or any other applicable Indian Accounting Standard.

15. INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE TRANSFEREE COMPANY

15.1. As an integral part of the Scheme, and, upon the Scheme becoming effective, the authorized share capital of the Transferor Company, as on the Effective Date, shall be added to the authorized share capital of the Transferee Company, as on the Effective Date, without any further act or deed and without any further payment of stamp duty or registration fees and Clause V of the Memorandum of Association of the Transferee Company and Article 5 of the Articles of Association of the Transferee Company shall be altered accordingly.

15.2. It is clarified that the approval of the members of Transferee Company to the Scheme shall be deemed to be their consent/approval for the increase of the authorized capital, amendment of the capital clause of the Memorandum of Association and the relevant provision of the Articles of Association of the Transferee Company under the provisions of Section 13, 14 and 61 of the Act and other applicable provisions of the Act. Pursuant to this Scheme, the Transferee Company shall file requisite forms with the relevant Registrar of Companies to give effect to the increase in its authorized equity share capital, as may be directed.

16. BOOKS AND RECORD OF THE TRANSFEROR COMPANY

The Transferor Company acknowledges that all books, records, files, papers, engineering and process information, software, licenses for software, algorithms, programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic of the Transferor Company shall be transferred to the Transferee Company on the Effective Date.

Chapter 3

GENERAL TERMS AND CONDITIONS

17. APPLICATION TO NCLT

17.1. The Transferor Company and the Transferee Company shall make applications/petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to their respective jurisdictional NCLTs for sanction of this Scheme under the provisions of law.

17.2. The Transferee Company shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Applicable Law for such consents and approvals which the Transferee Company may require to effect the transactions contemplated under the Scheme.

17.3. The shareholders of the Transferor Company and the Transferee Company, including public shareholders, shall be able to vote in relation to the Scheme through e-voting or postal ballot at the time of the court convened meeting of the shareholders of the Transferor Company and the Transferee Company in relation to the Scheme in accordance with the applicable provisions of the Companies (Management and Administration) Rules, 2014 and Clause 9(a) of Para I.A of Annexure I to SEBI Circular dated March 10, 2017 (reference no. CFD/DIL3/CIR/2017/21). Further, the Transferor Company and the Transferee Company shall provide all shareholders the Scheme and disclose all material facts and information in relation to the Scheme in the explanatory statement sent to the shareholders in relation to such resolution.

18. DECLARATION OF DIVIDEND, BONUS, ETC.

18.1. During the period between the date of approval of this Scheme by its Board of Directors and up to and including the Effective Date, the Transferor Company shall not declare or pay any dividends.

18.2. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Boards of Directors of the Companies and subject, wherever necessary, to the approval of the shareholders of the concerned Company.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

19.1. The Transferor Company and the Transferee Company agree that if, at any time, either of the NCLTs or any Governmental Authority directs or requires any material modification or amendment of the Scheme, such material modification or amendment shall not be binding on the Transferor Company or the Transferee Company, except where the prior written consent of both the Transferor Company or the Transferee Company, as the case may be, has been obtained for such modification or amendment, which consent shall not be unreasonably withheld by the Transferor Company and the Transferee Company. Notwithstanding the above, if any modification or amendment to the Scheme, whether material or not, adversely affects the interest of the Transferor Company or the Transferee Company, then, such modification or amendment shall not be binding on the Transferor Company or the Transferee Company, except where the prior written consent of both the Transferor Company or the Transferee Company, as the case may be, has been obtained for such modification or amendment, which consent shall not be unreasonably withheld by the Transferor Company and the Transferee Company.

19.2. In the event a modification or amendment to the Scheme as required by the NCLTs or any Governmental Authority is not approved in accordance with this Clause 19, the Transferor Company and the Transferee Company shall enter into good faith discussions on the manner in which they shall proceed in relation to consummation of the transactions contemplated under the Scheme.

19.3. Notwithstanding anything contained in Clauses 19.1 and 19.2, any modification to the Scheme by any of the Companies, after receipt of sanction by the NCLTs and/or the Stock Exchanges, shall be made only with the prior approval of the NCLTs and/or the Stock Exchanges.

20. CONDITIONALITY OF THE SCHEME

20.1. This Scheme is conditional upon and subject to:

20.1.1. The Scheme being approved by the written consents or requisite majorities in number and value of such classes of Persons including the respective members and/or creditors of the Companies as may be directed by the relevant NCLTs or any other competent authority, as may be applicable.

20.1.2. Receipt of pre-filing and post sanction approvals of the Stock Exchanges and the Securities and Exchange Board of India ("SEBI") in terms of the applicable circulars issued by SEBI.

20.1.3. The Scheme being sanctioned by the concerned NCLTs under Sections 230 to 232 of the Act.

20.1.4. Certified copy of the Order of the NCLTs sanctioning the Scheme being filed with the Registrars of Companies having jurisdiction over the Companies.

20.1.5. The fulfillment, satisfaction or waiver (as the case may be) of such other conditions precedent as may be agreed in writing *inter-alia* between the Transferor Company and the Transferee Company.

20.1.6. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Companies.

20.2. The Scheme shall come into operation from the Effective Date but with effect from the Appointed Date.

21. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION

21.1. In the event the Scheme does not come into effect within 18 (eighteen) months from the date on which the board of directors of the Companies have approved this Scheme ("**Long Stop Date**"), either the Transferor Company or the Transferee Company may opt to terminate this Scheme and if required may file appropriate proceedings before the concerned NCLT in this respect. Provided however, that the Transferor Company or the Transferee Company shall have the right to mutually extend the Long Stop Date, in writing and provided, however, that the right to terminate this Scheme shall not be available to the Transferor Company or the Transferee Company if its failure to fulfil any of its obligation contained hereunder or otherwise agreed in writing between the Companies, shall have been the cause of, or shall have resulted in, the failure of the Effective Date to occur on or prior to the Long Stop Date.

22. EXPENSES CONNECTED WITH THE SCHEME

22.1. Except as stated in Clause 22.2 below, each Company shall bear its own costs, charges and expenses in relation to the transactions contemplated herein.

22.2. All costs, charges and expenses in respect of the Amalgamation of the Transferor Company with the Transferee Company in terms of or pursuant to the Scheme and in relation to the registration and the stamping of the Sanction Orders including registration charges, stamp duty, transfer charges/duty/fees and all other expenses in respect of the Amalgamation, including transfer of all properties, if any, in terms of or pursuant to the Scheme shall be borne by the Transferee Company.

23. POWER TO REMOVE DIFFICULTIES

The Board of Directors of the Companies, either by themselves or through a committee appointed by them in this behalf, may jointly and as mutually agreed in writing:

23.1. give such directions (acting jointly) as may be mutually agreed in writing by the Companies as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those.

23.2. do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

24. SAVINGS

Nothing contained in this Scheme shall be deemed as a waiver or modification of the rights/obligations of the Transferor Company, Transferee Company and / or any shareholders of the Companies that arise from the Implementation Agreement dated July 4, 2017 executed between them (and the documents referred to therein) in relation to the amalgamation of the Transferor Company with the Transferee Company as contemplated in this Scheme.

Annexure 2

Annexure 3

KEYNOTE
Private and Confidential

July 04, 2017

The Board of Directors,

ABC Bearings Limited
402-B, Poonam Chambers,
Dr. Annie Besant Road,
Mumbai - 400 018

Dear Sirs,

Reg: Fairness Opinion in connection with the Fair Share Exchange Ratio recommendation for the proposed amalgamation of ABC Bearings Limited into Timken India Limited

Keynote Corporate Services Limited ("Keynote" or "we" or "us"), a Category I Merchant Banker registered with Securities and Exchange Board of India ("SEBI"), has been appointed by ABC Bearings Limited ("ABC") to provide a "Fairness Opinion" to the Board of Directors of ABC, pursuant to the provisions of SEBI circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 (SEBI Circular) for the proposed amalgamation of ABC into Timken India Limited ("TIL").

We understand that the Board of Directors of ABC is contemplating an amalgamation of the Company with TIL through a composite Scheme of Amalgamation ("Scheme"). We understand that the consideration for the proposed amalgamation shall be paid to the shareholders of ABC by issuance of shares of TIL. The proposed amalgamation is to be carried out pursuant to the composite Scheme of Amalgamation under section 230 to 232 and other applicable provisions of the Companies Act, 2013. We have perused the documents/ information provided by you in respect of the said amalgamation and the Valuation Report as issued by SSPA & Co. ("SSPA") dated 04th July, 2017 and state as follows:

Company Profile:

ABC Bearings Limited, incorporated in 1961, is engaged in engineering, product design, manufacturing, distribution and sale of various types of bearings. The Company primarily manufactures Taper Roller Bearings, Cylindrical Roller Bearings and is a leading OEM and after-market supplier to the automotive industry in the country and overseas markets. ABC is also engaged in the manufacturing of Slewing Bearings, Spherical Bearings and trading of goods for industrial usage including wind power & gear box manufacturers. Company's manufacturing facilities are located at Bharuch and Dehradun with Regional offices at Delhi (North), Jamshedpur (East), Chennai (South) & Pune (West) and Depots at Jamshedpur & Pune. The equity shares of ABC are listed on the Bombay Stock Exchange (Scrip Code: 505665).

Timken India Limited is engaged in the business of engineering and manufacturing bearings and mechanical power transmission components including gear drives, coupling belts and chains. TIL is a leading manufacturer of Taper Roller Bearings and bearing components. It was incorporated in 1987 as a JV with Tata Steel, but it subsequently acquired Tata Steel's stake in 1999. Currently, Timken Group (USA), through its Singapore arm, holds 75% stake in the company. TIL's production facility is located at Jamshedpur and has sales offices in Kolkata, Delhi, Bangalore, Pune and Jamshedpur. The Company also imports products such as spherical roller bearings, cylindrical roller bearings and specialty roller bearings from various Timken group entities. The equity shares of TIL are listed on the Bombay Stock Exchange (Scrip Code: 522113) and National Stock Exchange (Scrip Code: TIMKEN).

Keynote Corporate Services Limited
The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net
CIN-L67120MH1993PLC072407

Rationale of the Report:

We have been informed that pursuant to the Draft Composite Scheme of Amalgamation and subject to necessary approvals, ABC Bearings Limited will be amalgamated into Timken India Limited.

In this regard, we have been requested by the Board of Directors of ABC to issue a Fairness Opinion as of the date hereof, as to the fairness of the Fair Share Exchange Ratio recommendation for the proposed amalgamation of ABC Bearings Limited into Timken India Limited.

Sources of Information:

For arriving at the Fairness Opinion set forth below, we have relied upon the following sources of information:

- Valuation Report by SSPA & Co dated 4th July, 2017;
- Draft composite Scheme of Amalgamation;
- Audited financial statements of ABC and TIL for the financial year ended March 31, 2017;

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our Analysis.

Our Recommendation:

As stated in the Valuation Report by SSPA & Co, they have recommended the following:

"5 (Five) equity shares of TIL of INR 10 each fully paid for every 8 (Eight) equity shares of ABC of INR 10 each fully paid"

The aforesaid arrangement shall be pursuant to the Draft Composite Scheme of Amalgamation and shall be subject to receipt of approval from the National Company Law Tribunal or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the arrangement are more fully set forth in the Draft Composite Scheme of Amalgamation. Keynote has issued the Fairness Opinion with the understanding that Draft Composite Scheme of Amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final Composite Scheme of Amalgamation alters the transaction.

Based on the information, data made available to us, including the Valuation Report, to the best of our knowledge and belief, the Fair Share Exchange Ratio recommendation for the proposed Amalgamation of ABC Bearings Limited into Timken India Limited is Fair to the equity shareholders of ABC Bearings Limited in our opinion.

KEYNOTE CORPORATE SERVICES LTD. MUMBAI-28

Keynote Corporate Services Limited
The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: info@keynoteindia.net • Website: www.keynoteindia.net
CIN-L67120MH1993PLC072407

Exclusions and Limitations:

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by ABC for the purpose of this opinion. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of ABC & TIL. We have solely relied upon the information provided to us by ABC. We have not reviewed any books or records of ABC & TIL (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of ABC & TIL and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of ABC & TIL. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by ABC for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of ABC & TIL with respect to these matters. In addition, we have assumed that the Draft Scheme of Amalgamation will be approved by the regulatory authorities and that the proposed transaction will be consummated substantially in accordance with the terms set forth in the Draft Scheme of Amalgamation.

We understand that the managements of ABC during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Draft Scheme of Amalgamation, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that ABC & TIL may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving ABC & TIL or any of its assets, nor did we negotiate with any other party in this regard.

We have acted as a financial advisor to ABC for providing a fairness view on the proposed transaction and will receive a fee for our services.

In the ordinary course of business, Keynote is engaged in securities trading, securities brokerage and investment activities, as well as providing investment banking and investment advisory services. In the ordinary course of its trading, brokerage and financing activities, any member of Keynote may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities or senior loans of any company that may be involved in the transaction.

The Fairness Opinion is addressed only to the Board of Directors of ABC and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of ABC and the Stock Exchanges and also be made part of the explanatory statement to be

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CIN-L67120MH1993PLC072407

Annexure 4

BSE
EXPERIENCE THE NEW

DCS/AMAL/SD/R37/969/2017-18 **November 3, 2017**

The Company Secretary
ABC Bearings Limited.
402 - B, Poonam Chambers,
Dr Annie Besant Road, Worli ,
Mumbai ,Maharashtra ,400018

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited

We are in receipt of Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 02, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;

- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed;
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Sr. Manager

Annexure 5

Registered Office : 402-B, Poonam Chambers,
Dr. Annie Besant Road, Worli, Mumbai - 400 018.
CIN: L29130MH1961PLC012028

Fax : +91 22 2495 0527
E-mail : regdoff@abcbearings.com
Website : www.abcbearings.com

Complaints Report:

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Nil
5.	Number of complaints pending	Nil

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Nil	Nil	Nil
2.	Nil	Nil	Nil
3.	Nil	Nil	Nil

Yours sincerely,

Annexure 6

EXPERIENCE THE NEW

DCS/AMAL/SD/R37/970/2017-18 **November 3, 2017**

The Company Secretary
Timken India Ltd.
39-42, Electronic City Phase II,
Hosur Road , Bengaluru ,Karnataka ,560100

Sir,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited

We are in receipt of Draft Scheme of Arrangement between Timken India Limited and ABC Bearings Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated November 02, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."**
- **"Company shall duly comply with various provisions of the Circulars."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**
- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;

- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed;
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Sr. Manager

Ref: NSE/LIST/12821_1 November 06, 2017

The Company Secretary
Timken India Limited
39-42, Electronic City,
Phase II, Hosur Road,
Bangalore - 560100

Kind Attn.: Mr. Soumitra Hazra

Dear Sir,

Sub: **Observation letter for draft Scheme of Arrangement and Amalgamation between Timken India Limited and ABC Bearigns Limited and its respective shareholders and Creditors**

We are in receipt of the draft Scheme of Arrangement and Amalgamation between Timken India Limited and ABC Bearigns Limited and its respective shareholders and Creditors, filed by Timken India Limited vide application dated August 07, 2017.

Based on our letter reference no Ref: NSE/LIST/12821 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), SEBI vide letter dated November 02, 2017, has given following comments:

a. *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the receipt of this letter is displayed on the website of the listed company.*

b. *The Company shall duly comply with various provisions of the Circulars.*

c. *The Company is advised that the observations of SEBI/ Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

d. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from November 06, 2017, within which the scheme shall be submitted to NCLT. Further pursuant to the above SEBI circulars upon sanction of the Scheme by NCLT, you shall submit to NSE the following:

a. Copy of Scheme as approved by NCLT;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
d. Status of compliance with the Observation Letter/s of the stock exchanges
e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
f. Complaints Report as per Annexure III of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Yours faithfully,
For **National Stock Exchange of India Limited**

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

This Document is Digitally Signed

Signer: Divya Babu Poojari
Date: Mon, Nov 6, 2017 17:25:12 IST
Location: NSE

Annexure 7

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ABC BEARINGS LIMITED AT ITS MEETING HELD ON 1st DAY OF NOVEMBER, 2017 AT MUMBAI EXPLAINING EFFECT OF THE SCHEME ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS.

The proposed merger of ABC Bearings Limited ('ABC') or ('the Company') with Timken India Limited ('Timken') through a Scheme of Amalgamation and Arrangement ('the Scheme) was considered and approved by the Board of Directors

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining effect of compromise on shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the equity shareholders along with the notice convening the meeting.

Having regard to the aforesaid provisions, following was discussed by the Board of Directors:

1. Based on the Valuation Report on share exchange ratio obtained from M/s. SSPA & Co., the Scheme of Amalgamation and Arrangement provides the following exchange ratio:

   "5 (five) equity shares of the Transferee Company of Rs. 10 (Rupees ten only) each, fully paid up to be issued for every 8 (eight) equity shares of Rs. 10 (Rupees ten only) each held by Transferor Company Shareholders".

2. Post the Scheme becoming effective and allotment of shares by the Transferee Company as mentioned above, the rights and interests of the shareholders of the Transferor Company shall not be affected and the Scheme shall also not be prejudicial to the interest of the shareholders of the Transferor Company. Further, the shares of the Transferee Company will be listed on the stock exchanges wherein the shares of the Transferor Company are listed.

3. There would be no adverse effect of the proposed Scheme on the shareholders, key managerial personnel, promoters and non-promoter shareholders, creditors, employees and other stakeholders of the Company.

4. In the opinion of the Board, the said scheme will be advantageous and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable. Accordingly, the Board of Directors has approved the Scheme at their meeting held on 4th July, 2017.

For ABC Bearings Limited
Sd/-
Sudhir M. Patel
Director
DIN:00012036

Annexure 8

ABC Bearings Limited

Unaudited Balance Sheet as at 30.09.2017

Particulars	As at 30-Sep-17 Amount (Rs.)	As at 31-Mar-17 Amount (Rs.)
ASSETS		
1. Non-current assets		
(a) Property, plant and equipment	1,380,015,830	1,439,070,211
(b) Capital work in progress	34,122,400	30,674,872
(c) Other Intangible assets	10,370,186	12,258,014
(d) Financial assets		
(i) Others	88,411,727	81,278,656
(e) Income tax Assets (net)	34,094,279	34,093,032
(f) Prepayments and Advances	24,208,860	24,487,686
	1,571,223,282	**1,621,862,471**
2. Current assets		
(a) Inventories	285,273,919	312,298,006
(b) Financial assets		
(i) Trade Receivables	276,740,414	276,314,797
(ii) Cash and cash equivalents	11,476,635	33,860,819
(iii) Other financial assets	38,331,664	21,610,207
(c) Other current assets	126,721	83,479
(d) Prepayments and Advances	7,155,837	7,583,320
	619,105,190	**651,750,629**
TOTAL ASSETS	**2,190,328,472**	**2,273,613,100**
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	115,500,000	115,500,000
(b) Other equity		
(i) Share premium	15,213,720	15,213,720
(ii) Retained earnings	202,001,081	201,758,178
(iii) Reserves representing unrealised gains/ losses	(7,066,283)	(7,416,133)
(iv) Other reserves	1,049,590,724	1,049,590,724
Reserves of a disposal group classified as held for distribution		
Equity attributable to equity holders of the parent	**1,375,239,242**	**1,374,646,489**
Non-controlling interests		
Total Equity	**1,375,239,242**	**1,374,646,489**
Liabilities		
Non-Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	32,494,082	65,286,111
(b) Provisions	14,622,945	13,673,233
(c) Deferred tax liabilities	183,762,380	186,254,681
	230,879,407	**265,214,025**
Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	170,807,204	192,674,952
(ii) Trade payables	187,734,980	236,167,664
(iii) Other financial liabilities	203,651,813	192,337,738
(b) Other Current Liabilities	11,828,990	9,734,532
(c) Provisions	4,419,990	2,837,700
(d) Income tax liabilities (Net)	5,766,846	-
	584,209,823	**633,752,586**
Total Liabilities	**815,089,230**	**898,966,611**
TOTAL EQUITY AND LIABILITIES	**2,190,328,472**	**2,273,613,100**

For ABC Bearings Limited

Sd/-
S. B. Desai
Company Secretary

Sd/-
P. M. Patel
Managing Director
DIN:00012138

Place : Mumbai

ABC Bearings Limited
Unaudited Statement of Profit and Loss for the period ended 30.09.2017

	30-Sep-17	31-Mar-17
	Amount (Rs.)	**Amount (Rs.)**
Revenue from operations	854,098,599	2,061,821,229
Other income	2,244,680	5,749,814
Total Revenue	**856,343,279**	**2,067,571,043**
Cost of materials consumed	356,984,806	904,077,875
Purchase of Stock in Trade	3,141,934	5,748,649
Changes in inventories of finished goods, stock in trade and work in progress	31,700,001	(20,154,542)
Employee benefits expense	114,829,739	211,552,172
Finance costs	12,079,527	51,336,978
Depreciation and amortization expense	59,532,598	125,384,051
Excise duty paid on goods sold	40,651,437	209,124,770
Other expenses	194,140,843	433,201,897
Total Expense	**813,060,884**	**1,920,271,850**
Profit/(loss) before exceptional items and tax from continuing operations	43,282,394	147,299,193
Exceptional items	-	-
Profit/(loss) before and tax from continuing operations	**43,282,394**	**147,299,193**
(1) Current tax	17,698,387	31,716,298
(2) MAT Credit Entitlement	-	(8,395,000)
(3) Adjustment of tax relating to earlier periods	-	
(4) Deferred tax	(2,461,594)	29,708,130
Income tax expense	15,236,793	53,029,428
Profit for the year from continuing operations	**28,045,601**	**94,269,765**
DISCONTINUED OPERATIONS		
Profit/(loss) before tax for the year from discontinued operations		
Tax Income/ (expense) of discontinued operations	-	-
Profit/(loss) for the year	**28,045,601**	**94,269,765**
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Net gain on hedge of a net investment		
Income tax effect	-	-
Exchange differences on translation of foreign operations		
Income tax effect	-	-
Net movement on cash flow hedges	539,919	
Income tax effect	190,069	-
	349,850	
Net (loss)/gain on FVTOCI debt securities	-	-
Income tax effect	-	-
	-	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Re-measurement gains (losses) on defined benefit plans		(5,556,557)
Income tax effect		(1,185,858)
	-	(4,370,699)
Revaluation of land and buildings		
Income tax effect	-	-
	-	-
Net (loss)/gain on FVTOCI equity Securities		57,230,616
Income tax effect		7,469,560
	-	**49,761,056**
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods	**349,850**	**45,390,357**
Other comprehensive income for the year, net of tax	**349,850**	**45,390,357**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**28,395,451**	**139,660,122**
Earnings per equity share of face value of Rs. 10 each		
Basic, profit for the year attributable to equity holders of the Company	2.46	12.09
Diluted, profit for the year attributable to equity holders of the Company	2.46	12.09

For ABC Bearings Limited

Sd/-
S. B. Desai
Company Secretary

Sd/-
P. M. Patel
Managing Director
DIN:00012138

Place : Mumbai

Annexure 9

TIMKEN INDIA LIMITED
UNAUDITED PROVISIONAL BALANCE SHEET AS AT JUNE 30, 2017

Particulars	As at June 30, 2017 Rupees	As at March 31, 2017 Rupees
ASSETS		
(1) Non-current Assets		
(a) Property, plant and equipment	2,264,297,330	2,305,827,615
(b) Capital Work-in-Progress	788,183,612	581,314,087
(c) Intangible Assets	341,252	380,627
(d) Intangible assets under development	-	-
(e) Financial assets		
(i) Investments	300,000	300,000
(ii) Trade receivables	15,348,779	14,100,147
(iii) Loans	31,311,466	30,536,076
(f) Deferred tax assets (Net)	45,304,864	32,240,764
(g) Other Non-current assets	177,238,853	268,296,468
	3,322,326,156	**3,232,995,784**
(2) Current Assets		
(a) Inventories	2,016,705,796	1,880,282,913
(b) Financial assets		
(i) Investments	850,697,924	905,514,763
(ii) Trade receivables	1,914,833,651	1,920,683,831
(iii) Cash and cash equivalents	230,799,542	146,589,603
(iv) Bank balances other than (iii) above	36,773,138	36,863,169
(v) Loans	1,677,652	1,403,063
(vi) Other current financial assets	35,386,663	52,966,686
(c) Other current assets	590,265,610	549,688,327
	5,677,139,976	**5,493,992,355**
Total Assets	**8,999,466,132**	**8,726,988,139**
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	679,887,840	679,887,840
(b) Other Equity	5,714,573,122	5,498,806,960
Total Equity	**6,394,460,962**	**6,178,694,800**
LIABILITIES		
Non-current Liabilities		
(a) Long term provisions	35,573,364	34,409,720
(b) Other non-current liabilities	237,247,890	182,943,213
	272,821,254	**217,352,933**
Current Liabilities		
(a) Financial liabilities		
(i) Short term borrowings	51,130,915	83,986,116
(ii) Trade payables	1,668,321,046	1,494,337,397
(iii) Other Current Financial Liabilities	264,200,217	374,013,958
(b) Other Current Liabilities	72,414,137	118,038,878
(c) Short-term Provisions	276,117,601	260,564,057
	2,332,183,916	**2,330,940,406**
Total Liabilities	**2,605,005,170**	**2,548,293,339**
Total Equity and Liabiltiies	**8,999,466,132**	**8,726,988,139**

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

Avishrant Keshava
Business Controller, CFO & Whole-time Director
DIN - 07292484

Soumitra Hazra
Company Secretary & Chief- Compliance

Place : Bangalore

TIMKEN INDIA LIMITED
UNAUDITED STATEMENT OF PROVISIONAL PROFIT AND LOSS FOR THE PERIOD ENDED JUNE 30, 2017

Particulars	For the Period ended June 30, 2017 Rupees	For the Year ended March 31, 2017 Rupees
Revenue		
Revenue from Operations	3,176,454,261	11,172,182,574
Other Income	20,072,379	99,228,299
Total Income (I)	**3,196,526,640**	**11,271,410,873**
Expenses		
Cost of Materials Consumed	1,219,725,982	3,347,461,019
Purchase of Traded Goods	572,185,397	2,823,544,801
Changes in Inventories of Finished Goods, Traded Goods and Work-in-progress	(127,797,041)	33,866,028
Excise Duty on movement in stock of Finished goods	56,751,573	34,701,817
Excise duty on sale of goods	177,628,305	610,430,085
Employee Benefits Expense	216,218,946	737,156,522
Finance costs	2,275,227	8,369,928
Depreciation and amortisation expense	111,744,394	288,896,741
Other Expenses	638,080,455	2,005,197,307
Total Expenses (II)	**2,866,813,238**	**9,889,624,248**
III. Profit before tax for the year (I- II)	**329,713,402**	**1,381,786,625**
IV. Tax expense:		
(1) Current tax charge	123,691,909	407,620,539
(2) Deferred tax	(13,064,100)	2,185,834
Total Tax Expenses	**110,627,809**	**409,806,373**
V. Profit for the year (III - IV)	**219,085,593**	**971,980,252**
VI. Other Comprehensive Income		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
(i) Re-measurement gains/ (losses) on defined benefit plans	(5,076,203)	(17,361,600)
(ii) Income tax effect on above	1,756,772	6,008,503
Other comprehensive income for the year, net of tax	**(3,319,431)**	**(11,353,097)**
VII. Total Comprehensive Income for the year (V + VI)	**215,766,162**	**960,627,155**
VIII. Earnings per equity share: Basic & Diluted (Nominal value Rs.10 per share (PY Rs. 10 per share)	3.22	14.30

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

Avishrant Keshava
Business Controller, CFO & Whole-time Director
DIN - 07292484

Soumitra Hazra
Company Secretary & Chief- Compliance

Place : Bangalore

If undelievered, please return to:

ABC Bearings Limited

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