

**Timken India Limited**

COMPANY SNAPSHOT					
CMP	Initiation Price	Target	Potential Upside	Recommendation	MCap (Rsbn)
Rs716	Rs883	Rs1200	68%	BUY	Rs48.7

**About the Company:**

Timken India Limited (Timken) was incorporated in 1987 as Tata Timken Limited (TTL), a joint venture between Tata Iron and Steel Company (TISCO) and The Timken Company of USA, a world leader in tapered roller bearings. Both the companies held 40% stake in the Joint Venture, however in 1999, The Timken Company of USA acquired the stake from TISCO and changed the name of the company to Timken India Limited. Timken India Limited (Timken), subsidiary of Timken Company is a market leader in tapered roller bearings and components in India and holds the distinction of being the only indigenous manufacturer of freight application bearings for railways in the listed entity. It provides roller bearings which are used in locomotives, engines, wagons, passenger coaches and wheels. The manufacturing facility of the company is at Jamshedpur with the extended service footprint in Raipur.

**Results Declared:**

- The net sales has clocked growth of 27.8% to Rs3834mn as against Rs2999mn in the same quarter last year
- The Ebitda margins stood at 15.5% as against 14.1% in June 2017
- The net profit grew by 44.3% to Rs316mn as against Rs219mn in the comparative quarter
- The EPS for the quarter is Rs4.65

**Financials (Standalone):**

Result Update (Q1FY2019)								
Q1FY19 Result (Rs mn)	June-18	June-17	y-o-y	Mar-17	q-o-q	FY18	FY17	y-o-y
Total Income	3,834	2,999	27.8%	3,454	11.0%	12,340	10,527	17.2%
EBITDA	593	424	40.0%	461	28.8%	1,633	1,580	3.4%
Other Income	17	20	(17.9%)	18	(8.3%)	208	99	109.6%
Interest	3	2	47.8%	3	30.8%	12	8	45.8%
Depreciation	120	112	7.4%	110	9.1%	431	289	49.2%
Tax	170	111	53.5%	129	31.6%	478	410	16.6%
Net Profit	316	219	44.3%	237	33.5%	920	972	(5.3%)

**Outlook and Recommendations:**

The company has reported good set of numbers for the quarter. We maintain a BUY on the stock with a target price of Rs1200 from a 12-month perspective.

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