Talbros Automotive Components Ltd.
www.talbros.com

14th August, 2026

Listing Department **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001 **Scrip Code: 505160**	Listing Department **National Stock Exchange of India Limited** Exchange Plaza, Plot No. C-1, G Block Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 **Symbol: TALBROAUTO**

Sub: Submission of Q1 FY27 Earnings Conference Call Transcript

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Q1 FY27 Earnings Conference Call Transcript.

The same will also be available on the website of the Company at https://www.talbros.com/ .

This is for your information and record.

Thanking you,

Yours Sincerely
For **Talbros Automotive Components Limited**

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Date: 2026.08.14 14:37:05 +05'30'

Talbros Automotive Components Ltd. Faridabad

Seema Narang
Company Secretary & Compliance Officer

Encl.: As above

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"Talbros Automotive Components Limited
Q1 FY27 Earnings Conference Call"
August 11, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on August 11, 2026 will prevail.

MANAGEMENT: **MR. ANUJ TALWAR – MANAGING DIRECTOR – TALBROS AUTOMOTIVE COMPONENTS LIMITED**
MR. NAVIN JUNEJA – DIRECTOR AND GROUP CHIEF FINANCIAL OFFICER– TALBROS AUTOMOTIVE COMPONENTS LIMITED
SGA–INVESTOR RELATIONS ADVISORS

Moderator: Ladies and gentlemen, good day, and welcome to the Talbros Automotive Components Limited Q1 FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Anuj Talwar, Managing Director. Thank you, and over to you, sir.

Anuj Talwar: Thank you. Good afternoon, everybody. A very warm welcome to Talbros Automotive Components Quarter 1 earnings for '27. On the call today, I'm joined by Mr. Navin Juneja, our Director and Group CFO, along with our IR firm, SGA. The results and the investor presentation have been uploaded on the stock exchange and the company website. Before I take you through our performance, I'd like to spend a moment on the broader industry landscape.

The Indian automotive industry delivered a healthy performance during the first quarter of '27, supported by continued demand across key vehicle categories, improving consumer sentiment, sustained infrastructure spending and improved supply chain stability. Structural trends such as premiumization, increasing localization, vehicle electrification and global chain diversification continue to create significant opportunities for the domestic auto com industry.

The passenger vehicle industry recorded sales of approximately 1.27 million units, registering a growth of 26% year-on-year. The growth was primarily driven by sustained demand for SUVs, premium vehicles as well as new model launches. The 2-wheeler segment also continues recovery with a growth of almost 20% year-on-year at 5.63 million units.

The growth was supported by improving rural demand, stable financing availability and obviously, the GST cut as well. This segment and the one above remain important for Talbros as we are supplying to both passenger vehicles and 2-wheeler segment. You'll also see in the coming slides that in the pure PV joint venture that we have, we have grown higher than industry.

Commercial vehicles recorded steady performance during quarter with industry volume of nearly 2.83 lakh units, registering a healthy 15% growth. The growth was supported by robust infrastructure spending, improved freight movement as well as mining activities. The long-term outlook for the segment remains positive, driven by sustained government capex and resilient growth targets.

Electric mobility continued to witness healthy adoption across vehicle segments. EV passenger vehicles volume grew by 87% year-on-year, while electric 2-wheeler continued to gain market share. with a growth of approximately 68%, supported by increasing charging infrastructure. Rising fuel prices and this entire disruption that's happened in the West war gave birth to electric vehicles getting more and more popular.

As you know, Talbros Automotive is anyway supplying a lot of components to electric vehicles. We maintained strong partnerships with our diversified customer base with OEMs such as Maruti, Tata, Jaguar, Land Rover, Bajaj, etcetera.

Beyond domestic demand, global supply chain continue to undergo structured realignment. Several international OEMs are actively diversifying their supply chain away from China and expand sourcing from India.

We expect to capture meaningful growth opportunities, increasing our wallet share with existing customers while also establishing relations with new OEMs to expand our customer base. Coming to our performance, I'm pleased to share that Talbros has delivered yet another record quarter, achieving its highest ever quarterly revenue and surpassing the previous high recorded in quarter 4 of '26.

During Q1, our total income stood at INR242 crores, registering a growth of 15% year-on-year. EBITDA at INR43 crores at a margin of 17.6%. Margins during the quarter witnessed temporary pressure on account of elevated commodity prices, particularly steel and aluminium as well as other inflation costs such as labour increases in some states. But we are very positive that we will get these increases from the OEMs in the coming quarters.

Our diversified business model, balanced exposure across domestic export markets and presence across multiple vehicle segments continue to provide resilience during varying industry cycles. Our gasket and heat shield division continue to remain the largest contributor to our business, giving a 52% share in the revenue.

The division reported revenue of INR164 crores of the INR242 crores I mentioned to you, growing by 21% year-on-year. And EBITDA increased to INR29 crores with a growth of 32%. Growth has come basically from increased heat shield exposure with carmakers like Hyundai and Kia as well as a lot of data centre business, which I'll talk about later in my speech.

We continue to maintain our leadership position with nearly 50% market share in the domestic gasket market and a single source of many, many OEMs. As mentioned to you, our heat shield business is showing good momentum, strong momentum because it's again a lightweighted product. It's for noise, vibration and harshness, NVH. It's something for the future, and we are probably the largest player for this product category in India.

Our Forging division continued its recovery this quarter with revenues being at about INR78.4 crores. Again, as you know, that forging is pretty much a total export-oriented unit. And what do you call it, it's exporting to U.S. to U.K. and Europe, not U.S.A., U.K. and Europe. And the European car markets are still slow right now given the fact there's a lot of inflation pressure out there.

And even the Chinese car segment has really, really dented their balance sheet. However, we see this as an opportunity for the Forging division where we have got massive orders from our JV partners, Marelli, which we will again talk about in the Q&A section. As mentioned to you, exports remain our strongest growth pillars with a contribution of almost 25%.

We are targeting to take our exports to 35% by FY28. Our export portfolio includes JCB, Dana, Carraro, Jaguar Land Rover as well as BMW and Cummins America. Operational pressures from West Asia crisis, manpower shortages, higher wage costs, elevated LPG prices have largely moderated through a few channels remain. Our strategy of building a diversified customer base across Europe, U.K. and international markets is now yielding meaningful results as well.

Coming to a new growth vertical for Talbros is data centres. Data centres represents a new and expanding revenue stream for Talbros. Our gasket components are going to power engines that data centres depend on.

As you know, every data centre in the world needs 100% backup, and that can only happen through generators. So, we are supplying through our customers like Cummins and Kirloskar Oil Company, not only are they making engines for cars and vans and trucks, but also for generators. This is a new segment altogether.

Cloud computing and AI workloads are increasing the dependence on generators for the power centres, as you know. We estimate the current revenue potential from this segment, so a little bit nominal can be about INR30 crores to INR40 crores annually. So that is a nice new segment to enter into.

Coming to updates on important orders. As mentioned earlier, the Kia business has now resumed full pace. We've also secured new orders from Kia and Cummins. We're adding further depth to our order book and OEM relationships. As I mentioned to you, Stellantis, we started supplying from our chassis division.

It took almost 2 years of design changes and start of production, but we are happy to say we started producing from it in quarter 1 of this year. This is massive. With this Stellantis, we will get more and more business into our forging business line and also heat shields.

Our planned capex is about INR103 crores for the year across gaskets, forgings, heat shields and to try and meet the demands of the OEM. For FY27, we continue to continue to have a target group revenue target of about 18% to 20%, with margins being in the range of about 17-odd percent, a little bit maybe 17.5% because we're still working out the whole impact of the inflationary pressures.

With that, I hand it over to Navin Juneja to take this forward. Thank you.

Navin Juneja: Thank you, Anuj. Good afternoon, everyone, and a warm welcome to all the participants. As mentioned by Anuj, we are pleased to report a solid performance in Q1 of FY27. I will now take you through the financial highlights. For Q1 of FY27, the total revenue stood at INR242 crores as against INR211 crores in Q1 of FY26.

For Q1 of FY27, our EBITDA stood at INR43 crores with a margin of 17.6% PAT for the quarter stood at INR30 crores, growing 35% year-on-year basis. Now coming to our division wise performance; in the Gasket division in Q1 FY27 sales for the division stood at INR164 crores as against INR135 crores in Q1 of FY26 with a Y-o-Y increase of 21%.

EBITDA for Q1 FY27 stood at INR29 crores which is up by 32% on Y-o-Y basis.

Now coming to our second division of forging. Revenue in Q1 FY27 stood at INR78 crores as against INR75 crores in Q1 of FY26, showing growth of 4%. EBITDA stood at INR14 crores in Q1 of FY27 as against INR13 crores of Q1 of FY26.

Let me begin with the discussion on our joint ventures starting with Marelli Chassis Systems rarely for the quarter stood at INR105 crore, registering a growth of 43% on Y-o-Y basis. EBITDA stood at INR17 cores.

The Business continues its strong momentum driven by high volumes for passenger OEM vehicles and within value added products.

Now coming to our JV Talbros Marugo. Revenue for the quarter stood at INR40 crores registering a growth of 31% on Y-o-Y basis. EBITDA stood at INR6 crores, a growth of 57% on Y-o-Y basis. This division continued to deliver healthy operation performance supported by strong customer demand and improved efficiencies.

Our last joint venture, Lohum Talbros also continues to progress as planned. This business represents our strategic entry into sustainable materials to recover Carbon Black and Devulcanized Rubber further strengthening Talbros presence in the circular economy ecosystem.

Going ahead we believe this business offers significant revenue potential and expected to emerge as important growth drivers over the medium to long term. Our strong order book, diversified customer base, leadership position across multiple products categories and continued investment in technology and capacity provide us confidence in delivering sustainable growth momentum in the coming quarters. This is all from my side.

Thank you, and we'd like to open the floor to question and answers.

Moderator: The first question is from the line of Dipen Shah from Six senses.

Dipen Shah: A couple of questions. Firstly, on the new OEMs Anuj mentioned that about 7 OEMs are looking for diversifying their supply chains from China to India. Could you just throw some more colour on how far they have come in and whether at what stage are we, if at all any in transacting with them? So that's the first question. Maybe some update on the new projects which we have started with Stellantis, Kia, etcetera, some more colour that would be helpful. Yes, so maybe that's the first question. I will come back for the second.

Anuj Talwar: So, I'll take the first question, Dipen, I think the reason is that the European car market are pretty dented with their balance sheets, as I keep mentioning. So, BMW giving us more business, existing customer. Volvo as a potential new customer with the gasket business, Marelli has just opened up its doors with Stellantis.

So new customer from the chassis business line as well as the forging business line. We are working with Jaguar Land Rover on new components for the first time, which are plastic components for electric vehicles. That's an old customer with a new product line that we are working with JLR.

Cummins America, as I keep mentioned to you, is a very slow starter. It's like a tortoise, but I'm very, very hopeful bY27, '28, you see at least INR30 crores, INR40 crores of business coming from America Cummins with wire harness gaskets, with aftermarket gasket with data centre gaskets.

So that's a slow starter, but a short starter that is there. Other things are going on. Kia, we are doing good work with. Hyundai, we're doing good work with. Maruti, we're doing good work with. In fact, I'm going to try and meet Tata Motors Chief in the next 90 days to talk about a potential plant in Gujarat for chassis as well. So yes, things are looking good, yes, looking very positive.

Dipen Shah: Okay. Great. And the second thing is on the Marelli thing like we are in talks with the company for the past couple of quarters about the stake rate. Any further progress on that?

Anuj Talwar: So, we will have a better picture for you around end of September. You know our strategy. So, I think they are in the middle of court proceedings. So, by 30th September, we'll have a better picture. We can talk offline on this.

Moderator: The next question is from the line of Richita from CGW Investment.

Richita: So sir, my question was on the data centre part of it. So currently, sir, how much percentage of our gasket revenue is coming from data centre? And how are the inquiries going on...

Anuj Talwar: It's only about 5% of the gasket business today. It's very new because even for us, we started seeing that our products that go into Cummins supplies, we do about INR100 crores of Cummins every year, right, approximately.

The gasket division this year will be north of INR600 crores, INR30 crores, INR40 crores come from this particular segment and also Kirloskar Oil Company. So that's something about 5%, 6%, that's about it. But it's increasing. We are pretty much single source to Cummins for this particular engine component. So as and when it increases, keep going up.

Today, INR30 crores, INR40 crores, but yes, in 3 years it is INR100 crores or in 2 years it is INR100 crores. But we're not like running and getting this business. It is whatever engines that they're giving to us for this particular segment, we are getting that because I'm single source to Cummins.

Richita: And gasket would be like 1% of the whole the generator, of course?

Navin Juneja: We don't know the real application. We ask them where it's going. We supply to them as engine parts. The same gasket go to engine. Engine can go to a commercial vehicle, mine also in generator also, same engine goes there. But if you see the progress of quarter, in this quarter Cummins alone, we sold INR25 crores.

Last year, we did about INR90 crores with Cummins. Before that we did only INR81 crores. It shows that more demand is coming, that demand is going basically the engine for data centre.

Richita: Okay. And in the gasket division, sir, this year, we can expect around INR165 crores, INR170 crores of run rate. But going forward, how much revenue can this division for us? Also, currently also similar with the forging division, what is the peak potential of both these divisions, if I can get a number around that?

Anuj Talwar: So Navin, you can answer, please.

Navin Juneja: I can answer that. This division, gasket division, of course, the first quarter, we had 21% growth. I think the same type of growth will also happen in second quarter. We expect the same because the market is very buoyant and we see the same type of growth by the year-end, we expect to grow about 17% this year, overall.

Coming to forging, please don't worry about the first quarter. First quarter is only 4%. Second quarter, we should expect double-digit growth in this business. And by the year-end, this business will definitely grow between 15% to 20%. Definitely because the order will be coming to go in third quarter

Richita: And are we expecting the business in the flag the Marelli business in the current consolidated, since they are kind of getting bankrupt, so what is…

Anuj Talwar: Once the deal happens, we can't talk about today but that is the plan.

Navin Juneja: We can't talk about today, it will happen, we will talk.

Richita: Got it. But the margin…

Anuj Talwar: Regarding your 2 divisions, sorry to interrupt you your 2 divisions, gaskets and forging the next 3 years to 4 years, I easily see gasket going to about INR850 crores to INR900 crores and forging at about INR650 crores to INR700 crores.

Richita: Of course. And that would be gaskets, the major component would be what it would still be TV series or we see a data centre to take about 15%-20% by then?

Anuj Talwar: It will be done in between that, with ease.

Richita: Okay.

Anuj Talwar: There is commercial vehicles are there; heat shields are there. There are a lot of export orders that are coming our way.

Navin Juneja: And we have plastic components, we are getting order of about INR25 crores for plastic components, more orders are coming that will start maturing from next financial year.

Richita: Got it, sir. And also, on the Marelli side this quarter, the margins have kind of gone down. Is it mostly because of the raw material cost itself or...

Navin Juneja: So, it's a mix of other income is a little less in this case in this quarter, but don't worry, it will come back. Don't worry. But some expenditure have been launch, we appoint lot of manpower for that purpose, shared rental has started, etcetera, etcetera that is it, by the year end everything will be sorted out, don't worry. Margin will come back.

Moderator: The next question is from the line of Shikha Mehta from Time & Advisors.

Shikha Mehta: I just had a few questions. I know we've already discussed the forging division, but just wanted to understand a bit more in detail that Q1 was at 4% mainly because of Europe? Or was there some other issue as well? Or did some orders get delayed to Q2?

Anuj Talwar: Pardon, can you repeat again, a little bit louder, please.

Shikha Mehta: Yes. So, on the forging side, I know we've already discussed this in detail, but just wanted to understand if in Q1, any orders got delayed or this is purely because the industry is a bit slow in Europe also has been a bit slow?

Navin Juneja: Not delayed really because we have the warehouses available material. Of course, as you are aware, the manpower issue was there in this quarter, availability of manpower. The LPG price going up and these come from outside of Haryana, etcetera, they went away, number one. And because of the gas prices going up, you know that what was happening, everybody was afraid, the COVID-like situation will come

Management: In forging we had a bit of a slowdown because of 2 things. One is that some orders took a little bit time to come into execution mode. Number two, schedules from customers like BMW and GKN came down because of the European car market. But as I said yesterday to my CEO, to my Board yesterday, July is better than June.

August is better than July. September is better than August. Something a positive trend will happen in this division. Some serious order book is coming our way, almost about INR500 crores for 5 years, INR100 crores per annum. Navin, I just joke up from where you left

Navin Juneja: There is a little you can say productivity came down. Every year it happens. There is a drop in production in this quarter. But now everything sorted out and plus the order is very, very encouraging. We should have a decent number in this quarter as compared to last quarter and compared to last year also, which could be anyway around 10% growth you see in this quarter as compared to last year. By year-end, everything should fall in line, which should be in the range of INR340 crores to INR350 crores.

And Marelli orders which is in the third quarter and new order from Dana and Carraro also maturing in that period, fourth quarter will be the super quarter and third quarter will be better quarter-quarter as compared to the second quarter it will be also good, don't worry, we are back. That's it

Shikha Mehta: And sir, secondly on the data centre component that we mentioned earlier, is the margin the same as the rest of the gasket division? Or is this a slightly better margin product for us?

Navin Juneja: We are supplying Cummins, the same gasket. The gasket application has gone up. First application was in normal generator, home generator shop, etcetera. Now with the new opportunity of data centre coming up, the demand generator has gone up very, very high.

Shikha Mehta: Understood, sir. And the pricing on that product would be the same as the regular gasket?

Navin Juneja: Yes, we are supplying the same gasket but the application has improved

Shikha Mehta: But the application has improved.

Anuj Talwar: Yes.

Shikha Mehta: Understood. And sir, on our ICE versus EV division, are we seeing any -- because a few OEMs have kind of reduced their guidance on the EV front. So, are we also seeing that our EV orders are kind of not growing at the pace we were expecting, but ICE is seeing stronger growth?

Navin Juneja: Yes. Now we are seeing a stronger growth. JLR already started picking the material. They're launching the vehicle in the month of September. By the way, I'm telling you because Tata Motors, we already supplying EV vehicles and Maruti also started EV production. Just for your information in this quarter alone, EV supply to my total EV sales is all divisions around INR12.5 crores. It was around INR9 crores last year sales and INR10 crores in Q4, it has gone up by INR2 crores.

Shikha Mehta: Right.

Navin Juneja: And has grown 5% as compared Q1 of FY26. We are quite hopeful that we grow further up. It's now 3.27%, last year it was 2.9%, last quarter it was 2.56% for 2 years, exactly.

Anuj Talwar: We are in both segments.

Shikha Mehta: And do we have any guidance, let's say, we want to take it to 5% or 10% in the next 3 years, 5-year period?

Navin Juneja: Around 5% minimum.

Moderator: The next question is from the line of Subash from Choice International.

Subhash: So, a few of the questions I wanted to ask. So, first question is that like just previously answered regarding the EVs. I just wanted to understand that how is the EV mix progressing currently? And how has the contribution evolved in quarter 1 '27?

Navin Juneja: We don't have a EV separate contribution but contribution is same as other components in EV vehicles also because EV has gone up because of 2 major reasons in this quarter. One is increase in Tata Motors EV production. You know that, we are supplying components there. Plus, we are supplying bushes to BMW of EV vehicles, where sale has gone up a little bit there. Plus JLR, launched this in the month of September, EV vehicles, it has start picking up a little bit from us. These are 3 major reasons for that.

Subhash: So, you have good visibility regarding EV business. So, do you have any kind of odd numbers which you can say that it will be contributed for next 2 years to 3 years, like something percentage of contribution you will get from EV business?

Navin Juneja: First quarter, it is around 3.27% of this year. We expect in next 2 year it should go up 5%.

Subhash: So, another question is that are you seeing any inquiries from global OEMs regarding EV components on a quarterly basis?

Anuj Talwar: Yes, go ahead Navin, go ahead.

Navin Juneja: Yes, We have received the order from JLR, we have received the order but for rubber components for EV vehicles, which is around INR15 crores to INR20 crores per annum, the supply will start from the first quarter or the second quarter of next calendar year. That is also for EV.

Moderator: The next question is from the line of Richita from CGW Investment.

Richita: Sir, my follow-up question was on the forging business. So, I remember a year back, we were expecting forging to do around INR400 crores of revenue in FY27. So, what led to the guidance going down? Like was it just wanted to know the reason because I've been seeing in the last few quarters, we've broadly been doing INR75 crores on an average. So, is there a particular reason for it or if I can get a little clarity on that?

Navin Juneja: Meritor Business was INR30 crores, INR40 crores per annum. That business couldn't mature because of Trump tariff, etcetera, when it was backed out. Now Meritor is back again at my plant and trying to start the business. That is INR30 crores, INR40 crores business I lost because of that. Plus, little bit muted demand from Europe. You have 2 reasons.

Richita: Okay. And now that we are talking about a 14%, 15% growth is everything in place for it because we also have a INR500 crore order, right, sitting in our books for forging division. So has that started...

Anuj Talwar: Yes, we have equipment. We also had some manpower issues. We had some leadership issues. They've all been solved. As you know, Ashish appointed CEO of Talbros Automotive on April 1. He's spending about 50% of his time in forging as well. Things are getting better, and you see better numbers going forward. 100%.

Richita: Okay. So, we will go above the INR75 crores of average which is... I think one of the things I have watching is right, we've has been not able to cross?

Navin Juneja: This year, we should close at about INR340 crores around, but 2.5%, 3% here and there.

Richita: Okay. And the gasket business should be around INR700 crores?

Navin Juneja: It should be around INR680 crores to INR700 crores. It should be around that, should be...

Richita: And the peak revenue that we mentioned earlier, so by this year is that possible for us?

Navin Juneja: In next, by '30.

Richita: Okay, by FY '30 like for gasket division, we've spoken about INR900 crores of revenue?

Navin Juneja: Definitely.

Richita: INR850 crore, forging INR600 crores revenue by FY '30.

Navin Juneja: Yes, we are targeting that.

Anuj Talwar: Maybe more I'm very hopeful.

Navin Juneja: Okay, I would like to see all of them.

Moderator: The next question is from the line of Jay Jain from JJ Capital.

Jay Jain: Sir, I have 2 questions. So first is which segment do you expect to grow fast in FY27? Is it gaskets, forging, MTCS or TMR?

Navin Juneja: Pardon me? But can you repeat, each segment is doing a export.

Jay Jain: Yes, sir, which segment do we expect to grow the fastest in FY27? Is it gaskets, forgings, MTCS or TMR?

Navin Juneja: First of all, it should be Marelli, okay, it will grow very fast in 30% to 40% growth will be there. And secondly, forging, it should be around 20% plus then gasket and similarly, TMR, both are same 18%, 20%. I think gasket should be around 16%, 17% and Marelli should be 16%, 17%.

Jay Jain: Okay. And sir, my second question is going ahead, what should be considered as a sustainable EBITDA margin?

Navin Juneja: Around 17%, you can assume.

Moderator: As there are no further questions, I would now like to hand the conference over to the management for closing comments.

Anuj Talwar: Thank you so much for joining the call today. We are proud of our resilient growth rates and numbers that we have shown. We are hopeful of the automotive industry, and we're hopeful of capturing bigger market share, both in India and export market. And hopefully, we'll have better numbers in the future as well. Thank you so much. Bye.

Navin Juneja: Thank you.

Moderator: Thank you. On behalf of the Talbros Automotive Components Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.