TIMKEN

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The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
G-Block, Bandra- Kurla Complex,
Bandra (E),
Mumbai- 400051. **NSE Symbol - TIMKEN**

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400 001. **Scrip Code- 522113**

Dear Sir/Madam,

Sub: Transcript of Post Results Conference Call Q2 FY 2026-27

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith transcript of Post Results Conference Call Q2 FY 2026-27 held on Friday, 30 October, 2026. A copy of the same is available on the website of the Company at below link:

https://www.timken.com/en-in/investors/statutory-compliances/

Thanking you,

Yours faithfully,
For **TIMKEN INDIA LIMITED**

MANDAR MOHANIRAJ VASMATKAR
Digitally signed by MANDAR MOHANIRAJ VASMATKAR
Date: 2026.11.03 12:08:45 +05'30'

Mandar Vasmatkar
Company Secretary
& Chief - Compliance

“Timken India Limited
Q2 FY27 Earnings Conference Call”
October 30, 2026

MANAGEMENT: **MR. SANJAY KOUL – CHAIRMAN AND MANAGING DIRECTOR – TIMKEN INDIA LIMITED**
MR. SUJIT KUMAR PATTANAIK – CHIEF FINANCIAL OFFICER – TIMKEN INDIA LIMITED

MODERATOR: **MR. KRUPASHANKAR – AVENDUS SPARK**

Moderator: Ladies and gentlemen, good day, and welcome to Timken India Q2 FY27 Earnings Conference Call hosted by Avendus. 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 the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Krupashankar. Thank you, and over to you, sir.

Krupashankar: Good evening. I appreciate everyone joining in for the 2Q FY27 Conference Call of Timken India Limited. We have with us Mr. Sanjay Koul, Chairman and Managing Director; and Mr. Sujit Kumar Pattanaik, the CFO of the company.

I'll now hand over the call to them, and over to you, sir, for opening remarks.

Sanjay Koul: Thank you so much. Thank you very much, Krupaji. So formally, good afternoon, and thanks a lot for joining this conference call today. I formally welcome you to the Timken India Investor call to discuss the financial results for the second quarter and also half year ended September 30, 2026. So when we entered the FY27, it was on a positive note, as you know, and I am pleased to report that the momentum has continued into the second quarter as well.

During Q2, we delivered, I think, a strong double-digit revenue growth accompanied by a nice little growth in profitability. The performance reflects continued demand across all the key end markets and a little bit delay in the rail, the contribution from our expanded capacity and the disciplined execution across both domestic and export businesses. Update on this Q2 FY26 - 27 standalone.

Revenue from operations stood at INR 969 crores, representing a growth of 25.4% over the corresponding quarter last year. So quarter compared to the last year was 25%. Revenue also grew almost 4.3% over Q1 '27. PBT for the quarter stood at INR 156 crores compared to INR 120 crores in Q2 '26, representing a growth of almost 29.5%. PBT margin for the quarter stood at 16.1% compared with 15.6% in the corresponding quarter last year. So that is a 50 basis point improvement.

Net profit after tax for the quarter stood at INR 116 crores compared with INR 89 crores in Q2, representing a nice growth of 29.7%. EBITDA margin for the quarter is at approximately 19.2%. So I think improvement in profitability is encouraging for the company. And obviously, there are cost pressures that is in the background. We have new vessels. So depreciation is there. Cost of fuel has gone up. Gas has gone up. And against that, this is pretty encouraging.

So quickly on the half year performance. For the first half of FY27 stand-alone, revenue from operations stood at INR 18,984 million an increase of almost 20% year-on-profit. Profit before tax was almost INR 306 crores, while profit after tax at INR 231 crores, so an increase of 19%.

Quickly on the consolidated numbers, the quarter stood at INR986 crores compared to INR 786 crores in Q2 FY26. PBT was INR 162 crores while profit after tax was INR 120 crores, an approximately increase of 29% Y-o-Y. For the first half of FY27, the consolidated revenues are INR 1,929 crores, while consolidated net profit after tax stood at INR 240 crores.

So overall, new Bharuch facility continues to progress through its ramp-up phase with the lines capitalized, we are focused on improving utilization. I'm sure that would be a question, but we are progressing on that. We are increasing the utilization. Our investment towards rail expansion at Jamshedpur and plain bearing at Bharuch, they are on target.

So very soon, we should be able to commission and start the PPAPs and things like that. Also, the amalgamation of Timken GGB Technology Private Limited with Timken India Limited is progressing smoothly. So that regulatory process is on. So the proposed integration is aimed at driving obviously, synergies, efficiencies and simplifying the overall structure.

On the cost side, cost is going up. So that is a focus area. So we are working on cost reduction, etcetera. So as you know, that cost is going to be a challenge in coming months and years also. The external environment remains mixed. Global industry activity continues to be influenced by geopolitics. So that is a challenge, as we all know, trade-related uncertainties are very much there and supply chain alignments are happening with every passing week.

So we are connected to our customers. At the same time, demand from our key customer segment is okay. We continue to monitor development. So I would say that domestically, we should be pretty much okay as the demand looks to very solid. Execution remains the key. So I would say that overall, it is a fairly nice picture as we walk into the next quarter as well.

With that, I would throw the line open for questions, please.

Moderator: Thank you very much. we will now begin with the question-and-answer session. The first question is from the line of Raghunandhan NL from Nuvama Research Private Limited.Please go ahead.

Raghunandhan NL: Thank you sir for the opportunity. Congratulations on the strong all-round performance. Sir, can you please share the segment-wise revenue for Q2, which you generally do?

Sanjay Koul: Yes, sure, why not. So yes, so on the front-end wise unit, Q2 FY27, rail was at INR156.7 crores. So that was 16% of the pie. Mobile others was INR204 crores. That was 21% of the pie. Distribution remained at INR148.8 crores, which was 15% of the pie. Process stood at INR190.9 crores, which was 20% of the pie and exports was at INR262.7 crores, which was 27%. And then we have some export incentives. So that is how the Q2 INR969.3 crores spread out.

Raghunandhan NL: Noted, sir. Thank you so much for that. And with regards to Bharuch plant, can you indicate how was the revenue utilization for Q2? How do you see the ramp-up going ahead? Have we reached 70% as of now, which was earlier target for September?

Sanjay Koul: Yes. So the work is in full bloom and the capacity utilization is not yet at 70% but the certification, MOCs, because they were served from different plants. So MOCs are dependent on the sales side, which is the customer side, we are roughly at -- Sujit, currently at what?

Sujit Kumar Pattanaik: Yes. So overall plant, if we look at it, we are anywhere close to, I would say, 60%...

Sanjay Koul.: 60%

Sujit Kumar Pattanaik: But if you look at it, specifically the SRB plant, which the Chairman told in the last meeting, where the capacity is slightly higher than our CRB lines. So SRB lines, we have already reached 70% for the quarter, what we promised in the last quarter. CRB lines are still below 60%, I would say. So on an average, it is at 60%. And from a revenue perspective for this quarter was very close to INR75 crores.

Raghunandhan NL: Noted, sir. That's a good improvement compared to Q1 and Q3 should be much better.

Sanjay Koul: Yes SRB -- the SRB lines are getting more traction.

Raghunandhan NL: Got it, sir. And sir, exports has seen a very strong growth of 60% Y-o-Y and 30% Q-o-Q. Can you indicate how is the traction? Which regions would U.S. be the key driver of growth? And how do you see the momentum continuing?

Sanjay Koul: And the momentum is going to be pretty healthy in quarters to come for sure. And very soon, with North American rail market also Timken Company, they are getting aligned to the buying behavior of those customers, I think more better days in terms of export are going to be there. That rail piece would have more traction in quarters, it won't be immediate. Quarters to come, but overall on bearings, it is going to be pretty healthy.

Raghunandhan NL: Good to hear that, sir. Just a last question. On the cost inflation, can you indicate how much was the impact in Q2? And we can see that raw material cost Q-o-Q has gone up 130 basis points as a percentage of revenue and other costs like gas -- fuel, gas has also gone up. Would the entire cost be passed on to customers? Would there be some negotiation? Would there be some absorption expected, especially with the non-auto customers?

Sanjay Koul: So I'll ask Sujit to reply, but generally, the cost is going up and will still go up and nobody can absorb it. Industry -- bearing industry cannot absorb it. They might absorb it for a quarter or so, but overall, they have to pass it on. So the endeavor is actually to pass it on. That is the job of the sales people in the bearing industry because this is not a onetime cost or a small cost.

Carbides have gone 200% up. Steel is going up and then your gases have already gone up. Then if you look at the labor, labor is going up. So you name the area, the cost is going up and going on the up. And you can only do that much CI improvement. So it has to be passed on.

Our endeavor is to pass it on, and we'll continuously work on that. Both auto and non-auto, there is -- the industry cannot absorb it, not -- forget about Timken India. Everybody has to, for the sake of survival, pass it on. And our major customers understand it. They are passing on. But automotive, they will kind of delay it a little bit here and there. Industry people, otherwise, on the industrial side is coming up. And over to Sujit for a little bit more mathematical equation.

Sujit Kumar Pattanaik: Yes. Maybe just one additional point there, that 130 basis points, what we talked about, I think you talked about that gross margin impact. So that's not necessarily entire thing is coming because of the input cost inflation. So you have a little bit of unfavorable mix also, which is playing the role there, basically the mix, the way you sell it in the front-end units. So there is a little bit of input cost inflation in there, which we are continuously working on to pass it over to the customers.

You will always have a timing gap cost and price difference. But there is also an unfavorable mix there, which is playing a role. So probably I would say 50% is because of unfavorable mix and 50% is because of input cost difference between price and cost timing difference.

Raghunandhan NL: That is very helpful, sir. Just a clarification, unfavorable mix refers to lower share of railway and distribution.

Sanjay Koul: Yeah, rail was low in the quarter. That is the unfavorable mix because the global -- the rail tender was delayed.

Raghunandhan NL: Thank you so much. I follow back to the queue.

Moderator: Thank you. The next question is from the line of Varun Jain from Dolat Capital Private Limited. Please go ahead.

Varun Jain: Hi Sir, Good evening. So I have a couple of questions. So first question is, sir, in this quarter, your depreciation declined to INR289 million from INR314 million in Q1, while your capital work in progress increased almost -- it almost doubled. So why is that?

Sanjay Koul: Very good question. If I had a Nobel Prize for a question, I would give it to you. So Sujit...

Sujit Kumar Pattanaik: Yes. So that depreciation is a little bit of accounting noise, I would say, the reclassification between last quarter and current quarter between other expense and depreciation, which has been trued off in this quarter. So there is no structural reduction in depreciation. It was more of an accounting reclassification from other expense depreciation, very close to INR1.3 crores.

Varun Jain: Okay. Got it, sir. And sir, the other questions were on Bharuch. So what was the Bharuch revenue in this quarter? And what are the margins we are realizing on CRB and SRB versus what we get on TRBs?

Sujit Kumar Pattanaik: So INR75 crores -- so in terms of revenue is INR75 crores. We don't disclose separate margin at the plant level. We don't monitor that. It still one segment. From a revenue perspective, it is INR75 crores. The plant is ramping up. So as you know, kind of as we occupy and the capacity utilization improves quarter-over-quarter, that's definitely going to improve the margin.

Sanjay Koul: But just generally, the SRB, CRB generally go to the industrial segment. Industrial segment is always better than the automotive segment in terms of holistic margin behavior.

Varun Jain: Yes, sir, I understand. Like I directionally understand that they are higher margin, but is the difference like 300, 500 bps or more than that also?

Sanjay Koul: That obviously, we don't state. So I will just tell you directionally.

Varun Jain: Sure, sir. Sure.

Sanjay Koul: Yeah, go ahead. Sorry, we lost you.

Varun Jain: Yes, sir, my question -- other question was that this railway expansion of INR120 crores, is it still expected to start commercial production by December? And secondly, on this, that there were railway tenders which were delayed. So now have they started converting into orders?

Sanjay Koul: So the new line would start getting into the trial runs in November and December only, then the PPAPs would start and then we'll qualify those lines. So that is all online as per the target. And as far as tender is concerned, so tender was delayed and the tender hopefully should get into in terms of -- because committee has not been set yet, committee will be set and all that stuff will happen in the next 2, 3 weeks.

But in the meantime, there is some interim orders which are placed on wagon builders. So now the movement and traction on wagons and the tender is pretty much in full swing. So another 3 weeks of tenders, those things will materialize into orders.

Varun Jain: Okay, sir. Got it. And just the last...

Moderator: Sorry to interrupt, Mr. Jain. I request that you to follow back the queue for follow-up questions. The next question is from the line of Rishi Vora from Kotak Securities Private Limited.

Rishi Vora: My first question is just regarding SRB and CRB. While you said that INR75 crores was the quarterly contribution, like what would be the mix between the domestic and the export in this business?

Sanjay Koul: Currently, it is heavily towards exports. And the domestic endeavor is on because those PPAPs and other things are happening. But this quarter sales is more tilted towards intercompany, which is exports.

Rishi Vora: Understood. And sir, how should we think about, let's say, year-end utilization levels? Should it reach 80% - 85% by end of this financial year...

Sanjay Koul: Yes. When we talk on the last quarter, when we have the investor call after the last quarter of the financial is over, so currently, CRBs are at roughly 50% to 60%, SRB is 70%. I would say overall, would be between 70% to 75%.

Rishi Vora: Okay. Understood. And sir, just in terms of, obviously, you said that industrial generally makes better margins. How -- when this reaches a certain utilization levels, will the margin overall be accretive to our business? Or will it also depend on the domestic and the export mix at that point in time? I'm assuming that export would be accretive at this point in time as compared to domestic.

Sanjay Koul: So directionally, industrial is always better than the automotive. And as we reach that critical mass, you will see a positive effect. Now how much all that time will tell us, but overall would be positive. Sujit, any comments?

Sujit Kumar Pattanaik: But just one additional comment there for the last quarter, which is quarter 3 of the financial year...

Moderator: Sorry to interrupt, sir. You sound very distant from the line.

Sujit Kumar Pattanaik: No, I was just telling probably...

Sanjay Koul: One minute you can come this side. Minute, one minute. Sujit is coming closer to the phone.

Sujit Kumar Pattanaik: I was telling just one additional point. Since quarter 3 of the financial year, we have the year-end as well. So generally, the seasonality for the last quarter of the calendar year is always a little bit of softening because of the export and the year end of December, so on and so forth. So that has to be considered as well by calculating the capacity utilization on the segment.

Rishi Vora: Understood. And sir, just second question on the Process Industries ex CRB, SRB. Like can you just give some color on which segments during the quarter did well? And what's the outlook in some of the key segments within Process Industries?

Sanjay Koul: Within processing wind is doing well.

Rishi Vora: Sorry, sir?

Sanjay Koul: Wind, wind.

Rishi Vora: Okay. And like how should we think about the growth rates going forward for this business, excluding CRB, SRB?

Sanjay Koul: Yes, it will be pretty stable. It is in a very nice spot currently. The Chinese and others are moving a lot of production of the gearboxes into India, and we are in a nice spot there.

Moderator: The next question is from the line of Ashish from Leo Capital Limited. Please go ahead.

Ashish: Congratulations on a good set of numbers. I have 2 questions. The first question would be, how is the overall global demand environment for various parts of the bearing business? Is demand likely to continue to be strong over the next few years? And which segments are seeing maximum demand momentum? That would be my first question.

Sanjay Koul: So one is that the domestic demand is going to remain robust. You know GDP is at 7%. Infrastructure still is in full swing. Steel, I think last quarter was a little bit down the steel production. But overall, I would say that the domestic demand in coming years is going to be pretty much good. Now geopolitics is there. So nobody can predict that, what is going to have the impact of those things. But otherwise, the American market is also pretty much in a nice spot there.

For us, the good attractive market in months and years to come, both domestically export would be rail for sure, and then the heavy truck segment across the board. Also, the off-highway segment is behaving well globally and also in India. So I would say that the demand looks globally.

Obviously, Indian GDP is 7%, U.S. would be 2%, their base is huge. All that is very much there. The ASEAN is at 4% GDP growth and all that stuff. So I would say that domestic demand would be the king maker. But overall, bad days of exports, I think, are slowly getting over.

Ashish: Got it. And secondly, how does the cost of production compare the Indian operation versus some of the global manufacturing in Europe and other parts of the world, is India meaningfully cost competitive?

Sanjay Koul: Yes. Short answer, yes.

Ashish: By how much? Would that be quantifiable?

Sanjay Koul: No. It is in a good spot, I can tell you with a lot of confidence. And you should also look -- not for Timken India, in general, you should look at not only cost, you have to look at the capability, cost and delivery in one space when you do global export business. So it is not only the cost. You can have the best cost, but then you have the worst quality. You have the best cost, but your delivery is not right. So all that has to be seen in one. So that way, India scores over many, many countries.

Moderator: The next question is from the line of Rakesh from Axis Asset Management Company. Please go ahead.

Rakesh: Firstly, congratulations to execute the kind of profitability in this environment. First question is on the wind business, fairly new business, which we have been executing now. I mean, if you can elaborate how to think about our market share for the wind business either in domestic or the export market going forward? And where do you think you can -- what kind of capacity expansion would you require maybe 3 years out?

Sanjay Koul: So on the wind business, this wind, especially the domestic wind consumption was very sluggish. So all the ZFs and the Flenders of the world were making gearboxes mostly for export. The good news is that now the domestic wind market is also picking up and domestic Indian wind companies are also picking up.

So this market is going to be pretty much relevant in India for some more years, given the fact that we want to reduce the -- converting electricity through thermal that has to be reduced. And the need of the power is only going to go up and up and up as you see the data centers coming up and the rest of the stuff coming up, so the need of power is going to go up.

And the need to have clean energy is also going up, which is no rocket science. So the local wind market for local production and consumption is going to go up. So that is pretty much okay. And Timken India Limited does not make the wind bearings. We buy from the sister concerns and sister concerns are investing in large sizes domestically.

Rakesh: Okay. So I mean, could you double-click on that and tell us what segment or subsegment are we addressing today? And where I'm coming from is your -- one of your competitors recently made a comment where they are going very selective on the market they are choosing for the wind due to a lot of low-margin business going on...

Sanjay Koul: So yes, yes, so that is the -- whoever has made the comment has made a valid comment. So we are also into the gearboxes and not on the main shaft generally. If we make money on the main

shaft, then we go after it, that is a little bit commoditized. But the gearbox is what we've always been serving and we'll keep on serving.

Rakesh: And any plans to localize this bearing in the future?

Sanjay Koul: So Timken India Limited is not localizing it. But the other Timken entity in India is localizing it, and they are already producing it to certain size range, and we are further doing stuff on that, and we are buying and selling. Okay. We can take the last question. We got 2 minutes left. Any last question, please?

Moderator: Yes, sir. The last question is from the line of Nikhil from ithoughtPMS. Please go ahead.

Nikhil: So I have a couple of questions. First is on wind turbine upsizing. So Indian OEMs are moving away from 2-3-megawatt to 4-5-megawatt platforms. So at these sizes, gearbox makers are using hydrodynamic plane bearings instead of roller bearings. And they are also -- many of them are making them in-house, I believe. So how is Timken's bearing content per megawatt changing as these turbines increase in size? And are you seeing any substitution of your TRBs or CRBs in gearboxes made in India?

Sanjay Koul: Yes. So on this wind, so obviously, India used to be a sub-megawatt market, then they started making 3 megawatts, there is no 4 megawatt in India, but 5 megawatt is coming into picture. And globally, it has gone even up to 14 - 15 megawatts. 8 megawatt is also pretty common. But India, I think 3 and 5 is going to be a common one for a long, long time.

On the gearbox, there are many stages on the initial stage where your need on the bearing is lower is a plain bearing. So now plain bearing can be made out of brass, which is like a sleeve and has no technology in it. But if you have a technology where alternate material can be made, which is called Generation 3, Generation 4 and Timken has a company called GGB, which is pretty much heavily investing in the research for this in global arena.

And that market is what can become a little bit different than the current plain bearing, which is nothing but a sleeve does not give you the optimal results out of the gearbox. But when you go beyond the -- when you go to the carrier bearings, taper rollers cannot be replaced as per the current technology available. And then as they become 5- and 6-megawatt bigger gearboxes, bigger, larger taper roller bearings will be needed and the lower stage might be and is being done plain bearings.

As you know, one of the listed companies who are doing cage is doing plain bearings and some of the wind, as you rightly said, are doing the plain stuff themselves. But then there is a technology intervention into that in which hopefully, companies like Timken India Limited would be able to sell through alternate.

But currently, we are concentrating on the upstage up carrier -- carrier tapers, which is pretty much going to stay. The plain bearing at the lower stage is a sleeve, was a taper roller bearing before, has become a sleeve and can become in future a Gen 3 alternate stuff into that. So there is further opportunity in that.

Nikhil: Okay, okay. Thanks for such a detailed answer. That was very helpful. So just one more question. So has GGB currently won or qualified any orders in this space?

Sanjay Koul: No. We have not yet capitalized. The machines are here. We still have to run them, and we are in the process of doing that. But we are already winning orders and supplying from our overseas by brand. We are buying from them, our GGB brand. But very soon, it will be produced here. So there will be a combination of selling imported product of GGB and produced in India at our Bharuch facility.

Nikhil: Okay. And what kind of share do you expect from the wind sector versus distribution and process once like Bharuch reaches full utilization?

Sanjay Koul: I did not understand the question. This is regarding?

Nikhil: Once Bharuch reaches full utilization, how much of the overall revenue potential is going to be fulfilled by wind compared to your other...

Sanjay Koul: Bharuch becomes overall. What would we...

Sujit Kumar Pattanaik: Yes. So Bharuch, if you look at it -- if your question is specific to GGB today, I think if you look at it, our statement, I think very close to they're into INR70 crores, INR75 crores. And this Bharuch investments for GGB, what's going on for both FRC and metal polymer put together, I think INR35 crores, INR35 crores, INR70 crores of investments.

And the asset turn is anywhere we do close to 1.5 to 2. So you can do the math. I think that is what the numbers will be coming out with the investment, which has been approved and undergoing as we speak.

Moderator: Thank you. We take that as the last question for today. I now hand the conference over to the management for closing comments.

Sujit Kumar Pattanaik: Thank you so much for joining us today. It's a pleasure hosting this call for quarter 2 of the financial year, and we will again catch up for the next quarter. Thank you.

Moderator: Thank you. On behalf of Avendus, that concludes this conference. Thank you for joining us and you may now disconnect your line.