25th November 2025 | Close* – ₹3,134 | View – **HOLD**

Q2FY26 Result Highlights

- Revenue rose 2.7% YoY and de-grew by 4% QoQ to ₹7,730mn. EBITDA grew 4% YoY and de-grew by 3% QoQ to ₹1,384mn. EBITDA margin expanded by 19 bps YoY and 31 bps QoQ to 17.9%; Net Profit remained flat YoY and de-grew by 14.2% to ₹895 mn.
- Timken is expanding into plain bearings using composite (FRP) materials, targeting a domestic market estimated at USD 100 mn with applications across EVs, wind, and industrial sectors. To strengthen its presence in this space, the company is leveraging the GGB Bearings acquisition. The Board has approved the purchase of 100% equity in Timken GGB Technology Pvt. Ltd. (GGB India) from Timken Europe BV and The Timken Company for ₹1.29bn, with the transaction expected to conclude by January 2026. GGB India generated ₹464mn in revenue in FY25, implying a P/S multiple of 2.8x, and manufactures self-lubricating bearings and sealing solutions under the GGB and Garlock brands.
- Export outlook remains cautious due to macroeconomic uncertainties and subdued Class 8 truck demand in the US, although production showed a pickup in September 2025. Nonetheless, growth is expected to be supported by improving traction in smaller markets such as South Africa, South America, and Australia, along with additional CRB volumes from the Bharuch facility
- The management anticipates sustained growth in the railway segment, supported by increasing Vande Bharat deployment, rolling stock upgrades, and rising metro and freight orders. Capacity expansion with advanced European machinery is expected to strengthen execution capability. The sector is seen evolving toward more sophisticated, technology-driven solutions, offering a multi-decade growth runway. The company has also ramped up supplies to the metro segment, which is emerging as an additional growth driver.

Important Statistics

Nifty	25,959
Sensex	85,231
Close*	3,134
MCAP (₹ bn)	234.48
52 Week H/L (₹)	3575/2202
NSE Code	TIMKEN
BSE Code	522113
Bloomberg Code	TMKN:IN

Close as on 24th Nov 2025*

Shareholding Pattern	Sep'25 (%)
Promoters	51.05
DIIs	07.39
FIIs	29.72
Public	11.84

Financials

(₹ mn)

Particulars	FY23	FY24	FY25	FY26E	FY27E
Revenue	28066	29095	31478	34432	40360
EBITDA	5604	5724	5916	6470	7860
EBITDA Margin	20.0%	19.7%	18.8%	18.8%	19.5%
PAT	3907	3921	4474	4457	5538
PAT Margin	13.9%	13.5%	14.2%	12.9%	13.7%
EPS	51.9	52.1	59.5	59.3	73.6
ROE	19.2	16.2	17	14.7	16.0
P/E	59.5	59.3	51.9	52.2	42.0

Source: Company, Way2wealth

View

The company posted subdued top-line growth; however, EBITDA margin expanded by 19 bps YoY and 31 bps QoQ to 17.9%. Net Profit remained flat YoY and de-grew by 14.2% QoQ to ₹895mn. Domestic demand remains healthy, led by railways and industrial segments, while exports face pressure from weak US Class 8 truck demand, geopolitical risks, and tariff uncertainty.Ongoing localization, product mix improvement, backward integration, and investments in rail, wind, solar, and bearings are expected to support margin expansion. The acquisition of GGB India and captive renewable power investments aim to enhance operational efficiency and competitiveness. Overall, domestic growth outlook is stronger than exports, with railways, metro expansion, and DFC developments as key triggers. **Hence, we assign HOLD rating on the stock.** The stock is currently trading at 42x FY27E P/E at EPS ₹73.6.

Relative Comparison

Return (%)	1 Yr	3Yr	5 Yr
Timken	**(5.0)**	**(14.5)**	**162.3**
Nifty 50	12.1	44.2	103.6
Sensex	10.9	40.0	95.1

Source: Company, Way2wealth

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FINANCIAL PERFORMANCE

(₹ mn)

Particulars	Q2FY26	Q1FY26	QoQ (%)	Q2FY25	YoY (%)	H1FY26	H1FY25	YoY (%)
Revenue	**7,730**	**8,088**	**(4.4)**	**7,529**	**2.7**	**15,818**	**15,366**	**2.9**
Cost of Matl	2,473	2,617	(5.5)	2,355	5.0	5,090	4,696	8.4
Stock Purchases	2,668	2,242	19.0	2,458	8.5	4,909	4,534	8.3
Inventories Changes	(486)	80	(707.0)	(243)	100.1	(406)	90	(552.1)
Employee Exps	431	432	(0.2)	422	2.2	863	839	2.9
Other Exps	1,259	1,294	(2.7)	1,204	4.6	2,553	2,465	3.6
EBITDA	**1,384**	**1,423**	**(2.8)**	**1,334**	**3.8**	**2,807**	**2,743**	**2.4**
EBITDA Margin (%)	*17.9*	*17.6*	*31*	*17.7*	*19*	*17.7*	*17.8*	*(10)*
Other Income	96	100	(4.1)	121	(20.7)	197	240	(18.2)
Depreciation	266	208	27.8	209	27.2	474	428	10.7
Finance Cost	8	11	(29.5)	9	(14.8)	19	20	(4.7)
PBT	1,206	1,304	(7.5)	1,236	(2.4)	2,511	2,535	(0.9)
Tax Exps	312	262	19.0	337	(7.5)	574	672	(14.6)
Net Profit	**895**	**1,042**	**(14.2)**	**899**	**(0.5)**	**1,937**	**1,863**	**4.0**
EPS (`)	11.9	13.9	(14.2)	12.0	(0.5)	25.8	24.8	4.0

As % of Sales	Q2FY26	Q1FY26	QoQ (BPS)	Q2FY25	YoY (BPS)	H1FY26	H1FY25	YoY (BPS)
Raw Mat Cost	60.2	61.1	(84)	60.7	(48)	60.7	60.6	0
Gross Profit	39.8	38.9	84	39.3	48	39.3	39.4	(0)
Employee Exps	5.6	5.3	24	5.6	(3)	5.5	5.5	(0)
Other Exps	16.3	16.0	29	16.0	31	16.1	16.0	10

Source: Company, Way2wealth

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Disclosure of Interest Statement TIMKEN (INDIA) LTD as on 25th November 2025

Name of the Security	TIMKEN (INDIA) LTD
Name of the analyst	Dhananjay Kansara
Analysts' ownership of any stock related to the information contained Financial Interest Analyst : Analyst's Relative : Yes / No Analyst's Associate/Firm : Yes/No	 No No No
Conflict of Interest	No
Receipt of Compensation	No
Way2Wealth ownership of any stock related to the information contained	NIL
Broking relationship with company covered	NIL
Investment Banking relationship with company covered	NIL

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