TIMKEN

Mandar Vasmatkar
Company Secretary & Chief-Compliance
mandar.vasmatkar@timken.com

21 July, 2026

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: 39th AGM Notice and Annual Report for FY 2025-26

In compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith Annual Report for FY 2025-26. Annual Report for FY 2025-26 is also available on the website of the Company at https://www.timken.com/en-in/investors/financial-report/. Notice convening 39th AGM forms part of Annual Report for FY 2025-26 (Refer Page nos. 172-188). AGM Notice is available on the website of the Company at https://www.timken.com/en-in/investors/statutory-compliances/#general.

We request you to kindly take this on record.

Thanking you,

Yours sincerely,
For **Timken India Limited**
MANDAR MOHANIRAJ VASMATKAR
Digitally signed by MANDAR MOHANIRAJ VASMATKAR
Date: 2026.07.21 11:26:19 +05'30'
Mandar Vasmatkar
Company Secretary
& Chief - Compliance

TIMKEN

Timken India Limited

39th Annual Report 2025-26

CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on 1 July 2026)

Mr. Sanjay Koul
Chairman & Managing Director

Mr. George J Ollapally
Independent Director

Dr. Lakshmi Lingam
Independent Director

Mr. Soumitra Hazra
Independent Director

Mr. Sumit Rathor
Independent Director

Mr. Hansal Patel
Director

Mr. Michael Discenza
Director

Mr. Sujit Kumar Pattanaik
Business Controller – India, CFO & Whole-time Director

COMPANY SECRETARY & CHIEF-COMPLIANCE
Mr. Mandar Vasmatkar

CHIEF FINANCIAL OFFICER
Mr. Sujit Kumar Pattanaik

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Chairman
Mr. Soumitra Hazra

Members
Mr. George J Ollapally
Mr. Sanjay Koul
Mr. Sumit Rathor

STAKEHOLDERS RELATIONSHIP COMMITTEE

Chairman
Mr. George J. Ollapally

Members
Dr. Lakshmi Lingam
Mr. Soumitra Hazra
Mr. Michael Discenza

RISK MANAGEMENT COMMITTEE

Chairman
Mr. Sanjay Koul

Members
Mr. Soumitra Hazra
Mr. Sujit Kumar Pattanaik

NOMINATION AND REMUNERATION COMMITTEE

Chairman
Mr. George J. Ollapally

Members
Mr. Sumit Rathor
Dr. Lakshmi Lingam
Mr. Hansal Patel

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Chairman
Mr. Sanjay Koul

Members
Mr. Sujit Kumar Pattanaik
Dr. Lakshmi Lingam
Mr. Michael Discenza

STATUTORY AUDITORS
Deloitte Haskins & Sells LLP

INTERNAL AUDITORS
KPMG Assurance and Consulting Services LLP

COST AUDITORS
Shome and Banerjee

SECRETARIAL AUDITOR
Mr. Nagarjun Y G

BANKERS
• HDFC Bank • Bank of America • Standard Chartered Bank • State Bank of India • JP Morgan Chase

REGISTERED OFFICE
Timken India Limited
39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100
Tel. No. 080 - 41362000 I Fax No. 080 - 41362010
E-mail: tilinvestor@timken.com Website: www.timken.com/en-in/
CIN: L29130KA1996PLC048230 I BSE Code: 522113 I NSE Symbol: TIMKEN

INVESTOR RELATIONS CORRESPONDENCE
Company Secretary & Chief-Compliance
39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100
Tel. No. 080 - 41362000 E-mail: tilinvestor@timken.com
Tax on dividend queries: TIL.TDS@timken.com

REGISTRAR AND SHARE TRANSFER AGENT
MUFG Intime India Private Limited
Rasoi Court, 5th floor, 20 R. N. Mukherjee Road, Kolkata - 700001
Tel. No. 033 6906-6200 E-mail: investor.helpdesk@in.mpms.mufg.com Website: www.in.mpms.mufg.com

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Chairman's Statement

Dear Shareholders,

I am pleased to present the Annual Report of Timken India Limited for the financial year 2025-26.

FY 2025-26 was a year of strategic progress and important milestones for our Company. We delivered our highest-ever revenue while maintaining resilient profitability, despite an environment marked by geopolitical uncertainties, evolving trade dynamics and changing industrial supply chains. This performance reflects the strength of our business model, the dedication of our employees and the enduring trust our customers place in us. At the same time, we continued to invest meaningfully in expanding our manufacturing footprint and building capabilities that will support long-term growth.

India continued to stand out as one of the fastest-growing major economies, supported by investments in infrastructure, manufacturing, railways and energy transition. These structural drivers, combined with increasing localisation and supply-chain diversification, continue to create significant opportunities for industrial companies with strong technology, manufacturing capabilities and customer relationships.

We are well positioned to participate in this growth journey. During the year, we strengthened our manufacturing footprint, expanded our capabilities and continued to invest in the future while maintaining our focus on operational excellence and financial discipline.

The inauguration of our Bharuch manufacturing facility marked a defining milestone in this journey. This investment reflects our confidence in India's long-term industrial growth and our commitment to building world-class manufacturing capabilities closer to our customers. Bharuch enhances our ability to serve customers with a broader product portfolio, improved responsiveness and greater manufacturing flexibility. More importantly, it strengthens the foundation for the next phase of our growth.

Bringing a new site online requires patience and perseverance. As the Bharuch facility ramps up, we continue to incur initial operating costs and fund capability building. We view these investments through a long-term lens. The opportunities ahead are substantial, and Bharuch positions us well to serve them with confidence.

Even while making these investments, we have remained financially strong. During FY 2025-26, we allocated approximately 8% of our revenue for capital expenditures while maintaining a debt-free balance sheet and a healthy liquidity position. This balanced approach, investing decisively for growth while preserving financial strength, reflects our long-term philosophy of creating sustainable value for all stakeholders.

Our established plants continued to deliver strong operational performance, supported by a culture of safety, quality and continuous improvement. Across the organisation, our teams remained focused on improving productivity, strengthening customer partnerships and delivering consistent value. The resilience of our profitability, even as we invested in new capabilities and managed the initial costs of ramping up Bharuch, demonstrates the strength of our operations and the discipline with which we manage our business.

I am pleased to share that the Company and its employees continued to earn widespread recognition during the year for excellence across multiple facets of our business, including manufacturing, quality, safety, sustainability and workplace practices. We were honoured to receive the prestigious Champion of Manufacturing Award 2026, the Best Organization to Work 2025 award, the Best-in-Class Manufacturing Supply Chain Award 2025, as well as recognition for our Corporate Social Responsibility initiatives. We were also recognised across multiple categories at the CII Champions Trophy, underscoring the breadth and consistency of our performance. These accolades are a testament to the dedication of our employees, the strength of our values, and our unwavering commitment to operational excellence, innovation and responsible business practices.

Our commitment to creating meaningful social impact remained steadfast during the year. Our Corporate Social Responsibility initiatives continued to focus on advancing education, skill development, healthcare and community development, particularly in and around the areas where we operate.

We placed special emphasis on supporting underserved and vulnerable sections of society, including the elderly, orphaned children, people with intellectual disabilities and differently abled individuals. Through these initiatives, we strive to foster greater inclusion, enhance quality of life and create opportunities for sustainable development. As a responsible corporate citizen, we remain committed to making a positive and lasting contribution to society while supporting inclusive and sustainable growth.

The world around us is changing - trade flows, supply chains and customer expectations are being reconfigured - and we are well positioned to benefit. Our engineering excellence, expanding manufacturing footprint, trusted brands and highly engaged workforce give us the capability and confidence to pursue profitable, long-term growth while upholding the highest standards of governance and integrity.

I extend my sincere appreciation to our employees for their dedication, to our customers and partners for their trust, and to you, our shareholders, for your continued support. For more than three decades we have been a trusted partner in India's industrial growth story; today we are investing with conviction to build a stronger Company for the benefit of our customers, employees, communities and shareholders for many years to come.

Warm regards,

Sd/-
Sanjay Koul
Chairman & Managing Director
DIN: 05159352

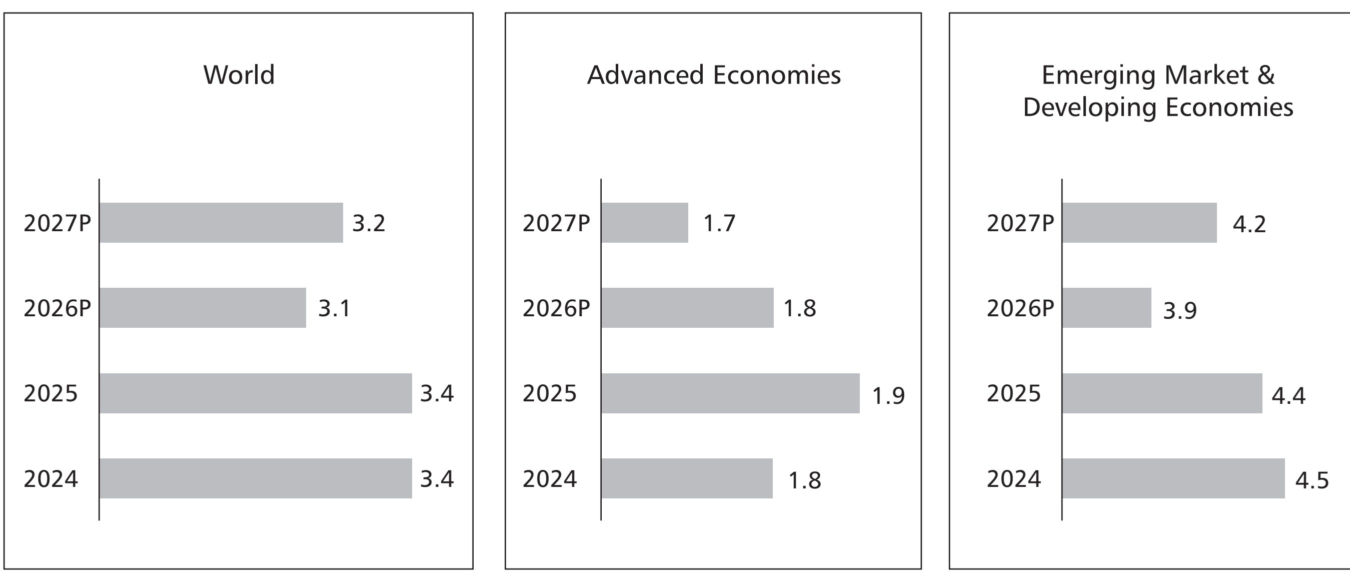
Date: 1 July, 2026
Place: Bengaluru

Management Discussion and Analysis

Global Economy Overview

According to the World Economic Outlook (WEO) released by the International Monetary Fund (IMF) in April 2026, Global growth is expected to slow down modestly, with forecasts of 3.1 percent for 2026 and 3.2 percent for 2027, representing a deceleration from the estimated growth rate of 3.4 percent recorded in 2025. After withstanding higher trade barriers and elevated uncertainty last year, global activity now faces a major test from the outbreak of war in the Middle East. In advanced economies, growth is forecasted to be 1.8 percent in 2026 and 1.7 percent in 2027. The overall impact of the Middle East conflict on growth in advanced economies is expected to be limited, with growth revised downward by 0.2 percentage points in 2026 compared with pre-conflict projections. This modest effect reflects favorable terms-of-trade developments in the United States, stronger underlying growth momentum, and offsetting government measures in Japan. In contrast, a more pronounced negative impact is anticipated only in certain net energy-importing economies, notably the euro area and the United Kingdom. In emerging markets and developing economies, growth is expected to decline to 3.9 percent in 2026 before recovering to 4.2 percent in 2027. The effects of the Middle East conflict on growth across these economies are uneven, reflecting differing degrees of exposure through geographic proximity, financial linkages, remittance flows, and energy dependencies. Overall, it has a larger net impact on growth in emerging markets and developing economies compared with advanced economies. (Source: IMF)

Real GDP Growth (%)



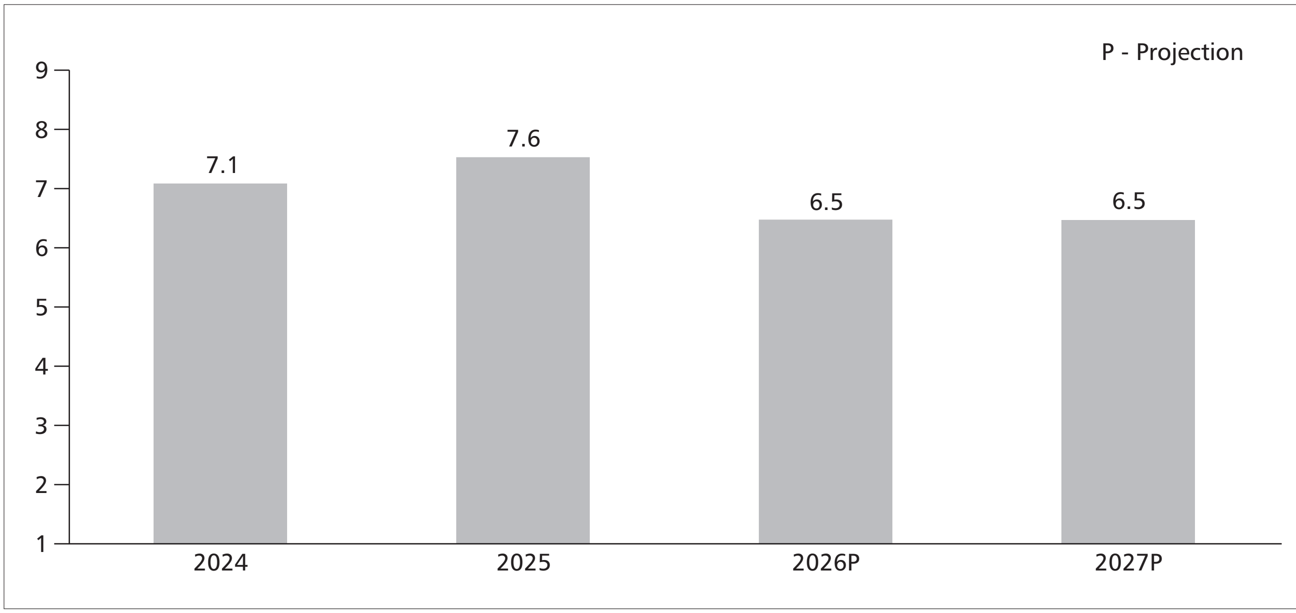
P - Projection

India Economic Overview

According to the World Economic Outlook released by the International Monetary Fund (IMF) in April 2026, India is projected to remain the fastest-growing major economy globally despite heightened geopolitical uncertainty arising from the conflict in the Middle East. The IMF has revised upward India's growth outlook, projecting real GDP growth at 6.5 percent in both 2026 and 2027. IMF's upward revision by 0.1 percentage point from its January estimate reflects strong carryover momentum from a better-than-expected growth outturn in 2025, when growth is estimated at 7.6 percent, as well as resilient domestic demand and improved external trade conditions.

Nevertheless, rising oil prices and heightened global geopolitical tensions remain key sources of macroeconomic risk. Oil-related vulnerabilities are of particular concern, given that India meets more than 85 percent of its crude oil requirements through imports, with approximately half of these supplies transiting the Strait of Hormuz. The ongoing conflict therefore poses the risk of a significant terms-of-trade shock, which could increase input costs, exert downward pressure on the rupee, and complicate the management of inflation-growth trade-offs. (Source: IMF and RBI)

India's Growth (%)



- Bearing Market and Future Development

  India's bearing market has been growing promisingly at a CAGR of over 9.4 percent. In FY 2026, it was valued at around USD 2.9 billion, forming a solid base for future growth. This expansion is driven by rising demand across multiple sectors—including automotive (CVs, tractors), railways, industrial machinery, and renewable energy—and boosted by localization policies, electric-vehicle trends, and infrastructure development.

  In FY 2027, India's bearing market is expected to see steady, structurally driven growth, supported by continued core industry, railway and infrastructure capex, stable demand from commercial vehicles and tractors, and a resilient aftermarket that cushions volume volatility.

  (Source: Internal Insights)

- KEY SEGMENTS

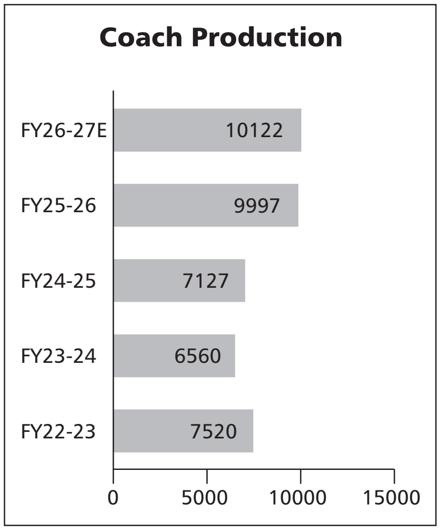
- Railways

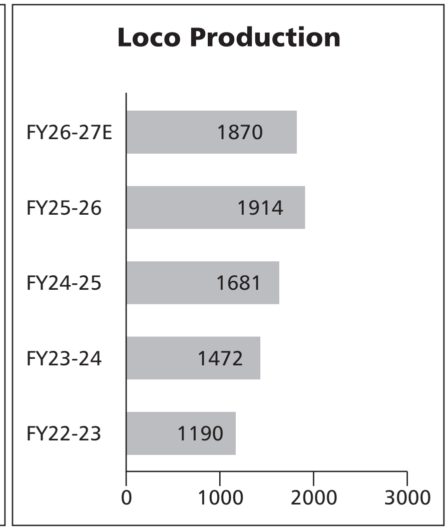
  In FY 2025–26 (FY 2026), Indian Railways was supported by a capital allocation of about 2.62 lakh crore, including 2.52 lakh crore in budgetary support, reflecting the government's continued priority on rail infrastructure and modernization. During the year, Railways carried around 741 crore passengers, achieved record freight loading of about 1,670 million tonnes, and significantly expanded rolling stock by producing over 6,600 LHB coaches and about 1,670 locomotives under the Make-in-India programme. Major achievements also included introduction of new Vande Bharat and Amrit Bharat services, and visible improvements in stations and cargo infrastructure, marking FY 2026 as a year of high investment coupled with strong operational and manufacturing outcomes.

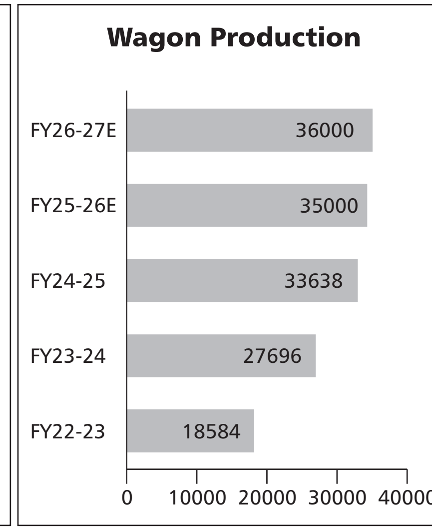
  In FY 2026, the Ministry of Railways approved a large scale coach production programme targeting about 8,700 coaches, but actual output exceeded 9,900 coaches—the highest ever, with ICF, RCF, and MCF all surpassing their previous records. Production focused on LHB coaches, particularly non-AC sleeper and general coaches, to ease overcrowding, replace legacy ICF stock, alongside continued induction of trainset coaches such as Vande Bharat, backed by assured budgetary and financial support.

  A revised locomotive production program approved by the Railway board targeting 1,500 electric locomotives, comprising 1,060 WAG-9H freight units, 240 WAG-9 Twin locomotives, and 200 WAP-7 passenger engines for manufacture by Chittaranjan (CLW), Banaras (BLW), Patiala (PLW), and Dankuni works but ended on a high with 1914 units for FY 26.

Indian Railways achieved a record production of wagons in FY 2024–25, marking a historic 11% increase from the previous year and demonstrating a threefold surge over the 2004–14 average. While official FY 2025–26 data isn't yet released, this context sets the backdrop.







o Steel

Domestic production maintained a strong upward momentum, with crude steel output increasing by 10.7% year on year to approximately 168.4 million tonnes in FY 26. Steel consumption finished recorded solid growth, rising by around 8% to reach 164 million tonnes. India regained net exporter status in finished steel in FY 26 for the first time since FY 23, with exports totaling 6.6 million tonnes marginally exceeding imports of 6.5 million tonnes, according to data released by the Ministry of Steel.

The industry continued to see sustained investments focused on expanding production capacity. India's total steelmaking capacity stood at approximately 220 million tonnes in FY 2025–26 and is projected to increase to 300 million tonnes by 2030, supported by substantial investments from both the public and private sectors. Public sector steel enterprises are poised to substantially scale up capital expenditure, with planned investments increasing by nearly 44% to approximately ₹25,125 crore by FY 2026–27, led primarily by SAIL and NMDC. This sharp rise in capital outlay reflects expectations of strengthening domestic demand, underpinned by a recovery in key end-use sectors and accelerated infrastructure development. (Source: Ministry of Steel)

o PowerGen

India Ratings and Research (Ind-Ra) has reiterated a neutral outlook for India's power sector for FY 27, supported by steady long-term electricity demand growth estimated at 5.5–6.0 percent year on year. Coal-based thermal power is expected to continue as the cornerstone of electricity generation, accounting for around 70 percent of total output during FY 26–FY 27, despite its share in installed capacity declining to below 50 percent (246.9 GW out of 513.7 GW as of December 2025).Thermal power plant capacity utilization is projected to remain healthy at approximately 65 percent over FY 26–FY 27, supported by base-load demand and sustained growth in power consumption, even as renewable energy capacity continues to expand. Ind-Ra further expects around 5 GW of thermal capacity to be commissioned in FY 27.

Approximately 17,360 MW of thermal power capacity has already been commissioned between April 2023 and 20 January, 2026. In addition, around 39,545 MW of thermal capacity is currently under construction. Contracts for a further 22,920 MW have been awarded and are due for construction. Moreover, 24,020 MW of coal- and lignite-based capacity has been identified as candidate projects and is currently at various stages of planning across the country. (Source: Ministry of Power & Ind-Ra).

The global wind industry entered 2026 with strong confidence, firmly established as a foundational pillar of the emerging Electrotech era. In 2025, the sector recorded another milestone year, with the installation of 165 GW of new wind capacity worldwide. GWEC Market Intelligence anticipates that new wind capacity installations will exceed previous records, reaching an estimated 178 GW in 2026. Under existing policy frameworks and considering the global response to the Middle East crisis, cumulative new installations are projected to total 969 GW over the next five years, averaging approximately 194 GW annually through 2030. Although 2025 marked the highest level of installed capacity on record, the forecast Compound Annual Growth Rate (CAGR) for the 2026–2030 period remains strong at 5.2%.

India ranks among the world's leading and fastest-growing wind energy markets. Its accelerated expansion is driven by ambitious renewable energy targets, rising electricity demand, a strong domestic manufacturing base, and the broader national objective of achieving a clean, secure, and affordable energy transition. In 2025, India added 6.34 GW of new onshore wind capacity—the highest annual addition since 2017 and an 85% increase over the previous year—enabling the country to reclaim third place in the global wind energy market. (Source: GWEC)

o Cement

Indian Cement industry is entering a phase of accelerated expansion, with grinding capacity additions estimated at 160–170 million tonnes (MT) during fiscals 2026 to 2028. This represents a sharp increase compared with approximately 95 MT added over the preceding three fiscals. The expansion is primarily driven by a robust demand outlook and elevated levels of capacity utilization across the sector. Capacity utilization is expected to remain moderate initially before stabilizing at around 70% over the next three years. Over fiscals 2026 to 2028, cement manufacturers are expected to experience healthy incremental demand of approximately 30–40 million tonnes (MT) per annum, underpinning a significant expansion in capacity. (Source: Crisil)

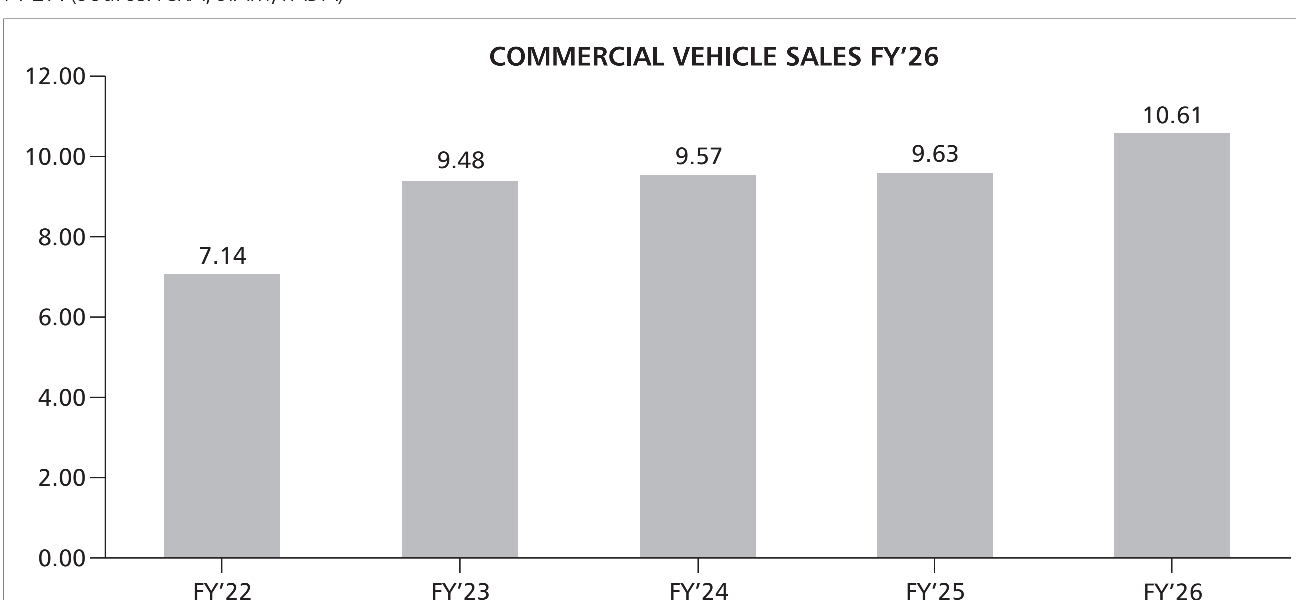
o Mining

India's raw coal production stood at 1.04 billion tonnes in FY 2026, marking the second consecutive year in which output surpassed the 1.0 billion tonne threshold, despite a 0.6% fall from a year ago. India has set a coal production target of 1.31 billion tonnes for the financial year 2026–27, underscoring its efforts to reduce import dependence amid rising domestic energy demand.

India's iron ore production increased by 7% in the FY 2025-26, reaching a record 310 million tonnes. Production growth was concentrated among a limited number of major producers, reflecting uneven supply conditions across the sector. Production remained highly concentrated across a limited number of states, with Odisha accounting for 157 million tonnes, followed by Chhattisgarh at 53 million tonnes and Karnataka at 49.5 million tonnes. (Source: Steel Orbis, Ministry of Coal)

o Commercial Vehicles (LCV and M&HCV)

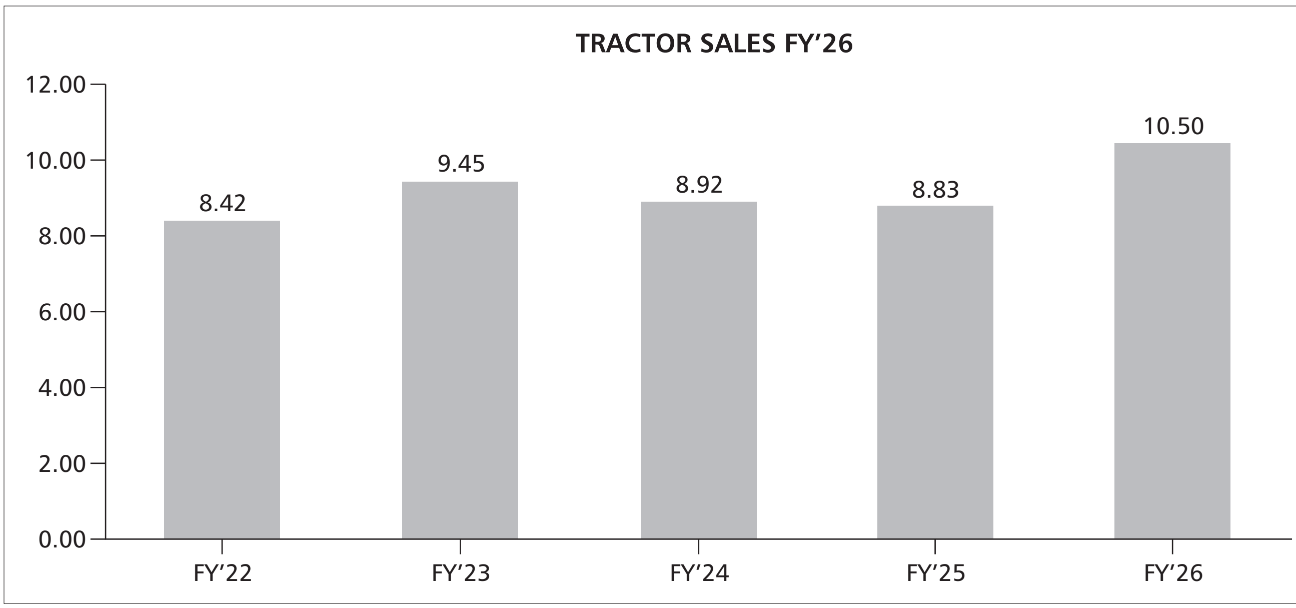
FY 2025–26 marked a structurally strong year for India's CV industry, delivering sustained double-digit growth in line with a ~7% GDP upcycle, record public infrastructure spending, and robust freight activity. CV volumes crossed 1 million units (SIAM/FADA), reflecting healthy supply–demand balance rather than inventory-led growth. Demand was capex-led, with over 11 lakh crore of government spending boosting M&HCVs through roads, railways, mining, and logistics, while LCVs benefited from e-commerce growth, rural recovery, and last-mile formalization. The year also saw improved OEM profitability, tighter dealer inventories, and higher CNG/EV penetration in urban CVs, despite regulatory and cost pressures. Overall, FY 26 was not just cyclical but anchored in infrastructure-led demand and sustained freight momentum, creating a stable base for moderated, efficiency-driven growth in FY 27. (Source: ICRA, SIAM, FADA)



CAGR – 10.4% Units – in lacs

o Tractor Market

FY 2026 was a breakout year for India's tractor industry, with retail sales exceeding 10.5 lakh units (+~19% YoY) and wholesale dispatches crossing 11.6 lakh units (+~23% YoY), marking the highest volumes on record. Growth was broad-based across OEMs, with market leaders maintaining momentum and several players delivering 30%+ YoY expansion, signaling both demand depth and increasing consolidation. The upcycle was driven by structural rural tailwinds—above-normal monsoons, higher MSPs, strong rabi sowing, GST reduction, and robust rural credit—significantly improving farmer liquidity and investment confidence. In parallel, pre-buying ahead of TREM V norms (effective April 2026) accelerated demand and triggered a ₹4,000 crore OEM capex cycle for capacity and technology upgrades. (Source: Tractor Junction, TMA, FADA)



CAGR – 5.7% Units – in lacs

o Capital Goods

India's capital goods sector is a strategic pillar of the country's industrial policy, supported by sustained government infrastructure spending and a strong emphasis on manufacturing growth. The sector plays a vital role in enabling infrastructure development, expanding industrial capacity, and driving technological advancement across the economy. Although the capital goods sector currently contributes approximately 1.9% to India's gross domestic product, its overall economic significance is substantial, given its critical function in supporting downstream manufacturing, reducing import dependence, and strengthening supply chain resilience across key industries. (Source: PIB)

o Business Review

Your Company has done investments in new capacity addition across spherical roller bearings & cylindrical roller bearings taking its localization efforts to new heights. The new capacities have helped take on more business on the backs of reduced lead times and with additional credentials to qualify under Make in India initiatives. The Company is additionally making investments at the Bharuch facility to produce plain bearings using Fiber reinforced composite (FRC) material to strengthen its position in plain bearing market.

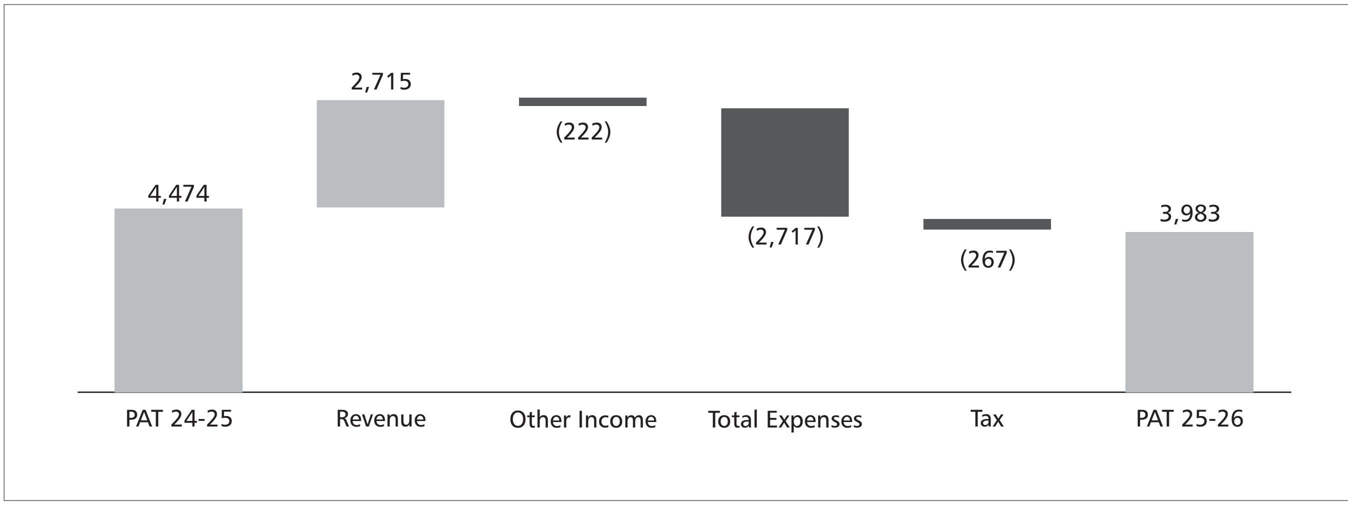
Your company has been capitalizing on favorable conditions in the Rail market, which has shown strong demand and stability. This positive environment supports the effective utilization of the manufacturing facilities in Jamshedpur, leading to improved production efficiency and cost management.

During the year, your Company could further advance in Process OEMs and Distribution segment. Your Company is well connected to the core sectors and capital goods market and is aware of the ongoing trends and is deeply entrenched through its direct, indirect sales and service models.

Your Company was the recipient of multiple awards and recognitions in the year including various CII's circle competitions, Best in class Manufacturing supply chain 2025, Yellow dot award 2025, Best Organizations to work 2025, Brand of the year award 2025 and was recognized at the 2025 International Metallographic contest.

Financial Statement Analysis

The analysis of major items of the Standalone Financial Statements is given below : (₹ in million)



Profit after tax (PAT) stands at ₹ 3,983 million for the financial year 2025-26 as compared to ₹ 4,474 million in previous year, decrease by ₹ 491 million.

Revenue from operations

The Company achieved an all-time high revenue of ₹ 34,193 million during the financial year 2025-26, reflecting an 8.6% increase over previous year. This growth was primarily driven by strong export sales reflected by volume growth across geographical locations, while the domestic revenue showed modest growth.

Other Income

Other income reduced by ₹ 222 million during the year, primarily driven by lower interest and dividend income due to reduction in investable surplus. Reduction in investable surplus was on account of capital allocation in investment in acquisition of shares of Timken GGB Technology Private Limited, dividend payouts, and capital expenditure for expansions in Bharuch & Jamshedpur.

Total expenses

Total expenses for the year stood at ₹ 29,169 million, reflecting a 10.3% increase compared to the previous year. This was primarily due to a 10.3% rise in the net material cost, which modestly outpaced revenue growth, a 7.3% increase in employee related costs majorly on account of Labour codes, and an 8.8% rise in other expenses – driven by higher volumes of Depreciation for new manufacturing plant in Bharuch and inflationary pressures.

Tax Expenses

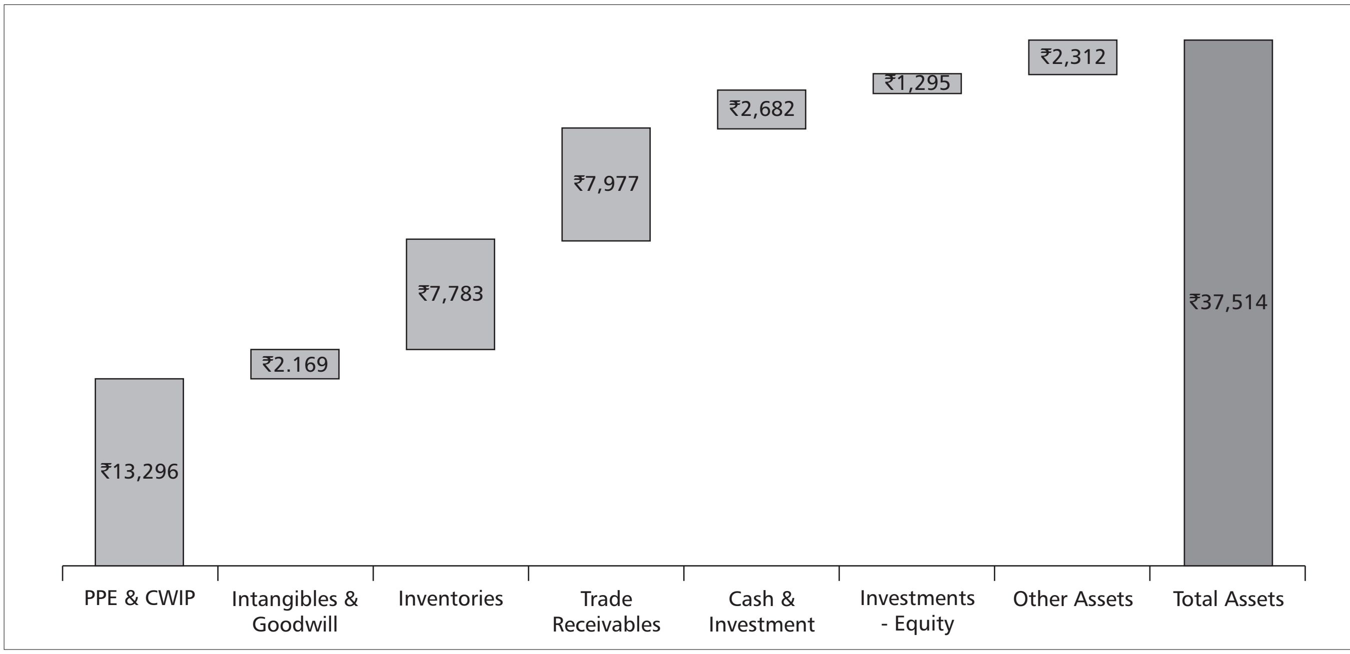
Tax expense for the year stood at ₹ 1,321 million, resulting in an effective tax rate of 24.9%, compared to 19.1% in the previous year. The previous year tax rates were affected by one-time gain accounted.

Earnings per share

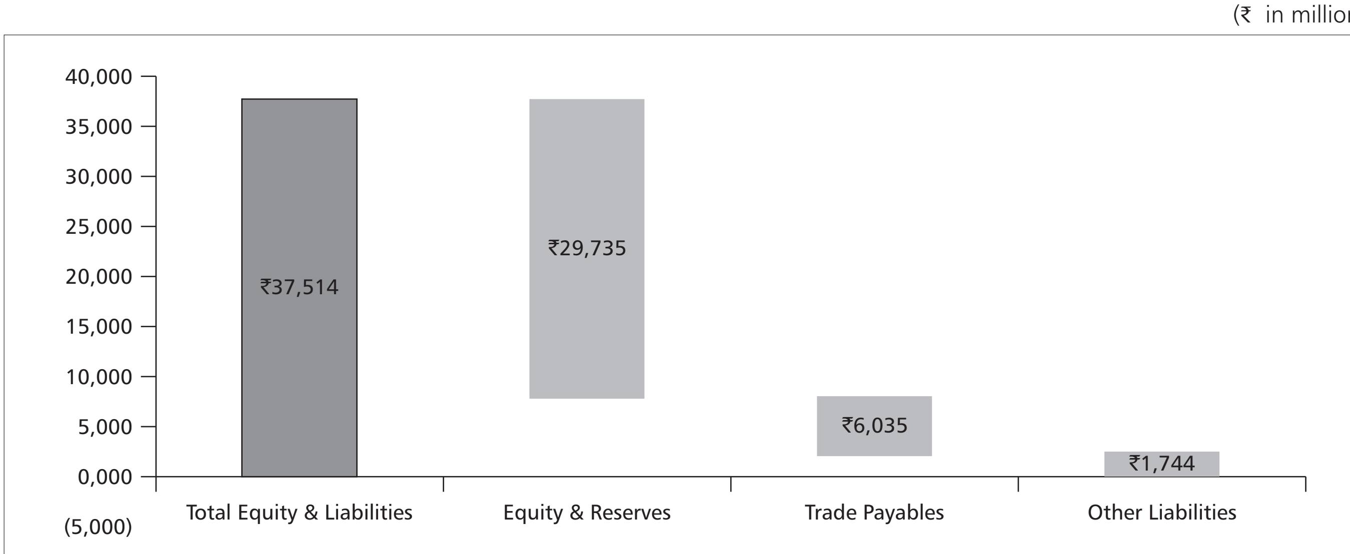
Earnings per share (EPS) for the year stood at ₹ 52.96, compared to ₹ 59.48 in the previous year. The decrease is on account of one-time adjustments in the previous year.

Below is the discussion of major items in Company's Balance Sheet as at 31 March, 2026. The below graph depicts major blocks of Balance Sheet:

(₹ in million)



(₹ in million)



Property, Plant and Equipment, Right-of-use assets, Investment Property and Capital work-in-progress

There was a net increase of ₹ 1,508 million in this asset category compared to the previous year. This increase was primarily attributable to the capitalization of new production lines at the Bharuch facility and Capital Work-in-Progress in form of Jamshedpur Rail lines and other projects. This was partially offset by a reduction in the carrying value of Property, Plant and Equipment due to depreciation charged during the year.

Intangible Assets and Goodwill

The movement was primarily due to amortization of intangible assets during the year and there is no change in the carrying value of Goodwill compared to the previous year.

Inventories

Inventories increased by ₹ 1,337 million as of 31 March, 2026, primarily due to an increase in finished goods, work- in progress and stock in trade, in line with rising business volumes. The inventory turnover ratio slightly improved to 2.95 (PY 2.90), reflecting more efficient inventory management.

Trade Receivables

Trade Receivables increased by ₹ 979 million compared to previous year, primarily due to the higher revenue and slight decline in the receivable turnover ratio. The trade receivables turnover ratio stood at 4.57 (PY 4.66).

Cash and investments

The Company's cash and cash equivalents, along with investments in mutual funds, is ₹2,682 million as at 31 March, 2026, compared to ₹ 5,114 million in the previous year – a decrease of ₹ 2,433 million. The reduction was primarily due to the strategic allocation of surplus funds toward capital expenditure, acquisition of Timken GGB and distribution of dividends.

Investments- Equity

Name	Holding	₹ Million
Timken GGB Technology Private Limited	100%	1288
Sunstream Green Energy C & I Three Private Limited*	26%	7

*Refer Note 9 of Standalone Financial Statements.

Other assets

Other assets include all remaining line items on the balance sheet not specifically covered in the sections above. The net movement in this category during the year was driven by the following :

- An increase in non-current financial assets by ₹33 million.
- A decrease in non-current tax assets by ₹14 million.
- An increase in other non-current assets by ₹95 million due to a increase in capital advances.
- An increase in other financial assets by ₹101 million.
- An increase in other current assets by ₹367 million, primarily due to a rise in balances with government authorities amounting by ₹448 million, reduction in trade advances to suppliers by ₹110 million and increase in export incentives by ₹ 26 million.

Equity

The Company's equity capital stood at ₹752 million as at 31 March, 2026, unchanged from the previous year.

Trade Payables

Trade payables increased by ₹ 2,065 million compared to the previous year, primarily due to higher procurement volumes in line with the business growth. The trade payables turnover ratio stood at 5.25 (PY 6.10).

Key Financial Ratios

Parameters	For Year Ended 31 March, 2026	For Year Ended 31 March, 2025
Trade Receivables Turnover	4.57	4.66
Inventory Turnover	2.95	2.90
Interest coverage Ratio (times)	145	130
Current Ratio	2.89	3.82
Debt Equity Ratio	-	-
Operating Profit Margin	14.8%	16.1%
Net Profit Margin	11.6%	14.2%
Return on Net Worth	13.4%	15.7%

Return on net worth has decreased in line with the net profit decrease and changes in average net worth on account of dividends.

Strengths, Opportunities, Threats and Outlook

Strengths	Opportunities
➢ Strong domestic manufacturing base further enhanced by new capacities getting added. ➢ R&D capabilities of Timken Group with significant design and process innovation capability. ➢ Vast application knowledge, proactive service and engineering engagement with customer to provide energy and cost-effective solutions. ➢ De-risked revenue stream with cross industry presence.	➢ Cross selling abilities by virtue of acquisitions of Industrial motion products. ➢ Extensive focus on Make in India opportunities for India & the world. ➢ Proliferation into general industry MRO space in Distribution business. ➢ Digitalization efforts to increase sales in Automotive aftermarket. ➢ Risk mitigation by training customers on importance of using genuine high-quality bearings.

Threats	Outlook
➢ Impact of ongoing Geo-Political concerns. ➢ Global demand spillover risk – Export linked demand could take a big hit. ➢ Safety and operational risks posed by low quality counterfeit or spurious products. ➢ Intensifying Global competition and Price pressures, chiefly from low cost Asian manufacturers, commoditization of Bearing in key market segments.	➢ Focus on localization and improvement in indigenous components sourcing in the up-coming years. ➢ Go to Market strategy execution for other Timken associated brands.

Internal Control

The Company has established a robust framework of internal controls and risk management systems designed to safeguard shareholder investments, protect Company's assets, ensure accurate financial reporting, and support the achievement of strategic objectives. The Board of Directors, through the Audit Committee, oversees the effectiveness of these systems and ensures continuous improvement in control processes.

Control Environment & Governance: A comprehensive delegation of authority matrix governs all key business processes with appropriate segregation of duties to prevent conflicts and ensure clear accountability and oversight. The Company's SAP ERP system forms the backbone of the control environment, with automated controls embedded across processes to reduce manual intervention, limit exceptions, and drive consistency. Transaction processing and periodic reconciliations are managed in accordance with corporate policies.

To strengthen compliance, employee awareness of policies and procedures is reinforced through structured training and regular communication across online and offline platforms.

Core values statement and ethics policy govern commitment to highest standards of corporate and individual behavior.

Board Governance ensures appropriate oversight of strategic decisions.

Risk & Control Framework: The Company has developed detailed Risk Control Matrices (RCMs) for all critical business processes, including Procure-to-Pay, Order-to-Cash, Hire-to-Retire, Treasury, Fixed Assets, Inventory, Manufacturing Operations, and Record-to-Report.

The Board constituted Risk Management Committee oversees an enterprise-wide risk management framework for timely identification, assessment, evaluation, and mitigation of risks. Risks are mapped to strategic objectives, with mitigation plans defined and monitored. During the year, the risk register was updated to reflect emerging business and operational risks. The Company's risk management system is certified by an independent third party to ISO 31000:2018, and all critical risk areas are reassessed annually.

Assurance & Monitoring: The Audit Committee reviews and approves a risk-based internal audit plan annually. Independent audit firms are engaged to assess critical areas, and the Audit Committee regularly reviews management reports, internal audit findings, and statutory audit observations to track implementation of corrective actions.

As part of their procedures, the Statutory Auditors have evaluated the adequacy and operating effectiveness of the internal financial controls over financial reporting. No material weaknesses or adverse remarks were reported during the year under review.

The Company's integrated approach to internal controls and risk management provides a strong foundation for sustainable business growth, operational excellence, and stakeholder confidence. The Company remains committed to continuously strengthening its control framework and risk management capabilities to address evolving business challenges and regulatory requirements..

HR Front

Overview

The Company's HR Strategy has evolved significantly over the past few years, with a strong focus on building a young and diverse workforce while strengthening the leadership pipeline to support long-term business sustainability. These efforts have laid a solid foundation for nurturing future leaders and enhancing organizational capability across levels. Total number of employees as on 31 March, 2026 were 1241.

In the current year, the HR agenda is sharpened to ensure full adherence to the new labour code regulations while actively harnessing artificial intelligence to improve HR efficiency, accuracy, and decision-making. Leveraging AI-enabled solutions & automation to streamline processes, enhance workforce insights, and create a more agile and responsive HR function.

At its core, the HR Strategy aims to reimagine human resources practices to align with the evolving needs of the organization and its workforce. The focus remains on engaging and optimizing talent across the business value chain, supported by sustained learning and development initiatives and robust employee recognition practices that are closely aligned with the Company's culture and strategic objectives.

HR transformation emphasizes continuous learning and skill-building to ensure employees remain adaptable and resilient amid changing industry demands. Retention strategies center on fostering a supportive and inclusive workplace that promotes career growth, enhances employee engagement, and strengthens organizational commitment.

Employee recognition is being redefined to move beyond conventional reward structures toward personalized and meaningful acknowledgment of contributions. This approach reinforces a culture of appreciation, drives motivation, and deepens employee connection with the organization.

Together, these interconnected priorities form the backbone of a dynamic and effective HR Strategy—one that enables compliance, drives efficiency through technology, nurtures talent, and supports both individual growth and organizational success.

- **Performance Management**

  The Company's comprehensive Performance Management System is designed to ensure strong alignment between individual employee goals and organizational objectives. The system encourages constructive and meaningful performance conversations, enabling managers to provide timely guidance and support to help employees achieve their desired outcomes.

  In addition to clearly defined performance goals, employees are assigned development goals that focus on enhancing skills and building critical competencies. This dual-goal approach not only drives effectiveness in current roles but also supports long-term career aspirations by strengthening future-ready capabilities.

  Employees are encouraged to regularly document their activities, progress, and key accomplishments within the system and engage in ongoing dialogue with their managers. This continuous feedback mechanism enables timely, actionable inputs, allowing the organization to remain agile and responsive in a dynamic and evolving market environment.

  The Performance Management System places equal emphasis on both results and competencies. At the end of the performance year, a formal evaluation is conducted jointly by the employee and the manager. Employees are assessed on achievement against agreed goals as well as demonstration of required competencies, with ratings ranging in 5 matrix scale. The final performance rating is determined by the manager based on a holistic assessment.

To reinforce a strong focus on engagement and performance, People Managers are supported with guidance on recommended actions to enhance team engagement. Employee feedback collected through engagement surveys is systematically incorporated into managerial goals, reinforcing accountability for team culture and performance.

Year-end performance discussions serve as an important opportunity for People Managers to provide comprehensive feedback on employee contributions and assess performance in relative context. To better align with the evolving business environment, the Company has moved away from traditional forced performance distribution models. Instead, peer reviews are conducted to ensure that performance assessments are fair, transparent, and balanced.

Outcomes from the Performance Management System directly inform decisions related to merit-based pay and incentive rewards, thereby reinforcing a fair, consistent, and performance-driven compensation framework.

- **Talent Management and Succession Planning**

  Talent Management initiatives are designed to address future business needs by anticipating evolving organizational demands and translating them into targeted development actions. Through a structured and forward-looking approach, the Company focuses on nurturing a strong pipeline of future leaders and key contributors.

  High-potential employees are identified and supported through customized development programs that combine formal learning, coaching, mentoring, and planned role movements. These interventions are designed to build critical skills, broaden functional exposure, and equip talent with the experiences required to effectively navigate emerging challenges and opportunities. This approach ensures that the organization not only addresses current talent requirements but also builds a resilient, future-ready workforce capable of driving sustainable long-term success.

  Succession Planning is a critical component of the Talent Management framework and plays a key role in building leadership continuity for the future organization. Employees are assessed through a structured review of their internal profiles captured within the system, enabling an objective evaluation of capability, readiness, and potential. This process helps identify development needs for high-potential employees who are also succession candidates, allowing for targeted development planning and strengthening bench strength across critical roles.

  Together, these integrated Talent Management and Succession Planning practices ensure proactive capability building, leadership continuity, and sustained organizational performance.

- **Total Rewards**

  The Company's reward system follows a robust, data-driven approach, with outcomes from the Performance Management System directly informing reward decisions. This strong linkage reinforces the philosophy of *Pay for Performance*, ensuring that rewards are closely aligned with individual contribution and performance outcomes.

  The compensation framework is supported by detailed annual market studies and benchmarking exercises, enabling the Company to remain competitive and well-positioned within the external talent market. In addition to competitive fixed and variable pay structures, the Company offers long-term incentive plans for Senior Management, reinforcing leadership retention and long-term value creation.

  The Company also provides a comprehensive suite of benefits and wellness initiatives to support employee well-being. Under the Corporate Wellness umbrella, a wide range of programs are offered to all employees, including health-related sessions, preventive care initiatives, and periodic health check-ups. These programs are designed to promote healthy lifestyles and support overall physical well-being. The Company also reimburses the cost of annual health check-ups for employees.

  Recognizing the importance of mental and emotional well-being, the Company offers a virtual Employee Assistance Program (EAP), which provides employees with access to free and confidential counselling services. The EAP covers a range of topics related to mental health, emotional well-being, and personal challenges, reinforcing the Company's commitment to holistic employee wellness.

  Together, the Company's integrated approach to rewards, benefits, and wellness supports employee motivation, well-being, and sustained performance, while strengthening its position as an employer of choice.

- **Labour Codes**

  India's Labour Codes represent a significant step toward a modern, unified, and more inclusive regulatory framework, and as an organization, we strongly value this transition and remain fully committed to 100% compliance. We recognize the Codes as an important reform that enhances worker protection, simplifies employer obligations, and promotes transparent, formal, and future-ready employment practices; accordingly, we are actively aligning our policies, processes, and controls to ensure seamless compliance with the evolving legal requirements and to uphold the highest standards of responsible employment governance.

- **Learning & Development**

  At Timken, continuous learning is a core pillar of organizational growth and capability building. Our Learning and Development framework is built around the 70-20-10 Development Model, where 70% of learning is gained through on-the-job experiences, 20% through social learning and collaboration, and 10% through formal training interventions.

  A comprehensive training needs assessment is conducted across the organization to identify common and role-specific capability gaps. Based on this assessment, a structured annual training calendar is developed to address identified learning priorities and support business objectives.

  During the year, Learning and Development initiatives included programs focused on Business Communication, Project Management, Finance for Non-Finance professionals, and Leadership Development, among others. In addition, significant investments were made in product and technology training, covering Timken's product portfolio, manufacturing processes, and application knowledge relevant to various business functions.

  Cross-geography training initiatives enabled employees to gain exposure to global best practices and advanced manufacturing systems, with a strong focus on Digitalization and Automation. These programs enhanced employee capability, adaptability, and versatility in a rapidly evolving industry environment.

  To further strengthen professional development, the Company leveraged the full capabilities of Timken University, its digital learning platform, offering employees access to a wide range of learning resources. Employees were encouraged to proactively enroll in courses aligned with their professional aspirations, while managers also provided targeted learning recommendations based on development needs.

  Beyond voluntary learning, mandatory training programs were conducted for all employees on critical topics such as Information Security, Inclusivity, POSH (Prevention of Sexual Harassment), and other essential compliance-related areas. These initiatives reinforce Timken's commitment to maintaining a safe, inclusive, secure, and legally compliant workplace.

  Together, these learning initiatives support continuous capability building, foster a culture of lifelong learning, and ensure the workforce remains future-ready to meet evolving business and industry demands.

- **Employee Resource Groups**

  Employee Resource Groups (ERGs) are a key element of Timken's employee engagement and inclusion strategy, playing an important role in fostering a supportive, connected, and inclusive workplace. Currently, three active ERGs operate within the organization: the **Women's International Network (WIN)**, the **Young Professionals Network (YPN)**, and the **Multicultural Association of Professionals (MAP)**.

  Each ERG functions with a clearly defined vision and mission, aligned with Timken's broader organizational objectives and values. These groups operate through structured leadership frameworks, with employee volunteers taking on formal roles and responsibilities to plan and execute initiatives throughout the year. The mission and values of the ERGs are closely aligned with those of Timken's global ERG networks, ensuring consistency and shared purpose across geographies.

  The primary objective of all ERGs is to support the professional development, engagement, and sense of belonging of Timken employees. To achieve this, the ERGs organize a diverse range of activities, events, and initiatives aligned with their respective focus areas.

- **Women's International Network (WIN)** is dedicated to supporting the personal and professional growth of women at Timken. Through development programs, networking opportunities, and awareness initiatives, WIN promotes gender inclusion and leadership development. WIN also organizes *WIN Santhe*, a fundraising event that supports a non-governmental organization focused on the upliftment of distressed women in society, extending its impact beyond the workplace.

- **Young Professionals Network (YPN)** focuses on enabling early-career employees through structured networking, collaboration opportunities, and year-round initiatives that foster professional growth. YPN actively promotes the development of business acumen, helping young professionals build skills, confidence, and connections across the organization.

- **Multicultural Association of Professionals (MAP)** aims to celebrate and enhance cultural diversity by engaging employees in activities that recognize and honor Timken's global heritage. MAP initiatives encourage cultural awareness, language exploration, and cross-cultural understanding, both within India and across the Company's global footprint.

  Together, these ERGs enhance employee engagement, strengthen inclusion, and contribute to a workplace culture that values diversity, collaboration, and continuous development.

- **Cautionary Statement**

  Certain statements made in this Report describing industry structure and development, business outlook and opportunities may be "forward looking statement" within the meaning of applicable Securities law and Regulations. Actual results could materially differ from those expressed or implied. Important factors that could make difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statues and incidental factors.

For and on behalf of the Board of Directors

Sd/-

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Date: 1 July, 2026
Place: Bengaluru

Board's Report

Dear Members,

The Board of Directors has pleasure in presenting 39th Annual Report of the Company for FY 2025-26.

Financial Summary

(₹ in million except otherwise stated)

Particulars	Consolidated		Standalone	
	Financial Year ended 31 March, 2026	Financial Year ended 31 March, 2025	Financial Year ended 31 March, 2026	Financial Year ended 31 March, 2025
Revenue from Operations	34,780.29	31,971.96	34,193.16	31,478.10
Add: Other Income	300.61	509.62	280.01	501.81
Total Income	35,080.90	32,481.58	34,473.17	31,979.91
Less: Total Expenses	29,554.59	26,754.77	29,169.25	26,452.62
Profit before tax (PBT)	5,526.31	5,726.81	5,303.92	5,527.29
Less: Tax expenses	1,377.46	1,104.87	1,320.59	1,053.43
Net Profit after tax (PAT)	4,148.85	4,621.94	3,983.33	4,473.86
Other Comprehensive Income	11.13	(9.75)	10.93	(9.83)
Total Comprehensive Income	4,159.98	4,612.19	3,994.26	4,464.03
Earnings Per Share (in Rs.)	55.16	61.45	52.96	59.48

Highlights of the Company's financial performance for the year ended 31 March, 2026 are as under:

- Highest ever revenue from operations of ₹ 34,193 million (Consolidated ₹ 34,780 million) in the financial year 2025-2026, reflecting 8.6% (Consolidated 8.7%) growth over the previous year. This growth was primarily driven by strong export sales reflected by volume growth across geographical locations, while the domestic revenue showed modest growth.
- Profit before tax as a percentage of revenue from operations declined by 2.1% (Consolidated 2%) compared to the previous year, mainly due to increased cost of material consumed, increased depreciation charges and reduction in the other income.
- Earnings Per Share (EPS) ₹52.96 (Consolidated ₹55.16) for the financial year ended 31 March, 2026, is 11% (Consolidated 10%) decrease over ₹59.48 (Consolidated ₹61.45) for the financial year ended 31 March, 2025 on account of one time adjustments in the previous year.
- While maintaining a debt-free balance sheet and healthy cash reserves, the Company continues to make strategic investments to support future growth. During the year, the Company acquired shares of Timken GGB Technology Private Limited and invested in equity of power producer Company for procurement of electricity from renewable sources. As of 31 March, 2026, the reduction in CWIP was majorly due to Bharuch new plant capitalization. The Company continues with its expansion with investment in the Jamshedpur Rail project.
- Cash flow from operations for the year ended 31 March, 2026 stands at ₹ 4,374 million (Consolidated ₹ 4,456 million) as compared to ₹ 3,873 million (Consolidated ₹ 3,987 million) for the previous year, an increase of ₹ 501 million (Consolidated ₹ 469 million).

Standalone and Consolidated Financial Statements for FY 2025-26 form part of this Annual Report. For a more detailed analysis and explanation of the financial performance, please refer to the Financial Statements Analysis section of the Management Discussion and Analysis.

The Board has approved draft Scheme of Amalgamation involving amalgamation of Timken GGB Technology Private Limited, wholly owned subsidiary with the Company. There is no other reportable event comprising material changes and commitments between the date of financial year end and the date of this report affecting the financial position of the Company. The Board of Directors of the Company did not propose to transfer any amount to reserves during the financial year under review. There was no change in nature of business during the year.

Dividend

The Board of Directors, subject to approval of Members at ensuing Annual General Meeting ('AGM'), has recommended dividend of ₹ 2.5/- per equity share of ₹ 10/- each fully paid up for the financial year ended 31 March, 2026. Some changes were made in the Dividend Distribution Policy and revised Policy is available on the website of the Company and can be accessed at https://www.timken.com/en-in/investors/policies/.

Additional factors and parameters were added in the Dividend Distribution Policy for determining dividend payouts which is expected to give more clarity while determining dividend payouts.

Update on New Manufacturing Plants and Capacities

- **Bharuch**

  The Company has set up new manufacturing plant at Bharuch to manufacture Spherical Roller Bearings and Cylindrical Roller Bearings. Commercial production from this facility has started in Q2 2025-26.

  The Company is investing approx. ₹ 38 crores to set up manufacturing line for plain bearings to be sold under brand name of GGB. The Commercial production is expected to start during Q2 of financial year 2026-2027.

- **Jamshedpur**

  The Company is investing approx. ₹ 120 crores to enhance capacity of bearing components (cup and cone) at rail facility in Jamshedpur. This project is expected to be completed in Q3 2026-2027. Project work is going on as per timelines.

Acquisitions

The Company has acquired 100% shares of Timken GGB Technology Private Limited by paying cash consideration to sellers. Timken GGB Technology Private Limited is now a wholly-owned subsidiary of the Company.

The Company has also acquired approx. 26% shareholding in Sunstreamgreen Energy C&I Three Private Limited to purchase power under group captive scheme.

Aforesaid investments made by the Company are considered as Downstream Investments as per Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (FEMA NDI Rules). The Company has obtained certificate from Statutory Auditors confirming that aforesaid downstream investments are made in compliance with FEMA NDI Rules.

Internal Financial Controls

The Company has established and maintained a robust system of internal financial controls commensurate with the nature, scale and complexity of its operations. These controls are designed to ensure the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records, compliance with applicable laws and regulations, and the timely preparation of reliable financial information.

The enterprise-wide Risk Management Framework facilitates the systematic identification, assessment, monitoring and mitigation of key business risks.

The adequacy and effectiveness of the internal financial control framework and risk management processes are subject to periodic review through management oversight, internal audits and Audit Committee supervision. Based on such reviews and the assurance received, the Board is satisfied that the Company's internal financial controls were adequate and operating effectively during the financial year under review.

Corporate Governance

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Corporate Governance Report along with Compliance Certificate from Practicing Company Secretary is attached as **Annexure - I**. Details relating to composition of the Board and its Committees along with its meetings held during FY 2025-26 are given in Corporate Governance Report which is attached as **Annexure - I**. One meeting of the Independent Directors was held on 11 February, 2026 which was attended by all the Independent Directors. The Company has adopted Code of Conduct for Board of Directors and Senior Management Personnel. Declaration regarding compliance with Code of Conduct is attached herewith and forms a part of **Annexure - I**.

Directors and Key Managerial Personnel

(i) Mr. Sumit Rathor (DIN: 00128517) was appointed as an Independent Director of the Company with effect from 1 October, 2025.

(ii) Dr. Lakshmi Lingam (DIN: 10181197) was re-appointed as an Independent Director of the Company with effect from 1 October, 2025.

(iii) Mr. Ajay Sood (DIN : 03517303) ceased to be an Independent Director of the Company with effect from 1 October, 2025.

(iv) Mr. Sujit Kumar Pattanaik (DIN: 10709015) was appointed as Chief Financial Officer of the Company with effect from 1 April, 2025 and later he was appointed as Whole-time Director of the Company effective 30 September, 2025.

(v) Mr. Soumitra Hazra (DIN: 02293182) was re-appointed as an Independent Director of the Company with effect from 31 May, 2026.

(vi) Mr. Michael Discenza (DIN: 10644441) was appointed as Non- Executive Director of the Company with effect from 15 April, 2026.

(vii) Mr. Avishrant Keshava (DIN : 07292484) ceased to be Chief Financial Officer of the Company with effect from 31 March, 2025. He also ceased to be Whole-time Director of the Company effective 30 September, 2025.

(viii) Mr. Douglas Smith (DIN: 02454618) ceased to be Non- Executive Director of the Company with effect from 15 December, 2025.

Mr. Hansal Patel (DIN: 09607506), Director, will retire by rotation at 39th AGM and being eligible, offers himself for re-appointment.

Pursuant to Section 203 of the Act, Mr. Sanjay Koul as Managing Director, Mr. Sujit Kumar Pattanaik as Chief Financial Officer and Mr. Mandar Vasmatkar as Company Secretary serve as Whole-time Key Managerial Personnel ('KMP').

The Company has received declaration of independence from all Independent Directors of the Company confirming that he/she has met with the criteria of independence laid down in Section 149 of the Act and Regulation 16 of Listing Regulations. Independent Directors' details have been included in the databank of Independent Directors maintained by Indian Institute of Corporate Affairs ('IICA'). In the opinion of the Board, the Independent Directors possess requisite integrity, expertise and experience.

Formal Annual Evaluation of the Board of Directors, its Committees and individual Directors

The Board has carried out performance evaluation of the Board as a whole, various Committees of the Board and individual Directors based on performance evaluation criteria. Directors have provided feedback in writing to Chairman about the Board as a whole, various Committees and individual Directors.

Further, Independent Directors in their separate meeting held on 11 February, 2026 have evaluated performance of Non-Independent Directors, Chairman and the Board as a whole.

Statutory Audit

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/W- 100018), continue to serve as Statutory Auditors of the Company. Reports given by Statutory Auditors on the Financial Statements for FY 2025-26 form part of this Annual Report. Auditors expressed unmodified opinion on Financial Statements for FY 2025-26 in their reports. Their audit reports did not contain any adverse remark or observation. During the year under review, there was no fraud reported by the Auditors to the Audit Committee/Board under Section 143(12) of the Act.

Auditors also provided unmodified opinion on adequacy and operating effectiveness of internal financial controls over financial reporting as at 31 March, 2026.

Cost Audit

In terms of Section 148 of the Act, the Company is required to maintain cost records and have its records audited by the Cost Accountant. The Company has maintained cost records for FY 2025-26 as required under Section 148 of the Act.

The Board of Directors, on recommendation of the Audit Committee, has re-appointed M/s Shome and Banerjee (Firm Registration No. 000001) as Cost Auditors for FY 2026-27. In terms of Section 148 of the Act read with Rules made thereunder, remuneration payable to Cost Auditors is required to be ratified by Members of the Company. Accordingly, appropriate resolution for ratification of remuneration payable to Cost Auditors for FY 2026-27 has been included in the Notice convening 39th AGM. The Board requests Members to approve/ratify remuneration of Rs. 7,00,000/- (Rupees Seven Lakhs Only) plus applicable taxes and out-of-pocket expenses payable to Cost Auditors for FY 2026-27. The Cost Audit Report of the Company for FY 2024-25 was filed on 21 August, 2025 (within the stipulated due date).

Secretarial Audit

Pursuant to Section 204 of the Act, Mr. Nagarjun Y G, Practicing Company Secretary, has submitted the Secretarial Audit Report which is attached as **Annexure – II**. Secretarial Audit Report does not contain any adverse remark or qualification.

The Company has complied with norms of applicable Secretarial Standards issued by the Institute of Company Secretaries of India (‘ICSI’).

Internal Audit

M/s KPMG Assurance and Consulting Services LLP acted as Internal Auditors for FY 2025-26. They conducted periodical audits and submitted their reports to the Audit Committee. Their reports have been reviewed by the Audit Committee.

Related Party Transactions

All related party transactions entered into by the Company during FY 2025-26 are disclosed in the Financial Statements for the year ended 31 March, 2026. All related party transactions entered during FY 2025-26 were in ordinary course of business and at arm's length. There was no related party transaction that had any conflict with the interest of the Company.

Material related party transactions entered during FY 2025-26 are given in Form AOC-2, attached to this Report marked as **Annexure - III**. It may please be noted that the Company has entered into material related party transactions as approved by the Members under Regulation 23 of Listing Regulations. The Company has considered definition of material related party transactions under the Listing Regulations for reporting material related party transactions in Form AOC-2. For FY 2026-27, the Company anticipates that material related party transactions would be entered with three parties, for which approval is being sought in 39th AGM. The Audit Committee was provided with all relevant information as required under Industry Standards on minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions (ISF Standards) and the Audit Committee has granted approval for estimated material related party transactions of FY 2026-27.

During the year under review, the Company made no changes in Related Party Transactions Policy. Related Party Transactions Policy is available on the website of the Company at https://www.timken.com/en-in/investors/policies/.

Risk Management

The Board of Directors of the Company has constituted a Risk Management Committee which inter-alia is responsible for assessment of risks, establishment of framework for monitoring risks and developing strategy for mitigation of various risks. Chief Financial Officer serves as Chief Risk Officer of the Company. During the year under review, changes were made in the Risk Management Policy and revised Policy is disclosed on the Company's website at https://www.timken.com/en-in/investors/policies/.

The Company conducted a comprehensive risk review during the year and observed that overall risk profile remained stable, with no major changes identified. The Company has adopted ISO 31000:2018 framework for enterprise risk management.

Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility ('CSR') Committee which is responsible for evaluation and implementation of CSR Projects. The Company has spent Rs. 7,85,91,271/- on various CSR Activities during FY 2025-26, including administrative expenses. Further, the Company has transferred Rs. 2,81,00,000/- on account of ongoing projects to Unspent CSR Account. For more details on CSR expenditure during the year under review, please refer Annual Report on CSR Activities attached as **Annexure – IV**. Details of CSR Projects carried out during FY 2025-26 are also available on the website of the Company at https://www.timken.com/en-in/investors/statutory-compliances/. The Company has adopted CSR Policy and its salient features are as follows:

- It lays down CSR Philosophy, Vision and Commitment of the Company.
- It specifies guidelines for implementation of CSR Projects through CSR Partners including eligibility criteria for CSR Partners.
- It also lays down roles and responsibilities of the CSR Committee.

In May'25, focus areas of the Company for CSR activities were added in the Policy along with other minor changes and revised CSR Policy is disclosed on the Company's website at https://www.timken.com/en-in/investors/policies/.

Nomination and Remuneration Policy

Based on recommendation of the Nomination and Remuneration Committee, the Board has laid down a Policy inter alia for remuneration of Directors, Senior Management Personnel. The salient features of the Policy are as follows:

- It covers role of the Nomination and Remuneration Committee in line with Section 178 of the Act and Listing Regulations.
- It lays down criteria for determining qualifications, positive attributes, independence and other personal specifications that need to be considered for appointment of a Director.

- It specifies terms and conditions that need to be considered for appointment of Directors and Senior Management Personnel including tenure of appointment, removal and retirement.
- It also lays down parameters for payment of remuneration to Executive Directors, Non- Executive/ Independent Directors and Senior Management Personnel.

During the year under review, no change was made in the Nomination and Remuneration Policy. This Policy is disclosed on the Company's website at https://www.timken.com/en-in/investors/policies/.

Ratio of Remuneration

Pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, applicable details are given in specified format which is attached as **Annexure - V**.

Information required under Section 197(12) of the Act read with Rules 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is available on website of the Company at https://www.timken.com/en-in/investors/statutory-compliances/.

The said information will be available on the website upto date of AGM and after that this information will be available for inspection at the Registered Office.

Vigil Mechanism/Whistle Blower Policy

For details, please refer Corporate Governance Report attached as **Annexure - I**.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are attached to this Report marked as **Annexure - VI**.

Business Responsibility and Sustainability Report

Pursuant to Regulation 34 of Listing Regulations, Business Responsibility and Sustainability Report is made available on the website of the Company at https://www.timken.com/en-in/investors/financial-report/. Assurance statement received from TÜV SÜD South Asia Pvt Ltd, Independent Third Party Assurance Provider, giving reasonable assurance about BRSR Core is attached herewith as **Annexure - VII**.

Directors' Responsibility Statement

In pursuance of Section 134 (5) of the Act, the Directors hereby confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Annual Return

Annual Return as on 31 March, 2025 filed with the Registrar of Companies and draft Annual Return as on 31 March, 2026 are available on the website of the Company at https://www.timken.com/en-in/investors/statutory-compliances/.

Particulars of Loans, Guarantees or Investments

Particulars about investments made by the Company during the year are disclosed in the Financial Statements. During the year under review, the Company did not give any loans except to its employees as part of the conditions of service. Also, the Company did not give any guarantee or extend any securities in connection with any loan.

Deposits

The Company has not accepted Deposits covered under Chapter V of the Act and Rules framed thereunder.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company does not tolerate discrimination, sexual harassment or any other harassment whether engaged in by management or associates or other individual with whom associates come into contact during work. The Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender. The Company has adopted Anti-Sexual Harassment Policy in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has also complied with the aforesaid Act. Said Policy is disclosed on the Company's website at www.timken.com/en-in/investors/policies/. The Company has constituted Internal Committee ('IC') at all locations of the Company and at least half of the total Members of the IC are women. IC redresses complaints received regarding sexual harassment as required by the aforesaid Act.

Below are the details regarding complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY 2025-26:

- Number of complaints of sexual harassment received in the year : 2
- Number of complaints disposed of during the year : 2
- Number of cases pending for more than 90 days : Nil

Maternity Benefits

The Company confirms that it is in full compliance with the provisions of the Maternity Benefit Act, 1961. The Company has implemented appropriate policies and procedures to ensure that all eligible women employees are granted the maternity benefits as mandated under the aforesaid Act.

Significant and/or material orders passed by the Regulators

During FY 2025-26, no judicial order was passed which could impact going concern of the Company. It may please be noted that the Company has made disclosures under Regulation 30 of Listing Regulations about orders received from tax or judicial or regulatory authorities, details of which are available on the website of the Company at www.timken.com/en-in/investors/statutory-compliances/.

Listing with Stock Exchanges

The Company confirms that it has paid annual Listing Fees for FY 2026-27 to National Stock Exchange of India Limited and BSE Limited, where the Company's shares are listed.

Investor Education and Protection Fund

Pursuant to Section 124 of the Act and Rules made thereunder:

(i) The Company has transferred following unclaimed amounts to Investor Education and Protection Fund ('IEPF') during FY 2025-26:

Particulars	Amount (in ₹)
Dividend paid by the Company for FY 2017-18	13,18,588/-
Interim Dividend paid by erstwhile ABC Bearings Limited (amalgamated with the Company) for FY 2018-19	71,154/-
Sale proceeds of fractional shares arising out of merger of ABC Bearings Limited with the Company	3,73,661/-
Dividend paid by the Company for FY 2024-25 against shares already transferred to IEPF (net of TDS)	3,57,91,374/-

(ii) Unpaid dividend for FY 2018-19 relating to the Company is due for transfer to IEPF in the month of September, 2026.

Financial Performance of Associate/Joint Venture Company

The Company does not have Associate or Joint Venture Company. The Company has invested approx Rs 70 lakhs to acquire 26% of equity in Sunstreamgreen Energy C&I Three Private Limited to secure electricity from renewable sources as per Group Captive Scheme. However, the Company does not exercise significant influence over Sunstreamgreen Energy C&I Three Private Limited. Hence, as per Section 2 (6) of the Act, it is not an Associate of the Company.

Financial performance of Subsidiary Company

Timken GGB Technology Private Limited is a wholly owned subsidiary of the Company. Statement containing salient features of the Financial Statements of Timken GGB Technology Private Limited is given in Form AOC – 1 which forms part of Financial Statements. Further, Financial Statements of Timken GGB Technology Private Limited for FY 2025-26 are available at https://www.timken.com/en-in/investors/financial-report/ .

Other Disclosures

Sweat Equity Shares	Not applicable as no Sweat Equity Shares are issued.
Shares with differential Rights	Not applicable as no Shares with differential rights are issued.
Shares under Employees Stock Option Scheme	Not applicable as the Company does not have any stock option scheme.
Purchase by Company or giving of loans by it for purchase of its shares	The Company has not purchased or given any loan to purchase its Equity Share and therefore, disclosure norms are not applicable to the Company.
Buy Back of Shares	The Company has not bought back any Equity Share and therefore, disclosure norms are not applicable to the Company.
Demat Suspense/Unclaimed Suspense Account	For more details, please refer Corporate Governance Report attached as **Annexure - I**.
Settlement with Banks/Financial Institutions	Not applicable.
Proceedings pending under Insolvency and Bankruptcy Code, 2016	Not applicable.

Acknowledgment

The Directors take this opportunity to thank Investors, Vendors, Customers and other Stakeholders for their continued support and also appreciate employees for their dedication, commitment and support because of which this performance could have been made possible.

For and on behalf of the Board of Directors

Sd/-

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Date : 1 July, 2026
Place : Bengaluru

Annexure – I

Corporate Governance Report

CORPORATE GOVERNANCE PHILOSOPHY

The Company's Code of Conduct, the Standards of Business Ethics Policy is based on core values of the Company and guides us in conducting the business. Ethics and integrity is one of our core values. Honesty, fairness, respect and integrity are the four principles which define the core value of ethics and integrity. Core value of ethics and integrity expects us to do what is right regardless of the situation. Corporate Governance philosophy of the Company is based on core value of ethics and integrity. The Company believes that when we act with ethics and integrity, we earn trust and confidence of customers, suppliers, investors and community at large. The Company has long-standing reputation as an ethical company and Company's Code of Conduct, the Standards of Business Ethics Policy plays pivotal role in conducting business in a manner consistent with its core values including ethics and integrity.

BOARD OF DIRECTORS (THE BOARD)

Details relating to composition of the Board during FY 2025-26 and attendance of Directors at the Annual General Meeting ('AGM') and other relevant details are given below:

Name of the Director	Category of Directorship	Whether attended AGM held on 19 August, 2025	No. of Directorships in other companies*	No. of Committee positions held in other companies**	
				Chairman/ Chairperson	Member
Mr. Sanjay Koul (DIN: 05159352)	Chairman & Managing Director Executive	👤	—	—	—
Mr. George J Ollapally (DIN: 09607523)	Independent Director Non-Executive	👤	—	—	—
Mr. Ajay Sood[1] (DIN: 03517303)	Independent Director Non-Executive	👤	1	—	—
Dr. Lakshmi Lingam[2] (DIN: 10181197)	Independent Director Non-Executive	👤	—	—	—
Mr. Soumitra Hazra[3] (DIN: 02293182)	Independent Director Non-Executive	👤	—	—	—
Mr. Douglas Smith[4] (DIN: 02454618)	Non-Executive Director	X	—	—	—
Mr. Hansal Patel (DIN: 09607506)	Non-Executive Director	X	1	—	—
Mr. Avishrant Keshava[5] (DIN: 07292484)	Whole-time Director Executive	👤	1	—	—
Mr. Sujit Kumar Pattanaik[6] (DIN: 10709015)	Whole-time Director Executive	👤	1	—	—
Mr. Sumit Rathor [7] (DIN : 00128517)	Independent Director Non-Executive	NA	1	—	—

👤 : Present   X : Leave of Absence   NA : Not Applicable

**Includes Private Companies and Section 8 Companies as per the Companies Act, 2013. ('the Act')*

***As per Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')*

[1] *Mr. Ajay Sood ceased to be an Independent Director of the Company w.e.f. 1 October, 2025 on completion of his tenure*

[2] *Dr. Lakshmi Lingam was re-appointed as an Independent Director of the Company w.e.f. 1 October, 2025*

[3] *Mr. Soumitra Hazra was re-appointed as an Independent Director of the Company w.e.f. 31 May, 2026*

[4] *Mr. Douglas Smith resigned as Non-Executive Director of the Company w.e.f. 15 December, 2025*

[5] *Mr. Avishrant Keshava ceased to be a Whole-time Director of the Company w.e.f. 30 September, 2025 on completion of his tenure*

[6] *Mr. Sujit Kumar Pattanaik was appointed as a Whole-time Director of the Company w.e.f. 30 September, 2025*

[7] *Mr. Sumit Rathor was appointed as an Independent Director of the Company w.e.f. 1 October, 2025*

BOARD MEETINGS

During FY 2025-26, four Board Meetings were held. Relevant details of Board Meetings held during FY 2025-26 and attendance of Directors thereat are given hereunder:

Name of the Director	Meetings held during FY 2025-26			
	23 May, 2025	31 July, 2025	3 November, 2025	4 February, 2026
Mr. Sanjay Koul	👤	👤	👤	👤
Mr. George J Ollapally	👤	👤	👤	👤
Mr. Ajay Sood[1]	👤	👤	NA	NA
Dr. Lakshmi Lingam	👤	👤	👤	👤
Mr. Soumitra Hazra	👤	👤	👤	👤
Mr. Douglas Smith[2]	👤	👤	👤	NA
Mr. Hansal Patel	👤	👤	👤	👤
Mr. Avishrant Keshava[3]	👤	👤	NA	NA
Mr. Sujit Kumar Pattanaik[4]	NA	NA	👤	👤
Mr. Sumit Rathor[5]	NA	NA	👤	👤

👤 : Present NA : Not Applicable

[1]Mr. Ajay Sood ceased to be an Independent Director of the Company w.e.f. 1 October, 2025
[2]Mr. Douglas Smith resigned as a Non-Executive Director of the Company w.e.f. 15 December, 2025
[3] Mr. Avishrant Keshava ceased to be a Whole-time Director of the Company w.e.f. 30 September, 2025
[4] Mr. Sujit Kumar Pattanaik was appointed as a Whole-time Director of the Company w.e.f. 30 September, 2025
[5] Mr. Sumit Rathor was appointed as an Independent Director of the Company w.e.f. 1 October, 2025

During FY 2025-26, gap between two consecutive Meetings did not exceed 120 days. Information as required under PART-A of Schedule II of Listing Regulations has been made available to the Board. During FY 2025-26, the Board of Directors accepted all the recommendations made by the Committees of the Board. One meeting of the Independent Directors without participation of Non-Independent Directors and any management personnel was held on 11 February, 2026. The Company has received necessary declarations from all Independent Directors of the Company confirming that each of them has met with criteria of independence laid down in Section 149 of the Act and Regulation 16 of Listing Regulations. Tenure of Independent Directors of the Company is within the time limit as prescribed under the Act. It is hereby confirmed that in the opinion of the Board, Independent Directors fulfil the conditions specified in Section 149 of the Act and Regulation 16 of Listing Regulations and are independent of the management. The Company has disclosed terms and conditions of appointment of Independent Directors on its website at www.timken.com/en-in. No Director of the Company serves as an Independent Director in more than seven listed companies and no Director serving as a Managing Director or Whole-time Director in any listed company, serves as an Independent Director in more than three listed companies. No Director of the Company is a Member of more than ten committees or acts as Chairman/Chairperson of more than five committees across all companies in which he/she is a Director. Necessary disclosures regarding committee positions have been made by all the Directors.

The Board has identified following core skills/expertise/competencies required in the context of business of the Company. Details regarding Directors who possess such core skills/expertise/competencies are provided in the table below:

Core skills/ expertise/ competencies	Financial Management	Leader ship	Technology	Production and Engineering	Legal and Tax	Human Resource	Sales and Marketing	Board and Corporate Governance	Mergers and Acquisitions	Business Strategy and Systems	ESG and CSR
Availability with Board	√	√	√	√	√	√	√	√	√	√	√
Mr. Sanjay Koul	√	√	√	√		√	√	√	√	√	√
Mr .George J Ollapally		√				√	√	√		√	
Mr. Sumit Rathor		√				√	√	√		√	
Dr. Lakshmi Lingam		√				√		√		√	√
Mr. Soumitra Hazra	√	√			√	√		√	√	√	
Mr. Hansal Patel		√			√	√		√	√	√	√
Mr. Sujit K Pattanaik	√	√	√		√	√		√	√	√	√
Mr. Michael Discenza[1]	√	√	√		√	√		√	√	√	

[1]Mr. Michael Discenza has been appointed as Non Executive Director of the Company w.e.f. 15 April, 2026

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

No Director of the Company is related to another Director *inter-se*.

PROMOTER AND DIRECTORS' SHAREHOLDING

During the year under review, there is no change in the promoter holding. Mr. Soumitra Hazra holds 3 equity shares of the Company and Mr. Sujit Kumar Pattanaik holds 2 equity shares of the Company. The Company has not issued any convertible instrument.

FAMILIARIZATION PROGRAMME

During FY 2025-26, the Company conducted two Familiarization Programs. On 18 October, 2025 a program was conducted relating to "Per- and Polyfluoroalkyl Substances (PFAS): Indian Framework and Global Learnings". On 9 March, 2026 , a program was conducted on "Related Party Transactions". Details of familiarization programs conducted for Independent Directors so far have been disclosed on the Company's website and can be seen at https://www.timken.com/en-in/investors/statutory-compliances/.

AUDIT COMMITTEE

The Board has constituted Audit Committee comprising 4 Directors out of which 3 are Independent Directors. Mr. Soumitra Hazra, Independent Director acted as the Chairman of the Audit Committee during FY 2025-26 and Mr. Soumitra Hazra was present at 38th AGM of the Company held on 19 August, 2025. During FY 2025-26, four Audit Committee Meetings were held. Relevant details regarding Audit Committee Meetings held during FY 2025-26 and attendance of Members thereat are given below:

Name of the Director	Designation	Meetings held during FY 2025-26			
		23 May, 2025	31 July, 2025	3 November, 2025	4 February, 2026
Mr. Soumitra Hazra	Chairman	👤	👤	👤	👤
Mr. George J Ollapally	Member	👤	👤	👤	👤
Mr. Sumit Rathor [1]	Member	NA	NA	👤	👤
Mr. Ajay Sood [2]	Member	👤	👤	NA	NA
Mr. Sanjay Koul	Member	👤	👤	👤	👤

👤 : Present NA : Not Applicable

[1]*Mr. Sumit Rathor was appointed as a Member of the Committee w.e.f. 1 October, 2025*

[2]*Mr. Ajay Sood ceased to be Member of the Committee w.e.f. 1 October, 2025*

Audit Committee Meetings were also attended by the representatives of Internal Auditors and Statutory Auditors. The Audit Committee enjoys all the powers as mentioned in Regulation 18 of Listing Regulations. Role of the Audit Committee is as per what is stated in Part C (A) of Schedule II of Listing Regulations read with Section 177 of the Act and Rules framed thereunder. The Audit Committee mandatorily reviewed the information prescribed in Part C (B) of Schedule II of Listing Regulations on quarterly basis.

NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted Nomination and Remuneration Committee comprising 4 Directors out of which 3 are Independent Directors. Mr. George J Ollapally and Mr. Ajay Sood, Independent Directors, acted as Chairman of the Nomination and Remuneration Committee during FY 2025-26 and Mr. Ajay Sood was present at 38th AGM of the Company held on 19 August, 2025. During FY 2025-26, three Meetings of the Nomination and Remuneration Committee were held. Relevant details regarding Nomination and Remuneration

Committee Meetings held during FY 2025-26 are given below:

Name of the Director	Designation	Meetings held during FY 2025-26		
		9 May, 2025	3 November, 2025	22 January, 2026
Mr. Ajay Sood[1]	Chairman	👤	NA	NA
Mr. George J Ollapally [2]	Chairman	👤	👤	👤
Mr. Sumit Rathor [3]	Member	NA	👤	👤
Dr. Lakshmi Lingam	Member	👤	👤	X
Mr. Hansal Patel	Member	👤	👤	👤

👤 : Present X : Leave of Absence NA : Not Applicable

[1]Mr. Ajay Sood ceased to be Chairman/Member of the Committee w.e.f. 1 October, 2025

[2]Mr. George J Ollapally was appointed as the Chairman of the Committee w.e.f. 1 October, 2025

[3] Mr. Sumit Rathor was appointed as a Member of the Committee w.e.f 1 October, 2025

Role of Nomination and Remuneration Committee is as per what is described in Part D (A) of Schedule II of the Listing Regulations and Section 178 of the Act.

PERFORMANCE EVALUATION CRITERIA

The Nomination and Remuneration Committee of the Board has laid down following performance evaluation criteria for the Independent Directors:

1. Active participation and contribution to discussions and decision making in Board Meetings, ability to function as team, maintaining confidentiality
2. Effective use of skills, knowledge and expertise towards the growth and betterment of the Company, stakeholder value creation
3. Commitment to the highest ethical standards and values of the Company
4. Compliance with the policies of the Company and other applicable laws and regulations
5. Independence of behavior and judgment, managing of conflict of interest, clear communication of views, concerns, opinions
6. Impact and influence, Leadership, interpersonal relationship with other Directors, Management members
7. Understanding duties, rights, liabilities of Directors, Company specific updates, skill upgradation
8. Business strategy/planning and execution, Business /Company specific knowledge

Performance evaluation of the Independent Directors has been done by the entire Board of Directors excluding the evaluated Director.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders Relationship Committee comprising 3 Independent Directors. Mr. George J Ollapally, Independent Director acted as Chairman of the Stakeholders Relationship Committee during FY 2025-26 and Mr. George J Ollapally was present at 38th AGM of the Company held on 19 August, 2025.

The Stakeholders Relationship Committee is inter-alia entrusted with the responsibility to consider and resolve grievances of Shareholders including complaints relating to transmission of shares, non-receipt of annual report, non-receipt of declared dividend, loss of share certificates etc.

During the year ended 31 March, 2026, one meeting of the Stakeholders Relationship Committee was held on 5 February, 2026. Generally, approval of Members of the Stakeholders Relationship Committee is obtained through resolutions by circulation for effecting registration of transmission of shares in physical form, issue of duplicate/new certificates and other issues involving investor services.

Relevant details regarding Stakeholders Relationship Committee Meeting held during FY 2025-26 are given below:

Name of the Director	Designation	Meeting held on 5 February, 2026
Mr. George J Ollapally	Chairman	👤
Dr. Lakshmi Lingam	Member	👤
Mr. Soumitra Hazra	Member	👤
Mr. Douglas Smith [1]	Member	NA
Mr. Hansal Patel [2]	Member	NA
Mr. Avishrant Keshava [3]	Member	NA

👤 : Present NA : Not Applicable

[1]Mr. Douglas Smith ceased to be Member of the Committee w.e.f. 15 December, 2025

[2]Mr. Hansal Patel ceased to be Member of the Committee w.e.f. 1 October, 2025

[3]Mr. Avishrant Keshava ceased to be Member of the Committee w.e.f. 30 September, 2025

Mr. Mandar Vasmatkar, Company Secretary & Chief – Compliance, acted as Compliance Officer during the year under review.

Status of investors' complaints during FY 2025-26 is given below:

Particulars	Q1	Q2	Q3	Q4	Total
Number of Shareholders' complaints received	8	24	17	16	65
Number of complaints not solved to the satisfaction of Shareholders	0	0	0	0	0
Number of pending complaints	0	0	0	0	0

RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company has constituted Risk Management Committee comprising 3 Directors out of which 1 is an Independent Director.

During FY 2025-26, three Meetings of Risk Management Committee were held. Relevant details regarding Risk Management Committee Meetings held during FY 2025-26 are given below:

Name of the Director	Designation	Meetings held during FY 2025-26		
		1 April, 2025	26 September, 2025	11 March, 2026
Mr. Sanjay Koul	Chairman	👤	👤	👤
Mr. Avishrant Keshava[1]	Member	👤	👤	NA
Mr. Ajay Sood[2]	Member	👤	👤	NA
Mr. Sujit Kumar Pattanaik[3]	Member	NA	NA	👤
Mr. Soumitra Hazra[4]	Member	NA	NA	👤

👤 : Present NA : Not Applicable

[1]*Mr. Avishrant Keshava ceased to be Member of the Committee w.e.f. 30 September, 2025*
[2]*Mr. Ajay Sood ceased to be Member of the Committee w.e.f. 30 September, 2025*
[3]*Mr. Sujit Kumar Pattanaik was appointed as a Member of the Committee w.e.f. 30 September, 2025*
[4]*Mr. Soumitra Hazra was appointed as a Member of the Committee w.e.f. 30 September, 2025*

Role of Risk Management Committee includes Roles described in Part D(C) of Schedule II of the Listing Regulations.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors of the Company has constituted Corporate Social Responsibility Committee comprising 3 Directors out of which 1 is an Independent Director.

During FY 2025-26, two meetings of Corporate Social Responsibility Committee were held on 8 May, 2025 and 18 July, 2025. Relevant details regarding Corporate Social Responsibility Committee Meetings held during FY 2025-26 are given below:

Name of the Director	Designation	Meetings held during FY 2025-26	
		8 May, 2025	18 July, 2025
Mr. Sanjay Koul	Chairman	👤	👤
Mr. Avishrant Keshava [1]	Member	👤	👤
Dr. Lakshmi Lingam	Member	👤	👤
Mr. Sujit Kumar Pattanaik [2]	Member	NA	NA

👤 : Present NA : Not Applicable

[1]*Mr. Avishrant Keshava ceased to be Member of the Committee w.e.f. 30 September, 2025*
[2]*Mr. Sujit Kumar Pattanaik was appointed as a Member of the Committee w.e.f. 30 September, 2025*

SENIOR MANAGEMENT

As per the Listing Regulations, 'Senior Management' includes personnel of the Company who are members of the core management team excluding the Board of Directors and shall comprise all members of the management one level below Chief Executive Officer, Managing Director or Whole-time Director and Manager and shall specifically include the functional heads and Company Secretary, Chief Financial Officer and Compliance Officer .

Details regarding Senior Management Personnel of the Company are given hereunder:

Name of Senior Management Personnel	Designation	Change (Yes/No)	Nature of change
Avishrant Keshava	General Manager – Special Projects	Yes	Resigned with effect from 30 April, 2026
Rajeev Kumar Saraswat	Director – Operations & SCM – India	No	NA
Sanjay Kumar Mishra	General Manager, Plant Operations, Bharuch	No	NA
Aditya Roy	General Manager – Sales – India	Yes	Cessation due to superannuation from employment of the Company with effect from 31 October, 2025
Srinivasan Sarangapani	Director – Supply Chain	Yes	Ceased to be a Senior Management Personnel w.e.f. 1 May, 2026 as he moved in global role within Timken group
Harish Subramanian	General Manager – HR – India	Yes	Resigned w.e.f. 15 December, 2025
Mandar Vasmatkar	Company Secretary & Chief – Compliance	No	NA
Tarun Beniwal	Manager – Corporate Communications	No	NA
Shesh Kumar	Assistant General Manager – Marketing, India	No	NA
Adi Narayan Rao	Head – Facilities & Administration	No	NA
Vamanamoorthy H	Head – CI, Strategic Projects, Sustainability & ESG	No	NA
Aakash Dubey	General Manager, Plant Operations, Bharuch	No	NA
Gurdeep Grewal	Director – Sales – India	Yes	Appointed w.e.f. 3 November, 2025
Vijay Pratap Singh	General Manager – Process Sales	Yes	Appointed w.e.f. 3 November, 2025
Himanshu Kumar Mishra	General Manager – Plant Operations	Yes	Appointed w.e.f. 18 May, 2026
Gajanan Bidkar	General Manager – India Supply Chain	Yes	Appointed w.e.f. 18 May, 2026

Note : Mr. Sanjay Koul serves as Chairman and Managing Director and Mr. Sujit Kumar Pattanaik serves as Business Controller- India, CFO & Whole-time Director.

REMUNERATION OF DIRECTORS FOR FY 2025-26

Except for sitting fees paid to the Independent Directors for attending Meetings of the Board / Committees thereof, the Company does not have any pecuniary relationship or transactions with Non-executive Directors.

Independent Directors of the Company were paid remuneration by way of sitting fees only. The Company paid remuneration by way of salary & allowances, perquisites (fixed components) and performance incentive (variable component) to the Chairman & Managing Director and Whole-time Director being Executive Directors on the Board of Directors of the Company, after obtaining requisite approvals. Performance incentives (variable component) were based on performance criteria laid down at the beginning of the year broadly taking into account EBITDA and free cash flow targets set for the year. Criteria for making payment to the Directors are disclosed in the Nomination and Remuneration Policy, which is available on the Company's website at https://www.timken.com/en-in/investors/policies/. Details of remuneration paid to Directors during FY 2025-26 are hereunder:

Non-Executive Directors

Name of the Director	Sitting Fees (in ₹)
Mr. George J Ollapally	8,55,000
Mr. Sumit Rathor	4,65,000
Mr. Ajay Sood	4,50,000
Dr. Lakshmi Lingam	6,75,000
Mr. Soumitra Hazra	7,35,000
Mr. Douglas Smith	NA
Mr. Hansal Patel	NA

Executive Directors (In ₹)

Name of the Director	Salary & Allowances	Perquisites	Performance Incentive
Mr. Sanjay Koul	31,800,464	23,842,818	10,083,131
Mr. Avishrant Keshava*	4,473,784	862,246	1,356,149
Mr. Sujit Kumar Pattanaik**	11,113,411	1,724,912	1,878,557

*Notes: * for Mr. Avishrant Keshava details given above pertain to period from 1 April, 2025 to 30 September, 2025*

*** for Mr. Sujit Kumar Pattanaik details are given for entire FY 2025-26 though he was appointed as Director effective 1 October, 2025*

The Company does not have Stock Options Scheme. Mr. Koul and Mr. Pattanaik are entitled to receive stock options of ultimate Parent Company, cost of which is included in Perquisites. Terms of appointment of the Executive Directors are governed by applicable provisions of law and such appointment is subject to termination by either party by giving three months notice unless termination at a shorter notice is mutually agreed. As per terms of appointment, none of the Executive Director is entitled to receive any severance fees.

GENERAL BODY MEETINGS

Location, date and time of last three AGMs:

Financial year	Location	Date	Day	Time	No. of Special Resolutions
2022-23	Timken India Limited, 39-42, Electronic City, Phase II, Hosur Road, Bangalore - 560 100. (through VC/OAVM)	21 August, 2023	Monday	03.00 pm	2
2023-24	Timken India Limited, 39-42, Electronic City, Phase II, Hosur Road, Bangalore - 560 100. (through VC/OAVM)	19 August, 2024	Monday	03.00 pm	2
2024-25	Timken India Limited, 39-42, Electronic City, Phase II, Hosur Road, Bangalore - 560 100. (through VC/OAVM)	19 August, 2025	Tuesday	03.00 pm	2*

**Notes: following two special resolutions were passed during FY 2025-26 at previous AGM:*

– *for re-appointment of Mr. Lakshmi Lingam (DIN: 10181197) as an Independent Director of the Company*

– *for appointment of Mr. Sumit Rathor (DIN: 00128517) as an Independent Director of the Company*

RESOLUTIONS PASSED THROUGH POSTAL BALLOT

Postal Ballot Notice dated 26 February, 2026 was sent on 5 March, 2026 by email in accordance with provisions of Sections 108 and 110 of the Act read with Rules made thereunder and Circular dated 22 September, 2025 read with Circulars dated 8 April, 2020, 13 April, 2020, 5 May, 2020 and other relevant Circulars issued by Ministry of Corporate Affairs to those Members whose names appeared in the Register of Members / Register of Beneficial Owners maintained by the depositories as on Friday, 27 February, 2026 ("Cut-off-Date") to consider and pass following resolutions

- Re-appointment of Mr. Soumitra Hazra (DIN: 02293182) as an Independent Director of the Company : Special Resolution
- Appointment of Mr. Michael Discenza (DIN: 10644441) as Non-Executive Director of the Company : Ordinary Resolution

The Company had engaged National Securities Depository Limited ('NSDL') to provide e-voting facility. Mr. V. Sreedharan, Practicing Company Secretary acted as Scrutinizer of Postal Ballot. Scrutinizer submitted his report on 6 April, 2026 to the Chairman & Company

Secretary & Chief - Compliance. Scrutinizer's report along with remote e-voting results were submitted to stock exchanges on 6 April, 2026 and simultaneously same were also displayed on the website of the Company as well. Details of voting are given below:

Item	% of votes cast in favour	% of votes cast against	E-voting period	Approval date
Re-appointment of Mr. Soumitra Hazra (DIN: 02293182) as an Independent Director of the Company : Special Resolution	92.37%	7.63%	From 6 March, 2026 from 9.00 AM (IST) To 4 April, 2026 at 5.00 PM (IST).	4 April, 2026
Appointment of Mr. Michael Discenza (DIN: 10644441) as Non-Executive Director of the Company : Ordinary Resolution	99.95%	0.05%		

MEANS OF COMMUNICATION

Quarterly financial results of the Company were communicated through newspaper insertions and intimation to the Stock Exchanges and are also displayed on Company's website. Quarterly financial results were published in Financial Express (English) and Prajavani (Kannada).

GENERAL SHAREHOLDERS INFORMATION

1	AGM	Tuesday, 18 August, 2026 through VC/OAVM at 3.00 PM (IST)
2	Financial Year	1 April, 2025 to 31 March, 2026
3	Dividend Payment Date	Within 30 days from declaration at the AGM
4	Stock Exchanges where Shares are listed and Listing Fees	Equity Shares of the Company are presently listed on the following Stock Exchanges: National Stock Exchange of India Limited "Exchange Plaza" Bandra Kurla Complex Bandra (E), Mumbai - 400 051 BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 The Company has paid annual listing fees to the above Stock Exchanges for FY 2026-27.
5	Compliance Officer	Mr. Mandar Vasmatkar
6	Registrar & Share Transfer Agent	MUFG Intime India Private Limited SEBI Registration Number: INR000004058 Note: CB Management Services Private Limited (earlier RTA) amalgamated with MUFG Intime India Private Limited.
7	Investor Relations Correspondence	Company Secretary & Chief - Compliance Timken India Limited 39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100 Tel. No. 080 - 41362000 e-mail: tilinvestor@timken.com Registrar & Share Transfer Agent MUFG Intime India Private Limited Rasoi Court, 5th floor, 20, Sir R N Mukherjee Road, Kolkata-700001 Tel No. +91 033 6906 6200 e-mail: investor.helpdesk@in.mpms.mufg.com
8	Promoter / Non-promoter shareholding as on 31 March, 2026	Promoter : Timken Singapore Pte Limited : 51.05% Non-promoter Public Shareholding : 48.95% Detailed shareholding pattern for every quarter is available on the website of the Company at https://www.timken.com/en-in/investors/statutory-compliances/.
9	Distribution of Shareholding	The distribution of shareholding as on 31 March, 2026 is given below:

Range (Shares)	No. of Shares	No. of Folios	% (Shares)	% (Folios)
1 – 5000	6012879	72565	7.9939	99.658
5001 – 10000	523480	71	0.6959	0.0975
10001 – 20000	569544	40	0.7572	0.0549
20001 – 30000	532244	22	0.7076	0.0302
30001 – 40000	164927	5	0.2193	0.0069
40001 – 50000	275772	6	0.3666	0.0082
50001 – 100000	2513042	34	3.3410	0.0467
100001 - 500000	13329674	55	17.7212	0.0755
50001 - 100000	6745877	11	8.9683	0.0151
100001 and above	44551295	5	59.2290	0.0070

10	Securities are suspended from trading	Not Applicable
11	Share Transfer System	It may please be noted that transfer of shares held in physical form has been discontinued as per SEBI guidelines. Requests for registration of transmission of shares, name deletion, name correction, issuance of duplicate share certificates etc. for shares held in physical form were processed periodically. The Stakeholders Relationship Committee is delegated with power to approve these requests.
12	Dematerialisation of Shares and liquidity	The Company has made arrangements with National Securities Depositories Limited ('NSDL') as well as Central Depository Services (India) Limited ('CDSL') for Demat facility. As on 31 March, 2026, 99% of the Company's Equity Share Capital is dematerialized. Shares are listed and regularly traded.
13	Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	Not applicable
14	Commodity price risk or foreign exchange risk and hedging activities	The Risk Management Committee of the Board oversees various risks which may impact business of the Company which inter-alia includes financial risk, cyber security risk etc. The Company has adopted ISO: 31000 as a reference and has developed its enterprise risk management system around framework and principles of ISO: 31000. For detailed comments on commodity price risk and foreign exchange risk, please refer Note No. 38A to Standalone Financial Statements.
15	Plant locations	The Company's Plants are located at : Jharkhand : Bara, P.O. Agrico, Jamshedpur - 831 009 Gujarat : Plot no 109A, 109B, 1BC, Narmadanagar, Bharuch - 392015

DISCLOSURES :

Related Party Transactions

There was no materially significant related party transaction that may have potential conflict with the interest of the Company at large during FY 2025-26. Senior management personnel have declared that during FY 2025-26, the Company did not enter into transaction in which they had personal interest. Details of all material related party transactions are disclosed separately in the Annual Report (Refer Annexure - III to Board's Report). Policy on dealing with related party transactions is disclosed on the website of the Company and can be seen at https://www.timken.com/en-in/investors/policies/.

Non-compliance details

No penalty or strictures has been imposed on the Company by Stock Exchanges and SEBI or any other Statutory Authorities during the last three years on any matters related to capital markets. Details of fines/penalties imposed by tax authorities and actions taken thereon are disclosed in Integrated Filings (Governance).

Vigil Mechanism/Whistle Blower Policy

Code of conduct, the Standards of Business Ethics Policy, is a framework for Turning Ethics into Action. This means that each associate must uphold the four principles namely honesty, fairness, respect and integrity, which define Company's core value of ethics and integrity. Associates at all levels must act according to the principles set forth in code of conduct, the Standards of Business Ethics Policy. To protect values and reputation, the Company encourages to speak up if something just doesn't seem right or when there is a question. It enables us to better uphold our values and fulfill our commitments to one another, our Shareholders, customers, suppliers and the global community. The Vigil Mechanism/Whistle Blower Policy of the Company is disclosed on the Company's website at https://www.timken.com/en-in/investors/policies/.

Vigil Mechanism/Whistle Blower Policy enables associates, business partners of the Company to raise and resolve their concern or question. The Company follows Open Door Policy which encourages associates to ask questions and report concerns. When associates have a question or concern, they can speak with a supervisor or manager with whom they feel comfortable. The Company understands that there may be times when associates might be reluctant to discuss concerns or questions with supervisor or another individual inside the Company. For this reason, the Timken HelpLine has been established and is available online and via telephone. The Timken HelpLine is answered by an external third party who receives your questions and concerns and forwards the information to a representative of the Company who will then conduct an independent investigation. Reports made to the Timken HelpLine are not traced or recorded. Reports to Timken Helpline can be made anonymous without disclosing name or identity. The Company investigates all reports promptly, thoroughly and fairly and takes action when appropriate. The Company expects to participate in investigations if required but safeguards confidentiality both during and after the investigation. The Company does not tolerate acts of retaliation against anyone who makes report in good faith. Further, a report can also made to the Chairman of the Audit Committee. The Company affirms that no personnel was denied access to the Audit Committee.

Certificate from Company Secretary in Practice

The Company has received a Certificate from Practicing Company Secretary certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs and same is available on the Company's website at https://www.timken.com/en-in/investors/statutory-compliances/.

Sexual Harassment Complaints

The Company does not tolerate any discrimination, sexual harassment or any other harassment whether engaged in by management or associates or other individual with whom associates come into contact during work. The Company has adopted Anti-Sexual Harassment Policy in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which is available on the website of the Company at https://www.timken.com/en-in/investors/policies/. The Company has constituted Internal Committee to redress complaints received regarding sexual harassment as required by aforesaid Act. During the year under review, the Company received two complaints and both were resolved. No complaint was pending at end of the year.

Credit Rating

During the year under review, no credit rating was required to be obtained by the Company.

Utilization of Funds

Disclosure requirements regarding utilization of fund were not applicable as the Company has not received any fund through Preferential Allotment or Qualified Institutional Placements.

Auditors Fees

Total fees paid to Statutory Auditors during the year is disclosed in the Annual Report separately (Refer note no. 31 of Standalone and Consolidated Financial Statements).

Material Subsidiary

The Company does not have material subsidiary company and therefore, policy for determining material subsidiaries is not applicable.

Disclosure relating to loans and advances

During FY 2025-26, the Company has not given loans and advances to firms/companies in which any Director of the Company is interested.

Disclosures with respect to Suspense Escrow Demat Account

The Company has opened a Suspense Escrow Demat Account to credit shares in physical folios to aforesaid account in case of non-receipt of demat request from the securities holder/claimant within 120 days of the date of Letter of Confirmation. Details of number of shares transferred to the said account during the year are provided hereunder:

Opening balance in Suspense Escrow Demat Account as on 1 April, 2025		Additions to Suspense Escrow Demat Account during FY 2025-26		Shares transferred from Suspense Escrow Demat Account during FY 2025-26		Closing balance in Suspense Escrow Demat Account as on 31 March, 2026	
No. of shareholders	No. of shares	No. of shareholders	No. of shares	No. of shareholders	No. of shares	No. of shareholders	No. of shares
5	658	22	2631	16	2027	11	1262

Voting rights for aforesaid shares shall remain frozen till rightful owner claims such shares.

Disclosure of certain types of agreements binding listing entities

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

Compliance Requirement of Corporate Governance Report

Compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of Listing Regulations has been disclosed in this report. The Company has complied with the mandatory requirements in terms of Regulation 27 and Schedule V(C) of Listing Regulations. The status on compliance with non-mandatory requirements is as below:

- Chairman of the Board of Directors is an Executive Director under the designation of Chairman & Managing Director.
- Quarterly/Half-yearly Financial Results are not currently sent to each of the household of Shareholders but are published in terms of Regulation 47(3) of Listing Regulations in certain newspapers and also sent to the Stock Exchanges. Besides, all the quarterly/half-yearly/annual financial results are published on the Company's website.
- The Independent Auditor's Report on the Company's Financial Statements for FY 2025-26 does not contain any qualification.
- KPMG Assurance and Consulting Services LLP acted as the Internal Auditors for FY 2025-26 and during the tenure they reported to the Audit Committee of the Board.
- A Meeting of Independent Directors was held on 11 February, 2026 during FY 2025-26.

During FY 2025-26, the Company has complied with applicable compliance norms relating to Corporate Governance.

For and on behalf of the Board of Directors

Sd/-
Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Date: 1 July, 2026
Place: Bengaluru

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identification Number	:	L29130KA1996PLC048230
Name of the Company	:	TIMKEN INDIA LIMITED
Authorised Capital	:	₹ 113,00,00,000
Paid up Capital	:	₹ 75,21,87,340

To

The Members of Timken India Limited,

We have examined all the relevant records of **Timken India Limited** (CIN: L29130KA1996PLC048230) having its registered office at 39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560100 (hereinafter referred to as 'the Company'), for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2026. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company to ensure compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanation and information furnished to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Regulations during the period under review.

As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C and E.

Sd/-
For V. Sreedharan & Associates
Company Secretaries

(Pradeep B Kulkarni)
Partner
FCS: 7260; CP No. 7835
Place: Bengaluru
Date: May 18, 2026
UDIN: F007260H000397782
Peer Review Certificate No. 5543/2024

Declaration in terms of Schedule V (D) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Code of Conduct

This is to confirm that the Company has adopted Business Ethics Policy - Code of Conduct for its employees and Members of the Board of Directors. This Code is posted on Company's website.

I confirm that Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 31 March, 2026.

For the purpose of this declaration, Senior Management Personnel means Senior Management as defined under Listing Regulations.

For and on behalf of the Board of Directors

Sd/-
Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Date: 1 July, 2026
Place: Bengaluru

Annexure – II

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended March 31, 2026

To,
The Members of
TIMKEN INDIA LIMITED
39-42, Electronic City, Phase II, Hosur Road,
Bengaluru - 560100

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Timken India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period)**.

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. **(Not Applicable to the Company during the Audit Period)**.

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)**.

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period)**.

   h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)** and

   i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. Other laws applicable specifically to the Company namely:

   a. The Environment Protection Act, 1986

   b. The Water (Prevention & Control of Pollution) Act, 1974

   c. The Air (Prevention & Control of Pollution) Act, 1981

d. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

e. The Competition Act, 2002

f. The Indian Contract Act, 1872

g. The Sales of Goods Act, 1930

h. Legal Metrology Act, 2009

i. The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

ii. Listing Agreements entered into by the Company with National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and no dissenting views have been recorded.

We further report that Risk Management Committee is empowered to monitor compliances applicable to the Company and there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.,

Sd/-

Y G Nagarjun
Practicing Company Secretary
Membership No. FCS 13541
CP No. 19301
Peer Review Certificate No: 1466/2021
Date: May 18, 2026
Place: Bangalore
UDIN: F013541H000397936

Annexure – III

FORM NO. AOC - 2

(Pursuant to clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

During FY 2025-26, there were no contracts or arrangements or transactions entered into by the Company which were not on arm's length basis.

2. Details of material* contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions and actual amount of transactions (Value in ₹ Million)	Duration of contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Date(s) of approval by the Board/ Shareholders, if any	Amount paid as advances, if any
The Timken Corporation (Fellow Subsidiary)	Purchase of Goods: 3,590.42 Sale of Goods: 2,983.46 Purchase of Property, Plant & Equipment: 7.40 Expenses Receivable: 5.45 Expense Payable: – Agency Commission (Income): 7.92	One year i.e. FY 2025-26	Based on Transfer Pricing guidelines/ market rates	Board Approval: 23 May, 2025 Shareholders' Approval: 19 August, 2025	Not applicable
The Timken Company (Ultimate Holding Company)	Purchase of Goods: 599.29 Sale of Goods: 2,014.37 Expense Receivable: 1.39 Expense Payable: 197.31 Agency Commission (Income): 1.23 Purchase of Property & Equipment: 40.93 Royalty: 843.56			Board Approval: 23 May, 2025 Shareholders' Approval: 19 August, 2025	Not applicable
Timken Wuxi Bearings Co. Ltd. (Fellow Subsidiary)	Purchase of Goods: 4,794.95 Expense Payable: 0.15 Expenses Receivable: 1.34 Purchase of Property, Plant & Equipment: – Sale of Goods: 27.42			Board Approval: 23 May, 2025 Shareholders' Approval: 19 August, 2025	Not applicable

*__Note__: Transaction with a related party is considered material as per definition given under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company had estimated transactions with Timken Engineering and Research India Private Limited (TERI) as material and accordingly, approval from the shareholders was taken for the same. But considering actual transaction amounts, transactions with TERI do not qualify as material transactions.

For and on behalf of the Board of Directors

Sd/-
Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Date: 1 July, 2026
Place: Bengaluru

Annexure – IV

Annual Report on Corporate Social Responsibility ('CSR') activities for FY 2025-26

1.	Brief outline on CSR Policy of the Company	Timken makes the world a better place through a combination of volunteer efforts, community leadership and financial support. The Company's CSR vision includes (i) consult with local communities to identify needs (ii) partnering with organizations of repute including NGOs, educational institutions and (iii) continuously endeavor to find out ways to bring a stronger community. The Company wishes to focus on programs and agencies that (i) promote lifelong learning through education; (ii) work collaboratively to deliver health and human services; and (iii) foster innovative ways to build a strong community. In terms of the CSR Policy, the Company is willing to take any activity covered under Schedule VII of the Act for CSR expenditure. However, the Company focuses primarily on two broad areas namely promotion of education including enhancing vocational skills and preventive healthcare.

2\. Composition of CSR Committee during FY 2025-26:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Sanjay Koul	Chairman/Managing Director	2	2
2.	Mr. Avishrant Keshava*	Member/Whole-time Director		2
3.	Dr. Lakshmi Lingam	Member/Independent Director		2
4.	Mr. Sujit Kumar Pattanaik**	Member/Whole-time Director		NA

* Mr. Avishrant Keshava ceased to be Member of the Committee effective 30 September, 2025

** Mr. Sujit Kumar Pattanaik was appointed as Member of the Committee effective 30 September, 2025

3.	Web-links where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company		**CSR Committee Composition:** https://www.timken.com/en-in/investors/ **CSR Policy:** https://www.timken.com/en-in/investors/policies/ **CSR Projects approved by the Board** https://www.timken.com/en-in/investors/statutory-compliances/
4.	Details of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)		Not Applicable
5.	(a)	Average net profit of the Company as per sub-section (5) of Section 135 of the Companies Act, 2013	Rs. 533,45,63,554 /-
	(b)	Two percent of average net profit of the Company as per sub-section (5) of Section 135 of the Companies Act, 2013	Rs. 10,66,91,271/-
	(c)	Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years	Nil
	(d)	Amount required to be set off for FY 2025-26, if any	Nil*
	(e)	Total CSR obligation for FY 2025-26 (b+c-d)	Rs. 10,66,91,271/-
	*Amount of Rs 5,24,787/- was available for set off in FY 2025-26. The Company did not consider amount of Rs 5,24,787/- for set off.		
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	Rs 7,79,84,764/-
	(b)	Amount spent in Administrative Overheads	Rs. 6,06,507/-
	(c)	Amount spent on Impact Assessment, if applicable	Nil
	(d)	Total amount spent for FY 2025-26 [(a)+(b)+(c)]	Rs. 7,85,91,271/-

	(e)	CSR amount spent or unspent for the current financial year:					
		Total Amount Spent in FY 2025-26 (in ₹)	**Amount Unspent in FY 2025-26**				
			Total amount transferred to Unspent CSR Account as per sub-section 6 of section 135		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of section 135**		
			Amount (in ₹)	**Date of transfer**	**Amount (in ₹)**	**Date of transfer**	
		7,85,91,271/-	2,81,00,000/-	7 April, 2026	Nil		
	(f)	Excess amount for set-off, if any		Nil			
	Sl. No.	**Particulars**	**Amounts (in ₹)**				
	(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	10,66,91,271/-				
	(ii)	Total amount spent in FY 2025-26	7,85,91,271/-				
	(iii)	Amount transferred to Unspent CSR Account	2,81,00,000/-				
	(iv)	Excess amount spent for the financial year	Nil				
	(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil				
	(v)	Amount available for set off in succeeding Financial Years	Nil				

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	**Preceding financial year(s)**	**Amount transferred to Unspent CSR Account under subsection (6) of Section 135 (in ₹)**	**Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)**	**Amount Spent in FY 2025-26 (in ₹)**	**Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any**		**Amount remaining to be spent in succeeding financial years (in ₹)**	**Deficiency, if any**
					Amount (in ₹)	**Date of Transfer**		
1.	2024-25	5,91,17,048/-	1,87,30,997/-	4,03,86,051/-	Nil	Nil	Nil	Nil
2.	2023-24	3,09,87,635/-	Nil	Nil	Nil	Nil	Nil	Nil
3.	2022-23	2,46,63,101/-	Nil	Nil	Nil	Nil	Nil	Nil

8.	Whether any capital assets have been created or acquired in the name of Company through Corporate Social Responsibility amount spent in the Financial Year	No
9.	Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135	Not Appllicable

For and on behalf of the Board of Directors

Sd/-
Sanjay Koul
Chairman & Managing Director
(Chairman – CSR Committee)
DIN: 05159352

Date: 1 July, 2026
Place: Bengaluru

Annexure – V

Ratio of Remuneration

Details as per Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

(i)	the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2025-26;	Employee to CMD* Ratio: 56.14 Employee to WTD* Ratio – Sujit Kumar Pattanaik – 6.07 Employee to WTD* Ratio –Avishrant Keshava -5.05 Independent Directors are paid only sitting fees. Non - executive Directors are not paid any remuneration.
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in FY 2025-26;	9%-11%
(iii)	the percentage increase in median remuneration of employees in FY 2025-26;	8.67%
(iv)	the number of permanent employees on the rolls of Company;	1241 as on 31 March, 2026 (including Union & Salaried Operators)
(v)	average percentile increase already made in the salaries of employees other than the managerial personnel in FY 2025-26 and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	9% There have been no exceptions made, all hikes were made as per the Company's Remuneration Policy.
(vi)	Affirmation that the remuneration is as per Nomination and Remuneration policy of the Company.	Yes

*CMD: Chairman & Managing Director
*WTD: Whole-time Director. Avishrant Keshava and Sujit Pattanaik's Salary is considered for the part of the period they held the office of directorship.

For and on behalf of the Board of Directors

Sd/-
Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Date: 1 July, 2026
Place: Bengaluru

Annexure – VI

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

Energy efficiency and adoption of renewable energy is a key lever for us to lower Scope 2 GHG emissions. Initiatives on energy efficiency improvement projects and green energy adoption help us to manage and optimize energy consumption across operations, resulting in lower operational costs. Our manufacturing plants are compliant and certified with Energy Management System (ISO 50001:2018).

Many energy saving strategies are undertaken at the plants/office's with below approach.

- Assessment
- Implementation
- Monitoring & Continuous Improvement

We are building climate resilience through innovative designs with more recycled materials, continuous process improvements, improved energy efficient processes and focused approach on GHG emission reductions. Our target is to reduce our aggregate Scope 1 and 2 GHG emissions intensity by 50% by 2030 (with base line year 2018). This covers direct emissions from our operations, and indirect emissions from purchased energy. We continue to track GHG emissions and take necessary actions to reduce the same.

1. <u>Steps taken/impact on conservation of energy</u>:

Both Plants at Jamshedpur and Bharuch are following ISO 50001 - Energy Management System and below are few energy conservation initiatives taken at Jamshedpur and Bharuch Plant during FY 2025-26:

a) JAMSHEDPUR:

- Installation of VFD based air Compressor for roller manufacturing will optimize air demand, reduce energy consumption.
- Installed dedicated 100 TR coolant chiller for rail manufacturing to improve cooling efficiency, ensure process stability and reduce overall energy consumption.
- Replaced continuous duty IE1 & IE2 motors with high efficiency IE#4 motors.
- Reduced overall plant air pressure by installing dedicated air compressor & dryer for grinding machines at Rail facility and Heat Treatment carburizing furnaces.
- Maintained power factor above 0.995 by putting in place control mechanism and monitoring thereof.

b) BHARUCH:

- Overhaul and replacement of inbuilt hydraulic of press machines with energy efficient hydraulic systems.
- Reduced diesel consumption through replacement of old 22KV DO fuse with Ring Main Unit.
- Maintained power factor above 0.995 by regular monitoring and controls.
- Replacement of continuous duty IE1 & IE2 motors with high efficiency IE#4 motors.
- Fengdong furnace brick relining completed to reduce heat losses and natural gas consumption.
- Compressed Air network upgraded from MS pipe to Aluminum pipe to reduce system losses.
- Implemented energy-efficient HVAC with Chiller Manager and full automation.
- Installed energy efficient LED based Lights for Plant lighting system.
- Designed new machines to stop hydraulic motors during idle conditions.
- Installed an automatic water management system driven by VFD motors.
- Implemented Solar powered Irrigation pumps at garden for clean, green & cost-effective water.

2. Steps taken by the Company for utilizing alternate sources of energy:

a) JAMSHEDPUR:

Jamshedpur plant is fully utilizing its roof top solar panels with a capacity of 3515 KWP. Additional 1880 KWP ground mounted solar panel installation is ongoing.

b) BHARUCH:

Bharuch plant is fully utilizing its roof top panels with a capacity of 2300 KWP and there are further plans to enhance usage of renewable energy.

3. Capital investment on energy conservation equipments:

The Company has invested ₹ 2.3 crores during FY 2025-26 on energy conservation projects.

B. TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption

Following efforts were made for technology absorption:

a) JAMSHEDPUR:

- Revamped TS Cone #9 close-in press and TS Cone line #5 honing machine.
- Converted TS Cone line #3 ID hydraulic slide to a servo-based Hirez slide.
- Replaced two obsolete mechanical spindles with electric spindles.
- Upgraded obsolete PLCs on two TS Cone assembly lines.
- Implemented line connectivity for material movement on one Cone line; all plant lines now integrated with automation.
- Connected all heat-treat furnaces to SCADA system.

b) BHARUCH:

- Centralized Honing system with pump backs installed for 20 Honing machines.
- Upgraded machines with latest servo systems.
- Introduced Hourly production dashboard with wireless machine monitoring for all critical lines.
- Introduced Auto Cup OD measuring system in Assembly line.
- Introduced auto post process gauging system for cone bore checking in Cone Grind.
- Legacy Etch Marking process replaced by Upgraded Laser marking machines.
- Legacy CNC system replaced with new Mitsubishi CNC system.
- Old machine guards replaced by environment friendly Machine guards in 8 machines.
- Implemented single-piece flow with machine connectivity and automation across all lines.
- Deployed CMMs on all lines for online measurement and quality assurance.
- New machines procured with upgraded servo system in place of old hydraulic systems.
- Implemented Real time monitoring and dashboard for all critical Utility equipment.
- Implemented secured cloud-based storage and retrieval for all quality-parameter data.
- Implemented digital gauging across all machines for real-time measurement and consistency.

2. Benefits derived from technology absorption:

Technology absorption over the years has helped the Company to develop new part numbers and to manufacture products in time efficient manner.

3. <u>In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year: a) Details of technology imported. b) Year of import c) Whether the technology been fully absorbed d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof:</u>

The Timken Company, ultimate Parent Company of our Company, conducts research and development activities and focuses on development of new products and technologies. The Timken Company passes on newly developed products and technologies to all its group companies in the world from time to time.

Our Company has received technology from The Timken Company from time to time starting mainly in the areas of machining, heat treatment and finishing to make further improvements in the manufacturing process, product quality and production output and related activities for manufacturing of bearings and components. This is a continuous process.

4. <u>Expenditure incurred on Research and Development</u>: Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	FY 2025-26 (₹/Million)	FY 2024-25 (₹/Million)
Foreign Exchange Earnings	6,698.20	5,936.22
Foreign Exchange Outgo	1,2967.80	10,262.76

For and on behalf of the Board of Directors

Sd/-
Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Date: 1 July, 2026
Place: Bengaluru

Annexure – VII

Assurance statement on third-party verification of sustainability information

To
The Management of **Timken India Limited**

Unique identification no.: **3153243592**

TÜV SÜD South Asia Pvt Ltd. (hereinafter TÜV SÜD) has been engaged by, **Timken India Limited** (hereinafter "Company") for the period from 01-04-2025 to 31-03-2026.

The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain independent assurance about whether the Sustainability information is prepared in reference to BRSR standard/framework (hereinafter referred as "Report-ing Criteria").

<u>Reporting standard/framework</u>

The disclosures have been prepared by **Timken India Limited** in reference to:

MASTER CIRCULAR- SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024, corresponding format of 'BRSR 9 Core Attributes'.

The following sustainability indicators' reporting are included in the scope of the assurance engagement during the reporting period Financial Year (FY) 2025-2026 as listed below

Reasonable level of assurance of 'BRSR 9 Core Attributes'

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the BRSR reporting, and accordingly, we do not express a conclusion on this information.

It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The Management of the Company are responsible for the preparation of the BRSR report in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for measurement, calculation, collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the Management are responsible for necessary internal controls to enable the preparation of a BRSR report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based on ISAE 3000 assurance engagement standard and ISO 17029.

<u>Level of Assurance</u>

Reasonable Level of assurance for the 9 core attributes of BRSR (Ref: Annexure I of SEBI circular)

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

- Inquiries of personnel who are responsible for the stakeholder engagement under materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations

- Assessment of local data collection and management procedures and control mechanisms through a sample survey at selected multiple sites as mentioned below:

Sl. No.	Company Name	Site Address
1	**Timken India Limited**	**Corporate office-** 39-42, Electronic City, Phase II, Hosur Road, Bangalore – 560100, Karnataka.
2		**Manufacturing Facilities-** Jamshedpur Bara, PO Agrico, Jamshedpur-831009, Jharkhand
3		**Manufacturing Facilities-** Bharuch, 109-B, PO Narmada Nagar, Bharuch – 392015, Gujarat.

Conclusion

Reasonable level of Assurance- BRSR 9 Core Attributes

On the basis of the assessment procedures carried out & evidence we have collected during 15-03-2026 to 23-04-2026, the identified sustainability indicators of 9 Core Attributes (Listed in Annexure I of this statement) of BRSR for FY 2025-2026 are prepared in all material respect in accordance with the reporting requirements outlined in BRSR Core.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the “scope of the engagement”. Assurance of further information included in the BRSR reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments like Assurance report in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd. hereby declares that there is no conflict of interest with the Company.

Place, Date: Kolkata, 18-05-2026

Sd\- Name: Prosenjit Mitra	*Sd\-* Name: Brototi Das
General Manager- Verification, Validation and Management System Assurance	Verification team leader TÜV SÜD Management System Assurance

Annexure I

S.No.	Attribute	Parameter	Cross reference to BRSR (P-Principles/ E- Essential Indicator)
1.	Green-house gas (GHG) foot-print Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard	Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, Nf3, if available) GHG Emission Intensity (Scope 1 +2)	P6-E7
2.	Water footprint	Total water consumption Water consumption intensity Water Discharge by destination and levels of Treatment	P6-E3 P6-E4
3.	Energy footprint	Total energy consumed % of energy consumed from renewable sources Energy intensity	P6-E1
4.	Embracing circularity - details related to waste management by the entity	Plastic waste (A) E-waste (B) Bio-medical waste (C) Construction and demolition waste (D) Battery waste (E) Other Hazardous waste. Please specify, if any. (G) Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) Total waste generated (A+B + C + D + E + F + G + H) Waste intensity Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations For each category of waste generated, total waste disposed by nature of disposal method	P6-E9
5.	Enhancing Employee Wellbeing and Safety	Spending on measures towards well be-ing of employees and workers – cost in-curred as a % of total revenue of the company Details of safety related incidents for em-ployees and workers (including contract-workforce e.g. workers in the company's construction sites)	P3-E1 P3-E11
6.	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid Complaints on POSH	P5-E3 P5-E7
7.	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or nonpermanent / on contract) as % of total wage cost	P8-E4 P8-E5
8.	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events Number of days of accounts payable	P9-E7 P1-E8
9.	Openness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & in-vestments with related parties	P1-E9

INDEPENDENT AUDITOR'S REPORT

To the Members of Timken India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Timken India Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the standalone financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Capital work-in-progress (CWIP) The Company had embarked on capacity augmentation / expansion projects at its multiple plant locations in line with approved business plans. Assets acquired which were yet to be capitalized i.e, Capital work-in-progress as at March 31, 2026 amounted to Rs. 1,007.22 million; additions to Property, Plant and Equipment (PPE) during the year amounted to Rs. 7,421.04 million and capital advances as at March 31, 2026 amounted to Rs. 458.85 million. Given the nature and size of the aforesaid expansion projects, the underlying assets acquired (including Capital Advances given) require substantial time to meet the criteria for capitalization. The assets are capitalized and depreciated once the assets are ready for use as intended by the management. Inappropriate timing of capitalization of the project, inappropriate useful life and/or inappropriate classification as PPE could result in material misstatement of capital work-in-progress/ PPE balances with a consequential impact on depreciation charge and results for the year. Accordingly, we have considered this as a key audit matter. Refer Note 2.7.1 for the accounting policy	Principal audit procedures performed included the following: We tested the design, implementation and operating effectiveness of controls in respect of review of capital work in progress, particularly in respect of timing and completeness of the capitalization and recording of additions to items of PPE with source documentation. We tested details of the assets capitalized as PPE during the year and those classified as capital work in progress on a sample basis to source documentation to determine whether the expenditure is of a capital nature and has been appropriately approved for capitalization. For the assets capitalized during the year, we verified the basis considered by the management to determine useful life of each PPE. Our tests included validating the appropriateness of the date considered for project capitalization based on discussions with the project personnel and corroborative evidence obtained during the audit.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Board's report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the remaining sections of the Annual report, which is expected to be made available to us after that date.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information that we obtained prior to the date of auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- When we read the remaining sections of annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 41(e) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 41(f) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 16(c) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s).

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Ankit Daga
Partner
(Membership No. 512486)
(UDIN :26512486JWGFJJ9835)

Bangalore, May 18, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of **Timken India Limited** ("the Company") as at March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Ankit Daga
Partner
(Membership No. 512486)
(UDIN : 26512486JWGFJJ9835)

Bangalore, May 18, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress, investment properties and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment, capital work-in progress and investment property are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for goods-in-transit and stocks held with third parties were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties, written confirmations have been obtained during the year and in respect of goods in transit at the year-end, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has not, provided guarantee or security and has granted advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year:

(a) The details of loans given are as below.

(Rs. In millions)

	Loans
A. Aggregate amount granted /provided during the year:	
- Subsidiaries	-
- Others	0.75
B. Balance outstanding as at balance sheet date in respect of above cases:*	
- Subsidiaries	-
- Others	0.75

* The amounts reported are at gross amounts, without considering provisions made.

(b) The terms and conditions of the grant of all the unsecured loans provided to employees during the year are, in our opinion, prima facia, not prejudicial to the Company's interest.

(c) In respect of loans granted to employees, the schedule of repayment of principal has been stipulated and the repayment of principal amounts are regular as per stipulation. The Loans granted to employees are interest free.

(d) According to the information and explanations given to us and based on the audit procedures performed, in respect of loans granted to employees, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to the information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans. The Company has not made any investment or provided any guarantee or security.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities during the year. As explained to us by the Management, there were no dues payable in respect of Sales Tax, Service Tax, duty of Excise and Value Added tax during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026, on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in million)	Amount Unpaid (Rs. in million)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	FY 2002-03, 2017-18	25.11	21.61
		Income Tax Appellate Tribunal	FY 2016-17, 2019-20, 2020-21	607.99	607.99
Finance Act, 1994	Service Tax	Central Excise and Service Tax Appellate Tribunal	2013-14, 2015-16	10.96	10.26
Goods & Service Tax, 2017	Goods & Service Tax	Commissioner Appeals	2017-18	13.80	12.42
			Jul-17 to Oct-21	81.92	73.72
			2017-18 to 2020-21, 2022-23	42.41	38.22
Goods & Service Tax, 2017	Goods & Service Tax	Deputy Commissioner Appeals	2021-22	1.05	0.95
Goods & Service Tax, 2017	Goods & Service Tax	Joint Commissioner Appeals	2017-18 & 2018-19	2.90	2.61
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	Jharkhand High Court, Ranchi	March 2018	1,035.53	1,035.53

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) The Company has not raised any funds on short-term basis and hence, reporting under clause (ix) (d) of the Order is not applicable.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and the draft of the internal audit reports issued after the balance sheet date for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(b) The Group does not have any core investment company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Ankit Daga
Partner
(Membership No. 512486)
(UDIN : 26512486JWGFJJ9835)

Bangalore, May 18, 2026

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

₹ in million

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	**11,111.05**	4,648.79
(b) Right-of-use assets	4	**1,083.15**	1,125.55
(c) Capital work-in-progress	5	**1,007.22**	5,916.58
(d) Investment Property	6	**94.18**	96.23
(e) Goodwill	7	**1,813.11**	1,813.11
(f) Other Intangible assets	8	**355.88**	402.71
(g) Financial assets			
(i) Investments	9 A	**1,295.39**	0.30
(ii) Loans	10 A	**0.47**	0.60
(iii) Other financial assets	11 A	**251.29**	218.11
(h) Non-current tax assets (net)		**124.52**	138.12
(i) Other non-current assets	12 A	**462.36**	367.72
Total non-current assets		**17,598.62**	14,727.82
2 Current assets			
(a) Inventories	13	**7,783.35**	6,446.61
(b) Financial assets			
(i) Investments	9 B	**507.24**	1,171.00
(ii) Trade receivables	14	**7,977.21**	6,998.24
(iii) Cash & Cash equivalents	15 A	**2,174.70**	3,943.49
(iv) Bank balances other than cash & cash equivalents mentioned above	15 B	**69.65**	31.27
(v) Loans	10 B	**0.88**	1.27
(vi) Other financial assets	11 B	**247.26**	145.92
(c) Other current assets	12 B	**1,155.33**	787.94
Total current assets		**19,915.62**	19,525.74
Total Assets		**37,514.24**	34,253.56
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	**752.19**	752.19
(b) Other equity	17	**28,982.85**	27,696.46
Equity attributable to owners of the Company		**29,735.04**	28,448.65
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	18	**117.23**	136.95
(ii) Other financial liabilities	23 A	**2.40**	2.40
(b) Provisions	19 A	**106.17**	100.94
(c) Deferred tax liabilities (Net)	20 A	**362.92**	209.76
(d) Other non-current liabilities	21 A	**298.77**	237.68
Total non-current liabilities		**887.49**	687.73
2 Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	18	**28.39**	29.22
(ii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		**894.19**	460.59
` Total outstanding dues of creditors other than micro enterprises and small enterprises		**5,140.76**	3,509.49
(iii) Other financial liabilities	23 B	**383.38**	646.88
(b) Other current liabilities	21 B	**204.27**	86.83
(c) Provisions	19 B	**133.43**	77.33
(d) Current tax liabilities (net)	24	**107.29**	306.84
Total current liabilities		**6,891.71**	5,117.18
Total Liabilities		**7,779.20**	5,804.91
Total Equity and Liabilities		**37,514.24**	34,253.56

See accompanying notes forming part of the Standalone Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

₹ in million

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from Operations	25	**34,193.16**	31,478.10
Other Income	26	**280.01**	501.81
I. Total Income		**34,473.17**	31,979.91
Expenses			
Cost of materials consumed		**10,127.58**	9,571.98
Purchases of Stock-in-Trade		**11,176.67**	9,012.76
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	27	**(339.77)**	419.19
Employee benefits expenses	28	**1,824.93**	1,700.23
Finance costs	29	**36.83**	42.89
Depreciation and amortisation expenses	30	**1,057.28**	847.70
Other expenses	31	**5,285.73**	4,857.87
II. Total Expenses		**29,169.25**	26,452.62
III. Profit before tax (I-II)		**5,303.92**	5,527.29
Tax expenses:			
(i) Current tax (includes reversal relating to earlier years)		**1,167.43**	1,069.60
(ii) Deferred tax		**153.16**	(16.17)
IV. Total Tax Expenses	20 B	**1,320.59**	1,053.43
V. Profit for the year (III - IV)		**3,983.33**	4,473.86
Other Comprehensive Income			
Items that will not to be reclassified to profit or loss:			
(i) Re-measurement gains/ (losses) on defined benefit plans		**14.61**	(13.14)
(ii) Income tax (losses)/gains effect on above		**(3.68)**	3.31
VI. Other comprehensive income / (loss) for the year, net of tax		**10.93**	(9.83)
VII. Total Comprehensive Income for the year (V + VI)		**3,994.26**	4,464.03
VIII. Earnings per equity share (₹ 10 each) in INR: Basic & Diluted	32	**52.96**	59.48

See accompanying notes forming part of the Standalone Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
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Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A) Equity Share Capital (Refer note 16)

	Subscribed and Fully Paid-up		Subscribed and partly paid-up		Total Equity share capital
	No. of Shares	Amount (₹ in million)	No. of Shares	Amount (₹ in million)	Amount (₹ in million)
As at April 1, 2024	**75,218,734**	**752.19**	**-**	**-**	**752.19**
Changes in equity share capital during the year	-	-	-	-	-
As at March 31, 2025	**75,218,734**	**752.19**	**-**	**-**	**752.19**
Changes in equity share capital during the year	-	-	-	-	-
As at March 31, 2026	**75,218,734**	**752.19**	**-**	**-**	**752.19**

B) Other Equity (Refer note 17)

₹ in million

	Reserves and Surplus			Total
	Capital Redemption Reserve	Securities Premium	Retained earnings	
Balance as at April 1, 2024 (a)	**260.00**	**5,348.67**	**17,811.78**	**23,420.45**
Profit for the year (b)	-	-	4,473.86	4,473.86
Other comprehensive income/ (loss) for the year, net of tax (c)	-	-	(9.83)	(9.83)
Total comprehensive income (d) = (b+c)	**-**	**-**	**4,464.03**	**4,464.03**
Equity dividend paid for the year 2023-24 (e)	-	-	(188.02)	(188.02)
Balance as at March 31, 2025 (f) = (a+d+e)	**260.00**	**5,348.67**	**22,087.79**	**27,696.46**
Profit for the year (g)	-	-	3,983.33	3,983.33
Other comprehensive income/ (loss) for the year, net of tax (h)	-	-	10.93	10.93
Total comprehensive income (i) = (g+h)	**-**	**-**	**3,994.26**	**3,994.26**
Equity dividend paid for the year 2024-25 (j)	-	-	(2,707.87)	(2,707.87)
Balance as at March 31, 2026 (k) = (f+i+j)	**260.00**	**5,348.67**	**23,374.18**	**28,982.85**

See accompanying notes forming part of the Standalone Financial Statements

As per our report of even date

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

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

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Whole-time Director
DIN: 10709015

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

₹ in million

		For the year ended March 31, 2026		For the year ended March 31, 2025	
A.	**Cash Flow from Operating Activities :**				
	Profit for the year		**3,983.33**		4,473.86
	Adjustments for :				
	Income tax expenses	**1,320.59**		1,053.43	
	Depreciation and amortisation expenses	**1,057.28**		847.70	
	Interest income	**(167.07)**		(220.49)	
	Finance costs	**36.83**		42.89	
	Dividend Income on current investments- Non trade	**(54.93)**		(141.93)	
	(Profit)/Loss on disposal of Property, Plant & Equipment (Net)	**0.62**		(18.23)	
	Deferred government grant income	**(16.95)**		(18.59)	
	Unrealised foreign exchange loss / (gain)	**47.06**		(15.55)	
			2,223.43		1,529.23
	Operating profit before working capital changes		**6,206.76**		6,003.09
	Changes in working capital				
	(Increase) / Decrease in Trade receivables	**(907.52)**		(492.02)	
	(Increase) / Decrease in Loans, other financial assets and other assets	**(453.03)**		(586.41)	
	(Increase) / Decrease in Inventories	**(1,336.74)**		220.25	
	Increase / (Decrease) in Trade payables	**1,924.00**		138.24	
	Increase / (Decrease) of Short term borrowings	**-**		(60.43)	
	Increase/(Decrease) in Other financial liabilities, other liabilities & provisions	**297.86**		59.45	
			(475.43)		(720.92)
	Cash generated from Operations		**5,731.33**		5,282.17
	Direct taxes paid (net of refund)		**(1,357.06)**		(1,409.19)
	Net Cash generated from Operating Activities (A)		**4,374.27**		3,872.98
B.	**Cash Flow from Investing Activities :**				
	Purchase of Property, Plant & Equipment including capital work in progress and capital advances		**(2,970.68)**		(3,775.48)
	Proceeds from disposal of property, plant & equipment		**0.99**		37.51
	Dividend received		**54.93**		141.93
	Interest received		**167.07**		220.49
	Investment in equity		**(1,295.09)**		-
	Net Cash used in Investing Activities (B)		**(4,042.78)**		(3,375.55)

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026 *(Contd.)*

₹ in million

		For the year ended March 31, 2026	For the year ended March 31, 2025
C. Cash Flow from Financing Activities :			
Interest paid		**(36.83)**	(42.89)
Repayment of lease liabilities		**(41.74)**	(42.37)
Dividend paid		**(2,707.87)**	(188.02)
Net Cash used in Financing Activities	**(C)**	**(2,786.44)**	(273.28)
Net Increase / (Decrease) in Cash & Cash equivalents (A + B + C)		**(2,454.95)**	224.15
Cash & Cash equivalents - Opening Balance		**5,114.49**	4,887.00
Effect of exchange differences on restatement of foreign currency cash & cash equivalents		**22.40**	3.34
Cash & Cash equivalents - Closing Balance		**2,681.94**	5,114.49

Cash & Cash equivalents consist of cash on hand, cheques in hand, balances with banks and short term investments with a maturity period of 90 days or less. Cash & cash equivalents included in the statement of cash flows comprises the following balance sheet amounts :

₹ in million

	As at March 31, 2026	As at March 31, 2025
Balance with banks (Refer. Note 15A)	**2,174.70**	3,943.49
Short term Investments (Refer Note 9B)	**507.24**	1,171.00
Cash & Cash equivalents	**2,681.94**	5,114.49

Refer Note 18 for changes in lease liabilities arising from financing activities

See accompanying notes forming part of the Standalone Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

1. CORPORATE INFORMATION

Timken India Limited ('the Company') is a public limited company incorporated on 15th June 1987 under the provisions of the erstwhile Companies Act, 1956. The Company's shares are listed in National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at 39-42, Electronics City, Phase II, Hosur Road, Bengaluru - 560100. The Company is into manufacture, distribution and sale of anti-friction bearings primarily tapered roller bearings, other roller bearings, components, accessories, and mechanical power transmission products for diverse customer base. The Company also provides maintenance contract and refurbishment services. The Company's manufacturing plants are located at Jamshedpur in Jharkhand & Bharuch in Gujarat and distribution centers are located in various parts of the country.

These financial statements of the Company for the year ended March 31, 2026, were authorised for issue in accordance with the resolution of the Board of Directors on May 18, 2026.

2. BASIS OF PREPARATION AND PRESENTATION, MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

The financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

2.2 Basis of preparation and measurement

These financial statements have been prepared on going concern and accrual basis. The accounting policies have been followed consistently across all the periods in the financial statements. All assets and liabilities are classified as current or non-current as per Company's operating cycle and other criteria defined in the Schedule III of the Companies Act, 2013. The operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of business and the time between the asset acquisition and their conversion into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of identification of current or non-current assets and liabilities.

These Ind-AS Financial Statements have been prepared on historical cost basis, except for certain financial instruments and defined benefit plans which have been measured at fair value or amortised cost at the end of each reporting period as explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Functional and Presentation currency

These financial statements are prepared in Indian Rupees (₹), the functional currency of the Company, which is the currency of the primary economic environment in which the Company operates (the 'functional currency').

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

All amounts presented in the financial statements which also includes accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III to the Companies Act,2013, unless otherwise stated.

2.4 Cash flow statement

Cash flows from operating activities is prepared using indirect method as set out in Ind-AS -7 (“Statement of Cash Flows”).

2.5 Use of Estimates and Judgments:

The preparation of the Company's financial statements in conformity with IND AS requires management to make judgements, estimates and assumptions in application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and accompanying disclosures. Estimates and assumptions are reviewed on an ongoing basis, based on historical experience and other factors including the expectation of the future factors that are believed to be reasonable. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods affected.

Information about critical judgements, estimates and assumptions that have significant effect to the carrying amount of assets and liabilities in the financial statements are included in the following notes below:

Sl. No	Judgement, Estimates, Assumptions	Accounting Policy Reference	Note Reference
1	Estimation of useful life of tangible, intangible assets and investment property	2.7.1; 2.7.2 & 2.7.4	3,6 & 8
2	Measurement of Right -of- use assets and Lease liability	2.7.3	4 & 18
3	Measurement of defined benefit obligations and key actuarial assumptions	2.7.8	40
4	Recognition of current and deferred taxes	2.7.9	20 A, 25
5	Goodwill Impairment and future cashflow projection	-	7
6	Impairment of Trade receivables: Expected credit loss	2.7.6.1.3	14
7	Measurement and likelihood of occurrence of contingencies	-	34

2.6 Recent pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On August 13, 2025, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2025. This notification has led to amendments in the following Ind AS, which are applicable to the Company from April 1, 2026. The Company is currently evaluating the impact of these amendments on its financial statements.

Amended Ind AS:

Ind AS 1 – Presentation of Financial Statements

Ind AS 10 – Events After the Reporting Period.

2.7 MATERIAL ACCOUNTING POLICY INFORMATION

2.7.1 Property, Plant and Equipment

- All items of Property, Plant and Equipment including freehold land, are initially recorded at cost. Cost comprises the purchase price including import duties and non-refundable, purchase taxes (net of taxes credits wherever applicable), and erection / commissioning & any incidental expenses which are directly attributable in bringing the asset to its working condition for the intended use. Subsequent to initial recognition, property, plant, and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

- Plant and Equipment acquired in a business combination are recognised at fair value at the acquisition date.
- The amount of asset related grants are added to the cost of respective asset with a corresponding recognition of deferred income in respect of Government grant (also refer accounting policy on Government grants in note 2.7.7).
- Spares which meet the definition of property, plant and equipment are capitalised as on the date of acquisition. The corresponding old spares are de-capitalised on such date with consequent impact on the statement of Profit and Loss.
- Property, Plant and Equipment not ready for its intended use at the date of Balance Sheet are disclosed as "Capital Work in progress". Such items are classified to specific sections of the Property, Plant and equipment as and when ready for its intended use.
- Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other non-current assets".
- The Company identifies and determines cost of each component of an asset separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the useful life of the principal asset.
- **Depreciation and useful lives**
  - o Depreciation is charges so as to write off cost or value of assets over their estimated useful lives and are capitalised in the books of accounts, when the assets are ready for its intended use.
  - o Depreciation on items of property, plant & equipment (Other than free hold land) is calculated on a straight-line basis using the rates based on the useful lives estimated by the management.
  - o Estimated useful life of the assets are determined based on various technical parameters / assessments and aligned to the prescribed useful life specified under schedule II of the Companies Act, 2013. The useful economic life of factory buildings and plant and equipment as estimated by the management, is supported by independent assessment by professionals, are lower than those indicated in Schedule II to the Companies Act, 2013. The estimated useful lives are as below:

Block of Assets	Useful life
Factory Buildings	5 -30 Years
Furniture & Fixtures	5 -10 Years
Plant & Equipment	5 -20 Years
Computer Equipment	3 - 6 Years
Vehicles	8 Years
Office Equipment	5 Years

2.7.2 Investment Property

- Investment property is held to earn rentals or for capital appreciation or both (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements. Cost comprises the purchase price including purchase taxes (net of taxes credits wherever applicable), and erection / commissioning & any incidental expenses which are directly attributable in bringing the asset to its working condition for the intended use.
- Depreciation on investment property is calculated on a straight-line basis using the rates based on the useful lives estimated by the management. Estimated useful life of Building classified as investment property is 7-30 years. Depreciation is determined based on various technical parameters / assessments and aligned to the prescribed useful life specified under schedule II of the Companies Act, 2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

2.7.3 Leases and Right-of-use assets

The Company lease asset classes primarily consist of leases for land, buildings, plant and machinery, furniture & fixtures and motor vehicles. The Company, at the inception of a contract, assesses whether the contract is a lease or contain a lease.

At the date of commencement of lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it's a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less accumulated depreciation and impairment losses if any. The ROU asset is depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the discount rate implicit in the lease, if not determinable, discounted with the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

Assets or liabilities recognised under IND AS 103 (Business Combinations), relating to favorable or unfavorable terms of an operating lease, acquired during business combination, the same is derecognised and appropriate ROU and lease liability is recognised on the date of transition.

ROU and lease liability are separately presented in the Balance Sheet and lease payments have been classified as financing cashflows. The Company does not have any financial leases at the end of the reporting period.

2.7.4 Intangible assets

- **Intangible assets acquired separately are** carried at cost less accumulated amortisation less accumulated impairment losses if any.
- **Intangible assets acquired in a business combination:**
  - o Intangible assets acquired in a business combination are recognised at fair value at the acquisition date
  - o Subsequent to initial recognition, the intangible assets are reported at cost less accumulated depreciation and accumulated impairment if any
- **Amortisation :**
  - o For all finite life intangibles, amortisation is charged on straight line basis over their estimated useful economic lives.
  - o The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss under the heading "Depreciation and amortisation expense"
  - o Estimated useful economic life of Intangibles are as follows:

Intangibles	Useful economic life (years)
Computer Software	3-7
Tradename and Trademark	15
Developed Technology	15
Customer Relationship	20

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

2.7.5 Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and slow-moving inventory as follows:

Inventory Types	Valuation methodology
Raw materials, components, stores and spares	These are valued at lower of cost and net realisable value. Cost includes cost of purchase including duties & taxes (other than the taxes, which can be taken as input tax credit) and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work-in-progress and finished goods	These are valued at lower of cost and net realisable value. Cost includes direct materials and labour and an allocated proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Traded goods	Valued at lower of cost and net realisable value. Cost includes cost of purchase including duties & taxes (other than the taxes, which can be taken as input tax credit) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

2.7.6 Financial Instruments

2.7.6.1 Financial Assets:

Company's financial assets broadly comprise the following:

(a) Current financial assets: Investments, trade receivables, cash and cash equivalents, loans and advances, other short-term receivables

(b) Non-current financial assets: Investments, loans and advances, other long-term receivables and deposits

2.7.6.1.1 Initial recognition and measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Profit and loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through Profit and loss are recognised immediately in statement of profit and loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

2.7.6.1.2 Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified into following categories:

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost, if both the below conditions are met:

1. These financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows
2. Contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these financial assets are subsequently measured using the effective interest rate (EIR) method, less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, recognised in the statement of Profit and loss. This category generally applies to trade and other receivables. For the impairment policy on financial assets measured at amortised cost, refer note no 2.7.6.1.3

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

(b) Financial Assets at fair value through other comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if both the below conditions are met:

1. These financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates and selling financial assets
2. These assets contractual cash flows represent solely payments of principal and interest on the principal amount outstanding

The Company does not own any financial asset classified at FVTOCI.

(c) Financial assets at fair value through Profit and loss (FVTPL)

This is a residual category. Any financial assets which do not fall under the category of financial assets measured at amortised cost or FVTOCI are classified as FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with gain or loss arising on remeasurement recognised in statement of Profit and loss incorporates any dividend or interest earned on the financial assets and is included in other Income line item.

The Company's investment as presented in note 9A and 9B are valued at FVTPL.

2.7.6.1.3 Impairment of Financial Assets

In accordance with Ind AS 109 "Financial Instruments", the Company applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following and the basis of its measurement:

- Trade Receivable – For Trade receivable and other financial assets that results from transactions that are in scope of Ind AS 115, the Company applies the simplified approach required in Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.
- Financial assets measured at amortised cost (other than trade receivable) - In case of other than trade receivable, the Company determines, if there is any significant increase in credit risk of the financial asset since initial recognition. Below methods are followed based on the credit risk changes:
  - o If there are no significant changes in credit risk since initial recognition, twelve months ECL is used to provide the impairment loss
  - o If there is a significant change in credit risk, lifetime ECL is measured for making the impairment loss assessment. Subsequently if there is an improvement in credit risk, the Company reverts to recognition of impairment loss based on twelve months ECL.

To make the assessment whether there is any significant change in risk, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with a risk of default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events, over the expected life of a financial assets. 12 months ECL is a portion of lifetime ECL which result from default events that are possible within 12 months from the reporting period.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (EIR).

As a practical expedient and as permitted under Ind AS 109, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking information available. At each reporting date, the historically observed default rates and changes in the forward-looking information are updated.

ECL allowance recognised (or reversed) during the period is recognised as income or expense in the statement of profit and loss under the head 'Other Expenses'. If the reversal of ECL allowance related to prior financial year, these are accounted as part of other Income in the statement of profit and loss.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

2.7.6.2 Financial liabilities and Equity instruments issued by the Company:

2.7.6.2.1 Financial liabilities:

Company's financial liabilities broadly comprises, Short term borrowings, Trade payables, Liabilities for capital expenditure and Other long term/ short term obligations

2.7.6.2.1.1 Initial recognition and measurement:

- Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.
- All financial liabilities are recognised initially at Fair value. In case of loans, borrowings and payables, net of directly attributable transaction costs.
- Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortised cost as appropriate.

2.7.6.2.1.2 Subsequent measurement:

- Financial Liabilities at amortised cost - The carrying amounts of financial liabilities that are subsequently measured at amortised cost using the effective interest method. All the financial liabilities of the Company fall under this category.
- The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.
- Financial Liabilities at FVTPL - Financial liabilities at fair value through Profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Profit and loss. The Company does not owe any financial liability which is classified at FVTPL

2.7.6.2.1.3 Derecognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in statement of profit and loss.

2.7.6.3 Offsetting financial asset and financial liability

The Company offsets a financial asset and a financial liability and report this as a net balance in the Balance sheet only when:

- There is a legally enforceable right to set off the recognised amounts and
- There is an intention to realise the asset and settle the liability simultaneously.

2.7.7 Government Grants

Government grants are recognised when there is a reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and its amortisation re-recognised in the statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

2.7.8 Employee benefits

2.7.8.1 Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits generally include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

2.7.8.2 Other than short term employee benefits:

2.7.8.2.1 Defined Contribution schemes:

Contributions to defined contribution scheme such as Employee state insurance, labour welfare fund, superannuation scheme (for specific employee group) are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution is made to a government administrated fund and charged as an expense to the statement of profit and loss. The above benefits are classified as Defined Contribution schemes as the Company has no further defined obligations beyond the monthly contribution.

2.7.8.2.2 Defined benefit schemes:

The Company operates the following schemes which are under defined benefit plans:

- Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.
- The liability on account of long-term compensated absences and death benefit scheme (in respect of certain employees) due to the employees are provided for on the basis of an actuarial valuation on projected unit credit method at the end of each financial year.

2.7.8.2.3 Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to Statement of profit and loss in subsequent periods.

2.7.8.2.4 Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and

b) Net interest expense or income

2.7.8.2.5 The current and non-current classification of gratuity, compensated absences, and death benefit scheme liabilities is based on the independent actuarial valuation reports.

2.7.9 Income Taxes

Income tax expense comprises current tax and the net change in the deferred tax asset or liability during the year and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or review during the relevant period. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

Current income taxes

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years in accordance with Income Tax Act, 1961 including the relevant transfer price regulations prescribed there under, read with applicable judicial precedents or interpretations wherever relevant.

Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in other income.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and liabilities on net basis.

Management periodically evaluates contingencies and position taken on uncertain tax positions in tax return with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit and loss at the time of the transaction.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantially enacted, by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be realised or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to income tax levied by the same taxation authority.

2.7.10 Revenue Recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of Goods

Revenue is recognised at a point in time upon transfer of control of promised products to customers and when there are no longer any unfulfillment obligations. The performance obligations in our contracts are fulfilled either at the time of dispatch, delivery or upon formal customer acceptance dependent on customer terms agreed in the contract.

Revenue is measured based on the transaction price, which is the consideration received or receivable, adjusted of any discounts, service level credits, performance bonuses, price concessions and incentives, if any, estimated based on the expected value of outflow as specified in the contract with the customer. Revenue excludes taxes or duties collected from customers on behalf of Government. The revenue is recognised to the extent that it is highly probable a significant reversal will not occur. No element of financing is deemed present as the sales are made with credit term as per the contract terms agreed with the customers, which is consistent with market practice and the industry norms, that the Company operates.

Income from Services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Export Incentive Income

Export incentives are recognised when the right to receive such incentives as per the applicable terms is established, in respect of the exports made and when there is no significant uncertainty regarding the ultimate realisation / utilisation of such incentives.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 3 : PROPERTY, PLANT & EQUIPMENT

Refer Note 2.7.1 for material accounting policy information on Property, Plant and Equipment

₹ in million

Gross carrying amount	Factory Buildings	Plant & Equipment	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**1,927.10**	**7,922.70**	**64.47**	**92.74**	**28.74**	**27.01**	**10,062.76**
Additions	9.01	374.53	2.77	27.95	6.75	1.52	422.53
Disposals	(0.55)	(80.05)	(0.13)	-	(0.04)	(0.83)	(81.60)
Balance as at March 31, 2025	**1,935.56**	**8,217.18**	**67.11**	**120.69**	**35.45**	**27.70**	**10,403.69**
Additions	1,641.32	5,674.10	2.37	69.38	33.87	-	7,421.04
Disposals	-	(12.18)	(0.50)	(17.82)	(0.10)	-	(30.60)
Balance as at March 31, 2026	**3,576.88**	**13,879.10**	**68.98**	**172.25**	**69.22**	**27.70**	**17,794.13**

Accumulated Depreciation and Impairment	Factory Buildings	Plant & Equipment	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**397.27**	**4,567.82**	**17.85**	**71.18**	**13.00**	**5.18**	**5,072.30**
Depreciation	85.51	634.57	0.50	18.05	3.07	3.16	744.86
Eliminated on disposals	(0.11)	(61.43)	(0.13)	-	(0.02)	(0.57)	(62.26)
Balance as at March 31, 2025	**482.67**	**5,140.96**	**18.22**	**89.23**	**16.05**	**7.77**	**5,754.90**
Depreciation	122.44	787.98	0.45	37.04	5.41	3.14	956.46
Eliminated on disposals	-	(10.10)	(0.50)	(17.61)	(0.07)	-	(28.28)
Balance as at March 31, 2026	**605.11**	**5,918.84**	**18.17**	**108.66**	**21.39**	**10.91**	**6,683.08**
Net carrying amount as at March 31, 2025	**1,452.89**	**3,076.22**	**48.89**	**31.46**	**19.40**	**19.93**	**4,648.79**
Net carrying amount as at March 31, 2026	**2,971.77**	**7,960.26**	**50.81**	**63.59**	**47.83**	**16.79**	**11,111.05**

(i) Contractual commitments for the acquisition of property, plant and equipment are disclosed in Note no. 33 B

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 4 : RIGHT-OF-USE ASSETS

Refer Note 2.7.3 for material accounting policy information on Leases and Right of use assets

₹ in million

Gross carrying amount	Land usage rights	Buildings	Plant and Machinery	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**1,093.77**	**189.95**	**1.15**	**9.84**	**5.49**	**1,300.20**
Additions	-	0.35	-	-	4.52	4.87
Disposals	-	(7.58)	-	-	-	(7.58)
Balance as at March 31, 2025	**1,093.77**	**182.72**	**1.15**	**9.84**	**10.01**	**1,297.49**
Additions	-	7.97	-	-	2.43	10.40
Disposals	-	(2.43)	-	-	(2.15)	(4.58)
Balance as at March 31, 2026	**1,093.77**	**188.26**	**1.15**	**9.84**	**10.29**	**1,303.31**

Accumulated Depreciation	Land usage rights	Buildings	Plant and Machinery	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**106.09**	**13.55**	**0.63**	**1.39**	**1.22**	**122.88**
Depreciation	17.93	31.16	0.25	1.97	2.30	53.61
Eliminated on disposals	-	(4.55)	-	-	-	(4.55)
Balance as at March 31, 2025	**124.02**	**40.16**	**0.88**	**3.36**	**3.52**	**171.94**
Depreciation	17.93	28.70	0.25	1.97	2.91	51.76
Eliminated on disposals	-	(2.43)	-	-	(1.11)	(3.54)
Balance as at March 31, 2026	**141.95**	**66.43**	**1.13**	**5.33**	**5.32**	**220.16**
Net carrying amount as at March 31, 2025	**969.75**	**142.56**	**0.27**	**6.48**	**6.49**	**1,125.55**
Net carrying amount as at March 31, 2026	**951.82**	**121.83**	**0.02**	**4.51**	**4.97**	**1,083.15**

NOTE 5 : CAPITAL WORK-IN-PROGRESS (CWIP)

Refer Note 2.7.1 for material accounting policy information on Property, Plant and Equipment

₹ in million

CWIP	As at March 31, 2026					As at March 31, 2025				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in progress	938.30	54.31	11.51	3.10	**1,007.22**	4,999.80	878.79	34.25	3.74	**5,916.58**
Projects temporarily suspended	-	-	-	-	**-**	-	-	-	-	**-**
Total	**938.30**	**54.31**	**11.51**	**3.10**	**1,007.22**	**4,999.80**	**878.79**	**34.25**	**3.74**	**5,916.58**

Expected completion of Capital Work -In-Progress which has exceeded the original time line:

₹ in million

CWIP	As at March 31, 2026					As at March 31, 2025				
	To be completed in				Total	To be completed in				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in progress										
Project -1	-	-	-	-	**-**	67.82	-	-	-	**67.82**
Project -2	2.57	-	-	-	**2.57**	22.40	-	-	-	**22.40**
Project -3	16.84	-	-	-	**16.84**	21.87	-	-	-	**21.87**
Project -4	-	-	-	-	**-**	0.29	-	-	-	**0.29**
Others*	8.78	3.01	-	-	**11.79**	34.41	-	-	-	**34.41**
Projects temporarily suspended	-	-	-	-	**-**	-	-	-	-	**-**
Total	**28.19**	**3.01**	**-**	**-**	**31.20**	**146.79**	**-**	**-**	**-**	**146.79**

* Individual Projects less than ₹ 10 million have been clubbed together in Others

None of the projects in CWIP exceeded cost compared to original plan, hence no disclosure is given for the same.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 6 : INVESTMENT PROPERTY

Refer Note 2.7.2 for material accounting policy information on Investment Property

₹ in million

Gross carrying amount	Land	Buildings	Total
Balance as at April 1, 2024	47.11	61.45	108.56
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2025	**47.11**	**61.45**	**108.56**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2026	**47.11**	**61.45**	**108.56**

Accumulated Depreciation	Land	Buildings	Total
Balance as at April 1, 2024	-	10.14	10.14
Depreciation	-	2.19	2.19
Eliminated on disposals	-	-	-
Balance as at March 31, 2025	**-**	**12.33**	**12.33**
Depreciation	-	2.05	2.05
Eliminated on disposals	-	-	-
Balance as at March 31, 2026	**-**	**14.38**	**14.38**
Net carrying amount as at March 31, 2025	**47.11**	**49.12**	**96.23**
Net carrying amount as at March 31, 2026	**47.11**	**47.07**	**94.18**

The fair value of investment property as on March 31, 2026 is ₹ 124.82 million (March 31, 2025 ₹115.82 million), based on a valuation carried out by an independent valuer during the financial year 2025-26, who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of the investment property has been arrived at by means of market approach. As per the said technique, fair value of investment property is arrived by considering the comparable prices of similar property at that location.

Amounts recognised in the statement of Profit or Loss for investment property ₹ in million

Particulars	**As at March 31, 2026**	As at March 31, 2025
Depreciation charge on investment property (refer Note 30)	**2.05**	2.19
Rental income (refer Note 26)	**5.83**	5.56

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 7 : GOODWILL

Refer Note 2.7.4 for material accounting policy information on Intangible assets ₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying value at the beginning of the year	1,813.11	1,813.11
Closing value as at the reporting date	**1,813.11**	**1,813.11**

Impairment assessment of goodwill as at March 31, 2026:

The Company has performed the annual impairment assessment of the goodwill by determining the "value in use" of the Cash Generating Unit (CGU) as an aggregate of present value of cash flow projections covering a five year period and the terminal value. The management considers the entire business operations of the Company as a single CGU for the impairment assessment. Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. These estimates and assumptions, primarily include, but not limited to, the Industry trend, the revenue growth and profitability during the forecasted period, the discount rate and the terminal growth rate.

Considering the historical performance of the CGU and based on the forward looking estimates, revisions were made to the cash flow projections and other key assumptions such as discount rate and the perpetual growth rate. The cash flows are discounted using a post tax discount rate of 12.9%, PY (12.9%). The outcome of the impairment assessment remains unchanged in both pre tax and post tax discount rate scenarios. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity considering a nil growth rate.

During the year ended March 31, 2026, the testing did not result in any impairment in the carrying amount of goodwill.

Sensitivity Analysis:

Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating unit.

NOTE 8 : OTHER INTANGIBLE ASSETS

Refer Note 2.7.4 for material accounting policy information on Intangible assets ₹ in million

Gross carrying amount	Computer Software	Tradename and Trademark	Developed Technology	Customer Relationship	Total
Balance as at April 1, 2024	**37.75**	**119.00**	**476.00**	**119.00**	**751.75**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2025	**37.75**	**119.00**	**476.00**	**119.00**	**751.75**
Additions	0.18	-	-	-	0.18
Disposals	-	-	-	-	-
Balance as at March 31, 2026	**37.93**	**119.00**	**476.00**	**119.00**	**751.93**

Accumulated amortisation	Computer Software	Tradename and Trademark	Developed Technology	Customer Relationship	Total
Balance as at April 1, 2024	**32.14**	**46.92**	**187.74**	**35.20**	**302.00**
Amortisation	1.43	7.93	31.73	5.95	47.04
Eliminated on disposals	-	-	-	-	-
Balance as at March 31, 2025	**33.57**	**54.85**	**219.47**	**41.15**	**349.04**
Amortisation	1.40	7.93	31.73	5.95	47.01
Eliminated on disposals	-	-	-	-	-
Balance as at March 31, 2026	**34.97**	**62.78**	**251.20**	**47.10**	**396.05**
Net carrying amount as at March 31, 2025	**4.18**	**64.15**	**256.53**	**77.85**	**402.71**
Net carrying amount as at March 31, 2026	**2.96**	**56.22**	**224.80**	**71.90**	**355.88**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 9 : INVESTMENTS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

A: NON-CURRENT INVESTMENTS

	Face Value	Holdings as at March 31, 2026		Face Value	Holdings as at March 31, 2025	
	₹ per unit	Nos	₹ in million	₹ per unit	Nos	₹ in million
At Fair Value Through Profit and Loss (FVTPL)						
Unquoted Equity instruments						
Equity Shares fully paid up						
Nicco Jubilee Park Limited	10	30,000	0.30	10	30,000	0.30
Sunstream Green Energy C & I Three Private Limited*	10	700,002	7.00	-	-	-
At amortised cost						
Unquoted Equity instruments						
Timken GGB Technlology Private Limited	10	9,722,882	1,288.09	-	-	-
Total			**1,295.39**			**0.30**

B: CURRENT INVESTMENTS ₹ in million

	Holdings as at March 31, 2026	Holdings as at March 31, 2025
At Fair Value Through Profit and Loss (FVTPL)		
Unquoted Instruments		
Investments in Mutual Funds	507.24	1,171.00
Total	**507.24**	**1,171.00**

Refer note 37 for information about fair value measurement and note 38A for credit risk and market risk of the investments.

* Investment in Sunstream Green Energy C & I Three Private Limited made to secure electricity from renewable sources and this investment considered as associate company under the Companies Act, 2013. Under Ind AS guidelines, this investment do not qualify as associate company due to the agreement that limit the Company's influence over financial and operational decisions.

NOTE 10: LOANS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

A: Non current (at amortised cost. Unsecured, considered good) ₹ in million

	As at March 31, 2026	As at March 31, 2025
Loans to employees	**0.47**	0.60
Total	**0.47**	0.60

B: Current (at amortised cost. Unsecured, considered good) ₹ in million

	As at March 31, 2026	As at March 31, 2025
Loans to employees	**0.88**	1.27
Total	**0.88**	1.27

(i) No loans are due from directors or other officers of the Company or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

(ii) Refer note 38A for information about credit risk and market risk of other financial assets.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 11 : OTHER FINANCIAL ASSETS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

A : Non current
(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Security Deposits	**230.97**	196.72
Other receivables	**20.32**	21.39
Total	**251.29**	218.11

B : Current
(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Security Deposits	**208.85**	123.69
Advances to employees	**0.03**	0.13
Other receivables	**13.04**	12.99
Expense receivables from related parties (Refer Note 36)	**25.34**	9.11
Total	**247.26**	145.92

(i) Advances to employees include for March 31, 2026 ₹ NIL (March 31, 2025 ₹NIL) given to directors of the company. No other advances are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no advances are due from firms or private companies in which any director is a partner, a director or a member.

(ii) Refer note 38 A for credit risks on other financial assets.

NOTE 12 : OTHER ASSETS

A : Non current
(at amortised cost)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Secured, considered good		
Capital advances	**167.38**	189.98
Unsecured, considered good		
Capital advances	**291.47**	107.14
Deposits paid under protest	**0.74**	3.92
Prepaid expenses	**2.77**	3.09
Trade advances to suppliers	**-**	63.59
Total	**462.36**	367.72

B : Current
(at amortised cost)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Balance with Statutory/ Government authorities	**972.79**	525.27
Prepaid expenses	**30.39**	26.05
Export incentives	**39.10**	13.58
Trade advances to suppliers	**113.05**	223.04
Total	**1,155.33**	787.94

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 13 : INVENTORIES

Refer Note 2.7.5 for material accounting policy information on Inventories

₹ in million

	As at March 31, 2026	As at March 31, 2025
Raw materials *	**2,364.86**	1,476.19
Work - in - progress	**592.18**	505.10
Finished stock*	**1,364.78**	1,031.43
Stock-in-trade*	**3,000.41**	3,081.07
Stores and Spares *	**461.12**	352.82
Total	**7,783.35**	6,446.61

* Including goods in transit :		₹ in million
Raw Materials	**236.50**	170.41
Finished Stock	**209.50**	93.35
Stock-in-trade	**1,230.16**	920.20
Stores & Spares	**5.83**	3.25

NOTE 14 : TRADE RECEIVABLES
(at amortised cost)

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

₹ in million

	Current	
	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Secured, considered Good	**30.57**	20.88
Unsecured		
- considered Good	**7,964.38**	6,997.76
- which have significant increase in Credit Risk	**3.33**	1.32
- credit impaired	**1.42**	1.42
	7,999.70	7,021.38
Allowance for Expected credit losses	**(22.49)**	(23.14)
Total	**7,977.21**	6,998.24

(i) Movement of expected credit loss allowance

Particulars	₹ in million
Expected credit loss allowance on April 1, 2024	**24.97**
Change in Expected credit loss allowance	**(1.83)**
Expected credit loss allowance on March 31, 2025	**23.14**
Change in Expected credit loss allowance	**(0.65)**
Expected credit loss allowance on March 31, 2026	**22.49**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 14 : TRADE RECEIVABLES (Contd.) **(at amortized cost)** (Contd.)

(ii) No trade receivables are due from directors or other officers of the Company or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

(iii) Trade receivables are non-interest bearing and are generally settled on terms of credit periods agreed with the customers, which is generally in line with the industry the Company operates.

(iv) Refer note 38A for information about credit risk and currency risk which may impact trade receivables.

(v) Refer note 36 for trade receivables from related parties.

(vi) The Company has determined the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.

In computing the expected credit losses, the Company has also considered external sources of information relating to its customers' credit risk that were available in public domain to estimate the probability of default in future.

₹ in million

Particulars	Outstanding for the following period from due date of payments as at 31 March 2026							
	Not Yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled trade receivables	Total
(I) Undisputed Trade Receivables - Considered Good	4,947.23	2,906.05	76.13	2.74	-	-	62.80	**7,994.95**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	3.33	-	-	-	-	**3.33**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	1.42	-	**1.42**
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
Less: Expected credit loss allowance	-	-	-	-	-	-	-	**(22.49)**
	4,947.23	**2,906.05**	**79.46**	**2.74**	**-**	**1.42**	**62.80**	**7,977.21**

₹ in million

Particulars	Outstanding for the following period from due date of payments as at 31 March 2025							
	Not Yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled trade receivables	Total
(I) Undisputed Trade Receivables - Considered Good	4,798.23	2,102.01	44.70	-	-	-	73.70	**7,018.64**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	1.32	-	-	-	-	**1.32**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	1.42	-	**1.42**
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
Less: Expected credit loss allowance	-	-	-	-	-	-	-	**(23.14)**
	4,798.23	**2,102.01**	**46.02**	**-**	**-**	**1.42**	**73.70**	**6,998.24**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 15: CASH & CASH EQUIVALENTS AND OTHER BANK BALANCES

A : CASH & CASH EQUIVALENTS ₹ in million

	As at March 31, 2026	As at March 31, 2025
Cash & Cash Equivalents :		
Balance with Banks		
Current Accounts	**349.04**	544.69
Deposit Accounts with original maturity less than three months	**1,779.35**	3,332.67
Foreign Currency Account (USD)	**46.31**	66.13
Total	**2,174.70**	3,943.49

There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior period.

B : BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS ₹ in million

	As at March 31, 2026	As at March 31, 2025
Earmarked balances with Banks- Unpaid dividend accounts	**50.92**	31.27
Earmarked balances with Banks- Unspent CSR account	**18.73**	-
Total	**69.65**	31.27

Earmarked bank balances on unpaid dividend accounts represent monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them.

Earmarked bank balances on unspent CSR account represent monies that can be utilised only to pay towards ongoing projects related to CSR expenses.

NOTE 16 : SHARE CAPITAL ₹ in million

	As at March 31, 2026	As at March 31, 2025
Authorised :		
87,000,000 (March 31, 2025: 87,000,000) Equity Shares of ₹ 10/- each	**870.00**	870.00
2,600,000 (March 31, 2025: 2,600,000) 9% Cumulative Redeemable Preference Shares of ₹100/- each	**260.00**	260.00
	1,130.00	1,130.00
Issued :		:
75,233,884 (March 31, 2025: 75,233,884) Equity Shares of ₹10/- each	**752.34**	752.34
Subscribed and fully paid-up:		
75,218,734 (March 31, 2025: 75,218,734) Equity Shares of ₹ 10/- each fully paid-up	**752.19**	752.19
	752.19	752.19

(I) No Equity shares have been allotted during the year ended March 31, 2026 out of 15,150 shares of ₹ 10/- each kept in abeyance as at March 31, 1998.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 16 : SHARE CAPITAL (Contd.)

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2026		As at March 31, 2025	
Equity Shares	No. of Shares	₹in million	No. of Shares	₹ in million
At the beginning of the year	75,218,734	752.19	75,218,734	752.19
Movement during the year	-	-	-	-
Outstanding at the end of the year	75,218,734	752.19	75,218,734	752.19

b. Terms/rights attached to equity shares

The Company has only one class of equity shares issued having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Dividend details

The Company declares and pays dividends in Indian Rupees. The final dividend proposed by Board of Directors of ₹ 2.50 per equity share (March 31, 2025 ₹ 36.00 per equity share) is subject to the approval of the shareholders in the ensuing Annual General Meeting upon which the liability will be recorded in the books.

The final dividend for the year 2024-25 proposed by the Board and approved by the shareholders at the 38th Annual General Meeting, has been paid to the eligible shareholders during the year ended March 31, 2026.

d. Details of shareholders holding more than 5% of the aggregate shares and promoters holding in the Company (Refer note (i) & (ii) below)

	As at March 31, 2026			As at March 31, 2025		
	No. of Shares*	₹ in million	% of share holding	No. of Shares*	₹ in million	% of share holding
Timken Singapore PTE Limited	38,399,988	384	51.05%	38,399,988	384	51.05%

(i) Out of the total shares issued, 38,399,988 (March 31, 2025: 38,399,988) fully paid-up Equity shares of ₹10/- each are held by Timken Singapore PTE Limited. However, The Timken Company is the ultimate holding company. No shares in the Company are held by any subsidiary or associates of the holding company or the ultimate holding company.

(ii) As per records of the Company, including its register of shareholders/ members, the above shareholding represents legal ownership of shares.

NOTE 17 : OTHER EQUITY

₹ in million

		As at March 31, 2026	As at March 31, 2025
a)	**Capital Redemption Reserve**	260.00	260.00
	Capital Redemption Reserve created on redemption of preference shares in earlier years		
b)	**Securities Premium Account**	5,348.67	5,348.67
	Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
c)	**Retained Earnings (refer (i) & (ii) below)**	23,374.18	22,087.79
	Surplus in Statement of Profit & Loss		
Total - Other equity		28,982.85	27,696.46

(i) Movement in Retained Earnings

₹ in million

Opening Balance	22,087.79	17,811.78
Add: Profit for the year	3,983.33	4,473.86
Other Comprehensive income for the year, net of tax	10.93	(9.83)
Less: Appropriations		
Final Equity Dividend of ₹ 36.00/- per equity share for FY 2024-25 (FY 2023-24 - ₹ 2.50/- per equity share)	(2,707.87)	(188.02)
Closing Balance	23,374.18	22,087.79

(ii) Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 18 : LEASE LIABILITIES

(at amortised cost)

Refer Note 2.7.3 for material accounting policy information on Leases and Right of use assets

The following is the movement in lease liabilities: ₹ in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Carrying amount at the beginning of the year	**166.17**	193.19
Additions	**10.40**	4.87
Deletions	**(1.06)**	(3.03)
Add : Finance cost accrued during the period	**11.85**	13.51
Less: Repayment of lease liabilities	**(41.74)**	(42.37)
Carrying amount at the end of the year	**145.62**	166.17
Non current Lease Liabilities	**117.23**	136.95
Current Lease Liabilities	**28.39**	29.22
Total	**145.62**	166.17

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Less than one year	**38.31**	40.86
Total	**38.31**	40.86
Non-current		
One to five years	**124.65**	129.24
More than five years	**28.68**	52.47
Total	**153.33**	181.71

The weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 “Leases” was at 8% .

Amounts recognised in the statement of Profit or Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation charge on Right-of-use asset (refer Note 30)	**51.76**	53.61
Interest expense (refer Note 29)	**11.85**	13.51
Short term lease payments (refer Note 31)	**16.83**	13.20

Amounts recognised in the statement of cash flows

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash outflows for lease payments	**41.74**	42.37

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 19 : PROVISIONS

Refer Note 2.7.8 for material accounting policy information on Employee benefits

A: Non-Current ₹ in million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee benefits :		
Employees' Death Benefit Scheme (refer Note 39)	**6.43**	9.23
Compensated absences (refer Note 39)	**99.74**	91.71
Total	**106.17**	100.94

B: Current ₹ in million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee benefits :		
Employees' Death Benefit Scheme (refer Note 39)	**5.74**	6.56
Gratuity (refer Note 39)	**88.39**	42.78
Compensated absences (refer Note 39)	**16.79**	18.29
Total (a)	**110.92**	67.63
Others :		
Provision for Indirect taxes (refer note (i) below)	**22.51**	9.70
Total (b)	**22.51**	9.70
Total (a)+(b)	**133.43**	77.33

(i) Provision for Indirect taxes ₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**9.70**	9.70
Additions during the year	**15.36**	-
Utilisation/Reversal during the year	**(2.55)**	-
Closing Balance	**22.51**	9.70

The Company has reviewed the various liabilities/ claims relating to indirect taxes and estimated the provision for contingencies based on assessment of its probability of outflows. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

On November 21, 2025, the Government of India notified four Labour Codes effective immediately, replacing the existing 29 labour laws. In accordance with Ind AS 19 - Employee benefits, changes to employee benefit plans arising from legislative amendments are treated as plan amendments, requiring immediate recognition of past service cost in the Statement of Profit and Loss and this approach is consistent with the guidance issued by the Institute of Chartered Accountants of India. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, which has been recognised as an employee benefit expense in the year ended March 31, 2026. The Company continues to monitor the finalisation of Central and State Rules, as well as Government clarifications on other aspects of the Labour Codes and will incorporate appropriate accounting treatment based on these developments as required.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 20 A: DEFERRED TAX LIABILITIES (net)

Refer Note 2.7.9 for material accounting policy information on Income taxes

₹ in million

	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets		
- Provision for employee benefits & other expenses	**52.26**	50.11
- Allowance of doubtful receivables and other assets	**5.66**	5.82
- Lease liabilities	**36.65**	41.82
Deferred Tax Assets	**94.57**	97.75
Deferred Tax Liabilities		
- Depreciation and amortisation differences	**(424.44)**	(268.30)
- Right-of-use assets	**(33.05)**	(39.21)
Deferred Tax Liabilities	**(457.49)**	(307.51)
Deferred Tax Liabilities (net)	**(362.92)**	(209.76)

Significant Components of net Deferred Tax Assets and Liabilities on account of temporary differences are as follows :

₹ in million

	2025-2026			
Particulars	**Balance as at March 31, 2025**	**Recognised in the statement of profit and Loss**	**Recognised in OCI**	**Balance as at March 31, 2026**
Deferred Tax Assets				
Provision for employee benefits & other expenses	50.11	2.15	-	52.26
Allowance of doubtful receivables and other assets	5.82	(0.16)	-	5.66
Lease liabilities	41.82	(5.17)	-	36.65
Deferred Tax Liabilities				
Depreciation and amortization differences	(268.30)	(156.14)	-	(424.44)
Right-of-use assets	(39.21)	6.16	-	(33.05)
Deferred Tax Assets/ Liabilities (Net)	**(209.76)**	**(153.16)**	**-**	**(362.92)**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 20 A: DEFERRED TAX LIABILITIES (net) (Contd.) ₹ in million

	2024-2025			
Particulars	**Balance as at March 31, 2024**	**Recognised in the statement of profit and Loss**	**Recognised in OCI**	**Balance as at March 31, 2025**
Deferred Tax Assets				
Provision for employee benefits & other expenses	66.14	(16.03)	-	50.11
Allowance of doubtful receivables and other assets	6.10	(0.28)	-	5.82
Lease liabilities	48.62	(6.80)	-	41.82
Deferred Tax Liabilities				
Depreciation and amortization differences	(299.06)	30.76	-	(268.30)
Right-of-use assets	(47.73)	8.52	-	(39.21)
Deferred Tax Assets/ Liabilities (Net)	**(225.93)**	**16.17**	**-**	**(209.76)**

(i) During FY 2018-19, the Company acquired ABC Bearings Limited vide a NCLT approved Scheme of amalgamation. The Company continues to apply the initial recognition exemption under Ind AS 12 in respect of recognition of deferred tax liability on Goodwill arising out of the aforesaid acquisition.

(ii) Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to income tax levied by the same taxation authorities.

(iii) The Company has done a detailed analysis of future recoverability of the Deferred Tax assets based on the internal and external information and expects, the recoverability of the Deferred Tax asset is not impacted.

NOTE 20 B : INCOME TAXES AND RECONCILIATION OF STATUTORY TAX RATE AND EFFECTIVE TAX RATE ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before Tax (a)	**5,303.92**	5,527.29
Tax Expense (b)	**1,320.59**	1,053.43
Tax rate as a % of PBT (b)/(a)	**24.90%**	19.06%
At India's statutory income tax rate of 25.168% (March 31, 2025: 25.168%)	**1,334.89**	1,391.11
Adjustments:		
(I) Tax on Permanent Disallowances / (Exempt Income)	**26.87**	17.67
(ii) Reversal of other provision	**(134.27)**	(370.30)
(iii) Other adjustments {includes reversal of provisions ₹ 30.41 million (March 31, 2025 - net charge of ₹ 17.93 million) relating to earlier years}	**93.10**	14.95
Income tax expense reported in the statement of profit and loss	**1,320.59**	1,053.43

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 21 : OTHER LIABILITIES

A: Non-Current

Refer Note 2.7.7 for material accounting policy information on Government grants

₹ in million

	As at March 31, 2026	As at March 31, 2025
Government Grants		
Opening Balance	**237.68**	97.80
Received during the year	**78.04**	158.47
Released to the statement of profit and loss (refer Note 26)	**(16.95)**	(18.59)
Total	**298.77**	237.68

Government grants have been received for import of certain items of Property, Plant and Equipment and capital work in progress against import licenses taken under export promotion capital goods(EPCG) scheme of Government of India. The Company has certain export obligations against such benefits availed which it would fulfil within the required time period under the scheme. Incase of such commitments are not met, the Company would be required to pay the duty along with interest to the regulatory authorities.

B: Current ₹ in million

	As at March 31, 2026	As at March 31, 2025
Statutory liabilities	**101.81**	71.75
Advances from Customers	**102.46**	15.08
Total	**204.27**	86.83

NOTE 22 : TRADE PAYABLES

(at amortised cost)

Refer Note 2.7.6.2 for material accounting policy information on Financial liabilities ₹ in million

	As at March 31, 2026	As at March 31, 2025
Trade Payables :		
a) Total outstanding dues of micro and small enterprises (refer note below)	**894.19**	460.59
b) Total outstanding dues of creditors other than micro and small enterprises (for dues to related parties refer note 36)	**5,140.76**	3,509.49
Total Trade Payables	**6,034.95**	3,970.08

Trade payables are generally settled as per payment terms agreed by the Company and vendor.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 22 : TRADE PAYABLES (Contd.)

(at amortised cost)

Note: Information in terms of section 22 of the Micro, Small and Medium Enterprises Development Act 2006: ₹ in million

Details of dues to Micro and small enterprises	**As at and for the year ended March 31, 2026**	As at and for the year ended March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal [Including Capital Creditor INR 144.07 Million (Year ended March 31, 2025 INR 182.23 Million)]	**1,038.26**	642.82
Interest	**-**	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
The amount of interest accrued for the year and remaining unpaid at the end of each accounting year	**-**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	**-**	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company.

₹ in million

Reconciliation to trade payable-total outstanding dues of micro and small enterprises and MSME disclosure principal amount.	**As at March 31, 2026**	As at March 31, 2025
Total outstanding dues of micro and small enterprises	**894.19**	460.59
Capital creditors	**144.07**	182.23
MSME principal	**1,038.26**	642.82

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 22 : TRADE PAYABLES (Contd.)

(at amortised cost)

₹ in million

Particulars	Outstanding for the following period from due date of payments as on March 31, 2026					Unbilled trade payables	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	754.07	-	-	-	-	140.12	**894.19**
(ii) Others	1,149.26	3,493.96	41.81	4.95	1.93	448.85	**5,140.76**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	-	**-**
Total	**1,903.33**	**3,493.96**	**41.81**	**4.95**	**1.93**	**588.97**	**6,034.95**

₹ in million

Particulars	Outstanding for the following period from due date of payments as on March 31, 2025					Unbilled trade payables	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	404.64	-	-	-	-	55.95	**460.59**
(ii) Others	1,318.48	1,853.33	5.02	2.91	6.86	322.89	**3,509.49**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	-	**-**
Total	**1,723.12**	**1,853.33**	**5.02**	**2.91**	**6.86**	**378.84**	**3,970.08**

NOTE 23 : OTHER FINANCIAL LIABILITIES
(at amortised cost, unsecured)

Refer Note 2.7.6.2 for material accounting policy information on Financial liabilities

A: Non-Current ₹ in million

	As at March 31, 2026	As at March 31, 2025
Lease deposit	**2.40**	2.40
Total	**2.40**	2.40

B: Current ₹ in million

	As at March 31, 2026	As at March 31, 2025
Security deposits received from Customers (refer note (i))	**39.90**	26.70
Interest accrued on Security deposit from customers	**3.33**	2.41
Unpaid dividends (refer note (ii))	**50.92**	31.27
Capital creditors	**289.23**	586.50
Total	**383.38**	646.88

(i) These are interest bearing deposits accepted from dealers / distributors which are repayable only upon termination of the dealership / distributor agreement.

(ii) Investor Education and Protection Fund will be credited by the amount of unpaid dividends as and when due.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 24 : CURRENT TAX LIABILITIES

Refer Note 2.7.9 for material accounting policy information on Income taxes ₹ in million

	As at March 31, 2026	As at March 31, 2025
Income tax payable (net of advance tax of ₹ 6,414.86 million (March 31, 2025 - ₹ 5,894.94 million))	107.29	306.84
Total	**107.29**	306.84

The Company is subject to tax assessments and ongoing proceedings from the Income Tax department. Management periodically reviews and evaluates various tax positions taken in tax returns , including unresolved tax disputes, which involves interpretation of applicable tax regulations and judicial precedents. Current tax liability and tax asset balances are presented, after recognising as appropriate, provision for taxes payable and contingencies basis management's assessment (including tax experts based on requirement) of outcome of such ongoing proceedings and amounts that may become payable to the tax authorities. Considering the nature of such estimates and uncertainties involved, the amount of such provisions may change upon final resolution of the matters with tax authorities.

NOTE 25 : REVENUE FROM OPERATIONS

Refer Note 2.7.10 for material accounting policy information on Revenue recognition ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
Sale of Products	31,062.00	28,606.22
Sale of Services	2,974.51	2,735.69
Other operating revenue		
Export incentives (refer note (i) below)	156.65	136.19
Revenue from operations	**34,193.16**	31,478.10

Reconciliation of revenue as per contract price and as recognised in Statement of Profit & Loss ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per Contract Price	34,814.74	32,142.98
less: Discounts and Rebates	621.59	664.88
Revenue as per Profit & loss	34,193.16	31,478.10

Revenue recognised from Contract Liabilities (Advance from Customers) ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Closing Contract Liabilities	102.46	15.08

(i) Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and only when there is reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

(ii) Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less.

(iii) Revenue from contracts with customers for the year ended March 31, 2026 includes income of ₹ 46.06 million, (PY 275.27 million) consequent to the Bilateral Advance Pricing Agreement signed with the Central Board of Direct Taxes for the financial years 2024-25, 2019-20 to 2023-24 respectively.

(iv) Refer note 36 for revenue from related parties.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 26 : OTHER INCOME

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income recognised on Financial assets, recognised at amortised cost	**167.07**	220.49
Dividend Income on current investments - non-trade (refer note (i) below)	**54.93**	141.93
Profit on sale of property, plant and equipment (net)	**-**	18.23
Gain on foreign currency transaction and translation (net)	**-**	31.93
Provision no longer required written back	**8.96**	7.82
Deferred Government grant income (refer note (ii) below)	**16.95**	18.59
Rental Income	**5.83**	5.56
Miscellaneous Income	**26.27**	57.26
Total	**280.01**	501.81

(i) Includes fair value gain on current investments classified as fair value through profit and loss.

(ii) Government grants on capital goods are recognised on a systematic basis over the useful life of the asset.

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK- IN-TRADE

Refer Note 2.7.5 for material accounting policy information on Inventories

₹ in million

		For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year			
Work in Progress		**505.10**	620.02
Finished Goods (Including in transit)		**1,031.43**	1,130.06
Stock-in-trade (Including in transit)		**3,081.07**	3,286.71
	(A)	**4,617.60**	5,036.79
Inventories at the end of the year			
Work in Progress		**592.18**	505.10
Finished Goods (Including in transit)		**1,364.78**	1,031.43
Stock-in-trade (Including in transit)		**3,000.41**	3,081.07
	(B)	**4,957.37**	4,617.60
(Accretion)/Decretion to Inventories (A)-(B)		**(339.77)**	419.19

During the year ended March 31, 2026 ₹ 139.82 million (March 31, 2025 ₹ 91.05 million) was recognised as reversal /(expenses) for inventories carried at net realisable value.

NOTE 28 : EMPLOYEE BENEFITS EXPENSES

Refer Note 2.7.8 for material accounting policy information on Employee benefits

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Wages and Bonus	**1,488.52**	1,423.75
Contribution to provident and other funds (Note 39)	**177.29**	122.87
Staff welfare expense	**159.12**	153.61
Total	**1,824.93**	1,700.23

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 29 : FINANCE COSTS

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Expense	**36.83**	42.89
Total	**36.83**	42.89

Includes interest expense on lease liabilities for year ended March 31, 2026 ₹ 11.85 million (March 31, 2025 ₹ 13.51 million)

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSES

Refer Note 2.7.1 , 2.7.2 , 2.7.3 , 2.7.4 for material accounting policy information on PPE, Investment property, Right of use assets and Intangible assets

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, plant and equipment (refer Note 3)	**956.46**	744.86
Depreciation on Right of use assets (refer Note 4)	**51.76**	53.61
Depreciation on Investment Property (refer Note 6)	**2.05**	2.19
Amortisation of Intangible assets (refer Note 8)	**47.01**	47.04
Total	**1,057.28**	847.70

NOTE 31 : OTHER EXPENSES

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spares (refer note (i) below)	**998.38**	967.86
Power & Fuel	**486.80**	428.39
Repairs and Maintenance		
-Buildings	**24.95**	29.71
-Machineries	**174.54**	172.58
-Others	**142.11**	124.27
Royalty	**843.56**	808.16
Rent	**16.83**	13.20
Rates and Taxes (refer note (ii) below)	**46.73**	26.98
Insurance	**36.70**	26.25
Freight, Delivery and Shipping charges	**771.85**	694.37
Travelling	**112.71**	111.86
Services outsourced	**649.96**	624.14
Professional Fees (refer note (iii) below)	**429.16**	332.62
Inter company Service Charges	**89.69**	117.25
ERP and other applications expenses	**101.31**	90.96
CSR Expenditure (refer note (iv) below)	**106.69**	99.47
Bad debts written off	**-**	0.73
Provision for doubtful debts, deposits & advance	**8.32**	6.18
Foreign Exchange Loss (net)	**57.39**	-
Loss on sale of property, plant and equipment (net)	**0.62**	-
Other Expenses	**187.43**	182.89
Total	**5,285.73**	4,857.87

(i) Consumption of stores and spares includes packaging cost for year ended March 31, 2026 ₹ 381.55 million (March 31, 2025 ₹ 333.79 million)

(ii) Rates & Taxes includes GST paid on stocks written off, issue of free samples/supplies and other items covered under section 17(5)(h) of GST Act 2017.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 31 : OTHER EXPENSES (Contd.)

(iii) Professional Fees include:

₹ in million

Auditor's remuneration (exclusive of GST)	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Statutory Audit		
As Auditors		
- For Statutory Audit	**5.42**	4.04
- For Limited Reviews	**2.55**	2.18
- For out-of-pocket expenses	**1.51**	1.13
For Other Matters		
- For Tax Audit	**1.13**	1.08
- For Other Services	**1.80**	0.32

(iv) Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 ("the Act"), a Company meeting the applicability threshold, needs to spend at least 2% of average net profits made during immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are mentioned in Schedule VII of the Act. During the FY 2025-26, the Company has spent Rs. 78.59 million on CSR activities primarily covering these areas namely promoting education including vocational skills, setting up old age homes and preventive healthcare. An amount of Rs. 28.10 million is transferred to 'unspent CSR account', which is related to ongoing projects.

₹ in million

Particulars	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Gross amount required to be spent by the Company during the year	**106.69**	98.95
Amount spent during the year :		
i) On purposes of promotion of education, sports, setting up old age homes and preventive healthcare	**78.59**	40.35
ii) Amount transferred to 'unspent CSR account'	**28.10**	59.12
iii) Amount to be carried forward as excess spent	**-**	(0.52)
Total	**106.69**	98.95
Shortfall at the end of the year	**-**	-
Total of previous years shortfall	**-**	-
Reason for shortfall	**NA**	NA
Amount spent on CSR activities through related parties	**-**	-
Whether any provision made with respect to a liability incurred by entering into a contractual obligation	**No**	No

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 32 : EARNINGS PER SHARE (EPS)

		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Profit attributable to equity shareholders of the Company (₹ in million)	**3,983.33**	4,473.86
b)	Weighted average number of equity shares outstanding @ ₹ 10/- each	**75,218,734**	75,218,734
	Earnings per share - Basic & Diluted* (a)/(b)(in ₹)	**52.96**	59.48

* There are no dilutive potential equity shares.

NOTE 33 : CONTINGENT LIABILITIES AND COMMITMENTS

A. CONTINGENT LIABILITIES

₹ in million

		As at March 31, 2026	As at March 31, 2025
	Claims against the Company not acknowledged as debts		
a)	Indirect tax matters (refer Note below)	**153.04**	175.72
b)	Direct tax matters (refer Note below)	**633.10**	501.81
c)	Provident fund related (refer Note below)	**1,035.53**	1,035.53
d)	Other claims (refer Note below)	**2.33**	2.33

Indirect tax contingencies

The Company has outstanding disputes with indirect tax authorities, mainly relating to Goods and Services Tax matters concerning the classification of certain transactions on which tax has been paid under the reverse charge mechanism, as well as certain input tax credit disallowances.

Direct tax contingencies

The Company has outstanding disputes with direct tax authorities, mainly relating to transfer pricing adjustments for the determination of the arm's length price of certain international transactions.

Provident fund related

In June 2024, the Company received orders from the Regional Provident Fund Commissioner (RPFC) claiming damages and interest totaling approximately INR 1,035.53 million. These orders pertain to the closure of the Company's provident fund trust and the subsequent transfer of trust assets to the Employees' Provident Fund Organization ("EPFO"). The orders allege that the surrender of trust assets did not comply with the applicable timing guidelines prescribed by the EPFO.

The Company is disputing the merits of the orders and has filed an appeal with the Hon'ble High Court of Jharkhand. Management believes that the Company will be granted relief upon full adjudication of the matter. Accordingly, no provision has been recorded in the standalone financial statements.

Other claims

The Company has outstanding disputes from various other statutes, which is consolidated for disclosure as the value is not material.

These demands are being contested by the Company based on the management evaluation and advice of consultants as appropriate. In respect of above matters, future cash outflows are determinable only on receipt of judgments/decisions, which are pending at various authorities and the Company's rights for future appeals.

The Company does not expect any reimbursements in respect of the above contingent liabilities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its standalone financial statements.

The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

B. CAPITAL AND OTHER COMMITMENTS

₹ in million

	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for; (net of advance of ₹ 458.85 million (March 31, 2025 - ₹ 297.11 million))	**833.86**	952.54

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 34 : SEGMENT INFORMATION

Operating Segment:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. Information reported to the Chief Operating Decision Maker (CODM) for the assessment of segment performance focuses on the types of products and services delivered or provided. The Company's CODM is the Board of the Company.

The Company has only one reportable primary segment, viz. 'Bearings and allied goods & services'. Accordingly, no separate disclosure of segment information has been made.

Entity wide disclosures

a) The revenue from the reportable segment 'Bearings and allied goods & services' for year ended March 31, 2026 ₹ 34,193.16 million (March 31,2025 ₹ 31,478.10 million)

b) The Company is domiciled in India. Geographical revenue is allocated based on the location of the customers. Information regarding geographical revenue is as follows:

₹ in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Operations		
India	**27,404.98**	25,696.45
Outside India		
- USA	**2,679.42**	3,167.93
- Others	**4,108.76**	2,613.72
	6,788.18	5,781.65
Total	**34,193.16**	31,478.10

Geographical non-current assets (other than financial instruments and deferred tax assets) are allocated based on the location of the assets. Non-current assets includes Property plant & equipment, right of use assets, capital work in progress, investment property, goodwill, non-current tax assets and other non-current assets. Information regarding geographical non-current assets is as follows:

₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current assets other than financial assets		
India	**16,051.47**	14,508.81
Outside India	**-**	-
Total	**16,051.47**	14,508.81

c) Revenue from one of the customer group amounted to ₹ 6,251.01 million (March 31, 2025 : ₹ 5,856.95 million) arising from sale of products & services.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 35 :UNHEDGED FOREIGN CURRENCY EXPOSURE

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars	Currency	As at March 31, 2026		As at March 31, 2025	
		Amount in Foreign Currency (in million)	Value (₹ in million)	Amount in Foreign Currency (in million)	Value (₹ in million)
a) Trade Receivables	USD	**24.10**	**2,223.74**	21.57	1,813.20
	EURO	**0.04**	**3.73**	0.02	1.99
b) Trade Payables and capital creditors	USD	**37.32**	**3,565.27**	20.87	1,816.63
	EURO	**0.74**	**81.75**	1.91	179.04
	JPY	**24.27**	**14.52**	84.15	48.57
c) EEFC & USD Bank account	USD	**0.50**	**46.31**	0.79	66.13

NOTE 36 : RELATED PARTY DISCLOSURE:

Related parties where control exists :

Holding company - Timken Singapore PTE. Limited
Ultimate Holding company - The Timken Company
Wholly owned subsidiary - Timken GGB Technology Private Limited (w.e.f December 01, 2025)

Other related parties with whom transactions have taken place during the year :

Fellow subsidiaries: 1) The Timken Corporation 2) Timken (Wuxi) Bearings Co., Ltd. 3)Timken UK Limited 4) Timken Do Brazil Comercial Importadora LTDA. 5) Timken Korea Limited Liability Corp 6) Timken South Africa (PTY) Limited 7)Timken Romania SA 8) Yantai Timken Co., Ltd. 9)Australian Timken Proprietary Limited 10) Timken Polska SP z.o.o. 11) Timken Industrial Services, LLC, US 12)Timken (Shanghai) Distribution and Sales Co., Ltd 13) Timken PWP SRL 14) Timken Engineering and Research - India Private Limited 15) Timken De Mexico, S.A. De C.V. 16) Timken Canada LP 17) Timken (Chengdu) Aerospace and Precision Products Co., Ltd. 18) Timken (Hunan) Bearing Co., Ltd 19) Timken SMO LLC 20) Cone Drive Operations Inc 21) Timken GmbH 22) GROENEVELD-BEKA GMBH 23) Rollon India Pvt Ltd 24) Cone Drive (Jiangsu) Power Transmission 25) Groeneveld Transport Efficiency B V 26) PT Timken Bearings Indonesia 27) Timken Netherlands Holding B.V 28) Timken Argentina 29) GGB LLC

Key management personnel

Chairman & Managing Director - Mr. Sanjay Koul
Business Controller-India, CFO & Whole-time Director - Mr. Avishrant Keshava (Business Controller-India, CFO till March 31, 2025, Whole-time Director till September 30, 2025)
Business Controller - India & CFO - Mr. Sujit Kumar Pattanaik ((Business Controller-India, CFO w.e.f April 01, 2025, Whole-time Director w.e.f. September 30, 2025)
Company Secretary & Chief of Compliance - Mr. Mandar Vasmatkar

Non-executive Directors

Non-executive Director - Mr. Douglas H Smith (Till December 15, 2025)
Independent Director - Mr. George J Ollapally
Independent Director - Mr. Veerappan V (Till May 31, 2024)
Non-executive Director - Mr. Hansal Patel
Independent Director - Mr. Ajay Sood (Till October 1, 2025)
Independent Director - Dr. Lakshmi Lingam
Independent Director - Mr. Soumitra Hazra (From May 31, 2024)
Independent Director - Mr. Sumit Rathor (From October 01, 2025)

Trusts managed by the Company
- Timken India Provident Fund
- Timken India Gratuity Fund
- Timken India Superannuation Fund
- ABC Bearings Employees Gratuity Fund

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 36 : RELATED PARTY DISCLOSURE: (Contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in million

Sl No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended	Outstanding as at	Transaction Amount for the year ended	Outstanding as at
				March 31, 2026		March 31, 2025	
1	The Timken Company	Ultimate holding company	Purchase of goods	599.29	137.49	526.97	111.99
			Sale of goods	2,014.37	928.26	1,352.65	646.71
			Expense receivable	1.39	-	3.84	1.66
			Expense payable	197.31	34.64	219.33	70.64
			Agency Commission (Income)	1.23	0.24	3.69	0.24
			Royalty	843.56	201.44	808.16	187.08
			Purchase of Property, Plant & Equipment	40.93	24.89	0.79	-
2	Timken Singapore PTE. Limited	Holding company	Purchase of goods	352.25	43.48	11.79	0.42
			Sale of goods	4.17	1.82	224.10	0.40
			Expense receivable	14.99	3.27	2.49	0.37
			Agency Commission (Income)	2.85	0.40	10.77	0.95
			Dividend paid	1,382.40	-	96.00	-
3	The Timken Corporation	Fellow Subsidiary	Purchase of goods	3,590.42	1,422.33	1,458.12	379.13
			Sale of goods	2,983.46	881.04	2,769.77	718.21
			Expense Receivables	5.45	1.84	3.55	-
			Agency Commission (Income)	7.92	1.27	12.87	1.44
			Expense payable	-	-	-	-
			Purchase of Property, Plant & Equipment	7.40	-	15.33	-
4	Timken (Wuxi) Bearings Co. Ltd.	Fellow Subsidiary	Purchase of goods	4,794.95	1,042.95	3,728.24	655.57
			Sale of goods	27.42	3.83	26.92	3.70
			Expense receivable	1.34	0.73	0.38	-
			Expense payable	0.15	-	-	-
			Purchase of Property, plant and Equipment	-	-	0.28	-
5	Timken GGB Technology Private Limited	Wholly owned subsidiary	Purchase of goods	0.02	0.02	-	-
			Expense receivable	2.10	-	0.73	-
			Purchase of Property, plant and Equipment	0.22	0.26	-	-
6	Other Fellow Subsidiaries		Purchase of goods	2,572.26	371.17	3,037.11	350.47
			Sale of goods	1,679.53	259.97	1,447.35	223.46
			Expense receivable	46.87	3.88	57.07	4.42
			Expense payable	164.70	30.58	149.48	32.17
			Agency Commission (Income)	-	-	0.82	-
			Agency Commission (Expense)	12.39	1.23	6.60	-
			Purchase of Property, Plant & Equipment	141.10	131.15	17.52	2.85
			Investment in equity	1,288.09	-	-	-
			Purchase of export licences	16.00	2.22	1.07	1.07
7	Trusts managed by the Company		Employee benefits expenses	50.57	-	56.06	-
8	Non-executive Directors		Sitting fees	3.18	-	3.54	-
9	Key Managerial Personnel		Short-term employee benefits	89.32	-	74.53	-
			Post-employment benefits	2.21	-	2.00	-
			Other long-term benefits	2.00	-	1.60	-

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 37 : CATEGORIES OF FINANCIAL INSTRUMENTS

Refer Note 2.7.6 for material accounting policy information on Financial instruments ₹ in million

	As at March 31, 2026	As at March 31, 2025
Financial Assets		
Break up of financial assets carried at amortised cost		
Investments (refer Note 9 A)	**1,288.09**	-
Loans - non-current (refer Note 10 A)	**0.47**	0.60
Trade receivables-current (refer Note 14)	**7,977.21**	6,998.24
Cash and bank balances (refer Note 15 A & 15 B)	**2,244.35**	3,974.76
Loans - current (refer Note 10 B)	**0.88**	1.27
Other non-current financial assets (refer Note 11 A)	**251.29**	218.11
Other current financial assets (refer Note 11 B)	**247.26**	145.92
Total financial assets carried at amortised cost	**12,009.55**	11,338.90
Break up of financial assets at fair value through profit or loss		
Investments (refer Note 9 A & 9 B)		
Non-current	**7.30**	0.30
Current	**507.24**	1,171.00
Total financial assets carried at fair value through profit or loss	**514.54**	1,171.30
Financial Liabilities		
Break up of financial liabilities carried at amortised cost		
Non-current lease liabilities (refer Note 18)	**117.23**	136.95
Other non-current financial liabilities (refer Note 23 A)	**2.40**	2.40
Trade payables-current (refer Note 22)	**6,034.95**	3,970.08
Current lease liabilities (refer Note 18)	**28.39**	29.22
Other current financial liabilities (refer Note 23 B)	**383.38**	646.88
Total financial liabilities carried at amortised cost	**6,566.35**	4,785.53

The management has assessed that the carrying values of the Financial Assets and Liabilities at amortised cost approximate their fair value largely due to the short-term maturities of these instruments.

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial assets include trade & other receivables and cash & cash equivalents that derives directly from its operations. The Company's principal financial liabilities comprise trade & other payables and short term borrowings. The main purpose of majority of these financial liabilities is to manage working capital of the Company.

The Company is exposed to credit risk, market risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The below note explains the sources of risk which the Company is exposed to and how the entity manage the risk :

Risk	Exposure arising from	Measurement	Risk Management
1. Credit Risk	Trade Receivable, Cash and cash equivalents, other financial assets, loans & deposits	Ageing Analysis Financial Analysis Credit information on need basis	1. Review of credit limits and credit lock, secured mode of payments 2. Diversification of Short term investments
2. Market Risk			
i. Commodity risk	Movement in prices of commodities mainly steel	Sensitivity Analysis	1. Price negotiation and productivity improvement, expanding vendor base 2. Negotiation with customers for significant changes
ii. Foreign currency risk	Financial assets and liabilities denominated in other than functional currency	Sensitivity Analysis	1. Periodical review of exposure limits 2. Natural hedging
iii. Interest rate risk	Security deposit from distributors	Sensitivity Analysis	Periodical reset of interest linked to market
3. Liquidity Risk	Trade Payable, Security deposits from distributors and other financial liabilities	Maturity date analysis Rolling cash flow forecasts	1. Preparing and monitoring forecast of cash flows 2. Maintaining optimum cash and cash equivalents 3. Availability of sanctioned credit lines and borrowing facilities

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

1. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, primarily cash & cash equivalents.

i. Trade receivables

Customer credit risk is managed in accordance with the Company's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored through credit lock and release effectively managing the exposure.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets disclosed in Note 14. The Company does not hold any collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as most of its external customers (other than related party customers) are established players in their industry or are distributors/ dealers against which the Company holds security deposit as its policy and operate in largely independent markets. All the related party receivables are from various Timken group companies where there is a minimal default risk.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered related credit information for its customer, that's available in public domain to estimate the probability of default in future.

ii. Cash and Cash equivalents and Other financial assets

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investment of surplus funds are made for deposit with banks and short-term liquid funds of rated mutual funds. Investments and Bank deposits are reviewed by the Board of Directors on a quarterly basis.

Credit risk arising from short term liquid fund investments, cash and cash equivalents and other balances with banks is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions. None of the financial instruments of the Company result in material exposure of credit risk as at March 31, 2026.

Other financial assets mainly include, loans and security deposits given, other receivables. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

2. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to different types of market risks. For the Company, the market risk is the possibility of changes in foreign currency exchange rates and commodity prices which may affect the value of the Company's financial assets, liabilities or expected future cash flows.

i. Commodity Risk

Commodity risk for the Company is mainly related to fluctuations in steel prices which drives the prices of steel bars, tubes and wire rods. Since, steel is the primary input materials for making of rings, rollers and cages, which are used in manufacturing the final products , any fluctuation in steel prices can lead to drop in operating margin. Most of these input materials are procured from approved vendors and subject to price negotiations. In order to mitigate the risk associated with raw material and components prices, the Company manages its procurement through productivity improvements, expanding vendor base and constant pricing negotiation with vendors. The Company renegotiates the prices with its customers in case there is more than normal deviation in the prices of its major raw materials. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team.

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk of fluctuations in foreign currency exchange rates on its financial liabilities including trade and other payables etc., which are mainly in US Dollars are mitigated through the natural hedge alignment, as Company's export sales are predominantly in US dollars and such economic exposure through trade and other receivables in US dollars provide natural alignment. Hence, a reasonable variation in the Foreign exchange rate would not have much impact on the profit or loss / equity of the Company. Net foreign currency exposure also reviewed by the Board of Directors on a quarterly basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Foreign currency sensitivity analysis

The Company is exposed to the currencies USD, EURO, GBP and JPY on account of outstanding receivables(+) and payables(-) . The Company's net exposure to foreign currency risk at the end of the reporting period expressed in respective currencies given below.

₹ in million

Currency	As at March 31, 2026	As at March 31, 2025
USD	**(12.71)**	1.49
EURO	**(0.71)**	(1.88)
JPY	**(24.27)**	(84.15)

The following table details the Company's sensitivity to a 10% increase and decrease in INR against the USD, EURO, GBP and JPY. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A negative number below indicates a decrease in profit or equity where the INR weakens 10% against the relevant currency. For a 10% strengthening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive.

₹ in million

Particulars	As at March 31, 2026		As at March 31, 2025	
	Profit & Loss	Equity	Profit & Loss	Equity
USD	**(121.45)**	**(121.45)**	12.98	12.98
EURO	**(7.79)**	**(7.79)**	(17.70)	(17.70)
JPY	**(1.45)**	**(1.45)**	(4.86)	(4.86)
Total	**(130.69)**	**(130.69)**	**(9.58)**	**(9.58)**

iii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risks arises primarily from security deposits from distributors. The Company has taken interest earning security deposits from the distributors as disclosed in note No.23. An increase / decrease of 1% of interest rate, the profit for the year ended March 31, 2026 would decrease / increase by ₹ 0.46 million (Year ended March 31, 2025 ₹ 0.32 million)

3. Liquidity risk

Liquidity risk is defined as a risk that the Company will not be able to meet its obligations on time or at a reasonable price. An effective liquidity risk management takes into consideration in maintaining optimum level of cash and cash equivalents and the availability of funding through credit facilities at a reasonable cost to meet the obligation when due. The Company's treasury department drives the liquidity, funding as well as settlement management. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team. Management continuously reviews the actual cash flows and forecasts the expected cash flows to monitor the liquidity position. The Company has large investments and deposits either in short term liquid funds or in bank deposits, which can be converted to cash at a very short notice and hence carry negligible liquidity risk. All the current financial liabilities of the Company are due to be paid with in twelve months from the Balance sheet date. All non-current financial liabilities are due to be paid in more than twelve months from the Balance sheet date. However the interest component of all the non-current financial liabilities if any will be payable as and when due, which may be with in twelve months from the date of Balance sheet date.

Fair values

₹ in million

(i) Class wise fair value of the Company's financial instruments:	As at March 31, 2026	As at March 31, 2025
Investments (unquoted) in Equity shares	**1,295.39**	0.30
Investments (unquoted) in mutual funds	**507.24**	1,171.00

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

(ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets

₹ in million

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2026:			
Assets measured at fair value:			
Investments in mutual funds	**507.24**	-	-
Investment in equity shares	**-**	-	1,295.39
Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:			
Assets measured at fair value:			
Investments in mutual funds	**1,171.00**	-	-
Investment in equity shares	**-**	-	0.30

a) The Fair value for investments in mutual funds have been determined based on the NAV of the respective funds as on balance sheet date.

b) The Company has determined the carrying value of the investment as its fair value in the absence of any available fair value for its non-current investment which is carried at cost.

NOTE 38B: CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maximise the shareholder value. For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company's objective when managing capital is to :

(i) Safeguard its ability to continue as a going concern, so that the Company maximises shareholder value and provides benefits for other stakeholders and

(ii) Maintain an optimal capital structure to reduce the weighted average cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares or sell non-core assets to reduce debts.

The Company is not subject to any externally imposed capital requirements. The Company is a Zero debt Company with no long-term borrowings.

₹ in million

	Note Reference Number	**As at March 31, 2026**	As at March 31, 2025
Total Debt	-	**-**	-
Total Equity	16 and 17	**29,735.04**	28,448.65
Debt to Equity %		**0.00%**	0.00%

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

Refer Note 2.7.8 for material accounting policy information on Employee benefits

The Company has a defined benefit gratuity plan (funded). Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. Certain employees who have completed more than 25 years of service get 20 days salary for every completed year of service in excess of 25 years upto 30 years and completed more than 30 years of service get one month salary for every completed year of service in excess of 30 years.

The Company also has a Death Benefit Scheme (unfunded) for specific employee group where the immediate beneficiaries are entitled to a monthly fixed sum till the date of superannuation, for death in harness.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

The disclosures of Employee Benefits as defined in Ind AS 19 are given below:

Profit and Loss account :

Net employee benefit expense (recognised in Employee Cost) ₹ in million

		Gratuity fund		Employee Death Benefit scheme	
		For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
I)	**Expenses recognised in the Statement of Profit & Loss**				
	1) Current service cost and Past service Cost	**101.09**	28.09	**0.22**	0.27
	2) Interest cost	**2.30**	1.87	**0.79**	1.09
	3) Expected return on plan assets	**-**	-	**-**	-
	4) Immediate recognition of (gains)/losses other long term employee benefits plans	**-**	-	**-**	-
	5) Total Expenses (disclosed part of Contribution to provident and other funds in note 28)	**103.39**	29.96	**1.01**	1.36
	Expense recognised in OCI				
	6) Net remeasurement (gain) / loss recognised in the year	**15.00**	12.83	**0.31**	0.31
	7) Total Expense	**118.39**	42.79	**1.32**	1.67
II)	**Net Asset/ (Liability) recognised in the Balance Sheet**				
	1) Present Values of Defined Benefit Obligation	**604.49**	541.06	**12.17**	15.79
	2) Fair value of Plan Assets	**516.10**	498.28	**-**	-
	3) Net Asset/ (Liability)	**(88.39)**	(42.78)	**(12.17)**	(15.79)
III)	**Change in Obligation during the year**				
	1) Present Value of Defined Benefit Obligation at the beginning of the year	**541.06**	527.78	**15.79**	19.66
	2) Current service cost/ Plan amendments	**31.39**	28.09	**0.22**	0.27
	3) Acquisitions (Credits)/cost	**69.69**	-	**-**	-
	4) Interest Cost	**(0.72)**	1.27	**-**	1.09
	5) Benefit Paid	**33.79**	34.81	**0.79**	(5.54)
	6) Net changes to other reported provisions	**(63.49)**	(67.44)	**(4.89)**	-
	7) Remeasurement (Gain)/ Losses				
	Arising from the change in experience	**(0.02)**	3.78	**0.31**	0.15
	Arising from the change in financial assumptions	**(7.23)**	12.77	**(0.05)**	0.16
	Total	**(7.25)**	16.55	**0.26**	0.31
	8) Present Values of Defined Benefit Obligation at the end of the year (disclosed in Provisions in note 19)	**604.47**	541.06	**12.17**	15.79
IV)	**Change in the Fair Value of Plan Assets**				
	1) Plan assets at the beginning of the year	**498.28**	471.98	**-**	-
	2) Expected return on plan assets	**31.49**	32.95	**-**	-
	3) Contribution by employer	**42.78**	55.80	**-**	-
	4) Actual benefit paid	**(63.49)**	(67.44)	**-**	-
	5) Return of Plan Assets greater/ (lesser) than discount rate	**7.75**	3.72	**-**	-
	6) Remeasurement (Gain)/ Losses	**-**	-	**-**	-
	7) Acquisition adjustments	**(0.71)**	1.27	**-**	-
	8) Plan Asset at the end of the year	**516.10**	498.28	**-**	-

V) In FY 2025-26, the Company expects to contribute ₹ 88 million (FY 2024-25: ₹ 43 million) to gratuity fund.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

VI) Actuarial Assumptions

	Gratuity fund		Employee Death Benefit scheme	
	For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
1) Discount Rate	**6.60 % to 6.90 %**	6.40 % to 6.50 %	**6.60%**	6.40%
2) Expected rate of return on plan asset	**NA**	NA	**NA**	NA
3) Mortality	**IALM (2006-2008) (modified) Ult**	IALM (2006-2008) (modified) Ult	**IALM (2006-2008) (modified) Ult**	IALM (2006-2008) (modified) Ult
4) Average attained age (years)	**38**	39	**56**	55
5) Average past service (years)	**11**	12	**32**	31
6) Employee Turnover Rate	**0.10% - 10.00%**	0.10% - 10.00%	**0.1% - 0.5%**	0.1% - 0.5%
7) Rate of escalation in salary (per annum)	**7 to 8.00%**	8.00%	**8.00%**	8.00%

Actuarial Assumptions for compensated absences

	Compensated absences	
	For the year ended March 31, 2026	For the year ended March 31, 2025
1) Discount Rate	**6.60% to 6.90%**	6.40% to 6.50%
2) Rate of escalation in salary (per annum)	**7 to 8%**	8.00%
3) Mortality	**IALM (2006-2008) (modified) Ult**	IALM (2006-2008) (modified) Ult
4) Withdrawal rate	**Bharuch: 3% Officers: 10% Non-officers: Ages : Rate 20 - 25 : 0.50%, 26 - 30 : 0.30%, 31 - 35 : 0.20%, 36 - 50 : 0.10%, 51 - 55 : 0.20%, 56 - 60 : 0.30%**	Bharuch: 3% Officers: 10% Non-officers: Ages : Rate 20 - 25 : 0.50%, 26 - 30 : 0.30%, 31 - 35 : 0.20%, 36 - 50 : 0.10%, 51 - 55 : 0.20%, 56 - 60 : 0.30%

VII) Maturity Profile of the defined benefit obligation

	Gratuity fund		Employee Death Benefit scheme	
	For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Weighted average duration of the defined benefit obligation	**7 years**	7 years	**5 years**	5 years
Not later than 1 year (₹ in million)	**87.34**	74.32	**5.92**	6.77
Later than 1 year and not later than 5 years (₹ in million)	**327.51**	290.24	**14.76**	18.17
More than 5 years (₹ in million)	**210.84**	210.46	**4.86**	7.17

The estimates of rate of escalation in salary considered in actuarial valuation taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

Each year, the Board of Trustees reviews the level of funding in the Gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

VIII) Amounts for the current and previous four periods are as follows: (₹ in million)

	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
1. Gratuity					
Defined Benefit Obligation	**604.49**	541.06	527.77	478.09	460.11
Plan Assets	**516.09**	498.27	471.97	467.57	424.44
Surplus/ (Deficit)	**(88.40)**	(42.79)	(55.80)	(10.52)	(35.67)
Experience (Gain)/ loss adjustment on plan liabilities	**(0.02)**	3.78	13.01	3.85	15.23
Experience (Gain)/ loss adjustment on plan assets	**-**	-	-	-	-

A quantitative sensitivity analysis for significant assumption are as shown below:

a) Gratuity (Funded) ₹ in million

	March 31, 2026		March 31, 2025	
	Discount rate		Discount rate	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on defined benefit obligation (Increase/ (decrease))	**(26.09)**	**29.00**	(24.91)	27.65

₹ in million

	March 31, 2026		March 31, 2025	
	Salary Growth		Salary Growth	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on defined benefit obligation (Increase/ (decrease))	**20.00**	**8.53**	25.06	(23.02)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

b) Employee Death Benefit Scheme (Unfunded) ₹ in million

	March 31, 2026		March 31, 2025	
	Discount rate		Discount rate	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on employee death benefits obligation (Increase/ (decrease))	**(0.24)**	**0.25**	(0.32)	0.34

₹ in million

	March 31, 2026		March 31, 2025	
	Salary Growth		Salary Growth	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on employee death benefits obligation (Increase/ (decrease))	**0.15**	**-0.13**	0.20	(0.19)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS

a. **Ratio** Current Ratio

Numerator Current Assets

Denominator Current Liabilities

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Current Assets (A)	19,915.62	19,525.74
Current Liabilities (B)	6,891.71	5,117.18
Current ratio (C) = (A) / (B)	**2.89**	3.82
%Change from previous year	**-24%**	

b. **Ratio** Debt Equity Ratio

Numerator Borrowings

Denominator Shareholders' equity

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Borrowings (A)	-	-
Shareholder's equity (B)	29,735.04	28,448.65
Debt equity ratio (C) = (A) / (B)	**-**	-
%Change from previous year	**0%**	

The ratio is NIL because of no borrowings.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

c. **Ratio** Debt service coverage ratio

Numerator Earnings available for debt services

Denominator Debt service

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	3,983.33	4,473.86
Add: Non cash operating expenses and finance cost		
Depreciation and Amortisation expenses (B)	1,057.28	847.70
Finance costs ©	36.83	42.89
Provision for doubtful debts, deposits & advance (D)	8.32	6.18
Earnings available for debt services (E) = (A)+(B)+(C)+(D)	5,086.38	5,370.63
Finance costs (F)	36.83	42.89
Borrowings (G)	-	-
Lease liabilities (H)	145.62	166.17
Debt service (I) = (F) + (G) + (H)	182.45	209.06
Debt service coverage ratio (J) = (E) /(I)	27.88	25.69
%Change from previous year	9%	

The ratio increased due to increase in earnings available for debt services and no borrowings as at March 31, 2025.

d. **Ratio** Return on equity [%]

Numerator Profit after tax

Denominator Average Shareholder's Equity

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	3,983.33	4,473.86
Closing shareholder's equity (B)	29,735.04	28,448.65
Average shareholder's equity [(opening + closing) /2] (C)	29,091.84	26,310.64
Return on equity [%] (D) = (A)/(C) *100	13.69%	17.00%
%Change from previous year	-19%	

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

e. **Ratio** Inventory turnover ratio
Numerator Cost of goods sold
Denominator Average inventory

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Cost of goods sold* (A)	**20,964.48**	19,003.93
Closing Inventory (B)	**7,783.35**	6,446.61
Average inventory [(opening + closing) /2] (C)	**7,114.98**	6,556.74
Inventory turnover ratio (D) = (A)/(C)	**2.95**	2.90
%Change from previous year	**2%**	

* Cost of goods sold represents the aggregate of cost of materials consumed, purchase of stock-in-trade and changes in inventory of stock-in-trade.

f. **Ratio** Trade receivables turnover ratio
Numerator Revenue from operations
Denominator Average trade receivables

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Revenue from operations (A)	**34,193.16**	31,478.10
Closing Trade Receivables	**7,977.21**	6,998.24
Average Trade Receivables [(opening + closing) /2] (B)	**7,487.73**	6,758.87
Trade receivables turnover ratio (C) = (A) / (B)	**4.57**	4.66
%Change from previous year	**-2%**	

g. **Ratio** Trade payables turnover ratio
Numerator Total purchases
Denominator Average trade payables

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Total purchases * (A)	**26,250.21**	23,861.80
Closing Trade Payables	**6,034.95**	3,970.08
Average Trade Payables [(opening + closing) /2] (B)	**5,002.52**	3,913.68
Trade payables turnover ratio (C) = (A) / (B)	**5.25**	6.10
%Change from previous year		**-14%**

* Total purchases represents purchase of goods and services which is the aggregate of cost of materials consumed, purchase of stock-in-trade, changes in Inventories of finished goods, work-in-progress and stock-in-trade and other expenses.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

h. **Ratio** Net capital turnover ratio
Numerator Revenue from operations
Denominator Working capital

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Revenue from operations (A)	**34,193.16**	31,478.10
Working Capital (Current Assets - Current Liabilities) (B)	**13,023.91**	14,408.56
Net capital turnover ratio (C) = (A)/ (B)	**2.63**	2.18
%Change from previous year	**20%**	

i. **Ratio** Net profit [%]
Numerator Profit after tax
Denominator Revenue from operations

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	**3,983.33**	4,473.86
Revenue from operations (B)	**34,193.16**	31,478.10
Net profit [%] (C) = (A) / (B) *100	**11.65%**	14.21%
%Change from previous year	**-18%**	

j. **Ratio** Return on capital employed [%]
Numerator Earning before interest and taxes
Denominator Capital Employed (Total equity, Total borrowings and Total lease liabilities)

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	**3,983.33**	4,473.86
Adjustments		
Add: Total tax expenses (B)	**1,320.59**	1,053.43
Add: Finance costs (C)	**36.83**	42.89
Earnings before interest and tax (D) = (A) + (B) + (C)	**5,340.75**	5,570.18
Total equity (E)	**29,735.04**	28,448.65
Borrowings (F)	**-**	-
Current and Non-current lease liabilities (G)	**145.62**	166.17
Deferred tax liabilities (net) (H)	**362.92**	209.76
Capital Employed (I) = (E) + (F) + (G) + (H)	**30,243.58**	28,824.58
Return on capital employed [%] (J) = (D) / (I) *100	**17.66%**	19.32%
%Change from previous year	**-9%**	

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

k. **Ratio** Return on Investment [%]
Numerator Income generated from investments
Denominator Average investments

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Income generated from investments (A)	**54.93**	141.93
Closing current Investments	**507.24**	1,171.00
Average Investments [(opening + closing) /2] (B)	**839.12**	1,388.11
Return on Investment [%] (C) = (A) / (B) *100	**6.55%**	10.22%
%Change from previous year	**-36%**	

NOTE 41: ADDITIONAL REGULATORY INFORMATION NOT DISCLOSED ELSEWHERE IN THE STANDALONE FINANCIAL STATEMENTS

(a) There are no properties / assets which are not held or registered in the name of the Company (benami property), other than those disclosed in these standalone financial statements.

(b) Transactions and balances with companies which have been removed from register of Companies [struck off companies] as at the above reporting periods is Nil.

(c) The Company has not traded / invested in Crypto currency.

(d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

   (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(h) The Company is not a declared willful defaulter by any bank or financial Institution or other lender.

Signatures to Note 1-41 of the Standalone financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Timken India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Timken India Limited (the "Parent") and its subsidiary, (the Parent Company and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit and their consolidated other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Capital work-in-progress (CWIP) The Group had embarked on capacity augmentation / expansion projects at its multiple plant locations in line with approved business plans. Assets acquired which were yet to be capitalized i.e, Capital work-in-progress as at March 31, 2026 amounted to Rs. 1,007.22 million; additions to Property, Plant and Equipment (PPE) during the year amounted to Rs. 7,421.04 million and capital advances as at March 31, 2026 amounted to Rs. 458.85 million. Given the nature and size of the aforesaid expansion projects, the underlying assets acquired (including Capital Advances given) require substantial time to meet the criteria for capitalization. The assets are capitalized and depreciated once the assets are ready for use as intended by the management. Inappropriate timing of capitalization of the project, inappropriate useful life and/or inappropriate classification as PPE could result in material misstatement of capital work-in-progress/ PPE balances with a consequential impact on depreciation charge and consolidated results for the year. Accordingly, we have considered this as a key audit matter. Refer Note 2.7.1 for the accounting policy	Principal audit procedures performed included the following: We tested the design, implementation and operating effectiveness of controls in respect of review of capital work in progress, particularly in respect of timing and completeness of the capitalization and recording of additions to items of PPE with source documentation. We tested details of the assets capitalized as PPE during the year and those classified as capital work in progress on a sample basis to source documentation to determine whether the expenditure is of a capital nature and has been appropriately approved for capitalization. For the assets capitalized during the year, we verified the basis considered by the management to determine useful life of each PPE. Our tests included validating the appropriateness of the date considered for project capitalization based on discussions with the project personnel and corroborative evidence obtained during the audit.

Information Other than the Financial Statements and Auditor's Report thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the board's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the remaining sections of the Annual report , which is expected to be made available to us after that date.
- Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary to the extent it relates to these entities and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
- When we read the remaining sections of the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group including relevant records so far as it appears from our examination of those books.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on March 31, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of the subsidiary company incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company, and subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of the subsidiary company, the remuneration paid by the Parent and such subsidiary company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 33 to the consolidated financial statements;

   ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company.

   iv) (a) The respective Managements of the Parent and its subsidiary, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note 41(e) to the consolidated financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Parent or the subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective Managements of the Parent and its subsidiary, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note 41(f) to the consolidated financial statements, no funds have been received by the Parent or subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (I) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

   As stated in note 16(c) to the consolidated financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks the Parent Company and its subsidiary company have used accounting softwares for maintaining their respective books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we have not come across any instance of the audit trail feature being tampered with.

The audit trail has been preserved by the Company and above referred subsidiary as per the statutory requirements for record retention.

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us we report that there are no qualifications or adverse remarks in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Timken India Limited	L29130KA1996PLC048230	Parent	vii(b)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Ankit Daga
Partner
(Membership No. 512486)
(UDIN : 26512486JQPRFF6359

Bangalore, May 18, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of **Timken India Limited** (hereinafter referred to as "the Holding Company") and its subsidiary company as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Holding company, its subsidiary company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary company.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us the Holding Company its subsidiary company which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sd/-
Ankit Daga
Partner
(Membership No. 512486)
(UDIN : 26512486JQPRFF6359

Bangalore, May 18, 2026

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

₹ in million

Particulars	Note No.	**As at March 31, 2026**	As at March 31, 2025 (refer note 1 A)
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	**11,115.03**	4,653.48
(b) Right-of-use assets	4	**1,083.15**	1,134.44
(c) Capital work-in-progress	5	**1,007.22**	5,916.58
(d) Investment Property	6	**94.18**	96.23
(e) Goodwill	7	**1,813.11**	1,813.11
(f) Other Intangible assets	8	**355.88**	402.71
(g) Financial assets			
(i) Investments	9 A	**7.30**	0.30
(ii) Loans	10 A	**0.47**	0.60
(iii) Other financial assets	11 A	**264.66**	232.03
(h) Non-current tax assets (net)		**128.84**	138.12
(i) Deferred tax assets (net)	20 A	**9.25**	9.34
(j) Other non-current assets	12 A	**462.36**	367.72
Total non-current assets		**16,341.45**	14,764.66
2 Current assets			
(a) Inventories	13	**7,882.63**	6,525.23
(b) Financial assets			
(i) Investments	9 B	**507.24**	1,171.00
(ii) Trade receivables	14	**8,112.61**	7,087.88
(iii) Cash & Cash equivalents	15 A	**2,684.71**	4,356.73
(iv) Bank balances other than cash & cash equivalents mentioned above	15 B	**69.65**	31.27
(v) Loans	10 B	**0.88**	1.27
(vi) Other financial assets	11 B	**247.42**	146.08
(c) Other current assets	12 B	**1,156.75**	795.05
Total current assets		**20,661.89**	20,114.51
Total Assets		**37,003.34**	34,879.17
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	**752.19**	752.19
(b) Other equity	17	**28,393.56**	28,229.54
Equity attributable to owners of the Group		**29,145.75**	28,981.73
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	18	**117.23**	144.76
(ii) Other financial liabilities	23 A	**2.40**	2.40
(b) Provisions	19 A	**109.99**	104.33
(c) Deferred tax liabilities (Net)	20 A	**362.92**	209.76
(d) Other non-current liabilities	21 A	**298.77**	237.68
Total non-current liabilities		**891.31**	698.93
2 Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	18	**28.39**	31.56
(ii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		**896.06**	460.59
Total outstanding dues of creditors other than micro enterprises and small enterprises		**5,208.41**	3,574.53
(iii) Other financial liabilities	23 B	**383.38**	646.88
(b) Other current liabilities	21 B	**208.72**	88.06
(c) Provisions	19 B	**134.03**	77.88
(d) Current tax liabilities (net)	24 B	**107.29**	319.01
Total current liabilities		**6,966.28**	5,198.51
Total Liabilities		**7,857.59**	5,897.44
Total Equity and Liabilities		**37,003.34**	34,879.17

See accompanying notes forming part of the Consolidated Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

₹ in million

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025 (refer note 1 A)
Income			
Revenue from Operations	25	**34,780.29**	31,971.96
Other Income	26	**300.61**	509.62
I. Total Income		**35,080.90**	32,481.58
Expenses			
Cost of materials consumed		**10,356.31**	9,753.60
Purchases of Stock-in-Trade		**11,256.83**	9,075.43
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	27	**(341.65)**	414.80
Employee benefits expenses	28	**1,865.05**	1,736.35
Finance costs	29	**37.36**	43.75
Depreciation and amortisation expenses	30	**1,060.46**	851.13
Other expenses	31	**5,320.23**	4,879.71
II. Total Expenses		**29,554.59**	26,754.77
III. Profit before tax (I-II)		**5,526.31**	5,726.81
Tax expenses:			
(i) Current tax (includes reversal relating to earlier years)		**1,224.22**	1,121.64
(ii) Deferred tax		**153.24**	(16.77)
IV. Total Tax Expenses	20 B	**1,377.46**	1,104.87
V. Profit for the year (III - IV)		**4,148.85**	4,621.94
Other Comprehensive Income			
Items that will not to be reclassified to profit or loss:			
(i) Re-measurement gains/ (losses) on defined benefit plans		**14.88**	(13.02)
(ii) Income tax (losses)/gains effect on above		**(3.75)**	3.27
VI. Other comprehensive income / (loss) for the year, net of tax		**11.13**	(9.75)
VII. Total Comprehensive Income for the year (V + VI)		**4,159.98**	4,612.19
VIII. Earnings per equity share (₹ 10 each) in INR: Basic & Diluted	32	**55.16**	61.45

See accompanying notes forming part of the Consolidated Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

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Chairman & Managing Director
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Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A) Equity Share Capital (Refer note 16)

	Subscribed and Fully Paid-up		Subscribed and partly paid-up		Total Equity share capital
	No. of Shares	Amount (₹ in million)	No. of Shares	Amount (₹ in million)	Amount (₹ in million)
As at April 1, 2024	**7,52,18,734**	**752.19**	**-**	**-**	**752.19**
Changes in equity share capital during the year	-	-	-	-	-
As at March 31, 2025	**7,52,18,734**	**752.19**	**-**	**-**	**752.19**
Changes in equity share capital during the year	-	-	-	-	-
As at March 31, 2026	**7,52,18,734**	**752.19**	**-**	**-**	**752.19**

B) Other Equity (Refer note 17) **₹ in million**

	Reserves and Surplus				Total
	Capital Redemption Reserve	Securities Premium	Capital Reserve	Retained earnings	
Balance as at April 1, 2024 (a) As per standalone financials of the Parent	**260.00**	**5,348.67**	**-**	**17,811.82**	**23,420.49**
Arising on account of acquisition of Timken GGB Technology Private Limited under common control (refer note 1 A) (b)	-	-	97.23	287.68	384.91
Profit for the year (c)	-	-	-	4,621.94	4,621.94
Other comprehensive income/ (loss) for the year, net of tax (d)	-	-	-	(9.75)	(9.75)
Total comprehensive income (e) = (b+c+d)	**-**	**-**	**97.23**	**4,899.87**	**4,997.10**
Equity dividend paid for the year 2023-24 (f)	-	-	-	(188.05)	(188.05)
Balance as at March 31, 2025 (g) = (a+e+f)	**260.00**	**5,348.67**	**97.23**	**22,523.64**	**28,229.54**
Profit for the year (h)	-	-		4,148.85	4,148.85
Other comprehensive income/ (loss) for the year, net of tax (i)	-	-		11.13	11.13
Total comprehensive income (j) = (h+i)	-	-	-	**4,159.98**	**4,159.98**
Equity dividend paid for the year 2024-25 (k)	-	-	-	(2,707.87)	(2,707.87)
Arising on account of acquisition of Timken GGB Technology Private Limited under common control (refer note 1 A) (l)	-	-	(1,288.09)	-	(1,288.09)
Balance as at March 31, 2026 (m) = (g+j+k+l)	**260.00**	**5,348.67**	**(1,190.86)**	**23,975.75**	**28,393.56**

See accompanying notes forming part of the Consolidated Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

₹ in million

		For the year ended March 31, 2026		For the year ended March 31, 2025 (refer note 1 A)	
A.	**Cash Flow from Operating Activities :**				
	Profit for the year		**4,148.85**		4,621.94
	Adjustments for :				
	Income tax expenses	**1,377.46**		1,104.87	
	Depreciation and amortisation expenses	**1,060.46**		851.13	
	Interest income	**(186.25)**		(228.12)	
	Finance costs	**37.36**		43.75	
	Dividend Income on current investments- Non trade	**(54.93)**		(141.93)	
	(Profit)/Loss on disposal of Property, Plant & Equipment (Net)	**1.23**		(18.23)	
	Deferred government grant income	**(16.95)**		(18.59)	
	Unrealised foreign exchange loss / (gain)	**50.94**		(13.10)	
			2,269.32		1,579.78
	Operating profit before working capital changes		**6,418.17**		6,201.72
	Changes in working capital				
	(Increase) / Decrease in Trade receivables	**(953.32)**		(496.93)	
	(Increase) / Decrease in Loans, other financial assets and other assets	**(446.59)**		(605.69)	
	(Increase) / Decrease in Inventories	**(1,357.40)**		206.74	
	Increase / (Decrease) in Trade payables	**1,924.64**		144.33	
	Increase / (Decrease) of Short term borrowings	**-**		(60.43)	
	Increase/(Decrease) in Other financial liabilities, other liabilities & provisions	**300.70**		48.04	
			(531.97)		(763.94)
	Cash generated from Operations		**5,886.20**		5,437.78
	Direct taxes paid (net of refund)		**(1,430.33)**		(1,451.02)
	Net Cash generated from Operating Activities (A)		**4,455.87**		3,986.76
B.	**Cash Flow from Investing Activities :**				
	Purchase of Property, Plant & Equipment including capital work in progress and capital advances		**(2,971.71)**		(3,775.68)
	Proceeds from disposal of property, plant & equipment		**1.30**		37.51
	Dividend received		**54.93**		141.93
	Interest received		**186.25**		228.12
	Investment in equity		**(1,295.09)**		-
	Net Cash used in Investing Activities	**(B)**	**(4,024.32)**		(3,368.12)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026 *(Contd.)*

₹ in million

		For the year ended March 31, 2026		For the year ended March 31, 2025 (refer note 1 A)
C. Cash Flow from Financing Activities :				
Interest paid		**(37.36)**		(43.75)
Repayment of lease liabilities		**(44.50)**		(45.13)
Dividend paid		**(2,707.87)**		(188.02)
Net Cash used in Financing Activities ©		**(2,789.73)**		(276.90)
Net Increase in Cash & Cash equivalents (A + B + C)		**(2,358.18)**		341.74
Cash & Cash equivalents - Opening Balance		**5,527.73**		5,182.65
Effect of exchange differences on restatement of foreign currency cash & cash equivalents		**22.40**		3.34
Cash & Cash equivalents - Closing Balance		**3,191.95**		5,527.73

Cash & Cash equivalents consist of cash on hand, cheques in hand, balances with banks and short term investments with a maturity period of 90 days or less. Cash & cash equivalents included in the statement of cash flows comprises the following balance sheet amounts :

₹ in million

	As at March 31, 2026	As at March 31, 2025
Balance with banks (Refer. Note 15A)	**2,684.71**	4,356.73
Short term Investments (Refer Note 9B)	**507.24**	1,171.00
Cash & Cash equivalents	**3,191.95**	5,527.73

Refer Note 18 for changes in lease liabilities arising from financing activities

See accompanying notes forming part of the Consolidated Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

1. CORPORATE INFORMATION

Timken India Limited ('the Parent') is a public limited company incorporated on 15th June 1987 under the provisions of the erstwhile Companies Act, 1956. The Parents's shares are listed in National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The registered office of the Parent is located at 39-42, Electronics City, Phase II, Hosur Road, Bengaluru - 560 100. The Parent is into manufacture, distribution and sale of anti-friction bearings primarily tapered roller bearings, other roller bearings, components, accessories, and mechanical power transmission products for diverse customer base. The parent also provides maintenance contract and refurbishment services. The Parent's manufacturing plants are located at Jamshedpur in Jharkhand & Bharuch in Gujarat and distribution centers are located in various parts of the country.

Timken GGB Technology Private Limited ('the Subsidiary') is a Private Limited company incorporated in India on March 06, 2007. The Company is engaged in manufacturing, trading and processing of different types of seals and bush bearings. The products are mainly used in chemical processing, pharmaceutical and automobile industries. The registered office of the Subsidiary is located at 235 Binnamangala, 2nd Floor, 13th Cross Road, 2nd Stage, Indiranagar, Bengaluru, Karnataka, India.

1A -

Timken India Limited acquired 100% equity shares of Timken GGB Technology Private Limited ("GGB") from Timken Europe B.V., Netherlands and The Timken Company, USA through execution of a Share Purchase Agreement dated November 21, 2025, for a consideration of ₹ 1,288 Million. The total consideration was paid on December 01, 2025. Consequently, GGB has become a wholly owned subsidiary of Timken India Limited.

The transaction being a "Common control business combination" as defined under Ind AS 103 - Business Combinations, accounting has been carried out from the first day of the preceding period i.e. April 1, 2024, and under the pooling of interest method, as prescribed Appendix C of Ind AS 103. Accordingly, assets, liabilities, income and expenses of GGB have been accounted in the consolidated books of account at their carrying amounts.

The book value of assets and liabilities of the Subsidiary taken over as at April 01, 2024 are as follows:

Particulars	**As at April 01, 2024**
Non-Current Assets	**Rs. Millions**
Property, Plant and Equipment	5.32
Right-of-use assets	11.49
Other financial assets	1.43
Deferred tax Assets (Net)	8.74
Sub-total (A)	**26.98**
Current Assets	
Inventories	65.11
Trade receivables	84.82
Cash & Cash equivalents	295.65
Other financial assets	0.17
Other current assets	0.23
Sub-total (B)	**445.98**
Total Assets (C = A+B)	**472.96**
Non-Current Liabilities	
Lease liabilities	10.15
Provisions	5.52
Sub-total (D)	**15.67**

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Particulars	As at April 01, 2024
Current Liabilities	
Lease liabilities	1.9
Trade payables	56.59
Other current liabilities	11.08
Provisions	0.84
Current tax liabilities (net)	1.96
Sub-total (E)	**72.37**
Total Liabilities (F = D + E)	**88.04**
Net Assets as at April 01, 2024 (H = C - F - H)	**384.92**
Share Capital of Timken GGB Technology Private Limited as at April 01, 2024	**97.23**
Less: Value of Investments made during year ended March 31, 2025	-
Capital Reserve as at March 31, 2025	**97.23**
Less: Value of Investments made during year ended March 31, 2026	(1,288.09)
Capital Reserve as at March 31, 2026	**(1,190.86)**

Refer Note 36B for details of revenue and profit and loss of the subsidiary included in the Consolidated statement of profit and loss.

The comparative consolidated financial statements for the year ended March 31, 2025 are presented solely based on the information compiled by the management and have not been reviewed by the statutory auditor except to the extent it relates to the Parent and adjustments made to the financial information of the Subsidiary to comply with Indian Accounting Standards. The financial statements of the subsidiary for the year ended March 31, 2025 considered for consolidation, were audited by another auditor who expressed an unmodified opinion vide their report dated September 19, 2025.

These consolidated financial statements of the Parent for the year ended March 31, 2026, were authorised for issue in accordance with the resolution of the Board of Directors on May 18, 2026.

The Parent	Timken India Limited
The Subsidiary	Timken GGB Technology Private Limited
The Group	Timken India Limited & Timken GGB Technology Private Limited.

2. BASIS OF PREPARATION AND PRESENTATION, MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance

The consolidated financial statements have been prepared in all material aspects in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, as amended from time to time and other relevant provisions of the Act.

2.2 Basis of preparation and measurement

These consolidated financial statements have been prepared on going concern and accrual basis. The accounting policies have been followed consistently across all the periods in the consolidated financial statements. All assets and liabilities are classified as current or non-current as per the Group's operating cycle and other criteria defined in the Schedule III of the Companies Act, 2013. The operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of business and the time between the asset acquisition and their conversion into cash and cash equivalents, the group has ascertained its operating cycle as twelve months for the purpose of identification of current or non-current assets and liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

These Ind-AS Consolidated Financial Statements have been prepared on historical cost basis, except for certain financial instruments and defined benefit plans which have been measured at fair value or amortised cost at the end of each reporting period as explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Functional and Presentation currency

These consolidated financial statements are prepared in Indian Rupees (₹), the functional currency of the Group, which is the currency of the primary economic environment in which the Group operates (the 'functional currency').

All amounts presented in the consolidated financial statements which also includes accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III to the Companies Act,2013, unless otherwise stated.

2.4 Consolidated Cash flow statement

Cash flows from operating activities is prepared using indirect method as set out in Ind-AS -7 (“Consolidated Statement of Cash Flows”).

2.5 Use of Estimates and Judgments:

The preparation of the Group's consolidated financial statements in conformity with IND AS requires management to make judgements, estimates and assumptions in application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and accompanying disclosures. Estimates and assumptions are reviewed on an ongoing basis, based on historical experience and other factors including the expectation of the future factors that are believed to be reasonable. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods affected.

Information about critical judgements, estimates and assumptions that have significant effect to the carrying amount of assets and liabilities in the consolidated financial statements are included in the following notes below:

Sl. No	Judgement, Estimates, Assumptions	Accounting Policy Reference	Note Reference
1	Estimation of useful life of tangible, intangible assets and investment property	2.7.1; 2.7.2 & 2.7.4	3,6 & 8
2	Measurement of Right -of- use assets and Lease liability	2.7.3	4 & 18
3	Measurement of defined benefit obligations and key actuarial assumptions	2.7.8	40
4	Recognition of current and deferred taxes	2.7.9	20 A, 25
5	Goodwill Impairment and future cashflow projection	-	7
6	Impairment of Trade receivables: Expected credit loss	2.7.6.1.3	14
7	Measurement and likelihood of occurrence of contingencies	-	34

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

2.6 Recent pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On August 13, 2025, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2025. This notification has led to amendments in the following Ind AS, which are applicable to the Company from April 1, 2026. The Company is currently evaluating the impact of these amendments on its financial statements.

Amended Ind AS:

Ind AS 1 – Presentation of Financial Statements

Ind AS 10 – Events After the Reporting Period.

2.7 MATERIAL ACCOUNTING POLICY INFORMATION

2.7.1 Property, Plant and Equipment

- All items of Property, Plant and Equipment including freehold land, are initially recorded at cost. Cost comprises the purchase price including import duties and non-refundable, purchase taxes (net of taxes credits wherever applicable), and erection / commissioning & any incidental expenses which are directly attributable in bringing the asset to its working condition for the intended use. Subsequent to initial recognition, property, plant, and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated.
- Plant and Equipment acquired in a business combination are recognised at fair value at the acquisition date.
- The amount of asset related grants are added to the cost of respective asset with a corresponding recognition of deferred income in respect of Government grant (also refer accounting policy on Government grants in note 2.7.7).
- Spares which meet the definition of property, plant and equipment are capitalised as on the date of acquisition. The corresponding old spares are de-capitalised on such date with consequent impact on the statement of Profit and Loss.
- Property, Plant and Equipment not ready for its intended use at the date of Balance Sheet are disclosed as "Capital Work in progress". Such items are classified to specific sections of the Property, Plant and equipment as and when ready for its intended use.
- Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under "Other non-current assets".
- The Group identifies and determines cost of each component of an asset separately, if the component has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the useful life of the principal asset.
- **Depreciation and useful lives**
  - o Depreciation is charges so as to write off cost or value of assets over their estimated useful lives and are capitalised in the books of accounts, when the assets are ready for its intended use.
  - o Depreciation on items of property, plant & equipment (Other than free hold land) is calculated on a straight-line basis using the rates based on the useful lives estimated by the management.
  - o Estimated useful life of the assets are determined based on various technical parameters / assessments and aligned to the prescribed useful life specified under schedule II of the Companies Act, 2013. The useful economic life of factory buildings and plant and equipment as estimated by the management, is supported by independent assessment by professionals, are lower than those indicated in Schedule II to the Companies Act, 2013. The estimated useful lives are as below:

Block of Assets	Useful life
Factory Buildings	5 -30 Years
Furniture & Fixtures	5 -10 Years
Plant & Equipment	5 -20 Years
Computer Equipment	3 - 6 Years
Vehicles	8 Years
Office Equipment	5 Years

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

2.7.2 Investment Property

- Investment property is held to earn rentals or for capital appreciation or both (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements. Cost comprises the purchase price including purchase taxes (net of taxes credits wherever applicable), and erection / commissioning & any incidental expenses which are directly attributable in bringing the asset to its working condition for the intended use.
- Depreciation on investment property is calculated on a straight-line basis using the rates based on the useful lives estimated by the management. Estimated useful life of Building classified as investment property is 7-30 years. Depreciation is determined based on various technical parameters / assessments and aligned to the prescribed useful life specified under schedule II of the Companies Act, 2013.

2.7.3 Leases and Right-of-use assets

The Group lease asset classes primarily consist of leases for land, buildings, plant and machinery, furniture & fixtures and motor vehicles. The Group, at the inception of a contract, assesses whether the contract is a lease or contain a lease.

At the date of commencement of lease, the Group recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it's a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less accumulated depreciation and impairment losses if any. The ROU asset is depreciated using the straight-line method from the commencement date over the shorter of lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments that are not paid at the commencement date, discounted using the discount rate implicit in the lease, if not determinable, discounted with the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

Assets or liabilities recognised under IND AS 103 (Business Combinations), relating to favorable or unfavorable terms of an operating lease, acquired during business combination, the same is derecognised and appropriate ROU and lease liability is recognised on the date of transition.

ROU and lease liability are separately presented in the Balance Sheet and lease payments have been classified as financing cashflows. The Group does not have any financial leases at the end of the reporting period.

2.7.4 Intangible assets

- **Intangible assets acquired separately** are carried at cost less accumulated amortisation less accumulated impairment losses if any.
- **Intangible assets acquired in a business combination:**
  - o Intangible assets acquired in a business combination are recognised at fair value at the acquisition date
  - o Subsequent to initial recognition, the intangible assets are reported at cost less accumulated depreciation and accumulated impairment if any
- **Amortisation :**
  - o For all finite life intangibles, amortisation is charged on straight line basis over their estimated useful economic lives.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

- The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss under the heading "Depreciation and amortisation expense"
- Estimated useful economic life of Intangibles are as follows:

Intangibles	Useful economic life (years)
Computer Software	3-7
Tradename and Trademark	15
Developed Technology	15
Customer Relationship	20

2.7.5 Inventories

Inventories are valued at the lower of cost and net realisable value after providing for obsolescence and slow-moving inventory as follows:

Inventory Types	Valuation methodology
Raw materials, components, stores and spares	These are valued at lower of cost and net realisable value. Cost includes cost of purchase including duties & taxes (other than the taxes, which can be taken as input tax credit) and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work-in-progress and finished goods	These are valued at lower of cost and net realisable value. Cost includes direct materials and labour and an allocated proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.
Traded goods	Valued at lower of cost and net realisable value. Cost includes cost of purchase including duties & taxes (other than the taxes, which can be taken as input tax credit) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

2.7.6 Financial Instruments

2.7.6.1 Financial Assets:

Group's financial assets broadly comprise the following:

(a) Current financial assets: Investments, trade receivables, cash and cash equivalents, loans and advances, other short-term receivables

(b) Non-current financial assets: Investments, loans and advances, other long-term receivables and deposits

2.7.6.1.1 Initial recognition and measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through Profit and loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through Profit and loss are recognised immediately in statement of profit and loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

2.7.6.1.2 Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified into following categories:

(a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost, if both the below conditions are met:

1. These financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows
2. Contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these financial assets are subsequently measured using the effective interest rate (EIR) method, less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, recognised in the statement of Profit and loss. This category generally applies to trade and other receivables. For the impairment policy on financial assets measured at amortised cost, refer note no 2.7.6.1.3

(b) Financial Assets at fair value through other comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if both the below conditions are met:

1. These financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates and selling financial assets
2. These assets contractual cash flows represent solely payments of principal and interest on the principal amount outstanding

The Group does not own any financial asset classified at FVTOCI.

(c) Financial assets at fair value through Profit and loss (FVTPL)

This is a residual category. Any financial assets which do not fall under the category of financial assets measured at amortised cost or FVTOCI are classified as FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with gain or loss arising on remeasurement recognised in statement of Profit and loss incorporates any dividend or interest earned on the financial assets and is included in other Income line item.

The Group's investment as presented in note 9A and 9B are valued at FVTPL.

2.7.6.1.3 Impairment of Financial Assets

In accordance with Ind AS 109 “Financial Instruments”, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of loss allowance on the following and the basis of its measurement:

- Trade Receivable – For Trade receivable and other financial assets that results from transactions that are in scope of Ind AS 115, the Group applies the simplified approach required in Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.
- Financial assets measured at amortised cost (other than trade receivable) - In case of other than trade receivable, the Group determines, if there is any significant increase in credit risk of the financial asset since initial recognition. Below methods are followed based on the credit risk changes:
  - o If there are no significant changes in credit risk since initial recognition, twelve months ECL is used to provide the impairment loss
  - o If there is a significant change in credit risk, lifetime ECL is measured for making the impairment loss assessment. Subsequently if there is an improvement in credit risk, the Group reverts to recognition of impairment loss based on twelve months ECL.

To make the assessment whether there is any significant change in risk, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with a risk of default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events, over the expected life of a financial assets. 12 months ECL is a portion of lifetime ECL which result from default events that are possible within 12 months from the reporting period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (EIR).

As a practical expedient and as permitted under Ind AS 109, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking information available. At each reporting date, the historically observed default rates and changes in the forward-looking information are updated.

ECL allowance recognised (or reversed) during the period is recognised as income or expense in the statement of profit and loss under the head 'Other Expenses'. If the reversal of ECL allowance related to prior financial year, these are accounted as part of other Income in the statement of profit and loss.

2.7.6.2 Financial liabilities and Equity instruments issued by the Group:

2.7.6.2.1 Financial liabilities:

Group's financial liabilities broadly comprises, Short term borrowings, Trade payables, Liabilities for capital expenditure and Other long term/ short term obligations

2.7.6.2.1.1 Initial recognition and measurement:

- Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.
- All financial liabilities are recognised initially at Fair value. In case of loans, borrowings and payables, net of directly attributable transaction costs.
- Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or at amortised cost as appropriate.

2.7.6.2.1.2 Subsequent measurement:

- Financial Liabilities at amortised cost - The carrying amounts of financial liabilities that are subsequently measured at amortised cost using the effective interest method. All the financial liabilities of the Group fall under this category.
- The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.
- Financial Liabilities at FVTPL - Financial liabilities at fair value through Profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through Profit and loss. The Group does not owe any financial liability which is classified at FVTPL

2.7.6.2.1.3 Derecognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in statement of profit and loss.

2.7.6.3 Offsetting financial asset and financial liability

The Group offsets a financial asset and a financial liability and report this as a net balance in the Balance sheet only when:

- There is a legally enforceable right to set off the recognised amounts and
- There is an intention to realise the asset and settle the liability simultaneously.

2.7.7 Government Grants

Government grants are recognised when there is a reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and its amortisation re-recognised in the statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the statement of profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

2.7.8 Employee benefits

2.7.8.1 Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits generally include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

2.7.8.2 Other than short term employee benefits:

2.7.8.2.1 Defined Contribution schemes:

Contributions to defined contribution scheme such as Employee state insurance, labour welfare fund, superannuation scheme (for specific employee group) are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Parent's provident fund contribution is made to a government administrated fund and charged as an expense to the statement of profit and loss. The above benefits are classified as Defined Contribution schemes as the Group has no further defined obligations beyond the monthly contribution.

2.7.8.2.2 Defined benefit schemes:

The Group operates the following schemes which are under defined benefit plans:

- Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.
- The liability on account of long-term compensated absences and death benefit scheme (in respect of certain employees) due to the employees are provided for on the basis of an actuarial valuation on projected unit credit method at the end of each financial year.

2.7.8.2.3 Re-measurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to Statement of profit and loss in subsequent periods.

2.7.8.2.4 Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non- routine settlements; and

b) Net interest expense or income

2.7.8.2.5 The current and non-current classification of gratuity, compensated absences, and death benefit scheme liabilities is based on the independent actuarial valuation reports.

2.7.9 Income Taxes

Income tax expense comprises current tax and the net change in the deferred tax asset or liability during the year and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or review during the relevant period. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.

Current income taxes

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years in accordance with Income Tax Act, 1961 including the relevant transfer price regulations prescribed there under, read with applicable judicial precedents or interpretations wherever relevant.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in other income.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and liabilities on net basis.

Management periodically evaluates contingencies and position taken on uncertain tax positions in tax return with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit and loss at the time of the transaction.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantially enacted, by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be realised or settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to income tax levied by the same taxation authority.

2.7.10 Revenue Recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Sale of Goods

Revenue is recognized at a point in time upon transfer of control of promised products to customers and when there are no longer any unfulfillment obligations. The performance obligations in our contracts are fulfilled either at the time of dispatch, delivery or upon formal customer acceptance dependent on customer terms agreed in the contract.

Revenue is measured based on the transaction price, which is the consideration received or receivable, adjusted of any discounts, service level credits, performance bonuses, price concessions and incentives, if any, estimated based on the expected value of outflow as specified in the contract with the customer. Revenue excludes taxes or duties collected from customers on behalf of Government. The revenue is recognised to the extent that it is highly probable a significant reversal will not occur. No element of financing is deemed present as the sales are made with credit term as per the contract terms agreed with the customers, which is consistent with market practice and the industry norms, that the Group operates.

Income from Services

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Export Incentive Income

Export incentives are recognised when the right to receive such incentives as per the applicable terms is established, in respect of the exports made and when there is no significant uncertainty regarding the ultimate realisation / utilisation of such incentives.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 3 : PROPERTY, PLANT & EQUIPMENT

Refer Note 2.7.1 for material accounting policy information on Property, Plant and Equipment

₹ in million

Gross carrying amount	Factory Buildings	Plant & Equipment	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**1,927.10**	**7,926.50**	**64.57**	**92.88**	**30.02**	**27.01**	**10,068.08**
Additions	9.01	374.53	2.80	28.12	6.75	1.52	422.73
Disposals	(0.55)	(80.05)	(0.13)	-	(0.04)	(0.83)	(81.60)
Balance as at March 31, 2025	**1,935.56**	**8,220.98**	**67.24**	**121.00**	**36.73**	**27.70**	**10,409.21**
Additions	1,641.32	5,674.10	2.37	70.41	33.87	-	7,422.07
Disposals	-	(12.33)	(0.58)	(17.89)	(1.31)	-	(32.11)
Balance as at March 31, 2026	**3,576.88**	**13,882.75**	**69.03**	**173.52**	**69.29**	**27.70**	**17,799.17**

Accumulated Depreciation and Impairment	Factory Buildings	Plant & Equipment	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**397.27**	**4,567.82**	**17.85**	**71.18**	**13.00**	**5.18**	**5,072.30**
Depreciation	85.51	634.93	0.56	18.21	3.32	3.16	745.69
Eliminated on disposals	(0.11)	(61.43)	(0.13)	-	(0.02)	(0.57)	(62.26)
Balance as at March 31, 2025	**482.67**	**5,141.32**	**18.28**	**89.39**	**16.30**	**7.77**	**5,755.73**
Depreciation	122.44	788.31	0.47	37.29	5.62	3.14	957.27
Eliminated on disposals	-	(10.13)	(0.55)	(17.67)	(0.51)	-	(28.86)
Balance as at March 31, 2026	**605.11**	**5,919.50**	**18.20**	**109.01**	**21.41**	**10.91**	**6,684.14**
Net carrying amount as at March 31, 2025	**1,452.89**	**3,079.66**	**48.96**	**31.61**	**20.43**	**19.93**	**4,653.48**
Net carrying amount as at March 31, 2026	**2,971.77**	**7,963.25**	**50.83**	**64.51**	**47.88**	**16.79**	**11,115.03**

(i) Contractual commitments for the acquisition of property, plant and equipment are disclosed in Note no. 33 B

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 4 : RIGHT-OF-USE ASSETS

Refer Note 2.7.3 for material accounting policy information on Leases and Right of use assets

₹ in million

Gross carrying amount	Land usage rights	Buildings	Plant and Machinery	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**1,093.77**	**201.44**	**1.15**	**9.84**	**5.49**	**1,311.68**
Additions	-	0.35	-	-	4.52	4.87
Disposals	-	(7.58)	-	-	-	(7.58)
Balance as at March 31, 2025	**1,093.77**	**194.21**	**1.15**	**9.84**	**10.01**	**1,308.97**
Additions	-	7.97	-	-	2.43	10.40
Disposals	-	(13.92)	-	-	(2.15)	(16.07)
Balance as at March 31, 2026	**1,093.77**	**188.26**	**1.15**	**9.84**	**10.29**	**1,303.30**

Accumulated Depreciation	Land usage rights	Buildings	Plant and Machinery	Furniture & Fixtures	Vehicles	Total
Balance as at April 1, 2024	**106.09**	**13.55**	**0.63**	**1.39**	**1.22**	**122.88**
Depreciation	17.93	33.76	0.25	1.97	2.30	56.21
Eliminated on disposals	-	(4.55)	-	-	-	(4.55)
Balance as at March 31, 2025	**124.02**	**42.76**	**0.88**	**3.36**	**3.52**	**174.54**
Depreciation	17.93	31.07	0.25	1.97	2.91	54.13
Eliminated on disposals	-	(7.41)	-	-	(1.11)	(8.52)
Balance as at March 31, 2026	**141.95**	**66.42**	**1.13**	**5.33**	**5.32**	**220.15**
Net carrying amount as at March 31, 2025	**969.75**	**151.45**	**0.27**	**6.48**	**6.49**	**1,134.44**
Net carrying amount as at March 31, 2026	**951.82**	**121.84**	**0.02**	**4.51**	**4.97**	**1,083.15**

NOTE 5 : CAPITAL WORK-IN-PROGRESS (CWIP)

Refer Note 2.7.1 for material accounting policy information on Property, Plant and Equipment

₹ in million

CWIP	As at March 31, 2026					As at March 31, 2025				
	Amount in CWIP for a period of				Total	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in progress	938.30	54.31	11.51	3.10	**1,007.22**	4,999.80	878.79	34.25	3.74	**5,916.58**
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**938.30**	**54.31**	**11.51**	**3.10**	**1,007.22**	**4,999.80**	**878.79**	**34.25**	**3.74**	**5,916.58**

Expected completion of Capital Work -In-Progress which has exceeded the original time line:

₹ in million

CWIP	As at March 31, 2026					As at March 31, 2025				
	To be completed in				Total	To be completed in				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Project in progress										
Project -1	-	-	-	-	**-**	67.82	-	-	-	**67.82**
Project -2	2.57	-	-	-	**2.57**	22.40	-	-	-	**22.40**
Project -3	16.84	-	-	-	**16.84**	21.87	-	-	-	**21.87**
Project -4	-	-	-	-	**-**	0.29	-	-	-	**0.29**
Others*	8.78	3.01	-	-	**11.79**	34.41	-	-	-	**34.41**
Projects temporarily suspended		-	-	-	**-**	-	-	-	-	**-**
Total	**28.19**	**3.01**	**-**	**-**	**31.20**	**146.79**	**-**	**-**	**-**	**146.79**

* Individual Projects less than ₹ 10 million have been clubbed together in Others

None of the projects in CWIP exceeded cost compared to original plan, hence no disclosure is given for the same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 6 : INVESTMENT PROPERTY

Refer Note 2.7.2 for material accounting policy information on Investment Property

₹ in million

Gross carrying amount	Land	Buildings	Total
Balance as at April 1, 2024	47.11	61.45	108.56
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2025	**47.11**	**61.45**	**108.56**
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2026	**47.11**	**61.45**	**108.56**

Accumulated Depreciation	Land	Buildings	Total
Balance as at April 1, 2024	-	10.14	10.14
Depreciation	-	2.19	2.19
Eliminated on disposals	-	-	-
Balance as at March 31, 2025	**-**	**12.33**	**12.33**
Depreciation	-	2.05	2.05
Eliminated on disposals	-	-	-
Balance as at March 31, 2026	**-**	**14.38**	**14.38**
Net carrying amount as at March 31, 2025	**47.11**	**49.12**	**96.23**
Net carrying amount as at March 31, 2026	**47.11**	**47.07**	**94.18**

The fair value of investment property as on March 31, 2026 is ₹ 124.82 million (March 31, 2025 ₹115.82 million), based on a valuation carried out by an independent valuer during the financial year 2025-26, who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of the investment property has been arrived at by means of market approach. As per the said technique, fair value of investment property is arrived by considering the comparable prices of similar property at that location.

Amounts recognised in the statement of Profit or Loss for investment property ₹ in million

Particulars	**As at March 31, 2026**	As at March 31, 2025
Depreciation charge on investment property (refer Note 30)	**2.05**	2.19
Rental income (refer Note 26)	**5.83**	5.56

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 7 : GOODWILL

Refer Note 2.7.4 for material accounting policy information on Intangible assets ₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying value at the beginning of the year	1,813.11	1,813.11
Closing value as at the reporting date	**1,813.11**	**1,813.11**

Impairment assessment of goodwill as at March 31, 2026:

The Parent has performed the annual impairment assessment of the goodwill by determining the "value in use" of the Cash Generating Unit (CGU) as an aggregate of present value of cash flow projections covering a five year period and the terminal value. The management considers the entire business operations of the Parent as a single CGU for the impairment assessment. Determination of value in use involves significant estimates and assumptions that affect the reporting CGU's expected future cash flows. These estimates and assumptions, primarily include, but not limited to, the Industry trend, the revenue growth and profitability during the forecasted period, the discount rate and the terminal growth rate.

Considering the historical performance of the CGU and based on the forward looking estimates, revisions were made to the cash flow projections and other key assumptions such as discount rate and the perpetual growth rate. The cash flows are discounted using a post tax discount rate of 12.9%, PY (12.9%). The outcome of the impairment assessment remains unchanged in both pre tax and post tax discount rate scenarios. The terminal value of cash generating unit is arrived at by extrapolating cash flows of latest forecasted year to perpetuity considering a nil growth rate.

During the year ended March 31, 2026, the testing did not result in any impairment in the carrying amount of goodwill.

Sensitivity Analysis:

Reasonable sensitivities in key assumptions is unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating unit.

NOTE 8 : OTHER INTANGIBLE ASSETS

Refer Note 2.7.4 for material accounting policy information on Intangible assets ₹ in million

Gross carrying amount	Computer Software	Tradename and Trademark	Developed Technology	Customer Relationship	Total
Balance as at April 1, 2024	**37.75**	**119.00**	**476.00**	**119.00**	**751.75**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2025	**37.75**	**119.00**	**476.00**	**119.00**	**751.75**
Additions	0.18	-	-	-	0.18
Disposals	-	-	-	-	-
Balance as at March 31, 2026	**37.93**	**119.00**	**476.00**	**119.00**	**751.93**

Accumulated amortisation	Computer Software	Tradename and Trademark	Developed Technology	Customer Relationship	Total
Balance as at April 1, 2024	**32.14**	**46.92**	**187.74**	**35.20**	**302.00**
Amortisation	1.43	7.93	31.73	5.95	47.04
Eliminated on disposals	-	-	-	-	-
Balance as at March 31, 2025	**33.57**	**54.85**	**219.47**	**41.15**	**349.04**
Amortisation	1.40	7.93	31.73	5.95	47.01
Eliminated on disposals	-	-	-	-	-
Balance as at March 31, 2026	**34.97**	**62.78**	**251.20**	**47.10**	**396.05**
Net carrying amount as at March 31, 2025	**4.18**	**64.15**	**256.53**	**77.85**	**402.71**
Net carrying amount as at March 31, 2026	**2.96**	**56.22**	**224.80**	**71.90**	**355.88**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 9 : INVESTMENTS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

A: NON-CURRENT INVESTMENTS

	Face Value	Holdings as at March 31, 2026		Face Value	Holdings as at March 31, 2025	
	₹ per unit	Nos	₹ in million	₹ per unit	Nos	₹ in million
At Fair Value Through Profit and Loss (FVTPL)						
Unquoted Equity instruments						
Equity Shares fully paid up						
Nicco Jubilee Park Limited	10	30,000	0.30	10	30,000	0.30
Sunstream Green Energy C & I Three Private Limited*	10	700,002	7.00	-	-	-
Total			**7.30**			**0.30**

B: CURRENT INVESTMENTS ₹ in million

	Holdings as at March 31, 2026	Holdings as at March 31, 2025
At Fair Value Through Profit and Loss (FVTPL)		
Unquoted Instruments		
Investments in Mutual Funds	507.24	1,171.00
Total	**507.24**	**1,171.00**

Refer note 37 for information about fair value measurement and note 38A for credit risk and market risk of the investments.

* Investment in Sunstream Green Energy C & I Three Private Limited made to secure electricity from renewable sources and this investment considered as associate company under the Companies Act, 2013. Under Ind AS guidelines, this investment do not qualify as associate company due to the agreement that limit the Company's influence over financial and operational decisions.

NOTE 10: LOANS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

A: Non current
(at amortised cost. Unsecured, considered good) ₹ in million

	As at March 31, 2026	As at March 31, 2025
Loans to employees	**0.47**	0.60
Total	**0.47**	0.60

B: Current
(at amortised cost. Unsecured, considered good) ₹ in million

	As at March 31, 2026	As at March 31, 2025
Loans to employees	**0.88**	1.27
Total	**0.88**	1.27

(i) No loans are due from directors or other officers of the group or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

(ii) Refer note 38A for information about credit risk and market risk of other financial assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 11 : OTHER FINANCIAL ASSETS

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

A : Non current
(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Security Deposits	**231.14**	198.19
Deposits with accrued interest	**13.20**	12.45
Other receivables	**20.32**	21.39
Total	**264.66**	**232.03**

B : Current
(at amortised cost. Unsecured, considered good)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Security Deposits	**208.85**	123.69
Deposits with accrued interest	**-**	-
Advances to employees	**0.19**	0.29
Other receivables	**13.04**	12.99
Expense receivables from related parties (Refer Note 36)	**25.34**	9.11
Total	**247.42**	**146.08**

(i) Advances to employees include for March 31, 2026 ₹ NIL (March 31, 2025 ₹NIL) given to directors of the Group. No other advances are due from directors or other officers of the Group or any of them either severally or jointly with any other person. Further, no advances are due from firms or private companies in which any director is a partner, a director or a member.

(ii) Refer note 38 A for credit risks on other financial assets.

NOTE 12 : OTHER ASSETS

A : Non current
(at amortised cost)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Secured, considered good		
Capital advances	**167.38**	189.98
Unsecured, considered good		
Capital advances	**291.47**	107.14
Deposits paid under protest	**0.74**	3.92
Prepaid expenses	**2.77**	3.09
Trade advances to suppliers	**-**	63.59
Total	**462.36**	**367.72**

B : Current
(at amortised cost)

₹ in million

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Balance with Statutory/ Government authorities	**974.01**	527.87
Prepaid expenses	**30.59**	26.37
Export incentives	**39.10**	13.58
Trade advances to suppliers	**113.05**	227.23
Total	**1,156.75**	**795.05**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 13 : INVENTORIES

Refer Note 2.7.5 for material accounting policy information on Inventories

₹ in million

	As at March 31, 2026	As at March 31, 2025
Raw materials *	**2,434.06**	1,526.61
Work - in - progress	**592.18**	505.10
Finished stock*	**1,394.86**	1,031.43
Stock-in-trade*	**3,000.41**	3,109.27
Stores and Spares *	**461.12**	352.82
Total	**7,882.63**	6,525.23

* Including goods in transit :		₹ in million
Raw Materials	**236.50**	170.41
Finished Stock	**226.17**	111.88
Stock-in-trade	**1,230.16**	920.20
Stores & Spares	**5.83**	3.25

NOTE 14 : TRADE RECEIVABLES
(at amortised cost)

Refer Note 2.7.6.1 for material accounting policy information on Financial assets

₹ in million

	Current	
	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Secured, considered Good	**30.57**	20.88
Unsecured		
- considered Good	**8,101.35**	7,088.53
- which have significant increase in Credit Risk	**3.33**	1.32
- credit impaired	**1.42**	1.42
	8,136.67	7,112.15
Allowance for Expected credit losses	**(24.06)**	(24.27)
Total	**8,112.61**	7,087.88

(i) Movement of expected credit loss allowance

Particulars	₹ in million
Expected credit loss allowance on April 1, 2024	**27.71**
Change in Expected credit loss allowance	**(3.44)**
Expected credit loss allowance on March 31, 2025	**24.27**
Change in Expected credit loss allowance	**(0.21)**
Expected credit loss allowance on March 31, 2026	**24.06**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 14 : TRADE RECEIVABLES (Contd.)

(ii) No trade receivables are due from directors or other officers of the Group or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

(iii) Trade receivables are non-interest bearing and are generally settled on terms of credit periods agreed with the customers, which is generally in line with the industry the Group operates.

(iv) Refer note 38A for information about credit risk and currency risk which may impact trade receivables.

(v) Refer note 36 for trade receivables from related parties.

(vi) The Group has determined the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions.

In computing the expected credit losses, the Group has also considered external sources of information relating to its customers' credit risk that were available in public domain to estimate the probability of default in future.

₹ in million

Particulars	Outstanding for the following period from due date of payments as at 31 March 2026							
	Not Yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled trade receivables	Total
(I) Undisputed Trade Receivables - Considered Good	4,990.15	2,987.52	87.92	3.46	0.06	0.01	62.80	**8,131.92**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	3.33	-	-	-	-	**3.33**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	1.42	-	**1.42**
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
Less: Expected credit loss allowance	-	-	-	-	-	-	-	**(24.06)**
	4,990.15	**2,987.52**	**91.25**	**3.46**	**0.06**	**1.43**	**62.80**	**8,112.61**

₹ in million

Particulars	Outstanding for the following period from due date of payments as at 31 March 2025							
	Not Yet Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Unbilled trade receivables	Total
(I) Undisputed Trade Receivables - Considered Good	4,854.42	2,134.43	46.64	0.22	-	-	73.70	**7,109.41**
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	1.32	-	-	-	-	**1.32**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	1.42	-	**1.42**
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	**-**
Less: Expected credit loss allowance	-	-	-	-	-	-	-	**(24.27)**
	4,854.42	**2,134.43**	**47.96**	**0.22**	**-**	**1.42**	**73.70**	**7,087.88**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 15: CASH & CASH EQUIVALENTS AND OTHER BANK BALANCES

A : CASH & CASH EQUIVALENTS ₹ in million

	As at March 31, 2026	As at March 31, 2025
Cash & Cash Equivalents :		
Balance with Banks		
Current Accounts	**556.48**	564.33
Deposit Accounts with original maturity less than three months	**2,081.87**	3,726.22
Foreign Currency Account (USD)	**46.31**	66.13
Cash on Hand	**0.05**	0.05
Total	**2,684.71**	4,356.73

There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior period.

B : BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS ₹ in million

	As at March 31, 2026	As at March 31, 2025
Earmarked balances with Banks- Unpaid dividend accounts	**50.92**	31.27
Earmarked balances with Banks- Unspent CSR account	**18.73**	-
Total	**69.65**	31.27

Earmarked bank balances on unpaid dividend accounts represent monies that can be utilised only to pay dividend to equity shareholders against dividend warrants issued to them.

Earmarked bank balances on unspent CSR account represent monies that can be utilised only to pay towards ongoing projects related to CSR expenses.

NOTE 16 : SHARE CAPITAL

₹ in million

	As at March 31, 2026	As at March 31, 2025
Authorised :		
87,000,000 (March 31, 2025: 87,000,000) Equity Shares of ₹ 10/- each	**870.00**	870.00
2,600,000 (March 31, 2025: 2,600,000) 9% Cumulative Redeemable Preference Shares of ₹100/- each	**260.00**	260.00
	1,130.00	1,130.00
Issued :		:
75,233,884 (March 31, 2025: 75,233,884) Equity Shares of ₹10/- each	**752.34**	752.34
Subscribed and fully paid-up:		
75,218,734 (March 31, 2025: 75,218,734) Equity Shares of ₹ 10/- each fully paid-up	**752.19**	752.19
	752.19	752.19

(i) No Equity shares have been allotted during the year ended March 31, 2026 out of 15,150 shares of ₹ 10/- each kept in abeyance as at March 31, 1998.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 16 : SHARE CAPITAL (Contd.)

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2026		As at March 31, 2025	
Equity Shares	No. of Shares	₹in million	No. of Shares	₹ in million
At the beginning of the year	75,218,734	752.19	75,218,734	752.19
Movement during the year	-	-	-	-
Outstanding at the end of the year	75,218,734	752.19	75,218,734	752.19

b. Terms/rights attached to equity shares

The Parent has only one class of equity shares issued having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Parent, the holders of equity shares will be entitled to receive remaining assets of the Parent, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Dividend details

The Parent declares and pays dividends in Indian Rupees. The final dividend proposed by Board of Directors of ₹ 2.50 per equity share (March 31, 2025 ₹ 36.00 per equity share) is subject to the approval of the shareholders in the ensuing Annual General Meeting upon which the liability will be recorded in the books.

The final dividend for the year 2024-25 proposed by the Board and approved by the shareholders at the 38th Annual General Meeting, has been paid to the eligible shareholders during the year ended March 31, 2026.

d. Details of shareholders holding more than 5% of the aggregate shares and promoters holding in the Company (Refer note (i) & (ii) below)

	As at March 31, 2026			As at March 31, 2025		
	No. of Shares	₹ in million	% of share holding	No. of Shares	₹ in million	% of share holding
Timken Singapore PTE Limited	38,399,988	384.00	51.05%	38,399,988	384.00	51.05%

(i) Out of the total shares issued, 38,399,988 (March 31, 2025: 38,399,988) fully paid-up Equity shares of ₹10/- each are held by Timken Singapore PTE Limited. However, The Timken Company is the ultimate holding company. No shares in the Parent are held by any subsidiary or associates of the holding company or the ultimate holding company.

(ii) As per records of the Parent, including its register of shareholders/ members, the above shareholding represents legal ownership of shares.

NOTE 17 : OTHER EQUITY

₹ in million

	As at March 31, 2026	As at March 31, 2025
a) Capital Redemption Reserve	**260.00**	260.00
Capital Redemption Reserve created on redemption of preference shares in earlier years		
b) Securities Premium Account	**5,348.67**	5,348.67
Amounts received on issue of shares in excess of the par value has been classified as securities premium.		
c) Capital Reserve	**(1,190.86)**	97.23
Arising on account of acquisition of Timken GGB Technology Private Limited under common control (refer note 1 A)		
d) Retained Earnings (refer (i) & (ii) below)	**23,975.75**	22,523.64
Surplus in Statement of Profit & Loss		
Total - Other equity	**28,393.56**	28,229.54

(i) Movement in Retained Earnings

₹ in million

Opening Balance	**22,523.64**	17,811.82
Arising on account of acquisition of Timken GGB Technology Private Limited under common control (refer note 1 A)	-	287.68
Add: Profit for the year	**4,148.85**	4,621.94
Other Comprehensive income for the year, net of tax	**11.13**	(9.75)
Less: Appropriations		
Final Equity Dividend of ₹ 36.00 /- per equity share for FY 2024-25 (FY 2023-24 - ₹ 2.50/- per equity share)	**(2,707.87)**	(188.05)
Closing Balance	**23,975.75**	22,523.64

(ii) Retained earnings comprises of the amounts that can be distributed by the Group as dividends to its equity share holders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 18 : LEASE LIABILITIES

(at amortised cost)

Refer Note 2.7.3 for material accounting policy information on Leases and Right of use assets

The following is the movement in lease liabilities: ₹ in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Carrying amount at the beginning of the year	**176.32**	205.24
Additions	**10.40**	4.87
Deletions	**(8.98)**	(3.03)
Add : Finance cost accrued during the period	**12.38**	14.37
Less: Repayment of lease liabilities	**(44.50)**	(45.13)
Carrying amount at the end of the year	**145.62**	176.32
Non current Lease Liabilities	**117.23**	144.76
Current Lease Liabilities	**28.39**	31.56
Total	**145.62**	176.32

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Less than one year	**38.31**	43.89
Total	**38.31**	43.89
Non-current		
One to five years	**124.65**	137.80
More than five years	**28.68**	52.47
Total	**153.33**	190.27

The weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 "Leases" was at 8% .

Amounts recognised in the statement of Profit or Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation charge on Right-of-use asset (refer Note 30)	**54.13**	56.21
Interest expense (refer Note 29)	**12.38**	14.37
Short term lease payments (refer Note 31)	**16.83**	13.20

Amounts recognised in the statement of cash flows

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash outflows for lease payments	**44.50**	45.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 19 : PROVISIONS

Refer Note 2.7.8 for material accounting policy information on Employee benefits

A: Non-Current ₹ in million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee benefits :		
Employees' Death Benefit Scheme (refer Note 39)	**6.43**	9.23
Gratuity (refer Note 39)	**2.99**	3.24
Compensated absences (refer Note 39)	**100.57**	91.86
Total	**109.99**	104.33

B: Current ₹ in million

	As at March 31, 2026	As at March 31, 2025
Provision for Employee benefits :		
Employees' Death Benefit Scheme (refer Note 39)	**5.74**	6.56
Gratuity (refer Note 39)	**88.87**	43.30
Compensated absences (refer Note 39)	**16.91**	18.32
Total (a)	**111.52**	68.18
Others :		
Provision for Indirect taxes (refer note (i) below)	**22.51**	9.70
Total (b)	**22.51**	9.70
Total (a)+(b)	**134.03**	77.88

(i) Provision for Indirect taxes ₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	**9.70**	9.70
Additions during the year	**15.36**	-
Utilisation/Reversal during the year	**(2.55)**	-
Closing Balance	**22.51**	9.70

The Group has reviewed the various liabilities/ claims relating to indirect taxes and estimated the provision for contingencies based on assessment of its probability of outflows. These provisions have not been discounted as it is not practicable for the Group to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

On November 21, 2025, the Government of India notified four Labour Codes effective immediately, replacing the existing 29 labour laws. In accordance with Ind AS 19 Employee benefits, changes to employee benefit plans arising from legislative amendments are treated as plan amendments, requiring immediate recognition of past service cost in the Statement of Profit and Loss and this approach is consistent with the guidance issued by the Institute of Chartered Accountants of India. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, which has been recognised as an employee benefit expense in the year ended March 31, 2026. The Company continues to monitor the finalisation of Central and State Rules, as well as Government clarifications on other aspects of the Labour Codes and will incorporate appropriate accounting treatment based on these developments as required.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 20 A: DEFERRED TAX LIABILITIES (net)

Refer Note 2.7.9 for material accounting policy information on Income taxes

₹ in million

	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets		
- Provision for employee benefits & other expenses	**52.26**	50.11
- Allowance of doubtful receivables and other assets	**5.66**	5.82
- Lease liabilities	**36.65**	41.82
Deferred Tax Assets	**94.57**	97.75
Deferred Tax Liabilities		
- Depreciation and amortisation differences	**(424.44)**	(268.30)
- Right-of-use assets	**(33.05)**	(39.21)
Deferred Tax Liabilities	**(457.49)**	(307.51)
Deferred Tax Liabilities (net)	**(362.92)**	(209.76)

Significant Components of net Deferred Tax Assets and Liabilities on account of temporary differences are as follows :

₹ in million

	2025-2026			
Particulars	**Balance as at March 31, 2025**	**Recognised in the statement of profit and Loss**	**Recognised in OCI**	**Balance as at March 31, 2026**
Deferred Tax Assets				
Provision for employee benefits & other expenses	50.11	2.15	-	52.26
Allowance of doubtful receivables and other assets	5.82	(0.16)	-	5.66
Lease liabilities	41.82	(5.17)	-	36.65
Deferred Tax Liabilities				
Depreciation and amortization differences	(268.30)	(156.14)	-	(424.44)
Right-of-use assets	(39.21)	6.16	-	(33.05)
Deferred Tax Assets/ Liabilities (Net)	**(209.76)**	**(153.16)**	**-**	**(362.92)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 20 A: DEFERRED TAX LIABILITIES (net) (Contd.) ₹ in million

Particulars	2024-2025			
	Balance as at March 31, 2024	**Recognised in the statement of profit and Loss**	**Recognised in OCI**	**Balance as at March 31, 2025**
Deferred Tax Assets				
Provision for employee benefits & other expenses	66.14	(16.03)	-	50.11
Allowance of doubtful receivables and other assets	6.10	(0.28)	-	5.82
Lease liabilities	48.62	(6.80)	-	41.82
Deferred Tax Liabilities				
Depreciation and amortization differences	(299.06)	30.76	-	(268.30)
Right-of-use assets	(47.73)	8.52	-	(39.21)
Deferred Tax Assets/ Liabilities (Net)	**(225.93)**	**16.17**	**-**	**(209.76)**

(I) During FY 2018-19, the Parent acquired ABC Bearings Limited vide a NCLT approved Scheme of amalgamation. The Parent continues to apply the initial recognition exemption under Ind AS 12 in respect of recognition of deferred tax liability on Goodwill arising out of the aforesaid acquisition.

(ii) Deferred tax assets and deferred tax liabilities have been offset wherever the Parent has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to income tax levied by the same taxation authorities.

(iii) The Parent has done a detailed analysis of future recoverability of the Deferred Tax assets based on the internal and external information and expects, the recoverability of the Deferred Tax asset is not impacted.

NOTE 20 B : INCOME TAXES AND RECONCILIATION OF STATUTORY TAX RATE AND EFFECTIVE TAX RATE ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before Tax (a)	**5,526.31**	5,726.81
Tax Expense (b)	**1,377.46**	1,104.87
Tax rate as a % of PBT (b)/(a)	**24.93%**	19.29%
At India's statutory income tax rate of 25.168% (March 31, 2025: 25.168%)	**1,390.86**	1,441.32
Adjustments:		
(I) Tax on Permanent Disallowances / (Exempt Income)	**27.88**	18.57
(ii) Reversal of other provision	**(134.27)**	(370.30)
(iii) Other adjustments {includes reversal of provisions ₹ 30.41 million (March 31, 2025 - net charge of ₹ 17.93 million) relating to earlier years}	**92.99**	15.28
Income tax expense reported in the statement of profit and loss	**1,377.46**	1,104.87

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 20 A: DEFERRED TAX ASSETS (net) (Subsidiary)

Refer Note 2.7.9 for material accounting policy information on Income taxes ₹ in million

	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets		
-Provision for employee benefits & other expenses	**2.35**	2.11
-Allowance of doubtful receivables and other assets	**0.39**	0.28
-Lease liabilities	**-**	2.55
-Others	**5.53**	5.76
-Depreciation and amortisation differences	**0.98**	0.88
Deferred Tax Assets	**9.25**	11.58
Deferred Tax Liabilities		
-Right-of-use assets	**-**	(2.24)
Deferred Tax Liabilities	**-**	(2.24)
Deferred Tax Assets (net)	**9.25**	9.34

Significant Components of net Deferred Tax Assets and Liabilities on account of temporary differences are as follows :

₹ in million

Particulars	Balance as at March 31, 2025	Recognised in the statement of profit and Loss	Recognised in OCI	Balance as at March 31, 2026
Deferred Tax Assets				
Depreciation differences	0.89	0.1	-	0.99
Allowance of doubtful receivable	0.28	0.11	-	0.39
Provision for employee benefits & other expenses	2.11	0.24	-	2.35
Lease Liabilities	2.55	(2.55)	-	-
Others	5.75	(0.23)	-	5.52
Deferred Tax Liabilities				
Right of use assets				
Net deferred tax asset/(liability)	**9.34**	**(0.09)**	**-**	**9.25**

₹ in million

Particulars	Balance as at March 31, 2024	Recognised in the statement of profit and Loss	Recognised in OCI	Balance as at March 31, 2025
Deferred Tax Assets				
Depreciation differences	1.11	(0.22)	-	0.88
Allowance of doubtful receivable	0.69	(0.41)	-	0.28
Provision for employee benefits & other expenses	1.94	0.17	-	2.11
Lease Liabilities	3.03	(0.48)	-	2.55
Others	4.86	0.88	-	5.74
Deferred Tax Liabilities				
Right of use assets				
Net deferred tax asset/(liability)	**8.74**	**0.6**	**0**	**9.34**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 21 : OTHER LIABILITIES

A: Non-Current

Refer Note 2.7.7 for material accounting policy information on Government grants

₹ in million

	As at March 31, 2026	As at March 31, 2025
Government Grants		
Opening Balance	**237.68**	97.80
Received during the year	**78.04**	158.47
Released to the statement of profit and loss (refer Note 26)	**(16.95)**	(18.59)
Total	**298.77**	237.68

Government grants have been received for import of certain items of Property, Plant and Equipment and capital work in progress against import licenses taken under export promotion capital goods(EPCG) scheme of Government of India. The Group has certain export obligations against such benefits availed which it would fulfil within the required time period under the scheme. Incase of such commitments are not met, the Group would be required to pay the duty along with interest to the regulatory authorities.

B: Current

₹ in million

	As at March 31, 2026	As at March 31, 2025
Statutory liabilities	**104.76**	72.73
Advances from Customers	**103.96**	15.33
Total	**208.72**	88.06

NOTE 22 : TRADE PAYABLES

(at amortised cost)

Refer Note 2.7.6.2 for material accounting policy information on Financial liabilities

₹ in million

	As at March 31, 2026	As at March 31, 2025
Trade Payables :		
a) Total outstanding dues of micro and small enterprises (refer note below)	**896.06**	460.59
b) Total outstanding dues of creditors other than micro and small enterprises (for dues to related parties refer note 36)	**5,208.41**	3,574.53
Total Trade Payables	**6,104.47**	4,035.12

Trade payables are generally settled as per payment terms agreed by the Group and vendor.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 22 : TRADE PAYABLES (Contd.)

(at amortised cost)

Note: Information in terms of section 22 of the Micro, Small and Medium Enterprises Development Act 2006: ₹ in million

Details of dues to Micro and small enterprises	**As at and for the year ended March 31, 2026**	As at and for the year ended March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal [Including Capital Creditor INR 144.07 Million (Year ended March 31, 2025 INR 182.23 Million)]	**1,040.13**	642.82
Interest	**-**	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
The amount of interest accrued for the year and remaining unpaid at the end of each accounting year	**-**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	**-**	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Group.

₹ in million

Reconciliation to trade payable-total outstanding dues of micro and small enterprises and MSME disclosure principal amount.	**As at March 31, 2026**	As at March 31, 2025
Total outstanding dues of micro and small enterprises	**896.06**	460.59
Capital creditors	**144.07**	182.23
MSME principal	**1,040.13**	642.82

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 22 : TRADE PAYABLES (Contd.)

(at amortised cost)

₹ in million

Particulars	Outstanding for the following period from due date of payments as on March 31, 2026					Unbilled trade payables	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	754.68	1.26	-	-	-	140.12	**896.06**
(ii) Others	1,192.30	3,509.45	41.83	5.46	1.95	457.42	**5,208.41**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	-	**-**
Total	**1,946.98**	**3,510.71**	**41.83**	**5.46**	**1.95**	**597.54**	**6,104.47**

₹ in million

Particulars	Outstanding for the following period from due date of payments as on March 31, 2025					Unbilled trade payables	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(I) MSME	404.64	-	-	-	-	55.95	**460.59**
(ii) Others	1,318.48	1,906.44	7.61	5.00	6.86	330.14	**3,574.53**
(iii) Disputed dues – MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	-	**-**
Total	**1,723.12**	**1,906.44**	**7.61**	**5.00**	**6.86**	**386.09**	**4,035.12**

NOTE 23 : OTHER FINANCIAL LIABILITIES
(at amortised cost, unsecured)

Refer Note 2.7.6.2 for material accounting policy information on Financial liabilities

A: Non-Current

₹ in million

	As at March 31, 2026	As at March 31, 2025
Lease deposit	**2.40**	2.40
Total	**2.40**	2.40

B: Current

₹ in million

	As at March 31, 2026	As at March 31, 2025
Security deposits received from Customers (refer note (i))	**39.90**	26.70
Interest accrued on Security deposit from customers	**3.33**	2.41
Unpaid dividends (refer note (ii))	**50.92**	31.27
Capital creditors	**289.23**	586.50
Total	**383.38**	646.88

(i) These are interest bearing deposits accepted from dealers / distributors which are repayable only upon termination of the dealership / distributor agreement.

(ii) Investor Education and Protection Fund will be credited by the amount of unpaid dividends as and when due.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 24 : CURRENT TAX LIABILITIES

Refer Note 2.7.9 for material accounting policy information on Income taxes ₹ in million

	As at March 31, 2026	As at March 31, 2025
Income tax payable (net of advance tax of ₹ 6,414.86 million (March 31, 2025 - ₹ 5,934.96 million))	**107.29**	319.01
Total	**107.29**	319.01

The Group is subject to tax assessments and ongoing proceedings from the Income Tax department. Management periodically reviews and evaluates various tax positions taken in tax returns , including unresolved tax disputes, which involves interpretation of applicable tax regulations and judicial precedents. Current tax liability and tax asset balances are presented, after recognising as appropriate, provision for taxes payable and contingencies basis management's assessment (including tax experts based on requirement) of outcome of such ongoing proceedings and amounts that may become payable to the tax authorities. Considering the nature of such estimates and uncertainties involved, the amount of such provisions may change upon final resolution of the matters with tax authorities.

NOTE 25 : REVENUE FROM OPERATIONS

Refer Note 2.7.10 for material accounting policy information on Revenue recognition ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
Sale of Products	**31,617.29**	29,070.58
Sale of Services	**3,006.35**	2,765.19
Other operating revenue		
Export incentives (refer note (i) below)	**156.65**	136.19
Revenue from operations	**34,780.29**	31,971.96

Reconciliation of revenue as per contract price and as recognised in Statement of Profit & Loss ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per Contract Price	**35,370.04**	32,607.35
less: Discounts and Rebates	**621.59**	664.88
Revenue as per Profit & loss	**34,748.45**	31,942.47

Revenue recognised from Contract Liabilities (Advance from Customers) ₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Closing Contract Liabilities	**103.96**	15.33

(I) Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and only when there is reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

(ii) Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less.

(iii) Revenue from contracts with customers for the year ended March 31, 2026 includes income of ₹ 46.06 million, (PY 275.27 million) consequent to the Bilateral Advance Pricing Agreement signed with the Central Board of Direct Taxes for the financial years 2024-25, 2019-20 to 2023-24 respectively.

(iv) Refer note 36 for revenue from related parties.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 26 : OTHER INCOME

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income recognised on Financial assets, recognised at amortised cost	**186.25**	228.12
Dividend Income on current investments - non-trade (refer note (I) below)	**54.93**	141.93
Profit on sale of property, plant and equipment (net)	**-**	18.23
Gain on foreign currency transaction and translation (net)	**-**	31.93
Provision no longer required written back	**8.96**	7.82
Deferred Government grant income (refer note (ii) below)	**16.95**	18.59
Rental Income	**5.83**	5.56
Miscellaneous Income	**27.69**	57.44
Total	**300.61**	509.62

(i) Includes fair value gain on current investments classified as fair value through profit and loss.

(ii) Government grants on capital goods are recognised on a systematic basis over the useful life of the asset.

NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK- IN-TRADE

Refer Note 2.7.5 for material accounting policy information on Inventories

₹ in million

		For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year			
Work in Progress		**505.10**	620.02
Finished Goods (Including in transit)		**1,059.63**	1,153.87
Stock-in-trade (Including in transit)		**3,081.07**	3,286.71
	(A)	**4,645.80**	5,060.60
Inventories at the end of the year			
Work in Progress		**592.18**	505.10
Finished Goods (Including in transit)		**1,394.86**	1,059.63
Stock-in-trade (Including in transit)		**3,000.41**	3,081.07
	(B)	**4,987.45**	4,645.80
(Accretion)/Decretion to Inventories (A)-(B)		**(341.65)**	414.80

During the year ended March 31, 2026 ₹ 139.82 million (March 31, 2025 ₹ 91.05 million) was recognised as reversal /(expenses) for inventories carried at net realisable value.

NOTE 28 : EMPLOYEE BENEFITS EXPENSES

Refer Note 2.7.8 for material accounting policy information on Employee benefits

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Wages and Bonus	**1,526.37**	1,457.86
Contribution to provident and other funds (Note 39)	**179.18**	124.73
Staff welfare expense	**159.50**	153.76
Total	**1,865.05**	1,736.35

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 29 : FINANCE COSTS

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Expense	**37.36**	43.75
Total	**37.36**	43.75

Includes interest expense on lease liabilities for year ended March 31, 2026 ₹ 11.85 million (March 31, 2025 ₹ 13.51 million)

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSES

Refer Note 2.7.1 , 2.7.2 , 2.7.3 , 2.7.4 for material accounting policy information on PPE, Investment property, Right of use assets and Intangible assets

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, plant and equipment (refer Note 3)	**957.27**	745.69
Depreciation on Right of use assets (refer Note 4)	**54.13**	56.21
Depreciation on Investment Property (refer Note 6)	**2.05**	2.19
Amortisation of Intangible assets (refer Note 8)	**47.01**	47.04
Total	**1,060.46**	851.13

NOTE 31 : OTHER EXPENSES

₹ in million

	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and spares (refer note (i) below)	**998.39**	968.03
Power & Fuel	**487.15**	428.79
Repairs and Maintenance		
-Buildings	**24.95**	29.71
-Machineries	**174.54**	172.63
-Others	**142.15**	124.36
Royalty	**843.56**	808.16
Rent	**16.83**	13.20
Rates and Taxes (refer note (ii) below)	**46.87**	26.99
Insurance	**37.51**	27.05
Freight, Delivery and Shipping charges	**771.85**	694.37
Travelling	**115.22**	114.90
Services outsourced	**649.96**	624.14
Professional Fees (refer note (iii) below)	**435.11**	337.69
Inter company Service Charges	**89.69**	117.25
ERP and other applications expenses	**102.81**	92.51
CSR Expenditure (refer note (iv) below)	**110.64**	103.06
Bad debts written off	**-**	0.73
Provision for doubtful debts, deposits & advance	**8.32**	6.18
Foreign Exchange Loss (net)	**66.59**	2.55
Loss on sale of property, plant and equipment (net)	**1.23**	-
Other Expenses	**196.86**	187.41
Total	**5,320.23**	4,879.71

(i) Consumption of stores and spares includes packaging cost for year ended March 31, 2026 ₹ 381.55 million (March 31, 2025 ₹ 333.79 million)

(ii) Rates & Taxes includes GST paid on stocks written off, issue of free samples/supplies and other items covered under section 17(5)(h) of GST Act 2017.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 31 : OTHER EXPENSES (Contd.)

(iii) Professional Fees include: ₹ in million

Auditor's remuneration (exclusive of GST)	For the year ended March 31, 2026	For the year ended March 31, 2025
Statutory Audit		
As Auditors		
- For Statutory Audit	**6.92**	4.65
- For Limited Reviews	**2.55**	2.18
- For out-of-pocket expenses	**1.51**	1.13
For Other Matters		
- For Tax Audit	**1.13**	1.26
- For Other Services	**1.80**	0.72

(iv) Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 ("the Act"), a Company meeting the applicability threshold, needs to spend at least 2% of average net profits made during immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are mentioned in Schedule VII of the Act. During the FY 2025-26, the Group has spent Rs. 82.54 million on CSR activities primarily covering these areas namely promoting education including vocational skills, setting up old age homes and preventive healthcare. An amount of Rs. 28.10 million is transferred to 'unspent CSR account', which is related to ongoing projects.

₹ in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Gross amount required to be spent by the Company during the year	**110.64**	102.54
Amount spent during the year :		
i) On purposes of promotion of education, sports, setting up old age homes and preventive healthcare	**82.54**	43.94
ii) Amount transferred to 'unspent CSR account'	**28.10**	59.12
iii) Amount to be carried forward as excess spent	**-**	(0.52)
Total	**110.64**	102.54
Shortfall at the end of the year	**-**	-
Total of previous years shortfall	**-**	-
Reason for shortfall	**NA**	NA
Amount spent on CSR activities through related parties	**-**	-
Whether any provision made with respect to a liability incurred by entering into a contractual obligation	**No**	No

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 32 : EARNINGS PER SHARE (EPS)

		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Profit attributable to equity shareholders of the Company (₹ in million)	**4,148.85**	4,621.94
b)	Weighted average number of equity shares outstanding @ ₹ 10/- each	**7,52,18,734**	7,52,18,734
	Earnings per share - Basic & Diluted* (a)/(b)(in ₹)	**55.16**	61.45

* There are no dilutive potential equity shares.

NOTE 33 : CONTINGENT LIABILITIES AND COMMITMENTS

A. CONTINGENT LIABILITIES ₹ in million

		As at March 31, 2026	As at March 31, 2025
	Claims against the Group not acknowledged as debts		
a)	Indirect tax matters (refer Note below)	**153.04**	175.72
b)	Direct tax matters (refer Note below)	**633.10**	501.81
c)	Provident fund related (refer Note below)	**1,035.53**	1,035.53
d)	Other claims (refer Note below)	**2.33**	2.33

Indirect tax contingencies

The Group has outstanding disputes with indirect tax authorities, mainly relating to Goods and Services Tax matters concerning the classification of certain transactions on which tax has been paid under the reverse charge mechanism, as well as certain input tax credit disallowances.

Direct tax contingencies

The Group has outstanding disputes with direct tax authorities, mainly relating to transfer pricing adjustments for the determination of the arm's length price of certain international transactions.

Provident fund related

In June 2024, the Parent received orders from the Regional Provident Fund Commissioner (RPFC) claiming damages and interest totaling approximately INR 1,035.53 million. These orders pertain to the closure of the Parent's provident fund trust and the subsequent transfer of trust assets to the Employees' Provident Fund Organization ("EPFO"). The orders allege that the surrender of trust assets did not comply with the applicable timing guidelines prescribed by the EPFO.

The Parent is disputing the merits of the orders and has filed an appeal with the Hon'ble High Court of Jharkhand. Management believes that the Parent will be granted relief upon full adjudication of the matter. Accordingly, no provision has been recorded in the financial statements.

Other claims

The Group has outstanding disputes from various other statutes, which is consolidated for disclosure as the value is not material.

These demands are being contested by the Group based on the management evaluation and advice of consultants as appropriate. In respect of above matters, future cash outflows are determinable only on receipt of judgments/decisions, which are pending at various authorities and the Group's rights for future appeals.

The Group does not expect any reimbursements in respect of the above contingent liabilities.

The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements.

The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

B. CAPITAL AND OTHER COMMITMENTS ₹ in million

	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for; (net of advance of ₹ 458.85 million (March 31, 2025 - ₹ 297.11 million))	**833.86**	952.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 34 : SEGMENT INFORMATION

Operating Segment:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. Information reported to the Chief Operating Decision Maker (CODM) for the assessment of segment performance focuses on the types of products and services delivered or provided. The Group's CODM is the Board of the Parent.

The Group has only one reportable primary segment, viz. 'Bearings and allied goods & services'. Accordingly, no separate disclosure of segment information has been made.

Entity wide disclosures

a) The revenue from the reportable segment 'Bearings and allied goods & services' for year ended March 31, 2026 ₹ 34,780.29 million (March 31,2025 ₹ 31,971.97 million)

b) The Group is domiciled in India. Geographical revenue is allocated based on the location of the customers. Information regarding geographical revenue is as follows:

₹ in million

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Operations		
India	**27,959.56**	26,159.41
Outside India		
- USA	**2,683.57**	3,171.77
- Others	**4,137.16**	2,640.78
	6,820.73	5,812.55
Total	**34,780.29**	31,971.96

Geographical non-current assets (other than financial instruments and deferred tax assets) are allocated based on the location of the assets. Non-current assets includes Property plant & equipment, right of use assets, capital work in progress, investment property, goodwill, non-current tax assets and other non-current assets. Information regarding geographical non-current assets is as follows:

₹ in million

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current assets other than financial assets		
India	**16,059.77**	14,522.39
Outside India	**-**	-
Total	**16,059.77**	14,522.39

c) Revenue from one of the customer group amounted to ₹ 6,251.01 million (March 31, 2025 : ₹ 5,856.95 million) arising from sale of products & services.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 35 :UNHEDGED FOREIGN CURRENCY EXPOSURE

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars		Currency	As at March 31, 2026		As at March 31, 2025	
			Amount in Foreign Currency (in million)	Value (₹ in million)	Amount in Foreign Currency (in million)	Value (₹ in million)
a)	Trade Receivables	USD	24.11	2,224.46	21.58	1,814.12
		EURO	0.06	6.52	0.04	3.93
b)	Trade Payables and capital creditors	USD	37.57	3,589.39	21.13	1,838.84
		EURO	1.03	112.85	2.25	210.21
		JPY	24.27	14.52	84.15	48.57
c)	EEFC & USD Bank account	USD	0.50	46.31	0.79	66.13

NOTE 36 : RELATED PARTY DISCLOSURE:

Related parties where control exists :

Holding company - Timken Singapore PTE. Limited

Ultimate Holding company - The Timken Company

Other related parties with whom transactions have taken place during the year :

Fellow subsidiaries: 1) The Timken Corporation 2) Timken (Wuxi) Bearings Co., Ltd. 3)Timken UK Limited 4) Timken Do Brazil Comercial Importadora LTDA. 5) Timken Korea Limited Liability Corp 6) Timken South Africa (PTY) Limited 7)Timken Romania SA 8) Yantai Timken Co., Ltd. 9)Australian Timken Proprietary Limited 10) Timken Polska SP z.o.o. 11) Timken Industrial Services, LLC, US 12)Timken (Shanghai) Distribution and Sales Co., Ltd 13) Timken PWP SRL 14) Timken Engineering and Research - India Private Limited 15) Timken De Mexico, S.A. De C.V. 16) Timken Canada LP 17) Timken (Chengdu) Aerospace and Precision Products Co., Ltd. 18) Timken (Hunan) Bearing Co., Ltd 19) Timken SMO LLC 20) Cone Drive Operations Inc 21) Timken GmbH 22) GROENEVELD-BEKA GMBH 23) Rollon India Pvt Ltd 24) Cone Drive (Jiangsu) Power Transmission 25) Groeneveld Transport Efficiency B V 26) PT Timken Bearings Indonesia 27) Timken Netherlands Holding B.V 28)Timken Argentina 29) GGB LLC 30) GGB Bearing Technology Suzhou Co Ltd, China 31) GGB France EURL 32) GGB Heilbronn GmbH 33) GGB Slovakia s.r.o,

Key management personnel

Chairman & Managing Director	- Mr. Sanjay Koul
Business Controller-India, CFO & Whole-time Director	- Mr. Avishrant Keshava (Business Controller-India, CFO till March 31, 2025, Whole-time Director till September 30, 2025)
Business Controller - India & CFO	- Mr. Sujit Kumar Pattanaik ((Business Controller-India, CFO w.e.f April 01, 2025, Whole-time Director w.e.f. October 31, 2025)
Company Secretary & Chief of Compliance	- Mr. Mandar Vasmatkar
Non-executive Directors	
Independent Director	-Mr. P.S. Dasgupta (Till March 31, 2024)
Independent Director	-Mrs. N S Rama (Till October 24, 2023)
Non-executive Director	-Mr. Douglas H Smith
Independent Director	-Mr. George J Ollapally
Independent Director	-Mr. Veerappan V (Till May 31, 2024)
Non-executive Director	-Mr. Hansal Patel
Independent Director	-Mr. Ajay Sood (Till October 1, 2025)
Independent Director	-Dr. Lakshmi Lingam (From October 1, 2023)
Independent Director	-Mr. Soumitra Hazra (From May 31, 2024)
Independent Director	-Mr. Sumit Rathor (From October 01, 2025)
Director of Subsidiary	-Mr. Rajesh Eknath Baviskar (upto September 05, 2024)
Trusts managed by the Company	- Timken India Provident Fund - Timken India Gratuity Fund - Timken India Superannuation Fund - ABC Bearings Employees Gratuity Fund

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 36 : RELATED PARTY DISCLOSURE: (Contd.)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in million

Sl No.	Name of the Related Party	Relationship	Nature of transactions	Transaction Amount for the year ended	Outstanding as at	Transaction Amount for the year ended	Outstanding as at
				March 31, 2026		March 31, 2025	
1	The Timken Company	Ultimate holding company	Purchase of goods	**599.29**	**137.49**	526.97	111.99
			Sale of goods	**2,014.37**	**928.26**	1,352.65	646.71
			Expense receivable	**1.39**	**-**	3.84	1.66
			Expense payable	**198.59**	**35.92**	220.86	71.74
			Agency Commission (Income)	**1.23**	**0.24**	3.69	0.24
			Royalty	**843.56**	**201.44**	808.16	187.08
			Purchase of Property, Plant & Equipment	**40.93**	**24.89**	0.79	-
2	Timken Singapore PTE. Limited	Holding company	Purchase of goods	**352.25**	**43.48**	11.79	0.42
			Sale of goods	**4.17**	**1.82**	224.10	0.40
			Expense receivable	**14.99**	**3.27**	2.49	0.37
			Agency Commission (Income)	**2.85**	**0.40**	10.77	0.95
			Dividend paid	**1,382.40**	**-**	96.00	-
3	The Timken Corporation	Fellow Subsidiary	Purchase of goods	**3,590.42**	**1,422.33**	1,458.12	379.13
			Sale of goods	**2,983.46**	**881.04**	2,769.77	718.21
			Expense Receivables	**5.45**	**1.84**	3.55	-
			Agency Commission (Income)	**7.92**	**1.27**	12.87	1.44
			Purchase of Property, Plant & Equipment	**7.40**		15.33	-
4	Timken (Wuxi) Bearings Co. Ltd.	Fellow Subsidiary	Purchase of goods	**4,794.95**	**1,042.95**	3,728.24	655.57
			Sale of goods	**27.42**	**3.83**	26.92	3.70
			Expense receivable	**1.34**	**0.73**	0.38	-
			Expense payable	**0.15**	**-**	-	-
			Purchase of Property, plant and Equipment	**-**	**-**	0.28	-
6	Other Fellow Subsidiaries		Purchase of goods	**2,757.55**	**410.43**	3,165.14	350.47
			Sale of goods	**1,679.53**	**259.97**	1,447.35	223.46
			Expense receivable	**78.72**	**7.39**	86.56	6.40
			Expense payable	**166.64**	**30.58**	151.91	32.17
			Agency Commission (Income)	**-**	**-**	0.82	-
			Agency Commission (Expense)	**12.39**	**1.23**	6.60	-
			Purchase of Property, Plant & Equipment	**141.10**	**131.15**	17.52	2.85
			Investment in equity	**1,288.09**	**-**	-	-
			Purchase of export licences	**16.00**	**2.22**	1.07	1.07
7	Trusts managed by the Company		Employee benefits expenses	**50.57**	**-**	56.06	-
8	Non-executive Directors		Sitting fees	**3.18**	**-**	3.54	-
9	Key Managerial Personnel		Short-term employee benefits	**89.32**	**-**	80.10	-
			Post-employment benefits	**2.21**	**-**	2.00	-
			Other long-term benefits	**2.00**	**-**	1.60	-

NOTE 36B : GROUP COMPOSITION:

As at and for the year ended March 31, 2026

Name of entity in the Group	Net assets i.e total assets minus total liabilities		Share in profit/ (loss) after tax		Share in other comprehensive income/ (loss)		Share in total comprehensive income/ (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / (Loss)	Amount	As % of total comprehensive income	Amount
Parent								
Timken India Limited	97.70%	29,735.04	96.01%	3,983.33	98.20%	10.93	96.02%	3,994.26
Subsidiary								
Indian								
Timken GGB Technologies India Private Limited	2.30%	698.80	4%	165.52	1.80%	0.20	3.98%	165.72
Total	**100.00%**	**30,433.84**	**100.00%**	**4,148.85**	**100.00%**	**11.13**	**100.00%**	**4,159.98**

As at and for the year ended March 31, 2025

Name of entity in the Group	Net assets i.e total assets minus total liabilities		Share in profit/ (loss) after tax		Share in other comprehensive income/ (loss)		Share in total comprehensive income/ (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / (Loss)	Amount	As % of total comprehensive income	Amount
Parent								
Timken India Limited	98.16%	28,448.65	96.80%	4,473.86	100.82%	(9.83)	96.79%	4,464.03
Subsidiary								
Indian								
Timken GGB Technologies India Private Limited	1.84%	533.08	3.20%	148.08	-0.82%	0.08	3.21%	148.16
Total	**100.00%**	**28,981.73**	**100.00%**	**4,621.94**	**100.00%**	**(9.75)**	**100.00%**	**4,612.19**

"The Board of Directors of the Company in their meeting held on May 18, 2026 approved a draft Scheme of Amalgamation between the Company (Transferee Company) and its subsidiary, Timken GGB Technology Private Limited (Transferor Company) and their respective Shareholders and creditors ("Scheme") for the amalgamation of the Transferor Company into Transferee Company on the terms and conditions contemplated in the scheme with effect from the appointed date as defined in the scheme, subject to the approval of shareholders and creditors, and National Company Law Tribunal Bengaluru Bench (NCLT)."

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 37 : CATEGORIES OF FINANCIAL INSTRUMENTS

Refer Note 2.7.6 for material accounting policy information on Financial instruments ₹ in million

	As at March 31, 2026	As at March 31, 2025
Financial Assets		
Break up of financial assets carried at amortised cost		
Loans - non-current (refer Note 10 A)	**0.47**	0.60
Trade receivables-current (refer Note 14)	**8,112.61**	7,087.88
Cash and bank balances (refer Note 15 A & 15 B)	**2,754.36**	4,388.00
Loans - current (refer Note 10 B)	**0.88**	1.27
Other non-current financial assets (refer Note 11 A)	**264.66**	232.03
Other current financial assets (refer Note 11 B)	**247.42**	146.08
Total financial assets carried at amortised cost	**11,380.40**	11,855.86
Break up of financial assets at fair value through profit or loss		
Investments (refer Note 9 A & 9 B)		
Non-current	**7.30**	0.30
Current	**507.24**	1,171.00
Total financial assets carried at fair value through profit or loss	**514.54**	1,171.30
Financial Liabilities		
Break up of financial liabilities carried at amortised cost		
Non-current lease liabilities (refer Note 18)	**117.23**	144.76
Other non-current financial liabilities (refer Note 23 A)	**2.40**	2.40
Trade payables-current (refer Note 22)	**6,104.47**	4,035.12
Current lease liabilities (refer Note 18)	**28.39**	31.56
Other current financial liabilities (refer Note 23 B)	**383.38**	646.88
Total financial liabilities carried at amortised cost	**6,635.87**	4,860.72

The management has assessed that the carrying values of the Financial Assets and Liabilities at amortised cost approximate their fair value largely due to the short-term maturities of these instruments.

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial assets include trade & other receivables and cash & cash equivalents that derives directly from its operations. the Group's principal financial liabilities comprise trade & other payables and short term borrowings. The main purpose of majority of these financial liabilities is to manage working capital of the Group.

The Group is exposed to credit risk, market risk and liquidity risk. the Group's senior management oversees the management of these risks. the Group's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The below note explains the sources of risk which the Group is exposed to and how the entity manage the risk :

Risk	Exposure arising from	Measurement	Risk Management
1. Credit Risk	Trade Receivable, Cash and cash equivalents, other financial assets, loans & deposits	Ageing Analysis Financial Analysis Credit information on need basis	1. Review of credit limits and credit lock, secured mode of payments 2. Diversification of Short term investments
2. Market Risk			
i. Commodity risk	Movement in prices of commodities mainly steel	Sensitivity Analysis	1. Price negotiation and productivity improvement, expanding vendor base 2. Negotiation with customers for significant changes
ii. Foreign currency risk	Financial assets and liabilities denominated in other than functional currency	Sensitivity Analysis	1. Periodical review of exposure limits 2. Natural hedging
iii. Interest rate risk	Security deposit from distributors	Sensitivity Analysis	Periodical reset of interest linked to market
3. Liquidity Risk	Trade Payable, Security deposits from distributors and other financial liabilities	Maturity date analysis Rolling cash flow forecasts	1. Preparing and monitoring forecast of cash flows 2. Maintaining optimum cash and cash equivalents 3. Availability of sanctioned credit lines and borrowing facilities

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

1. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. the Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, primarily cash & cash equivalents.

i. Trade receivables

Customer credit risk is managed in accordance with the Group's established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored through credit lock and release effectively managing the exposure.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of the financial assets disclosed in Note 14. the Group does not hold any collateral as security. the Group evaluates the concentration of risk with respect to trade receivables as low, as most of its external customers (other than related party customers) are established players in their industry or are distributors/ dealers against which the Group holds security deposit as its policy and operate in largely independent markets. All the related party receivables are from various Timken group companies where there is a minimal default risk.

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. the Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered related credit information for its customer, that's available in public domain to estimate the probability of default in future.

ii. Cash and Cash equivalents and Other financial assets

Credit risk from balances with banks is managed by the Group's treasury department in accordance with the Group's policy. Investment of surplus funds are made for deposit with banks and short-term liquid funds of rated mutual funds. Investments and Bank deposits are reviewed by the Board of Directors on a quarterly basis.

Credit risk arising from short term liquid fund investments, cash and cash equivalents and other balances with banks is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions. None of the financial instruments of the Group result in material exposure of credit risk as at March 31, 2025.

Other financial assets mainly include, loans and security deposits given, other receivables. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

2. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. the Group is exposed to different types of market risks. For the Group, the market risk is the possibility of changes in foreign currency exchange rates and commodity prices which may affect the value of the Group's financial assets, liabilities or expected future cash flows.

i. Commodity Risk

Commodity risk for the Group is mainly related to fluctuations in steel prices which drives the prices of steel bars, tubes and wire rods. Since, steel is the primary input materials for making of rings, rollers and cages, which are used in manufacturing the final products , any fluctuation in steel prices can lead to drop in operating margin. Most of these input materials are procured from approved vendors and subject to price negotiations. In order to mitigate the risk associated with raw material and components prices, the Group manages its procurement through productivity improvements, expanding vendor base and constant pricing negotiation with vendors. the Group renegotiates the prices with its customers in case there is more than normal deviation in the prices of its major raw materials. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team.

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The risk of fluctuations in foreign currency exchange rates on its financial liabilities including trade and other payables etc., which are mainly in US Dollars are mitigated through the natural hedge alignment, as Company's export sales are predominantly in US dollars and such economic exposure through trade and other receivables in US dollars provide natural alignment. Hence, a reasonable variation in the Foreign exchange rate would not have much impact on the profit or loss / equity of the Group. Net foreign currency exposure also reviewed by the Board of Directors on a quarterly basis.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

Foreign currency sensitivity analysis

The Group is exposed to the currencies USD, EURO, GBP and JPY on account of outstanding receivables(+) and payables(-) . the Group's net exposure to foreign currency risk at the end of the reporting period expressed in respective currencies given below:

₹ in million

Currency	As at March 31, 2026	As at March 31, 2025
USD	**(12.96)**	1.24
EURO	**(0.97)**	(2.20)
JPY	**(24.27)**	(84.15)

The following table details the Group's sensitivity to a 10% increase and decrease in INR against the USD, EURO, GBP and JPY. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A negative number below indicates a decrease in profit or equity where the INR weakens 10% against the relevant currency. For a 10% strengthening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive.

₹ in million

Particulars	As at March 31, 2026		As at March 31, 2025	
	Profit & Loss	Equity	Profit & Loss	Equity
USD	**(123.81)**	**(123.81)**	10.80	10.80
EURO	**(10.63)**	**(10.63)**	(20.70)	(20.70)
JPY	**(1.45)**	**(1.45)**	(4.86)	(4.86)
Total	**(135.89)**	**(135.89)**	**(14.76)**	**(14.76)**

iii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. the Group's exposure to interest rate risks arises primarily from security deposits from distributors. the Group has taken interest earning security deposits from the distributors as disclosed in note No.23. An increase / decrease of 1% of interest rate, the profit for the year ended March 31, 2026 would decrease / increase by ₹ 0.46 million (Year ended March 31, 2025 ₹ 0.32 million)

3. Liquidity risk

Liquidity risk is defined as a risk that the Group will not be able to meet its obligations on time or at a reasonable price. An effective liquidity risk management takes into consideration in maintaining optimum level of cash and cash equivalents and the availability of funding through credit facilities at a reasonable cost to meet the obligation when due. the Group's treasury department drives the liquidity, funding as well as settlement management. Additionally, the processes and policies related to such risks are reviewed and controlled by senior management team. Management continuously reviews the actual cash flows and forecasts the expected cash flows to monitor the liquidity position. the Group has large investments and deposits either in short term liquid funds or in bank deposits, which can be converted to cash at a very short notice and hence carry negligible liquidity risk. All the current financial liabilities of the Group are due to be paid with in twelve months from the Balance sheet date. All non-current financial liabilities are due to be paid in more than twelve months from the Balance sheet date. However the interest component of all the non-current financial liabilities if any will be payable as and when due, which may be with in twelve months from the date of Balance sheet date.

Fair values

₹ in million

(i) Class wise fair value of the Company's financial instruments:	As at March 31, 2026	As at March 31, 2025
Investments (unquoted) in Equity shares	**7.30**	0.30
Investments (unquoted) in mutual funds	**507.24**	1,171.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 38A : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

(ii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets

₹ in million

	Fair value measurement using		
	Quoted prices in active markets (Level 1)	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2026:			
Assets measured at fair value:			
Investments in mutual funds	**507.24**	-	-
Investment in equity shares	**-**	-	7.30
Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:			
Assets measured at fair value:			
Investments in mutual funds	**1,171.00**	-	-
Investment in equity shares	**-**	-	0.30

a) The Fair value for investments in mutual funds have been determined based on the NAV of the respective funds as on balance sheet date.

b) The Group has determined the carrying value of the investment as its fair value in the absence of any available fair value for its non-current investment which is carried at cost.

NOTE 38B: CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maximise the shareholder value. For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group. the Group's objective when managing capital is to :

(i) Safeguard its ability to continue as a going concern, so that the Group maximises shareholder value and provides benefits for other stakeholders and

(ii) Maintain an optimal capital structure to reduce the weighted average cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares or sell non-core assets to reduce debts.

The Group is not subject to any externally imposed capital requirements. the Group is a Zero debt Company with no long-term borrowings.

₹ in million

	Note Reference Number	**As at March 31, 2026**	As at March 31, 2025
Total Debt	-	**-**	-
Total Equity	16 and 17	**29,145.75**	28,981.73
Debt to Equity %		**0.00%**	0.00%

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

Refer Note 2.7.8 for material accounting policy information on Employee benefits

The Group has a defined benefit gratuity plan (funded). Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. Certain employees who have completed more than 25 years of service get 20 days salary for every completed year of service in excess of 25 years upto 30 years and completed more than 30 years of service get one month salary for every completed year of service in excess of 30 years.

The Group also has a Death Benefit Scheme (unfunded) for specific employee group where the immediate beneficiaries are entitled to a monthly fixed sum till the date of superannuation, for death in harness.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

The disclosures of Employee Benefits as defined in Ind AS 19 are given below:

Profit and Loss account :

Net employee benefit expense (recognised in Employee Cost) ₹ in million

		Gratuity fund		Employee Death Benefit scheme	
		For the year ended March 31, 2026	For the year ended March 31, 2025	**For the year ended March 31, 2026**	For the year ended March 31, 2025
I)	**Expenses recognised in the Statement of Profit & Loss**				
	1) Current service cost and Past service Cost	**102.07**	28.49	**0.22**	0.27
	2) Interest cost	**2.54**	2.32	**0.79**	1.09
	3) Expected return on plan assets	**-**	-	**-**	-
	4) Immediate recognition of (gains)/losses other long term employee benefits plans	**-**	-	**-**	-
	5) Total Expenses (disclosed part of Contribution to provident and other funds in note 28)	**104.61**	30.81	**1.01**	1.36
	Expense recognised in OCI				
	6) Net remeasurement (gain) / loss recognised in the year	**14.73**	12.70	**0.31**	0.31
	7) Total Expense	**119.34**	43.51	**1.32**	1.67
II)	**Net Asset/ (Liability) recognised in the Balance Sheet**				
	1) Present Values of Defined Benefit Obligation	**607.96**	544.82	**12.17**	15.79
	2) Fair value of Plan Assets	**516.10**	498.28	**-**	-
	3) Net Asset/ (Liability)	**(91.86)**	(46.54)	**(12.17)**	(15.79)
III)	**Change in Obligation during the year**				
	1) Present Value of Defined Benefit Obligation at the beginning of the year	**544.82**	534.15	**15.79**	19.66
	2) Current service cost/ Plan amendments	**32.37**	28.49	**0.22**	0.27
	3) Acquisitions (Credits)/cost	**69.69**	-		-
	4) Interest Cost	**(0.48)**	1.72	**-**	1.09
	5) Benefit Paid	**32.56**	31.48	**0.79**	(5.54)
	6) Net changes to other reported provisions	**(63.49)**	(67.44)	**(4.89)**	
	7) Remeasurement (Gain)/ Losses				
	Arising from the change in experience	**(0.22)**	4.07	**0.31**	0.15
	Arising from the change in financial assumptions	**(7.28)**	12.35	**(0.05)**	0.16
	Total	**(7.49)**	16.42	**0.26**	0.31
	8) Present Values of Defined Benefit Obligation at the end of the year (disclosed in Provisions in note 19)	**607.96**	544.82	**12.17**	15.79
IV)	**Change in the Fair Value of Plan Assets**				
	1) Plan assets at the beginning of the year	**498.28**	471.98	**-**	-
	2) Expected return on plan assets	**31.49**	32.94	**-**	-
	3) Contribution by employer	**42.78**	55.80	**-**	-
	4) Actual benefit paid	**(63.49)**	(67.44)	**-**	
	5) Return of Plan Assets greater/ (lesser) than discount rate	**7.75**	3.72	**-**	-
	6) Remeasurement (Gain)/ Losses	**-**	-	**-**	-
	7) Acquisition adjustments	**(0.71)**	1.28	**-**	-
	8) Plan Asset at the end of the year	**516.10**	498.28	**-**	-

V) In FY 2025-26, the Group expects to contribute ₹ 88 million (FY 2024-25: ₹ 43 million) to gratuity fund.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

VI) Actuarial Assumptions

	Gratuity fund				Employee Death Benefit scheme	
	For the year ended March 31, 2026 (Holding Company)	**For the year ended March 31, 2026 (Subsidiary Company)**	For the year ended March 31, 2025 (Holding Company)	For the year ended March 31, 2025 (Subsidiary Company)	**For the year ended March 31, 2026**	For the year ended March 31, 2025
1) Discount Rate	**6.60 % to 6.90 %**	**7.00%**	6.40% to 6.50%	6.70%	**6.60%**	6.40%
2) Expected rate of return on plan asset	**NA**	**NA**	NA	NA	**NA**	NA
3) Mortality	**IALM (2006-2008) (modified) Ult**	**100% of IALM 2012-14**	IALM (2006-2008) (modified) Ult	100% of IALM 2012-14	**IALM (2006-2008) Ult**	IALM (2006-2008) (modified) Ult
4) Average attained age (years)	**38**	**36**	39	36	**56**	55
5) Average past service (years)	**11**	**4**	12	5	**32**	31
6) Employee Turnover Rate	**0.10% - 10.00%**	**13%**	0.10% - 10.00%	13%	**0.1% - 0.5%**	0.1% - 0.5%
7) Rate of escalation in salary (per annum)	**7 to 8.00%**	**8.00%**	8.00%	8.00%	**8.00%**	8.00%

Actuarial Assumptions for compensated absences

	Compensated absences			
	For the year ended March 31, 2026 (Holding Company)	**For the year ended March 31, 2026 (Subsidiary Company)**	For the year ended March 31, 2025 (Holding Company)	For the year ended March 31, 2025 (Subsidiary Company)
1) Discount Rate	**6.60% to 6.90%**	**7.00%**	6.40% to 6.50%	6.70%
2) Rate of escalation in salary (per annum)	7 to 8%	8.00%	8.00%	8.00%
3) Mortality	IALM (2006-2008) (modified) Ult	**100% of IALM 2012-14**	IALM (2006-2008) (modified) Ult	100% of IALM 2012-14
4) Withdrawal rate	Bharuch: 3% Officers: 10% Non-officers: Ages : Rate 20 - 25 : 0.50%, 26 - 30 : 0.30%, 31 - 35 : 0.20%, 36 - 50 : 0.10%, 51 - 55 : 0.20%, 56 - 60 : 0.30%	13%	Bharuch: 3% Officers: 10% Non-officers: Ages : Rate 20 - 25 : 0.50%, 26 - 30 : 0.30%, 31 - 35 : 0.20%, 36 - 50 : 0.10%, 51 - 55 : 0.20%, 56 - 60 : 0.30%	13%

VII) Maturity Profile of the defined benefit obligation

	Gratuity fund				Employee Death Benefit scheme	
	For the year ended March 31, 2026 (Holding Company)	For the year ended March 31, 2026 (Subsidiary Company)	**For the year ended March 31, 2025 (Holding Company)**	For the year ended March 31, 2025 (Subsidiary Company)	**For the year ended March 31, 2026**	For the year ended March 31, 2025
Weighted average duration of the defined benefit obligation	**7 years**	6 years	**7 years**	6 years	**5 years**	5 years
Not later than 1 year (₹ in million)	**87.34**	0.48	**74.32**	0.68	**5.92**	6.77
Later than 1 year and not later than 5 years (₹ in million)	**327.51**	1.66	**290.24**	2.35	**14.76**	18.17
More than 5 years (₹ in million)	**210.84**	3.41	**210.46**	4.78	**4.86**	7.17

The estimates of rate of escalation in salary considered in actuarial valuation taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Group's policy for plan assets management.

Each year, the Board of Trustees reviews the level of funding in the Gratuity plan. Such a review includes the asset-liability matching strategy and investment risk management policy.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 39 : GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Contd.)

VIII) Amounts for the current and previous four periods are as follows: (₹ in million)

	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021
1. Gratuity						
Defined Benefit Obligation	**607.96**	544.82	441.20	541.06	478.09	460.11
Plan Assets	**516.10**	498.28	516.09	498.27	467.57	424.44
Surplus/ (Deficit)	**(91.86)**	(46.54)	74.89	(42.79)	(10.52)	(35.67)
Experience (Gain)/ loss adjustment on plan liabilities	**(0.22)**	4.07	(0.02)	3.78	3.85	15.23
Experience (Gain)/ loss adjustment on plan assets	**-**	-	-	-	-	-

A quantitative sensitivity analysis for significant assumption are as shown below:

a) Gratuity (Funded) ₹ in million

	March 31, 2026		March 31, 2025	
	Discount rate		Discount rate	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on defined benefit obligation (Increase/ (decrease))	**(26.28)**	**29.21**	(25.12)	27.88

₹ in million

	March 31, 2026		March 31, 2025	
	Salary Growth		Salary Growth	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on defined benefit obligation (Increase/ (decrease))	**20.12**	**8.42**	25.20	(23.16)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

b) Employee Death Benefit Scheme (Unfunded) ₹ in million

	March 31, 2026		March 31, 2025	
	Discount rate		Discount rate	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on employee death benefits obligation (Increase/ (decrease))	**(0.24)**	**0.25**	(0.32)	0.34

₹ in million

	March 31, 2026		March 31, 2025	
	Salary Growth		Salary Growth	
	1% increase	**1% decrease**	1% increase	1% decrease
Impact on employee death benefits obligation (Increase/ (decrease))	**0.15**	**-0.13**	0.20	(0.19)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS

a. **Ratio** Current Ratio

Numerator Current Assets

Denominator Current Liabilities

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Current Assets (A)	20,661.89	20,114.51
Current Liabilities (B)	6,966.28	5,198.51
Current ratio (C) = (A) / (B)	2.97	3.87
%Change from previous year	-23%	

b. **Ratio** Debt Equity Ratio

Numerator Borrowings

Denominator Shareholders' equity

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Borrowings (A)	-	-
Shareholder's equity (B)	29,145.75	28,981.73
Debt equity ratio (C) = (A) / (B)	-	-
%Change from previous year	0%	

The ratio is NIL because of no borrowings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

c. **Ratio** Debt service coverage ratio

Numerator Earnings available for debt services

Denominator Debt service

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	4,148.85	4,621.94
Add: Non cash operating expenses and finance cost		
Depreciation and Amortisation expenses (B)	1,060.46	851.13
Finance costs (C)	37.36	43.75
Provision for doubtful debts, deposits & advance (D)	8.32	6.18
Earnings available for debt services (E) = (A)+(B)+(C)+(D)	5,256.22	5,523.00
Finance costs (F)	37.36	43.75
Borrowings (G)	-	-
Lease liabilities (H)	145.62	176.32
Debt service (I) = (F) + (G) + (H)	182.98	220.07
Debt service coverage ratio (J) = (E) /(I)	28.73	25.10
%Change from previous year	14%	

The ratio increased due to increase in earnings available for debt services and no borrowings as at March 31, 2025.

d. **Ratio** Return on equity [%]

Numerator Profit after tax

Denominator Average Shareholder's Equity

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	4,148.85	4,621.94
Closing shareholder's equity (B)	29,145.75	28,981.73
Average shareholder's equity [(opening + closing) /2] (C)	29,063.74	26,769.64
Return on equity [%] (D) = (A)/(C) *100	14.28%	17.27%
%Change from previous year	-17%	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

e. **Ratio** Inventory turnover ratio
Numerator Cost of goods sold
Denominator Average inventory

₹ in million

Ratios / measures	**As at March 31, 2026**	As at March 31, 2025
Cost of goods sold* (A)	**21,271.49**	19,243.83
Closing Inventory (B)	**7,882.63**	6,525.23
Average inventory [(opening + closing) /2] ©	**7,203.93**	6,628.60
Inventory turnover ratio (D) = (A)/©	**2.95**	2.90
%Change from previous year	**2%**	

* Cost of goods sold represents the aggregate of cost of materials consumed, purchase of stock-in-trade and changes in inventory of stock-in-trade.

f. **Ratio** Trade receivables turnover ratio
Numerator Revenue from operations
Denominator Average trade receivables

₹ in million

Ratios / measures	**As at March 31, 2026**	As at March 31, 2025
Revenue from operations (A)	**34,780.29**	31,971.96
Closing Trade Receivables	**8,112.61**	7,087.88
Average Trade Receivables [(opening + closing) /2] (B)	**7,600.25**	6,846.10
Trade receivables turnover ratio (C) = (A) / (B)	**4.58**	4.67
%Change from previous year	**-2%**	

g. **Ratio** Trade payables turnover ratio
Numerator Total purchases
Denominator Average trade payables

₹ in million

Ratios / measures	**As at March 31, 2026**	As at March 31, 2025
Total purchases * (A)	**26,591.72**	24,123.54
Closing Trade Payables	**6,104.47**	4,035.12
Average Trade Payables [(opening + closing) /2] (B)	**5,069.80**	3,790.76
Trade payables turnover ratio (C) = (A) / (B)	**5.25**	6.36
%Change from previous year	**-17%**	

* Total purchases represents purchase of goods and services which is the aggregate of cost of materials consumed, purchase of stock-in-trade, changes in Inventories of finished goods, work-in-progress and stock-in-trade and other expenses.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

h. **Ratio** Net capital turnover ratio
Numerator Revenue from operations
Denominator Working capital

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Revenue from operations (A)	34,780.29	31,971.96
Working Capital (Current Assets - Current Liabilities) (B)	13,695.61	14,916.00
Net capital turnover ratio (C) = (A)/ (B)	2.54	2.14
%Change from previous year	18%	

i. **Ratio** Net profit [%]
Numerator Profit after tax
Denominator Revenue from operations

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	4,148.85	4,621.94
Revenue from operations (B)	34,780.29	31,971.96
Net profit [%] (C) = (A) / (B) *100	11.93%	14.46%
%Change from previous year	-17%	

j. **Ratio** Return on capital employed [%]
Numerator Earning before interest and taxes
Denominator Capital Employed (Total equity, Total borrowings and Total lease liabilities)

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Profit after tax for the year (A)	4,148.85	4,621.94
Adjustments		
Add: Total tax expenses (B)	1,377.46	1,104.87
Add: Finance costs ©	37.36	43.75
Earnings before interest and tax (D) = (A) + (B) + ©	5,563.67	5,770.56
Total equity (E)	29,145.75	28,981.73
Borrowings (F)	-	-
Current and Non-current lease liabilities (G)	145.62	176.32
Deferred tax liabilities (net) (H)	362.92	209.76
Capital Employed (I) = (E) + (F) + (G) + (H)	29,654.29	29,367.81
Return on capital employed [%] (J) = (D) / (I) *100	18.76%	19.65%
%Change from previous year	-5%	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2026

NOTE 40 : FINANCIAL RATIOS (Contd.)

k. **Ratio** Return on Investment [%]
Numerator Income generated from investments
Denominator Average investments

₹ in million

Ratios / measures	As at March 31, 2026	As at March 31, 2025
Income generated from investments (A)	**54.93**	141.93
Closing current Investments	**507.24**	1,171.00
Average Investments [(opening + closing) /2] (B)	**839.12**	1,388.11
Return on Investment [%] (C) = (A) / (B) *100	**6.55%**	10.22%
%Change from previous year	**-36%**	

The ratio decreased since the investments reduced in current year.

NOTE 41: ADDITIONAL REGULATORY INFORMATION NOT DISCLOSED ELSEWHERE IN THE STANDALONE FINANCIAL STATEMENTS

(a) There are no properties / assets which are not held or registered in the name of the group (benami property), other than those disclosed in these conslidated financial statements.

(b) Transactions and balances with companies which have been removed from register of Companies [struck off companies] as at the above reporting periods is Nil.

(c) The group has not traded / invested in Crypto currency.

(d) The group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(e) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

  (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(f) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall

  (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

  (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(g) The group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(h) The group is not a declared willful defaulter by any bank or financial Institution or other lender.

Signatures to Note 1-41 of the consolidated financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Ankit Daga
Partner
Membership No. 512486
Bengaluru, May 18, 2026

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

Sanjay Koul
Chairman & Managing Director
DIN: 05159352

Sujit Kumar Pattanaik
Business Controller - India & CFO
Whole-time Director
DIN: 10709015

Mandar Vasmatkar
Company Secretary & Chief - Compliance
Bengaluru, May 18, 2026

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement Containing Salient Features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures

PART - A SUBSIDIARIES

1. Number of subsidiaries : One

(₹ in million)

Block - 1		
1.	Corporate Identity Number (CIN)	U29130KA2007PTC203242
2.	Name of the subsidiary	Timken GGB Technology Private Limited
3.	Date since when subsidiary was acquired	1 December, 2025
4.	Provision pursuant to which the Company has become a Subsidiary.	Section 2(87)(ii)
5.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	1 April, 2025 – 31 March, 2026
6.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
7.	Share capital	97.23
8.	Reserves and surplus	601.57
9.	Total assets	777.19
10.	Total Liabilities	777.19
11.	Investments	0
12.	Turnover	587.13
13.	Profit before taxation	222.39
14.	Provision for taxation	56.87
15.	Profit after taxation	165.52
16.	Proposed Dividend	0
17.	% of shareholding	100%

1. Names of subsidiaries which are yet to commence operations – **Not Applicable**
2. Names of subsidiaries which have been liquidated or sold during the year - **Not Applicable**

PART - B ASSOCIATES AND JOINT VENTURES – NOT APPLICABLE

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

Sd/-
Sanjay Koul
Chairman &
Managing Director
DIN: 05159352

Sd/-
Sujit Kumar Pattanaik
Business Controller - India, CFO &
Whole-time Director
DIN: 10709015

Sd/-
Mandar Vasmatkar
Company Secretary &
Chief- Compliance

Bengaluru, May 18, 2026

FIVE YEARS AT A GLANCE

	Year Ended 31.03.2026	Year Ended 31.03.2025	Year Ended 31.03.2024	Year Ended 31.03.2023	Year Ended 31.03.2022
Rs/millions					
Profit & Loss Account					
(i) Total Income					
(a) Domestic	**27,405**	25,696	23,260	20,478	15,525
(b) Export	**6,788**	5,782	5,835	7,588	6,508
(c) Other income	**280**	502	408	532	143
Total (a+b+c)	**34,473**	31,980	29,503	28,598	22,175
(ii) EBITDA	**6,398**	6,418	6,132	6,135	5,250
(iii) Profit Before Tax (PBT)	**5,304**	5,527	5,242	5,235	4,382
(iv) Profit After Tax (PAT)	**3,983**	4,474	3,921	3,907	3,271
Balance Sheet					
(i) Gross Block (includes CWIP)	**19,662**	17,181	11,964	10,765	10,083
(ii) Net Block	**11,561**	5,148	5,539	5,604	5,748
(iii) Net Current Assets	**13,024**	14,409	13,756	11,844	8,242
(iv) Capital Employed	**30,623**	29,136	25,144	21,292	17,580
(v) Total Debt	**-**	-	60	294	298
(vi) Total Equity	**29,735**	28,449	24,173	20,372	16,569
Other Comparative Data					
(i) Net Profit (%)	**11.65%**	14.21%	13.48%	13.92%	14.85%
(ii) EBITDA / Capital Employed (%)	**20.89%**	22.03%	24.39%	28.82%	29.86%
(ii) Return on Equity (%)	**13.69%**	17.00%	17.61%	21.15%	21.80%
(iii) E.P.S (Rs)	**59.48**	59.48	52.13	51.95	43.49
(iv) Total Debt to Total Equity (%)	**0.00%**	0.00%	0.25%	1.45%	1.80%
(v) Total Debt to Capital Employed (%)	**0.00%**	0.00%	0.24%	1.38%	1.69%
(vi) Fixed Asset Turnover (times)	**2.98**	6.21	5.33	5.10	3.86
(vii) Working Capital Turnover (times)	**2.65**	2.22	2.14	2.41	2.69
(viii) Current Ratio (times)	**2.89**	3.82	3.91	3.77	2.89
(ix) Interest Cover (times)	**145.01**	129.87	139.35	187.11	180.07
(x) Total Income/Employee (Rs/millions)	**26.93**	24.95	23.07	21.26	16.83

Notes : (i) EBITDA is not a GAAP measurement, and used internally to measure the company's performance.

(ii) Return on Equity is profit after tax divided by average total equity.

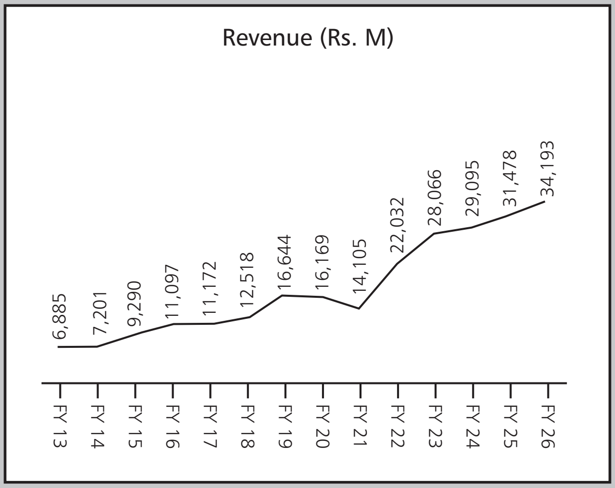
(iii) Fixed Asset Turnover is total income divided by net fixed assets as at the end of the year.

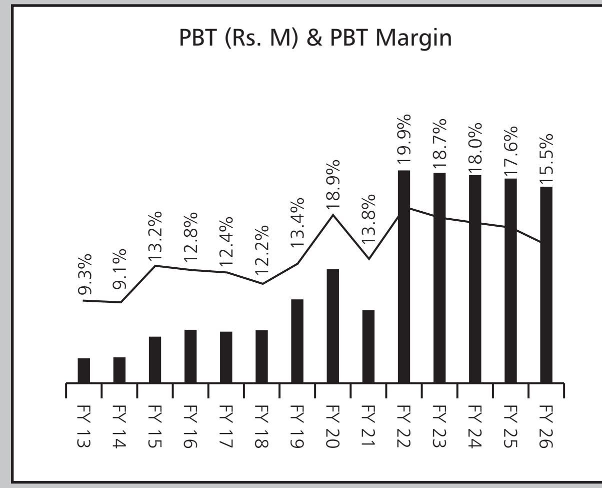
(iv) Working Capital Turnover is total income divided by net current asset as at the end of the year.

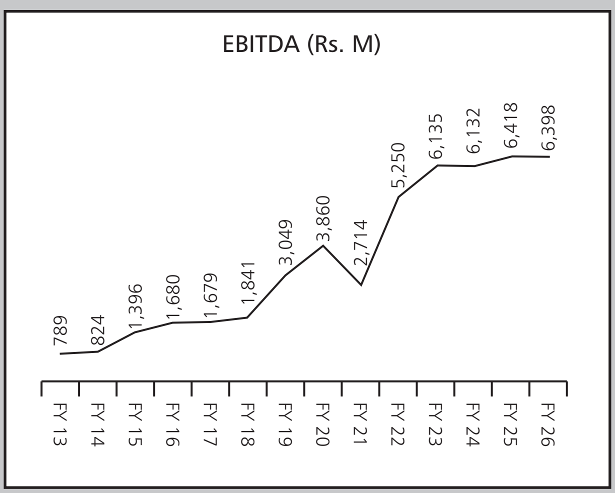
(v) Current ratio is current assets divided by current liabilities.

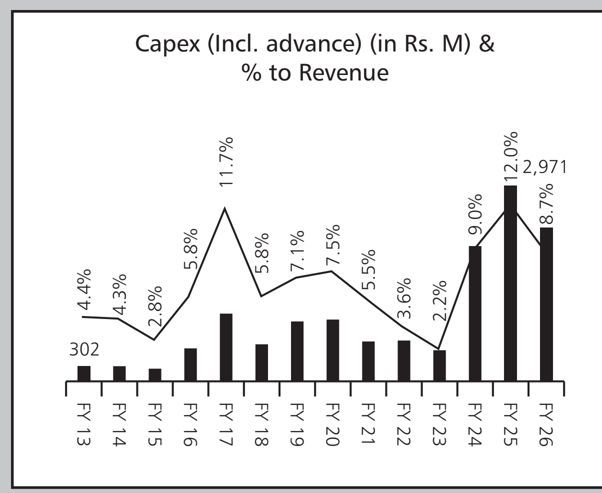
(vi) Interest Cover is profit before interest and taxation divided by net interest expenses.

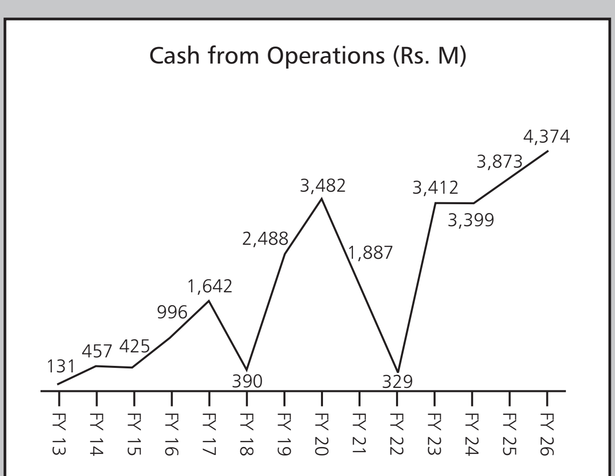
(vii) Figures are calculated on standalone basis

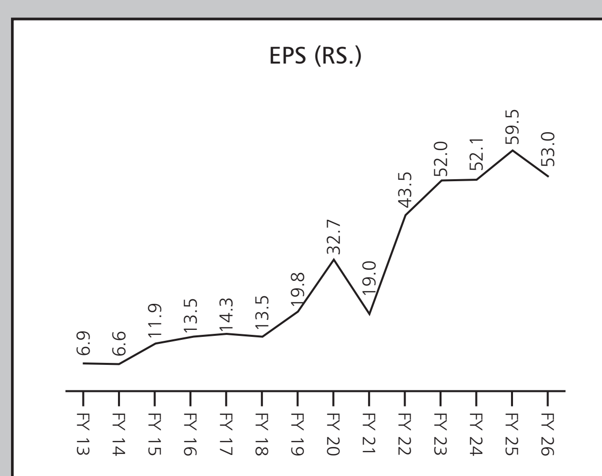












Figures are calculated on standalone basis

TIMKEN INDIA LIMITED

Regd. Office: 39-42, Electronic City, Phase II, Hosur Road, Bengaluru - 560 100
(CIN: L29130KA1996PLC048230)
Phone No. 080-41362000
Website: www.timken.com/en-in; Email Id: tilinvestor@timken.com

Notice

Notice is hereby given that 39th Annual General Meeting ('AGM') of Timken India Limited will be held on Tuesday, 18 August, 2026 at 3.00 PM (IST) through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact following businesses:

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Financial Statements for the financial year ended 31 March, 2026 along with reports of the Board of Directors and Statutory Auditors and in this regard, to consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:**

   "RESOLVED –

   THAT Audited Standalone Financial Statements for the year ended/as on 31 March, 2026 along with reports of the Board of Directors and the Statutory Auditors be and are hereby considered and adopted;

   THAT Audited Consolidated Financial Statements for the year ended/as on 31 March, 2026 and report of Statutory Auditors be and are hereby considered and adopted.**"**

2. **To declare dividend of Rs. 2.50 /- per equity share of Rs.10/- each fully paid up for the financial year ended 31 March, 2026 and in this regard, to consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the applicable provisions of law, dividend @ Rs.2.50/- per equity share of Rs. 10/- each fully paid up for financial year 2025-26 as recommended by the Board of Directors, be and is hereby approved and be paid:

   a. in respect of shares held in physical form to those shareholders whose names appeared in Register of Members of the Company as at close of business on 31 July, 2026;

   b. in respect of shares held in dematerialised form, to those beneficial owners whose names appeared in the statements as may be furnished by the depositories for this purpose as at close of business on 31 July, 2026.**"**

3. **To appoint a Director in place of Mr. Hansal Patel (DIN:09607506), who retires by rotation and being eligible, offers himself for re- appointment and in this regard, to consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:**

   "RESOLVED THAT Mr. Hansal Patel (DIN:09607506) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company.**"**

SPECIAL BUSINESS:

4. **Ratification of remuneration payable to the Cost Auditors**

   To consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modifications or amendments or re-enactments thereof) and based on recommendation of the Audit Committee and approval of the Board of Directors, remuneration of Rs. 7,00,000/- (Rupees Seven Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses payable to M/s. Shome & Banerjee (Firm Registration No. 000001), Cost Auditors, to conduct Cost Audit for the financial year 2026-27 be and is hereby ratified and approved.**"**

5. Material Transactions with Related Party – The Timken Company

To consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"**RESOLVED** –

THAT pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications or amendments or re-enactments thereof) and such other applicable provisions of laws, approval of the Members of the Company be and is hereby accorded to estimated related party transactions with The Timken Company, a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, as set out in explanatory statement attached hereto;

THAT the Audit Committee of the Board of Directors be and is hereby authorized to do all such acts, deeds and things to give effect to this Resolution.**"**

6. Material Transactions with Related Party – The Timken Corporation

To consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"RESOLVED –

THAT pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications or amendments or re-enactments thereof) and such other applicable provisions of laws, approval of the Members of the Company be and is hereby accorded to estimated related party transactions with The Timken Corporation, a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, as set out in explanatory statement attached hereto;

THAT the Audit Committee of the Board of Directors be and is hereby authorized to do all such acts, deeds and things to give effect to this Resolution.**"**

7. Material Transactions with Related Party – Timken Wuxi Bearings Co. Ltd.

To consider and if thought fit, to pass with or without modification, following resolution as an Ordinary Resolution:

"**RESOLVED** –

THAT pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modifications or amendments or re-enactments thereof) and such other applicable provisions of laws, approval of the Members of the Company be and is hereby accorded to estimated related party transactions with Timken Wuxi Bearings Co. Ltd., a related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations, as set out in explanatory statement attached hereto;

THAT the Audit Committee of the Board of Directors be and is hereby authorized to do all such acts, deeds and things to give effect to this Resolution.**"**

By Order of the Board

Date: 1 July, 2026
Place: Bengaluru

Sd/-
Mandar Vasmatkar
Company Secretary
& Chief - Compliance
ACS-23953

NOTES :

1. The Ministry of Corporate Affairs vide its Circular dated 22 September, 2025 read with Circulars dated 8 April, 2020, 13 April, 2020, 5 May, 2020 and other relevant Circulars issued by Ministry of Corporate Affairs on this subject matter (collectively referred to as "MCA Circulars") has allowed to conduct AGM through VC/OAVM without physical presence of the Members. In view of the same, AGM of the Company is being held through VC/OAVM. Deemed venue for the AGM shall be the Registered Office of the Company. Since physical attendance is dispensed with for this Meeting being conducted through VC/OAVM, facility of appointment of proxy is not available. In view of same, proxy form, attendance sheet and route map are not attached to this Notice.
2. Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act') in respect of item nos. 4 to 7 is annexed hereto. Applicable details relating to Director pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard-2 ('SS-2') are also annexed to this Notice.

3. Those Members whose dividend is unpaid or unclaimed for financial years 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 of the Company may please contact Investor Relations at tilinvestor@timken.com for payment.
4. Amount outstanding in unpaid dividend accounts in respect of financial years as mentioned above will be transferred to Investor Education and Protection Fund ("IEPF") after end of seven years from the date when the said dividend was transferred to unpaid dividend account. Accordingly, unpaid dividend for financial year 2018-19 relating to Company is due for transfer to IEPF in the month of September, 2026.
5. Dividend on equity shares, as recommended by the Board of Directors (Rs. 2.50 /- per equity share of Rs.10/- each fully paid up), if declared at 39th AGM of the Company, will be paid to those Members whose names will appear on the Register of Members of the Company or in the statement as may be furnished by the depositories for this purpose as at the close of business on 31 July, 2026.
6. Beneficial Owners of shares in demat form are advised to get particulars of their bank accounts and PAN details updated with the Depository Participants.
7. Members may note that pursuant to Section 108 of the Act read with Rules made thereunder and Regulation 44 of Listing Regulations, the Company is providing remote e-Voting facility for voting on the resolutions proposed to be passed at the 39th AGM. This Notice contains a set of instructions for remote e-Voting and also for e-Voting on the day of AGM as per applicable provisions of law.
8. In compliance with MCA Circulars read with Regulation 36 of Listing Regulations, Annual Report and Notice of AGM will be sent by e-mail to those Members who have registered their e-mail address with the Company/ Depository. Additionally, the Company will be also sending a letter to Members whose e-mail addresses are not registered with Company/Depository providing weblink from where the Annual Report for FY 2025-26 can be accessed. The Company will provide physical copies of Annual Report on request from Shareholder. Copies of Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which the Directors are interested, will be available for inspection by the Members upto the date of AGM. Members seeking to inspect such documents can send an email to tilinvestor@timken.com.
9. It may please be noted that dividend to shareholders holding shares in physical form shall be paid only if all KYC details are mapped with the Company/RTA. It may also be noted that dividend for the financial year 2025-26, if declared at 39th AGM, shall be paid only through electronic mode to Shareholders. All relevant forms (i.e. Forms ISR-1, ISR-2, ISR-3, ISR-4, ISR-5, SH-13 and SH-14) for updating KYC details are available on the website of the Company at https://www.timken.com/en-in/investors/statutory-compliances/ . Shareholders holding shares in physical form shall update their KYC on or before 31 July, 2026 to receive dividends.
10. The dividend income is taxable in the hands of shareholders effective 1 April, 2020, and the Company is required to deduct tax at source from dividend paid to the Members at the rates prescribed in the Income Tax Act, 2025 ('the IT Act'). In general, to enable the compliance with TDS requirements, Members are requested to complete and/ or update their Residential status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company/Registrars and Transfer Agents ('RTA') by sending documents through e-mail on or before 7 August, 2026 to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption. The detailed process is available on the Company's website at https://www.timken.com/en-in/investors/statutory-compliances/#dividend. For any tax related query, you may write to TIL.TDS@timken.com.

Statement pursuant to Section 102 of the Act

Item No. 4

Pursuant to Section 148 of the Act read with Rules made thereunder, the Company is required to maintain cost records and get the same audited by Cost Accountant in Practice. The Board of Directors, based on recommendation of the Audit Committee, has re-appointed M/s. Shome & Banerjee (Firm Registration No. 000001), as Cost Auditors for financial year 2026-27 at a remuneration of Rs. 7,00,000/- (Rupees Seven Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses. Pursuant to Section 148 of the Act read with Rules made thereunder, remuneration payable to the Cost Auditors requires ratification by the Members.

Rationale

M/s. Shome & Banerjee have requisite experience, expertise and skills to conduct cost audit. This appointment is in compliance with applicable laws. This item involving payment of remuneration to the Cost Auditors is therefore, placed before the Members for ratification. The Board recommends Resolution set out under item no. 4 for ratification by the Members.

Memorandum of Interest

No Director, Key Managerial Personnel or their relatives is concerned or interested in this Resolution.

Item Nos. 5, 6 & 7

The Company is listed on BSE Limited and National Stock Exchange of India Limited with majority of its share capital held by Timken Singapore Pte. Limited. The Company anticipates material related party transactions with following three related parties:

- The Timken Company: Ultimate Holding Company
- The Timken Corporation: Fellow Subsidiary
- Timken Wuxi Bearings Co Ltd (Timken Wuxi): Fellow Subsidiary

Summary of material related party transactions is as under: (₹ in Million)

Name of Related Party	Nature of Transactions	Actual transactions for year ended 31 March, 2026	Estimated transactions for FY 2026-27	Estimated transaction as % to turnover of FY 2025-26
(1)	(2)	(3)	(4)	(5)
The Timken Company	Purchase of Goods	599.29	853.00	
	Sale of Goods	2,014.37	1,962.00	
	Expense Receivable	1.39	26.00	
	Expense Payable	197.31	263.00	
	Agency Commission (Income)	1.23	5.00	
	Purchase of Property, Plant & Equipment	40.93	20.00	
	Royalty	843.56	970.00	
Total		**3,698.08**	**4,099.00**	**11.78%**
The Timken Corporation	Purchase of Goods	3,590.42	7,084.00	
	Sale of Goods	2,983.46	6,166.00	
	Purchase of Property, Plant & Equipment	7.40	137.00	
	Expense Receivable	5.45	15.00	
	Expense Payable	-	10.00	
	Agency Commission (Income)	7.92	15.00	
Total		**6,594.65**	**13,427.00**	**38.61%**
Timken Wuxi Bearings Co. Ltd.	Purchase of Goods	4,794.94	6,113.00	
	Expense Receivable	1.34	10.00	
	Expenses Payable	0.15	1.00	
	Purchase of Property, Plant & Equipment	-	1.00	
	Sale of Goods	27.42	41.00	
Total		**4,823.85**	**6,166.00**	**17.73%**

Amount of individual category of transactions mentioned above may vary within total amount of transactions. Further, modification in above transactions not qualifying as material modification may be approved by the Audit Committee as specified in the Listing Regulations.

Brief about transactions with The Timken Company

The Timken Company was founded by Mr. Henry Timken in 1899 with innovation and patent of the first tapered roller bearing. With its rich history of 125 years and expertise in materials science, friction management, and mechanical power transmission, The Timken Company plays a pivotal role in enhancing the performance and reliability of industrial machinery and equipment globally. Based in Canton, Ohio, USA, The Timken Company has continually evolved, serving a broad spectrum of industries including aerospace, mining, railroads, construction, automotive, energy, and the wind sector, as well as various after-market sectors. Through its strategic acquisitions, The Timken Company has expanded its global footprint and diversified its business operations, enabling it to launch innovative products and services. The Company mainly buys or sells products or their components from/to The Timken Company. The Company has been granted license by The Timken Company to use its tradename and technology for which the Company pays royalty to The Timken Company. Transactions referred above between the Company and The Timken Company amounts to approx. 4.88% of The Timken Company's revenue for 1 January, 2025 to 31 December, 2025 (CY 2025).

Brief about transactions with The Timken Corporation

The Timken Corporation works as the distribution center of Timken Group companies through whom majority of exports and imports of the Company are routed through for better distribution of Timken products and services. Instead of buying and selling products to individual Timken entities across the world or to final customer, the Company mainly buys or sells products from/to The Timken Corporation. Transactions referred above between the Company and The Timken Corporation amounts to approx. 8.89% of The Timken Corporation's revenue for CY 2025.

Brief about transactions with Timken Wuxi

Timken Wuxi mainly manufactures bearings and components. The Company buys mainly various types of bearings , its components and rollers (components) from Timken Wuxi to cater domestic demands. Transactions referred above between the Company and Timken Wuxi amounts to approx. 17.52% of Timken Wuxi's revenue for CY 2025.

Rationale or justification for transactions with aforesaid related parties

Timken is a well-recognized brand in India and all over the world. The Company derives significant branding strength by using Timken tradename. Transactions with aforesaid related parties are undertaken mainly to buy and sale finished products or components thereof. Timken group companies across the world use same quality standards including in India. When transactions with aforesaid related parties are undertaken, it is assured that quality of products is same. Timken has worldwide presence; likewise, many of its customers also have worldwide presence. Global customers having presence in India or outside would like to buy products from the Company as they are ensured that quality of product is same at all locations, and they don't face issues on this account. This helps the Company to enlarge the customer reach and market with business ease. Further, when the Company sells the products to aforesaid related parties it does not face issues in payment recovery which otherwise it may face in the event of sale to end customer in other geographies. Transactions with these related parties provide access to valuable management expertise and deep industry knowledge and also facilitate the integration of cutting-edge proprietary technologies and a robust synergy between the Company and related parties which promotes a conducive environment for mutual growth and innovation. These related party transactions have helped the Company so far and are expected to continue to help achieve lean supply chain, cost efficiency, quick payment recovery and administrative convenience.

Ordinary course of business and arm's length price determination

Proposed business transactions mainly cover following which are in the ordinary course of business and are at arm's length price:

- **Purchase or Sale of goods:** It mainly covers purchase or sale of finished bearings and its components which is the main business activity of the Company.
- **Purchase of Property, Plant & Equipments:** It mainly covers machines, capital tooling & gauges which are used in manufacturing activities. These capital tooling & gauges are Timken's proprietary design and are not off-the-shelf tools which can be procured from third party vendors directly.
- **Payment of Royalty to The Timken Company** is for the use of trademark and technology used in the process of manufacturing and sale of goods. Effective rate of royalty paid is approx. 2.5% of Company's revenue for FY 2025-26.
- **Other transactions:** Expenses Payable is in the nature of service charges, ERP & other software applications expenses. Expenses Receivable is in the nature of salary and other expenses which are cross charged at actuals and Agency Commission (Income) is received in relation to distribution of goods in India.

Arm's length price of aforesaid related party transactions is determined using methods specified under the Income Tax Act, 1961 such as Transaction Net Margin Method (TNMM), cost plus related margin basis, cost-to-cost basis, Comparable Uncontrolled Price (CUP), at targeted arm's length margin as per comparable data etc which broadly involves comparison for same or similar transactions.

Other Disclosures

- Above transactions do not pertain to loans, advances, inter corporate deposits or investments.
- The Audit Committee was provided with relevant information as per as per Industry Standards on minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions (ISF Standards) regarding these transactions and same is attached herewith as Annexure -I. The Audit Committee, after deliberation, has approved aforesaid related party transactions.
- The Board of Directors has recommended aforesaid related party transactions for approval of the Members.
- The Company did not rely on any external valuation report for these transactions.
- The Audit Committee has reviewed certificate given by Managing Director and Chief Financial Officer confirming that terms of aforesaid related party transactions are in the interest of the Company.

The Board recommends Resolutions set out under item nos. 5, 6 and 7 for approval of Members.

Memorandum of Interest

No Director, Key Managerial Personnel or their relatives is concerned or interested in the Resolutions except Mr. Hansal Patel and Mr. Michael Discenza for item nos. 5 & 6.

By Order of the Board

Date: 1 July, 2026
Place: Bengaluru

Sd/-
Mandar Vasmatkar
Company Secretary
& Chief - Compliance
ACS-23953

INSTRUCTIONS

INSTRUCTIONS FOR REMOTE E-VOTING:

1. In compliance with the provisions of Section 108 of the Act read with Rules made thereunder and Regulation 44 of Listing Regulations, the Company is pleased to provide to Members a facility to exercise their right to vote on resolutions proposed to be considered at the 39th AGM by remote e-Voting. The facility of casting the votes by the Members through remote e-Voting will be provided by National Securities Depository Limited ("NSDL").
2. The facility of e-Voting on the day of AGM shall also be made available by NSDL and the Members attending the Meeting who have not cast their vote by remote e-Voting shall be eligible to exercise their right to vote at AGM.
3. The Members who have cast their vote by remote e-Voting prior to AGM may also attend AGM but shall not be entitled to cast their vote again.
4. The remote e-Voting facility will be available during the following period:

Commencement of e-Voting	End of e-Voting
15 August, 2026 from 9.00 A.M.	17 August, 2026 till 5.00 P.M.

During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11 August, 2026 may cast their vote by remote e-Voting. The remote e- Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

5. **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for individual Shareholders holding securities in demat mode: In terms of SEBI Circular dated 9 December, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to **e-Voting website of NSDL** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home

Type of shareholders	Login Method
	page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, they can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk details for individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL are hereunder:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

B. Login Method for e-Voting and joining virtual meeting:

How to Log-in to NSDL e-Voting website?

1. Visit e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e- Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************.
c) For Members holding shares in Physical Form.	EVEN number followed by Folio number register with the Company. For example if Folio number is 001*** and EVEN number is 101456 then user ID is 101456001***.

5. Password details for Shareholders other than Individual Shareholders are given below:
   a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your Password.
   c. How to retrieve your 'initial password'?
      I. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open .pdf file. The password to open .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      ii. If your email ID is not registered, please follow steps mentioned below in process for those Shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a. Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b. **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of TIMKEN. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for procuring user ID and password for e-Voting for those Shareholders whose email IDs are not registered with the depositories / Company:

The Shareholders whose email ids are not registered with Depositories/Company shall send following documents to NSDL to obtain user id and password and registration of e mail ids for e-Voting for the resolutions set out in the Notice:

a. In case shares are held in physical mode, please provide Folio No, name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to tilinvestor@timken.com.

b. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to tilinvestor@timken.com. If you are an Individual Shareholder holding securities in demat mode, you are requested to refer to the login method explained at point 5, step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode.

c. Alternatively Shareholder/Members may send a request to evoting@nsdl.com for procuring user ID and password for e-voting by providing above mentioned documents.

d. In terms of SEBI circular dated December 9, 2020, on e-voting facility provided by listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of AGM is same as mentioned above for remote e-Voting.
2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS ATTENDING AGM THROUGH VC/OAVM:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker. For this purpose, please send request mentioning name, demat account number/folio number, email id, mobile number at tilinvestor@timken.com at least 5 (five) days before AGM date. Those Members who have registered themselves as a speaker will only be considered to express their views/ask questions during the meeting. However, the Company reserves a right to restrict number of speakers depending on availability of time for AGM. Members who would like to ask questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at tilinvestor@timken.com, 5 (five) days before the AGM date. The same will be replied by the Company suitably in the meeting.
6. Members can join AGM in VC/OAVM mode 30 minutes before and after scheduled time of commencement of the meeting by following procedure mentioned in the Notice. Members attending the AGM through VC/OAVM will be counted for purpose of reckoning the quorum.

GENERAL GUIDELINES FOR MEMBERS/SHAREHOLDERS

1. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer, by e-mail to compliance@sreedharancs.com with a copy marked to evoting@nsdl.com. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022-48867000 or send request at evoting@nsdl.com.
4. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 11 August, 2026.
5. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Notice of AGM and holding shares as of the aforesaid cut-off date may obtain login ID and password by sending a request at evoting@nsdl.com. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote.

6. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on aforesaid cut-off date only shall be entitled to avail the facility of remote e-Voting as well as e-Voting on the day of AGM. A person who is not a Member (not holding shares of the Company) as on aforesaid cut-off date should treat this Notice for information purposes only.

7. Mr. V. Sreedharan failing whom Mr. Pradeep B. Kulkarni, Practicing Company Secretary, have been appointed as the Scrutinizer to scrutinize remote e-Voting and e-Voting on the day of AGM in a fair and transparent manner. The Scrutinizer shall after the conclusion of voting at the AGM, will unblock the votes cast through e-Voting (remote e-Voting as well as e-Voting on the day of AGM) and shall submit, not later than two working days from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

8. Results declared along with the report of the Scrutinizer shall be placed on the Company's website at https://www.timken.com/en-in/investors/statutory-compliances/ and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed.

Details of Directors in terms of Regulation 36 of Listing Regulations and SS-2

Name of Director	**Mr. Hansal Patel**
Brief resume of the Director	Mr. Hansal Patel is serving The Timken Company as Executive Vice President, General Counsel and Secretary. Mr. Patel is a trusted legal advisor to senior leadership and oversees Timken's worldwide legal affairs, including securities, mergers and acquisitions, litigation, ethics, compliance, and government affairs. As Corporate Secretary, Mr. Patel leads the Timken's corporate social responsibility and corporate governance initiatives. He has been instrumental in the Timken's acquisition strategy to expand its power transmission product offering.
Date of Birth/Age	3 May, 1980/ 46 years
Date of first appointment	01 June, 2022
Expertise in specific functional areas	• Legal and Corporate Secretarial • Mergers and Acquisitions • Corporate Governance (For more details, please refer Corporate Governance Report)
Qualifications	Bachelor's degree from The Ohio State University Juris Doctor from Case Western Reserve University
List of companies in which Directorship/ Committee position is held as on 31 March, 2026 (other than Timken India Limited)	Bijur Delimon India Private Limited – Director
Listed entities from which the Director has resigned in the past three years	Nil
Chairman/Member of the Committees of the Board of the listed Companies in which he/ she is a Director as on 31 March, 2026	Nomination and Remuneration Committee – Timken India Limited
Shareholding in the Company including beneficial ownership	Nil
Relationship with other Directors/KMP	No relationship with other Directors/ KMP
No. of Board Meetings attended in FY 2025-26	4
Terms of Appointment/ Re-appointment	Liable to retire by rotation
Remuneration paid in FY 2025-26	Nil
Remuneration sought to be paid	Nil

Annexure- I

Relevant information as per Industry Standards on minimum information provided to the Audit Committee and Shareholders for approval of Related Party Transactions for financial year 2026-27. (ISF Standards)

PART A: MINIMUM INFORMATION OF THE PROPOSED RELATED PARTY TRANSACTIONS

A(1): BASIC DETAILS OF THE RELATED PARTY

Sl.No.	Particulars of the information	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
1	Name of the related party	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
2	Country of incorporation of the related party	United States of America	United States of America	China
3	Nature of business of the related party	Manufacturing and selling of engineered bearings and industrial motion products, and related services	Manufacturing and selling of engineered bearings and industrial motion products, and related services	Research, develop and produce special needle roller bearings, cylindrical roller bearings, self-aligning roller bearings, ball bearings, precision bearings and special bearings for mainframes, as well as their components. The sales business of bearings and their components

A(2): RELATIONSHIP AND OWNERSHIP OF THE RELATED PARTY

Sl.No.	Particulars of the information	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
1	Relationship between the listed entity and the related party – including nature of its concern (financial or otherwise) and the following:	Ultimate Holding Company	Fellow Subsidiary	Fellow Subsidiary
	• Shareholding of the listed entity, whether direct or indirect, in the related party.	NIL	NIL	NIL
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity.	NA	NA	NA
	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary.	51.05%	NIL	NIL

A(3): DETAILS OF PREVIOUS TRANSACTIONS WITH THE RELATED PARTY

Sl.No.	Particulars of the information	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
1	Total amount of all the transactions undertaken by the listed entity with the related party during the last financial year (FY 2024-25).	1. Purchase of Goods - ₹526.97 Mn	1. Purchase of Goods - ₹1,458.12 Mn	1. Purchase of Goods - ₹3,728.24 Mn
		2. Sale of Goods - ₹1,352.65 Mn	2. Sale of Goods - ₹2,769.77 Mn	2. Sale of Goods ₹26.92 Mn
		3. Expense Receivables - ₹3.84 Mn	3. Expense Receivable - ₹3.55 Mn	3. Expense Receivables ₹0.38 Mn
		4. Expense Payable - ₹219.33 Mn	4. Agency Commision (Income) - ₹12.87 Mn	4. Purchase of Property, Plant & Equipment - ₹0.28 Mn
		5. Agency Commission (Income) - ₹3.69 Mn	5. Purchase of Property, Plant and Equipments - ₹15.33 Mn	–
		6. Purchase of Property, Plant & Equipment - ₹0.79 Mn	–	–
		7. Royalty Expense - ₹808.16 Mn	–	–
		Total amount of transactions - ₹2,915.43 Mn	Total amount of transactions - ₹4,259.65 Mn	Total amount of transactions - ₹3,755.82 Mn

A(3): DETAILS OF PREVIOUS TRANSACTIONS WITH THE RELATED PARTY

Sl.No.	Particulars of the information	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
2	Total amount of all the transactions undertaken by the listed entity with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought. (April to Dec 2025)	1. Purchase of Goods - ₹465.81 Mn	1. Purchase of Goods - ₹2,317.20 Mn	1. Purchase of Goods - ₹3,507.94 Mn
		2. Sale of Goods - ₹1 206.10 Mn	2. Sale of Goods - ₹2,130.14 Mn	2. Sale of Goods - ₹25.79 Mn
		3. Expense Receivables - ₹1.39 Mn	3. Agency Commission (Income) - ₹4.91 Mn	3. Expense Receivables ₹0.61 Mn
		4. Expense Payable - ₹132.96 Mn	4. Purchase of Property, Plant & Equipment - ₹6.81 Mn	4. Expense Payable - ₹0.15 Mn
		5. Agency Commission (Income) - ₹1.01 Mn	–	–
		6. Purchase of Property, Plant & Equipment - ₹12.40 Mn	–	–
		7.Royalty Expense - ₹593.03 Mn	–	–
		Total amount of transactions - ₹2,412.70 Mn	Total amount of transactions - ₹4,459.06 Mn	Total amount of transactions - ₹3,534.49 Mn
3	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity during the last financial year.	NIL	NIL	NIL

A(4): AMOUNT OF THE PROPOSED TRANSACTION(S)

Sl.No.	Particulars of the information	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
1	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/shareholders.	₹4,099 Mn	₹13,427 Mn	₹6,166 Mn
2	Whether the proposed transactions material RPT?	Yes	Yes	Yes
3	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year (considered FY 2024-25).	13.02%	42.66%	19.59%
4	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year.	NA	NA	NA
5	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available. (CY 2025)	4.88%	8.89%	17.52%
6	Financial performance of the related party for the immediately preceding financial year:	Turnover - ₹84,018 Mn PAT ₹ 17,782 Mn Networth - ₹ 190,843 Mn	Turnover - ₹151,022 Mn PAT ₹ 946 Mn Networth - ₹ 90,839 Mn	Turnover - ₹35,189 Mn PAT ₹ 4,591 Mn Networth - ₹ 38,558 Mn

A(5): BASIC DETAILS OF THE PROPOSED TRANSACTION

Sl.No.	Particulars of the information	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
1	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	1. Purchase of Goods 2. Sale of Goods 3. Expense Receivables 4. Expense Payable 5. Agency Commission (Income) 6. Purchase of Property, Plant & Equipment 7.Royalty Expense	1. Purchase of Goods 2. Sale of Goods 3. Expense Receivables 4. Expense Payable 5. Agency Commission (Income) 6. Purchase of Property, Plant & Equipment	1. Purchase of Goods 2. Sale of Goods 3. Expense Receivables 4. Expense Payable 5. Purchase of Property, Plant & Equipment
2	Details of each type of the proposed transaction	1. Purchase of Goods 2. Sale of Goods 3. Expense Receivables 4. Expense Payable 5. Agency Commission (Income) 6. Purchase of Property, Plant & Equipment 7.Royalty Expense	1. Purchase of Goods 2. Sale of Goods 3. Expense Receivables 4. Expense Payable 5. Agency Commission (Income) 6. Purchase of Property, Plant & Equipment	1. Purchase of Goods 2. Sale of Goods 3. Expense Receivables 4. Expense Payable 5. Purchase of Property, Plant & Equipment
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	One year	One year	One year
4	Whether omnibus approval is being sought?	Yes	Yes	Yes
5	Value of the proposed transaction during a financial year. *If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.*	1. Purchase of Goods - ₹853 Mn 2. Sale of Goods - ₹1,962Mn 3. Expense Receivables - ₹26 Mn 4. Expense Payable - ₹263 Mn 5. Agency Commission (Income) - ₹5 Mn 6. Purchase of Property, Plant & Equipment - ₹20 Mn 7. Royalty Expense ₹970 Mn	1. Purchase of Goods - ₹7,084 Mn 2. Sale of Goods ₹6,166 Mn 3. Expense Receivables - ₹15 Mn 4. Expense Payable - ₹10 Mn 5. Agency Commission (Income) - ₹15 Mn 6. Purchase of Property, Plant & Equipment - ₹137 Mn	1. Purchase of Goods ₹6,113 Mn 2. Sale of Goods ₹41 Mn 3. Expense Receivables - ₹10 Mn 4. Expense Payable - ₹1 Mn 5. Purchase of Property, Plant & Equipment - ₹1 Mn
		Total amount of transactions - ₹4,099 Mn	Total amount of transactions - ₹13,427 Mn	Total amount of transactions - ₹6,166 Mn
6	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity.	The Company sells bearings and components to its group companies instead of selling to direct customer in that region. This ensure timely payment of money for products sold. At same time, the Company purchases bearings and components from its group companies to supply to customers in India. This helps to add customer base in India plus quality standard across Timken products is maintained. These transactions are carried out at arms length price. These are ongoing routine transactions.		
7	Details of the promoter(s)/ director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	Hansal Patel	NA	NA
8	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA	NA	NA
9	Other information relevant for decision making.	NA	NA	NA

PART B:INFORMATION TO BE PROVIDED ONLY IF A SPECIFIC TYPE OF RPT AS MENTIONED BELOW IS PROPOSED TO BE UNDERTAKEN AND IS IN ADDITION TO PART A,

B(1): SALE, PURCHASE OR SUPPLY OF GOODS OR SERVICES OR ANY OTHER SIMILAR BUSINESS TRANSACTION AND TRADE ADVANCES

Sl.No.	Particulars of the information	The Timken Company	The Timken Corporation	Timken Wuxi Bearings Co Ltd
1	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	As per Company Terms	As per Company Terms	As per Company Terms
2	Basis of determination of price.	**Purchase of Goods:** At targeted arm's length margin as per comparable data. **Sale of Goods:** At targeted arm's length margin as per comparable data.	**Purchase of Goods:** At targeted arm's length margin as per comparable data. **Sale of Goods:** At targeted arm's length margin as per comparable data.	**Purchase of Goods:** At targeted arm's length margin as per comparable data. **Sale of Goods:** At targeted arm's length margin as per comparable data.
3	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice) , if any, proposed to be extended to the related party in relation to the transaction, specify the following: a. Amount of Trade advance b. Tenure c. Whether same is self-liquidating?	NA	NA	NA

Notes:

The Audit Committee has approved above material related party transactions at its meeting held in the month of February, 2026. Therefore, at some places, details of FY 2024-2025 or April to December, 2025 were provided.

Royalty transaction with The Timken Company does not exceed 5% limit. Therefore, further details regarding royalty transaction were not required to be given.

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