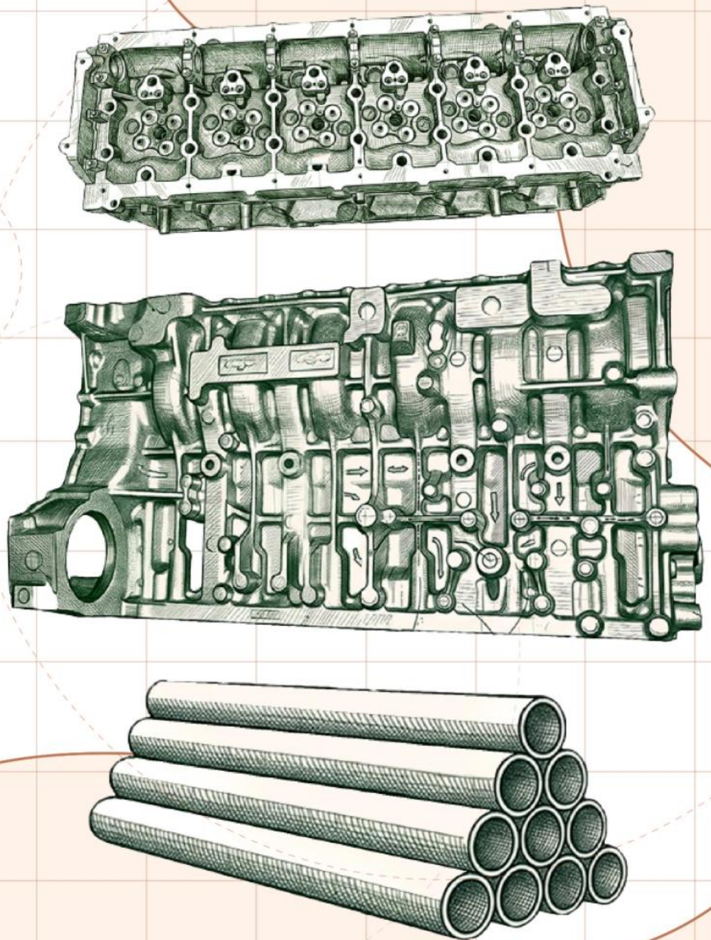
kirloskar Ferrous

From Strength to Value



Presentation for Q1 FY 27 Investors Call

6th August 2026

MADE IN KIRLOSKAR

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Statements in this presentation, particularly those which relate to management's views and analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

Previous year's numbers in the presentation are restated post the merger of Oliver Engineering Private Limited and Adicca Energy Solutions Private Limited with the Company.

KIRLOSKAR FERROUS INDUSTRIES LTD.

Quarter End Financial Highlights- Standalone

(₹ Cr)

1,772	216	134
Q1 Revenue (4% Up YoY)	**Q1 EBITDA (1% down YoY)**	**Q1 PBT (6% Up YoY)**

Macro Environment & Business Context

Sector tailwinds across KFIL's key end-user industries

Macro Tailwinds — Key Sectors

Demand environment across KFIL's primary end-user industries

Market Demand

- Domestic demand remained strong, led by government infrastructure spending, while exports stayed mixed.
    - **Tractors:** Healthy demand driven by mechanization, rural infrastructure, and replacement demand.
    - **Commercial Vehicles:** Growth supported by infrastructure, mining, and fleet replacement.
    - **Industrial :** DG set demand remained strong, while industrial engines were impacted by delayed capex.
    - **Off-Highway:** Construction demand softened, while mining remained resilient.
- **Bearings & Industrial Machinery**: Supported by the massive 26% YoY growth in passenger vehicles and robust commercial vehicle production, demand for precision bearings and industrial machinery remains on a strong upward trajectory.
- **Alloy Steel Market:** The alloy steel segment saw significant expansion. Consumption surged 25.6% YoY to 3.0 million tonnes in Q1 FY27, driven by high demand from the precision engineering and automotive sectors.

Input Commodities

- **Steel:** Domestic demand remained robust, with consumption outpacing production, supported by infrastructure and manufacturing.
- **Iron Ore:** Global prices softened, while domestic production remained strong.
- **Coking Coal:** Prices stayed firm due to supply constraints, with import dependence continuing to pressure costs.
- **Policy:** Government infrastructure spending and supportive policies continued to drive manufacturing demand.
- Ongoing geo-political uncertainties may continue to put pressure across all the input commodities including power, fuel and logistics costs.

Outlook: Demand is expected to remain healthy, supported by infrastructure spending, rural recovery, and improving industrial activity.

Sources: MarkLines India Sales Report; *The Hindu* – June Auto Retail Sales; TractorGyan – Retail Tractor Sales (Q1 FY27); *The Economic Times* – Steel Consumption; Megaproject – India Steel Production (Q1 FY27); BigMint – Global Steel & Raw Material Prices; Procurement Resource – Coking Coal Price Trends.

Financial and Operational Highlights

Standalone & Consolidated — Q1 FY27

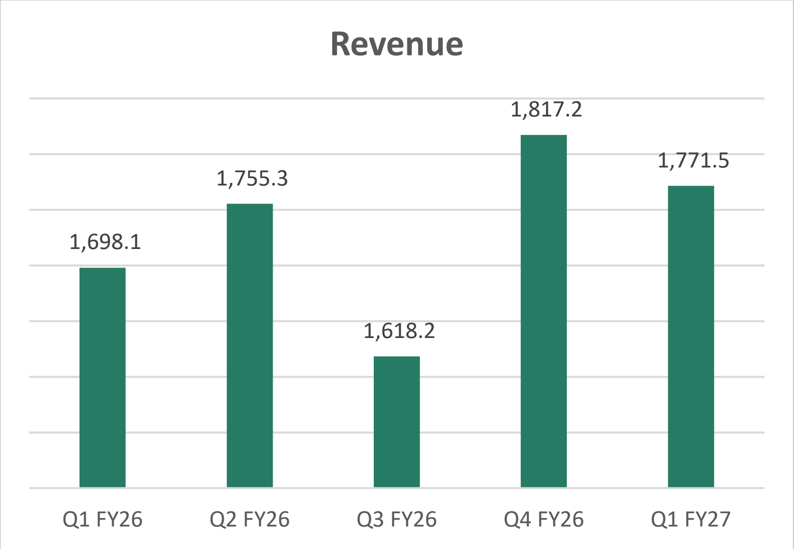
P&L Standalone

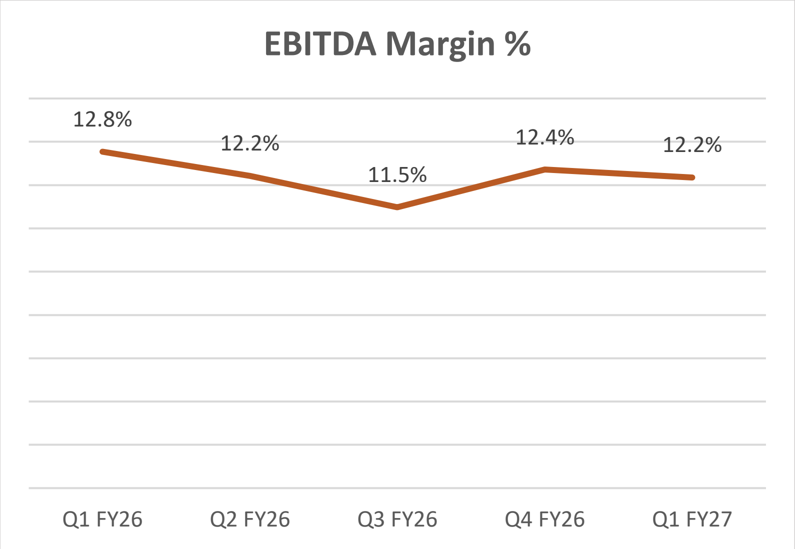
All amounts in INR Crores.

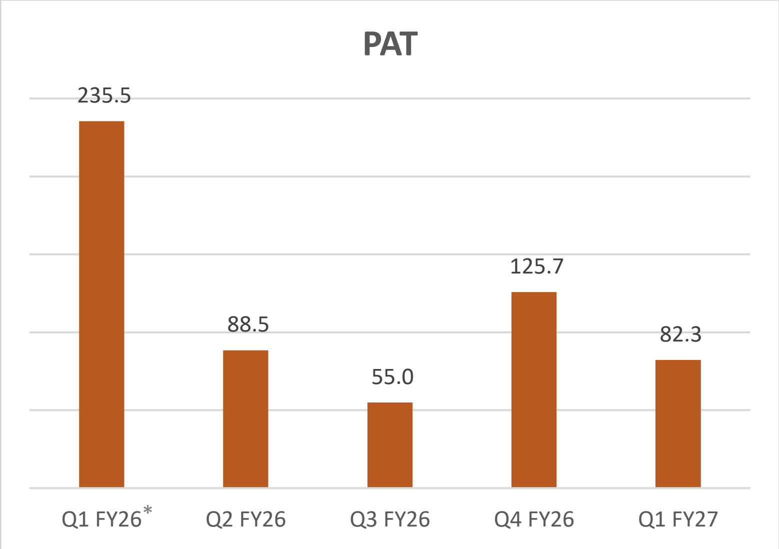
Particulars	30th June 2026 Unaudited	Quarter ended 31st March 2026 Audited	30th June 2025 Unaudited
Revenue from Operations	1,771.5	1,817.2	1,698.1
Other Income	17.4	44.4	8.5
Total income (1+2)	**1,788.9**	**1,861.5**	**1,706.5**
Expenses			
(a) Cost of Materials consumed	1,005.1	979.9	957.7
(b) Purchase of stock-in-trade	-	-	4.3
(c) Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	(53.2)	56.9	32.3
(d) Employee benefits expense	98.9	90.9	87.1
(e) Finance costs	29.5	29.9	34.0
(f) Depreciation and amortisation	69.3	69.2	64.1
(g) Other expenses	505.0	464.8	399.9
Total Expenses	**1,654.5**	**1,691.7**	**1,579.3**
Profit Before tax (before exceptional items)	**134.4**	**169.9**	**127.2**
Exceptional Items	29.3	-	-
Profit Before tax (After exceptional items)	105.09	169.87	127.22
Profit After tax	82.3	125.7	235.5
EBITDA (excluding other income & before exceptional items)	**215.7**	**224.6**	**216.9**

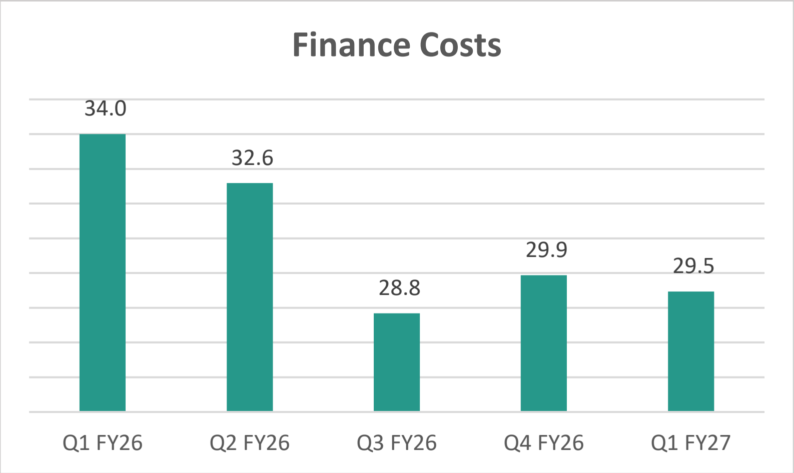
5-Quarter Trend — Standalone

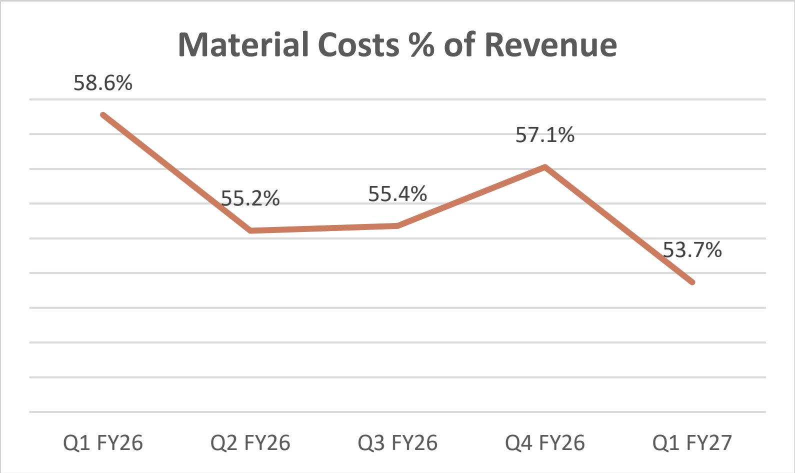
Revenue (₹ Cr) | EBITDA % | PAT (₹ Cr) I Finance (₹ Cr) I Material Costs % I Power Costs %

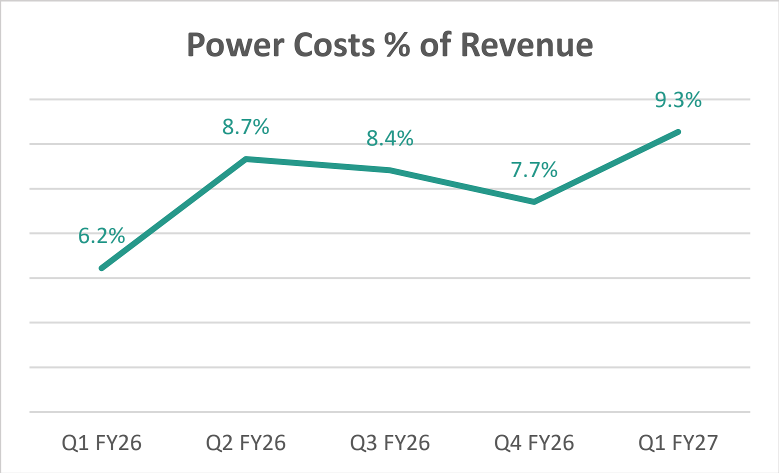












*Recognition of deferred Tax on unabsorbed depreciation and carry forward losses arising from Oliver and Adicca Merger.

Sales Volume & Realisations — Standalone

Sales Volume (MT)

Product	Q1 FY26	Q4 FY26	Q1 FY27	QoQ	YoY
Pig Iron (MT)	1,32,392	1,25,891	**1,28,737**	*2%*	*-3%*
Castings (MT)	34,941	38,957	**41,345**	*6%*	*18%*
Steel (MT)	20,105	24,812	**22,633**	*-9%*	*13%*
Tubes (MT)	48,461	51,106	**41,512**	*-19%*	*-14%*

Sales Rs. Cr

Product	Q1 FY26	Q4 FY26	Q1 FY27	QoQ	YoY
Pig Iron	515	498	**546**	*10%*	*6%*
Castings	424	501	**527**	*5%*	*24%*
Steel	144	170	**168**	*-1%*	*17%*
Tubes	553	569	**475**	*-16%*	*-14%*
Others	63	79	**55**	*-31%*	*-13%*

Realizations

₹/MT	Q1 FY26	Q4 FY26	Q1 FY27	QoQ	YoY
Pig Iron	38,906	39,561	**42,383**	*7%*	*9%*
Castings	1,21,362	1,28,639	**1,27,535**	*-1%*	*5%*
Steel	71,435	68,338	**74,434**	*9%*	*4%*
Tubes	1,14,057	1,11,394	**1,14,521**	*3%*	*0%*

P&L Consolidated

All amounts in INR Crores.

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Working Capital & Debt Details

Gross Debt, Working Capital and Q1 FY 2027 Capex

Debt Position, Working Capital & Capex

Standalone | ₹ Crores as on June 2026

₹1,156 Cr

Gross Debt (Q1 FY27)

1.29x

Net Debt / EBITDA (Annualized)

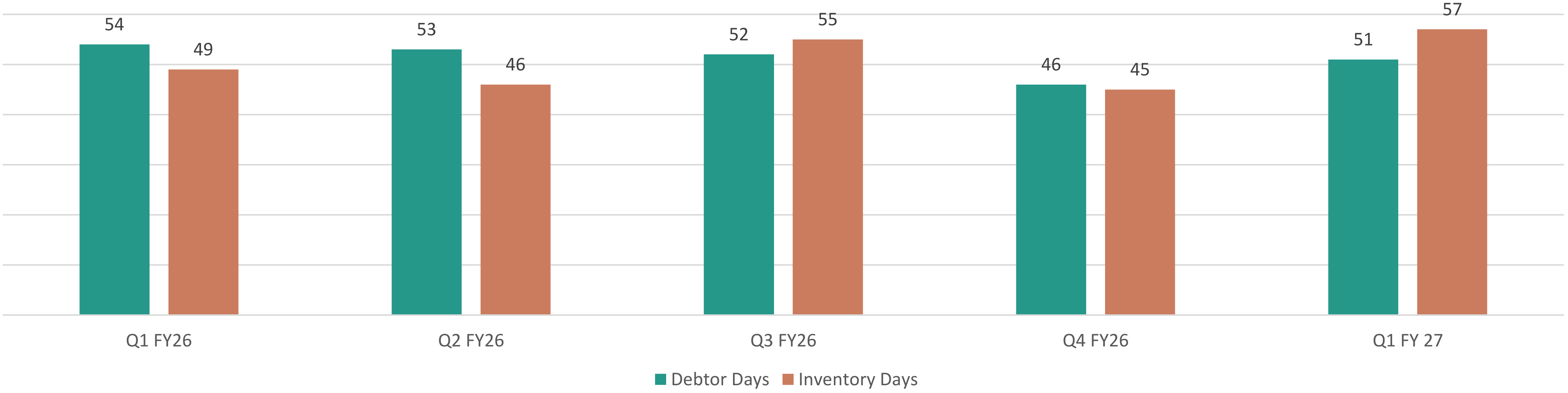
**Net Debt = Gross Debt less cash and bank balances*

₹131 Cr

YTD FY27 Capex

Efficiency + green energy

Debtors and Inventory Days



Project Updates & End-User Profile

Capacity, efficiency, and customer mix

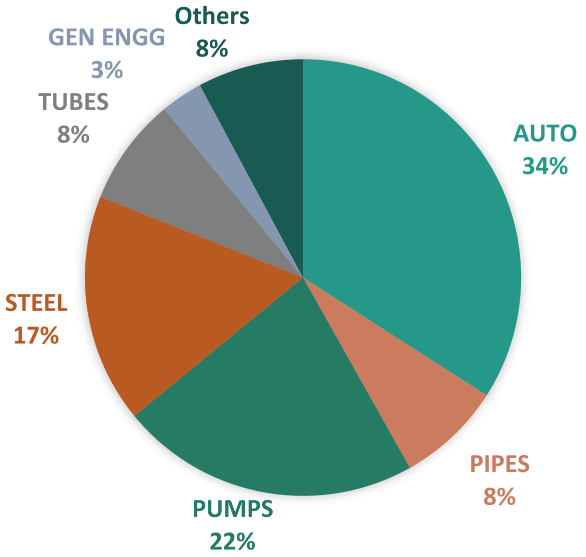
Key Project Status — FY27 Pipeline

Efficiency, sustainability, and capacity enhancement initiatives

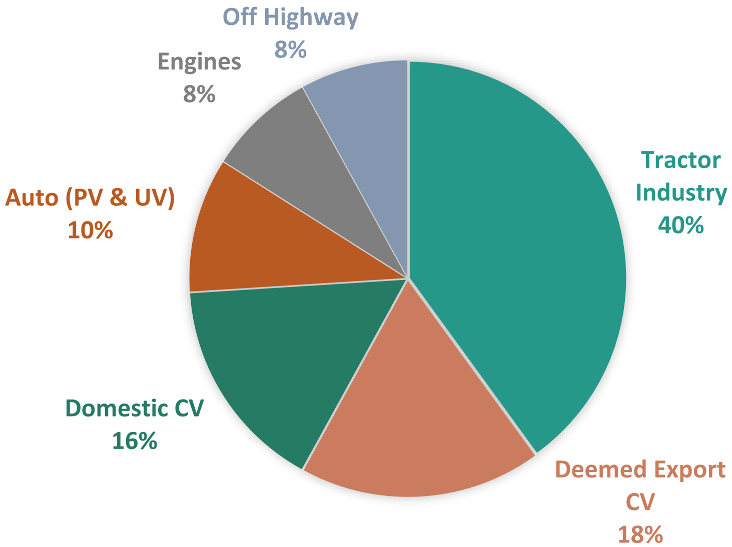
Sr. No	Project	Key Objective	Projected timeline for completion
1	Coke Bunker Heating with flue gases-at Hiriyur Plant	To remove the moisture in the coke to reduce the coke consumption	QIII 2026-27
2	149 TPD Oxygen Plant at Koppal	To reduce coke consumption and productivity improvement	QIV 2026-27
3	Machining capacity enhancement	Ramping up machine shop capacity	ONGOING
4	New Foundry Line at Solapur - Two part - Phase 1	For large castings	QIII 2026-27
5	New Foundry Line at Solapur - Two part - Phase 2	For large castings	QIV 2028-29
6	Solar Project - 35 MW	Power cost Reduction	QII 2026-27
7	Wind Mill Project - 25 MW	Power cost Reduction	QII 2026-27

End User Profile

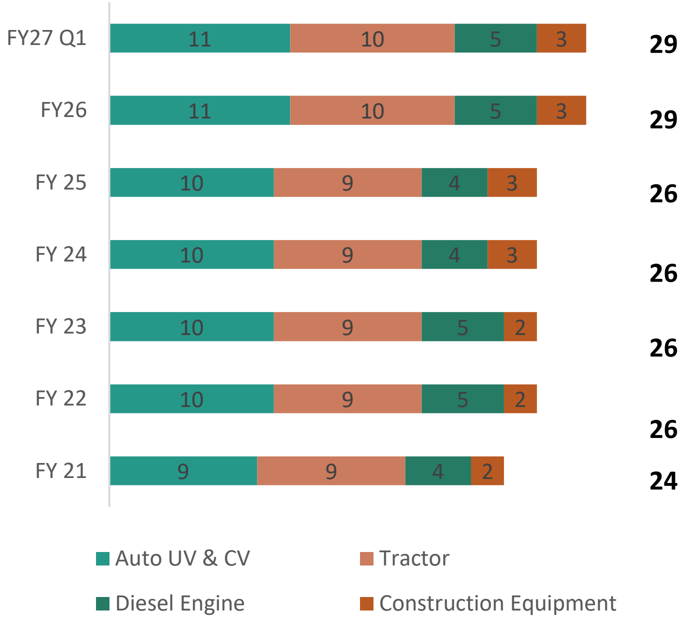
Pig Iron



Castings



Castings Customer Base

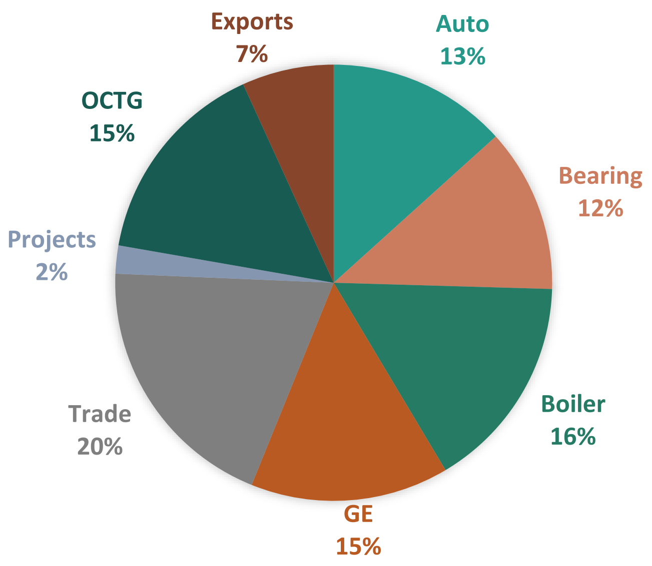


Updates- Q1 FY27

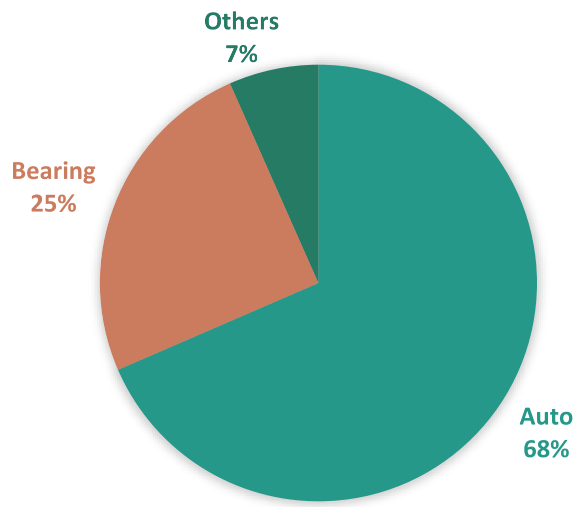
% based on volumes (MT)

End User Profile

Tubes



Steel



Updates- Q1 FY27

% based on volumes (MT)

Strategic Priorities

& Outlook for FY27

Building on a resilient FY26 foundation

KFIL: Strategic Priorities for FY27

Five pillars driving margin expansion and volume growth

01 Cost Leadership

- Solar (35 MW) + Wind (25 MW) commissioning
- Coke moisture reduction initiatives (Koppal done; Hiriyur during FY27)
- Target: EBITDA margin improvement from cost initiatives alone

02 Product Mix Upgrade

- New two-part foundry line at Solapur — targets large castings
- Growth in sale of tubes to auto, bearing, hydraulics and general engineering aligned to market growth
- Increase share of value-added / engineered castings to improve realisation per MT
- Shift tube mix toward OCTG and projects

03 Market Diversification

- Grow deemed and direct export casting share — Leverage on improved opportunities
- New customer additions in industrial bearings, boiler, and hydraulics tube segments
- Expand geographic footprint in tubes and casting

04 Operational Resilience

- Debottlenecking capex to drive higher throughput without proportional cost increase
- Maintenance shutdown cycle optimisation — reduce unplanned downtime across plants
- Strengthen integrated pig iron → casting → tubes value chain for margin capture

05 Sustainability & Governance

- Maximize green energy share in the energy mix
- Pursue GreenCo or similar manufacturing certification for key plants
- Scope 1 & 2 emissions baseline and intensity reduction roadmap for FY27 BRSR
- Strengthen ESG disclosures in line with SEBI BRSR Core reporting requirements

About Kirloskar Ferrous Industries Limited

Company Overview

Kirloskar Ferrous Industries Ltd. (KFIL) is a leading integrated ferrous manufacturer and a key company within the diversified Kirloskar Group. KFIL operates across the iron and steel value chain — from pig iron smelting to downstream castings, steel, and precision tubes — serving a broad base of industrial customers.

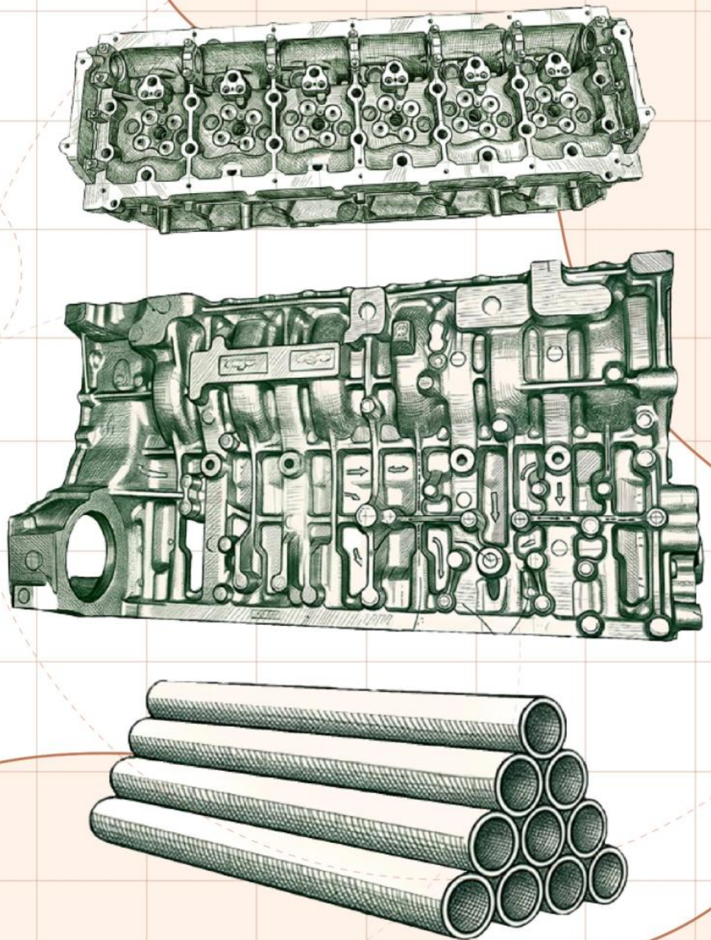
KFIL's integrated model provides a natural cost hedge: pig iron produced at blast furnaces feeds into casting operations, enabling margin stability across cycles. The Company operates manufacturing facilities at Koppal (Karnataka), Hiriyur (Karnataka), Solapur (Maharashtra), Rajpura (Punjab), Jejuri (Maharashtra), Baramati (Maharashtra) and Ahilyanagar (Maharashtra).

KFIL is listed on both NSE (KIRLFER) and BSE (500245) and is a constituent of the Kirloskar Group, which has a legacy of over 136 years in Indian manufacturing.

Key Facts

Products	Pig Iron · Castings · Steel · Tubes
Listing	NSE: KIRLFER | BSE: 500245
Group	Kirloskar Group (est. 1888)
Plants	Koppal · Hiriyur · Solapur · Rajpura Jejuri · Baramati · Ahilyanagar
Q1 FY27 Revenue	₹1,772 Cr (Standalone)
Q1 FY27 EBITDA	₹216 Cr | 12.2% Margin (Standalone)

From Strength to Value



MADE IN KIRLOSKAR

Thank You

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