KIRLOSKAR BROTHERS LIMITED

A Kirloskar Group Company

Manufacturing Pumps Since 1926
A Century Strong. Infinite Motion.

Enriching Lives

SEC/ F:26 August 10, 2026

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Ring,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

(BSE Scrip Code – 500241)

National Stock Exchange of India Ltd.
5th Floor, Exchange Plaza,
Bandra (East),
Mumbai - 400 051.

(NSE Symbol - KIRLOSBROS)

Dear Sir/Madam,

Sub: Transcript of Conference Call with Analysts / Investors on Unaudited Financial Results for the Quarter ended on June 30, 2026

Ref: Regulation 30 & 46 read with Clause 15 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is in continuation of our letter dated July 27, 2026 giving intimation of the subject mentioned conference call and subsequently furnishing the web link for accessing the Audio recording of the said conference call vide our letter dated August 03, 2026.

In terms of the subject referred Regulations, please find attached the transcript of the Conference Call held on August 03, 2026 with Analysts / Investors on Unaudited Financial Results of the Company for the quarter ended on June 30, 2026.

Please note that the said transcript has also been uploaded on the website of the Company (https://www.kirloskarpumps.com) which can be accessed at the following link:

Link: https://www.kirloskarpumps.com/investors/financial-information/analyst_meeting_transcript/

You are requested to take the same on your records.

Thanking you,

Yours faithfully,

For **KIRLOSKAR BROTHERS LIMITED**

Devang B Trivedi
Digitally signed by Devang B Trivedi
Date: 2026.08.10 12:45:29 +05'30'

Devang Trivedi
Company Secretary

Encl.: As above.

KIRLOSKAR BROTHERS LIMITED
Established 1888
A Kirloskar Group Company

"Kirloskar Brothers Limited
Q1 FY '27 Earnings Conference Call"
August 03, 2026

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recording uploaded on the stock exchange on 03rd August 2026 will prevail.

KIRLOSKAR BROTHERS LIMITED
Established 1888
A Kirloskar Group Company

MANAGEMENT: **MR. SANJAY KIRLOSKAR – CHAIRMAN AND MANAGING DIRECTOR – KIRLOSKAR BROTHERS LIMITED**
MR. ALOK KIRLOSKAR – MANAGING DIRECTOR – KIRLOSKAR BROTHERS INTERNATIONAL B.V.
MS. RAMA KIRLOSKAR – JOINT MANAGING DIRECTOR – KIRLOSKAR BROTHERS LIMITED AND MANAGING DIRECTOR – KIRLOSKAR EBARA PUMPS LIMITED
MR. BHAVESH CHHEDA – CHIEF FINANCIAL OFFICER – KIRLOSKAR BROTHERS LIMITED
MR. DEVANG TRIVEDI – COMPANY SECRETARY – KIRLOSKAR BROTHERS LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY '27 Kirloskar Brothers Limited Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

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

I now hand conference over to Mr. Sanjay Kirloskar, Chairman & Managing Director from Kirloskar Brothers Limited. Thank you, and over to you, sir.

Sanjay Kirloskar: Thank you. Good afternoon, everyone. On behalf of Kirloskar others Limited, I extend a very warm welcome to all who have joined us on our call today. I hope everyone had an opportunity to go through the financial results and the investor presentation, which have been uploaded on the stock exchange and on the company's website.

On this call with me, I have Mr. Alok Kirloskar, Managing Director, Kirloskar Brothers International B.V.; Ms. Rama Kirloskar, Joint MD KBL and MD Kirloskar Ebara Pumps Limited; Mr. Bhavesh Chheda, our Chief Financial Officer; Mr. Devang Trivedi, our Company Secretary; and Strategic Growth Advisors, our Investor Relations Advisor.

Let me begin my remarks by giving some business highlights. Pleased to report that for Q1 of fiscal year '27, our consolidated revenue stood at Rs.11,049 million, registering a healthy 13% growth year-on-year. This performance was driven by robust demand across our diverse product portfolio of products and services, reflecting our strong market positioning, customer-centric approach and execution capabilities. Growth was well supported by sustained momentum across both domestic and international markets. So we continue to capitalize on emerging opportunities and strengthen our presence.

Our consolidated EBITDA for the quarter stood at Rs.1,306 million, registering a 2% year-on-year growth with EBITDA margin of 11.8%. During the quarter, we also recorded good order inflows across both domestic and international markets. Our consolidated order intake grew by 4% year-on-year to Rs.13,954 million, providing continued visibility for future growth.

Turning to our standalone domestic business for Q1 FY '27.

Revenue increased by 9% year-on-year to Rs.6,738 million, while EBITDA grew by 16% to Rs.920 million. Profit after tax stood at Rs.540 million, reflecting a 15% year-on-year growth. Our healthy order book coupled with our focused approach towards high potential business opportunities provides us with confidence in our growth outlook. We remain confident of delivering double-digit revenue growth in FY '27 over FY '26 for our standalone business.

As on June '26, our domestic pending orders amounted to Rs.25,577 million, excluding small pump order book, reflecting a strong pipeline. Further, we are seeing good order inflows across segments.

On the international front,

We reported a 19% year-on-year growth in revenue during Q1 FY '27. This performance was primarily driven by strong execution across SPP USA and Kirloskar Brothers Thailand Limited. SPP USA continues to witness encouraging traction in data centers, fire and HVAC projects.

EBITDA stood at Rs.207 million with EBITDA margin of 5.1%. This moderation was primarily attributable to a lower contribution from the services business which traditionally carries higher margins. We are actively focused on expanding the services portfolio, which we believe will support improvement going forward. Our overseas pending order book stood at Rs.15,045 million, providing strong visibility for the coming quarters.

Looking ahead, we remain optimistic about the company's growth trajectory backed by a healthy mix of domestic and international business, a robust order pipeline and continued focus on operational excellence. The company is well positioned to deliver sustainable growth in periods ahead. This is all from my side.

We can now begin the Q&A session. Thank you.

Moderator: Thank you very much. The first question is from the line of Manish Goyal from Thinqwise Wealth Advisors.

Manish Goyal: I have a couple of questions. Just on the standalone business observation on the stock adjustment, it seems that dispatches are being delayed because we have an inventory buildup like in Q1 also stock adjustment is Rs.82 crores. And FY26 Annual Report also shows that inventory working progress has jumped from 180 to 241. Advances to suppliers have jumped from Rs.32 crores to Rs.91 crores. So sir, does it imply that a lot of dispatches are withheld? Or is there any concern on that front, which is probably hindering the double-digit growth for us? That was the first question.

Second question is, sir, you did allude that SPP U.K. had a revenue mix issue with lower services contribution. So, by when should we be able to see the benefit of expansion of the service portfolio to start reflecting an improvement in margins for SPP U.K. And also, Rodelta is again seen a jump in losses in the current quarter. So maybe how should we look at in context of SPP U.K. and Rodelta overall overseas subsidiaries performance going forward.

Sanjay Kirloskar: Thank you, Mr. Goyal. Yes. Inventory has gone up as we had explained in the previous quarter, we were improving our foundries. And that exercise is complete. But what has happened was some of the orders were half completed and half not. And that is why we couldn't ship out the whole order. But this month itself, we've seen huge improvements, which we believe will be reflected in the current quarter.

Alok Kirloskar: Okay. So I just said that you mentioned about SPP U.K. and Rodelta. So I mentioned last time also that the services business should start kicking in, in third quarter, third quarter for them, which is second quarter for us here. And that's just because of the way the product mix was. I had explained that the chemical and petrochemical business service contracts related to chemical and petrochemical businesses are idling.

And I only said that you probably saw even a letter on LinkedIn, where the Chairman of INEOS was mentioning how, the high prices of energy have been killing the chemical industry in Europe and the U.K. So I mean that's reflective of that. But as I mentioned, we've got contracts with power plants, with water utilities. And a lot of those should come into effect, which will again get the blended margin back to a better level. going in the last 2 quarters for them and 3 quarters for us.

On the Rodelta side, I would say it's really delayed execution because you're seeing them all to get all our Dutch entities together. And we expect in the next 2 quarters for that to get better. So we are quite optimistic about both the entities, and we expect it to be in line with what we've always said that all the entities will be profitable and that we will look to have better than previous year numbers.

Manish Goyal: And Alok, if you can also talk about your -- how are we looking at U.S. operations going forward?

Alok Kirloskar: Yes, the U.S. operations, I think you have the numbers it is growing at quite a fast pace, in the breakup of this presentation, I think you've seen that it's grown about 20-plus percent last -- in the first – quarter-to-quarter. And a lot of it is from data centers as well as U.S. infrastructure projects.

We continue to be strong. We are under NDA, but we are looking to sign in the last steps of signing a further framework, a multinational framework contract with a major U.S. operator of data centers. So which is not just for pumps and modular systems. So we are still very optimistic about how we look to see the U.S. growing in the future. Does that answer your question?

Manish Goyal: No. So you said multiyear framework contract for which industry in U.S.?

Alok Kirloskar: For data center operator.

Manish Goyal: Okay. Okay. Okay. In U.S., right?

Alok Kirloskar: Data center operator, yes. Historically, we have work with them in the U.S., but now we'll work with them globally wherever they put up data centers, and they are very large I mean I can't mention to you because we have an NDA, but it's a very large operator.

Moderator: The next question is from the line of Raj Shah from ENAM AMC.

Raj Shah: Sir, my first question was on the order inflow side. You know you share how the prospects have been going as you have mentioned, in opening remarks as well. However, order inflows number was just up by 4%. And in standalone, it was up just by 3%. So, if you can throw some light on why this number was low single-digit. If you could have some better in which areas?

Rama Kirloskar: So, some of those orders were delayed this quarter and that's one of the reasons why you don't see that. But the growth on a standalone basis is around 14.9% for bookings. *(Please note the above statement was mentioned erroneously, it should be read as - But the growth on a standalone basis is around 5.4% for bookings)*

Sanjay Kirloskar: Year-on-year.

Rama Kirloskar: Are you talking about a certain sector?

Raj Shah: No, I was talking about order inflow?

Rama Kirloskar: Yes, that is the booking.

Raj Shah: Yes. So, it has been delayed. So, in the following quarters, you see good order inflow...

Rama Kirloskar: There was a certain large order got delayed. But other than that, we were as per plan.

Sanjay Kirloskar: Growth, over the last year's first quarter, there has been a 14.9% growth in order intake. *(Please note the above statement was mentioned erroneously, it should be read as - Growth, over the last year's first quarter, there has been a 5.4% growth in order intake)*

Raj Shah: Okay. Can I see your order book -- standalone order book, the breakup that you've given in the PPT sector wise, in the customer support and Engineering Services division, I see, on an average, every quarter, there is a Rs.80 crores to Rs.100 crores amount every quarter order book? But in this quarter, that order book has increased to Rs.232 crores. So is there any significant large order that we have received. That's my question.

Rama Kirloskar: Yes, there were certain orders that we received but I would not take that as a pattern because it purely depends on the customer's requirement. I hope that answers your question.

Raj Shah: Is that a fair assumption?

Rama Kirloskar: I hope that answers your question. Am I audible?

Raj Shah: Yes, yes, you are. I said as a follow-up, do you see that this will help us improve our standalone EBITDA margins?

Rama Kirloskar: Yes, definitely.

Raj Shah: Got it. Lastly, in the oil and gas side, as press release mentioned, we have received a 5,000 petrol pump order. So my question was, is this a repeat order from the previous customer or we have been able to get entry into a new customer as well?

Rama Kirloskar: Yes. So, there are only 3 to 4 large PSUs that buy this, and we are qualified by all. Now as of the end of Q1, we have around the booking of approximately Rs.217 crores in this business.

Moderator: The next question is from the line of Nirmam from Unique PMS.

Nirmam: Sir, my first question is on the standalone business. We've seen our sales growth picking up after a few quarters now. So do we see this momentum containing and improving from here on? And as a result, will margins and operating leverage also kick in?

Rama Kirloskar: We just did a huge foundry project, which we've come out of. So yes, that should enable higher revenues.

Nirmam: Okay. Secondly, on the order book breakup, we've given the split for industry where our pending order book has come. So do we see any challenges on that side?

Sanjay Kirloskar: No. Actually, it is in line with our annual operating plan for the quarter. And this was based on what we thought were going to be customers' orders, the orders that they would release. So this is why I've always said, don't look at our business quarter-to-quarter. Look at it at least half yearly or better yet annually, then you will see the difference. Because these are capital goods that we supply and sometimes the orders get delayed and sometimes they all come in a rush. But this is as per what we expected it to happen.

Nirmam: Okay. And Alok bhai, one question on the international business. So we've seen top line growth, but margins have impacted, as you mentioned, because of SPP UK. But given the increased traction in the U.S. business and U.K. coming back, so we see double-digit growth and margins improving from here on?

Alok Kirloskar: Yes. I mean I mentioned that earlier to Mr. Goyal that one is that we expect the service business to sort of come back in based on our order book in the last 2 quarters for them and the last 3 quarters for us here because, as you know, they're 1 quarter off because the calendar year and financial year is the same.

And the second point I think is that overall level that as the execution of orders takes place in Thailand and in the Netherlands, because they're a little bit delayed on order execution, then those numbers also should get better.

Moderator: The next question is from the line of Balasubramanian from Arihant Capital.

Balasubramanian: Sir, under the U.S. business, data center share, it's around 23%. So I'm trying to understand like which are the products we are supplying for data centers. And in the U.S., around 4,000 data centers are operating and I think another 2,000 is coming up. How do you plan to scale from 46 distributors to capture your large share in the market? And if you could talk about the specific addressable market for your specific pump solutions per data center, and how does that compare to your current average ticket size?

Alok Kirloskar: The market in the U.S. as you know, there are different players in the market. There are the operators. I'm just naming the operators. They are like people like Google or Amazon who have their own data centers. Then there are private equities. As an example, Brookfield, let's say, who puts up data centers and other companies hire space or book out the data center for a 20-year period and these companies basically make a utility-style cash flow.

And then there are other sort of versions of how these work in terms of data center size, scale, etcetera. So usually, our target market is hyperscale data centers. Hyperscale data centers require different packages. One is the intake water package, which gets the water to the data center. From there, there is a treatment facility usually and that requires some pumps, not usually bought by the data center, but bought by the person or the company that makes the treatment facility.

And after that are the main pumps, the data centers, which is the cooling pumps, the firefighting pumps, and the booster pumps. There is another system called on-chip cooling, which we don't do. But our booster pump sends the water as well as receives the water back with the warm -- sends the cold water to the on-chip cooling system and receives the warm water back from the on-chip cooling system and sends it to the chiller.

So I would say this is the overall package. We don't sell just the pumps, as you know, anymore. We sell modular systems that are in a container, plug-and-play along with the piping and the control systems, everything for the fire as well as the pumps to the chiller system as well as the booster package. So that's usually what we supply.

In the past, we used to say that about 1% to 1.5% of any capex really has pumps -- relevant capex. If you talk about power plants or whatever else, and that was also the case of data centers. But now, you know, usually the data center package for a hyperscale data center, excluding the intake water system, is between USD7.5 million to USD10 million. Sometimes it can go to USD12 million, but this is the usual kind of package that is there.

The intake water system changes because that's really dependent on what type of water you're pumping. If you're pumping sea water, then the price is totally different from pumping river water or lake water because obviously the corrosion and all those kinds of things. So, you know, it's not worth me telling you a number because that number varies significantly based on what kind of medium you're pumping in terms of water, whether it's saline or non-saline. So I think that gives you a picture of what is happening.

I think the question was how many data centers? I think I have mentioned it in the past, but I think there are approximately 4,000-odd operating data centers in the US and there are another currently 2,000 data centers that have received planning permission which includes power and water in the US. So from that point of view, there's a good opportunity.

To answer your other question about distributors, yes, we are taking on national distributors, but those are not necessarily connected to data centers because data centers have, like I said, operators, financiers, private equity players, and all these have some key consultants. I'll just name one as an example, let's say, AECOM as an example. So you know, really our work goes in working with the consultants as well as the end users to ensure they understand what we are supplying them and what is the specialty.

So, you know, as an example, hyperscale data centers claim anything from 99% uptime to 99.2% uptime. And usually this means in a whole year that there is a couple of hours between eight and nine hours of total downtime available for maintenance. So in our case, we have some specialized pumps where maintenance can be done from the outside.

And this obviously saves time for the pumps. So key items of the pump can be replaced and upgraded from the outside. So these kinds of things are what an operator or a consultant would appreciate, but it's not something a contractor would appreciate if you see the difference. So I would say, definitely, we are working to grow the distribution channel, but that's not necessarily connected to our data center business. I hope I've answered all the questions you asked.

Balasubramanian: Yes, sir. My next question, the subsidiary KPML, I think it majorly deals with stampings, motors, and castings. And so I'm trying to understand the margin impact from 12.5% to 7.3% in this quarter. This impact, because of the transition to EV or is there any other reasons? And if you could mention demand for stampings, motors, versus traditional ICE components.

Sanjay Kirloskar: Yes. So KPML, many times we've had questions as to why we have so many subsidiaries. And internationally, we are structured just like our major competitors around the world because almost every country demands that there be a local company doing business in that country.

Domestically, we had 2 subsidiaries and 2 joint ventures. The joint ventures being Kirloskar Corrocoat, and Kirloskar Ebara and the 2 subsidiaries being Kolhapur Steel and KPML. KPML makes state rotors and motors for specialized applications as well as motors that KBL uses in captive power plants. And TKSL makes casting steel castings for KBL as well as other customers. As you are aware, TKSL has been loss-making, but now they have started turning around the corner.

The output has started increasing. And we expect that TKSL will also be a profitable company going forward, especially as the requirements for power, whether thermal or nuclear pumps are required, this is where steel castings and large steel castings are required. So as KBL builds on its order board and the fact that BHEL is also a very large customer of TKSL we expect that this company will grow going forward.

But at the moment, as you are aware, TKSL was making losses and now merged in KPML. ~~And~~ This is the reason for the drop in margin at KPML has been that, we expect the margin to improve going forward. I hope that answers your question.

Moderator: The next question is from the line of Nishita Shanklesha from Sapphire Capital.

Nishita Shanklesha: Am I audible?

Sanjay Kirloskar: Yes.

Nishita Shanklesha: So just to understand why had our margins on a consolidated basis fallen so much in Q1 from 13% in Q4 to 10% a 3% margin de-growth. So just wanted to understand the moving for that?

Sanjay Kirloskar: Can you repeat your question?

Sanjay Kirloskar: Question is why there has been a drop in margin in the consolidated order book.

Bhavesh Chheda: In consolidated order, as Alok mentioned earlier, there is a little drop in the SPV UK business. Otherwise the standalone, the profit is more than the last year. EBITDA margin for the KBL was at 12.8% and current year 13.7%. So, drop is observed in the SPV UK business and that's why the consolidated numbers are lower.

Nishita Shanklesha: Okay. So as you mentioned that we expect the services business to improve from Q2 for us. So now we can expect the margins to improve as well, right?

Bhavesh Chheda: Correct.

Nishita Shanklesha: Okay. And you mentioned that on a standalone business, we expect a double-digit growth for the whole year. What is the revenue growth we expect on a consolidated basis for the full year?

Sanjay Kirloskar: There also, as we have mentioned, we will strive for double-digit growth.

Nishita Shanklesha: Okay. That is excellent. Thank you.

Moderator: Thank you. The next question is from the line of Priyesh from Mahindra Mutual Fund. Please proceed.

Priyesh: Yes. Hi. Good afternoon. Thank you so much for the opportunity and congratulations for the good set of numbers. Sir, just a couple of questions. First on order booking domestic, which is around at Rs.2,500 crores. How much it is executed in FY27?

Sanjay Kirloskar: Almost two-third of this order board, we believe we can execute in this year. However, I'd like to tell you that this does not reflect the retail sectors, the small pump business order board because there is no order board. Everything that is ordered is delivered in the same month, and that is approximately 45% to 50% of our business.

Priyesh: Standalone business. Okay. Okay. And sir, another question with respect to a standalone gross margin, so your revenue has been declined by around 26% quarter-on-quarter, but your gross margin has improved. Is it just because of the product mix or how do I interpret the same?

Rama Kirloskar: Yes, it is essentially the product mix that has changed and the price rise that has been done.

Priyesh: Okay. How much price hikes we have taken, let's say, in last since, let's say, January?

Rama Kirloskar: 10% approximately.

Priyesh: And is it sufficient to actually cover the, let's say, our raw material costs, which we have seen in the last 6 months or so?

Rama Kirloskar: Yes, we believe that will be sufficient.

Priyesh: Okay. And another question was on power order book, which has grown by 30%, and we have also spoken about the nuclear opportunity for a couple of times now. Of the, let's say, Rs.600

crores of order book, how much it is related to nuclear as of now? And if not -- if any, then what this segment is actually driving this growth in the power order book?

Sanjay Kirloskar: The exact number, I will not be able to give you, but I would say that possibly a large portion of that would be nuclear. As you are aware, we have also received orders for primary circuit pumps already close to about Rs.70 crores in the first quarter, and we expect some more orders, in the secondary circuit also, we received almost Rs.40 crores worth of orders for nuclear power plants.

So there is a pending order board of nuclear pumps. And on the other hand, we are supplying to some of the new thermal power plants that are coming up. I think one large order was also mentioned in there.

Priyesh: Okay, sir. Thank you so much. I will get back in the queue.

Moderator: Thank you. The next question is from the line of Rehan Saiyyed from Trinetra Asset Managers. Please proceed.

Rehan Saiyyed: Okay. Good afternoon to the team. And thanks for taking my question. So just wanted one clarification regarding your segment by business. So sir, if we look beyond FY27. So I just wanted to understand what's your view, like which business vertical like power, water, marine and defense, we have multiple segments. So as per your understanding, which segment is expected to deliver the highest incremental growth on EBITDA and EBIT level, yes. So this was my question, sir? And what was the reason behind it?

Rehan Saiyyed: What was the reason for growth?

Sanjay Kirloskar: What is the reason?

Rehan Saiyyed: Yes.

Sanjay Kirloskar: I think power will grow. Power, oil and gas, marine and defense and building and construction, thanks to urbanization and if the data center opportunity grows in India, I think these will be the areas where we will see growth within these will be the main growth drivers in India, to my mind.

Rehan Saiyyed: Okay. And sir, like is there any targets or benchmark we are keeping in mind for EBITDA margin, EBIT margin you are targeting?

Sanjay Kirloskar: As I've always said, we will strive for double-digit growth year-on-year.

Rehan Saiyyed: Okay. Thank you.

Moderator: Thank you. The next question is from the line of Manish Goyal from Thinqwise Wealth Advisors. Please proceed.

Manish Goyal: Yes, thanks for another opportunity. So question for Rama. You mentioned that for Petrol Pumps, till-date we have received orders of Rs.217 crores. So is it 17,000 plus 5,000, so 23,000 -- 22,000 pumps are you referring to?

Rama Kirloskar: It would be approximate figure, Mr. Goyal. I don't have the volume with me just now, but yes, that's approximately what it will be.

Manish Goyal: Okay. So this order booking is -- all the orders put together till date?

Rama Kirloskar: Until Q1 end.

Manish Goyal: Correct. And how much of the last year, large order, what we issued would have got executed? Because when I look at your oil and gas order book, it is roughly Rs.150-odd crores. So I'm just wondering that definitely, out of the first order, large part would have got executed?

Rama Kirloskar: Yes. We executed a bit of it last year. We did around Rs.74 crores dispatch from this entire quarter.

Manish Goyal: Okay. Okay. Okay. And rest of it should be done in the current year?

Rama Kirloskar: But you know what happens, we can dispatch it sometimes the end customer, we actually dispatch on the basis when the end customer wants it. So, as for the time line, we can do it within the year, subject to the end customer accepting it.

Manish Goyal: Sure. And also one more observation that industry-related order book has declined significantly this quarter. It has been probably we are seeing a downward trend for quite a long time. So what could be the reason? And how should we look at going forward?

Bhavesh Chheda: There is a mismatch. The industry order, what you see, what you are looking is Rs.556 million. Actually, it is a wrong print. Actually the order book is Rs.1,497 million. And the marine defense is 556.

Manish Goyal: Can you, sorry, repeat. What is the actual order book?

Sanjay Kirloskar: The industry order book, you said it has declined. Actually, the number of 556 is pertaining to marine and defense. And the industry order book is 1,497.

Manish Goyal: 1,497, okay.

Sanjay Kirloskar: It got switched in this thing.

Manish Goyal: Okay. Okay. Okay. Sure, sir. And the marine is okay. So this number has declined, okay. So sir, as you were mentioning, Mr. Sanjay Kirloskar in terms of the going forward order inflow should be very strong from oil and gas, thermal, marine and defense. So I ideally-- would it mean that this would lead to a higher revenue contribution from the engineered pumps probably help us improve our overall margin profile and it could be sustainable going forward?

Sanjay Kirloskar: Yes. This would help the Kirloskarwadi factory because some of these orders would come in large pumps and some of these orders would come under small and medium pumps. So as you are aware, the numbers now from the foundry are improving significantly. And we expect that our orders will be executed much faster than we were executing them earlier.

Manish Goyal: Okay. Okay. Okay. Okay. So really, what I probably missed in the first round of my question was so as you are alluding to double-digit growth, now onward, we should probably see a better execution and double-digit growth. And on the margin...

Sanjay Kirloskar: Fortunately, I think the orders will also come in better now, especially power, building and construction, I think oil and gas as well, we expect these orders will come in faster.

Manish Goyal: Okay.

Sanjay Kirloskar: Marine and defense, I wouldn't say because that depends a lot on budgets approved by the government and then the rate at which the companies that are building ships, the rate at which they place orders.

Manish Goyal: Sure, sure. And how would be the pipeline in thermal power? Like last year annual report says we received order inflow of Rs.228 crores. So, can we receive much higher than that in current year, number one? And number two, related question like are we probably dominant players for concrete volute pumps for water intake for this power thermal power plant, sir?

Sanjay Kirloskar: I think now we are the world's largest manufacturers of concrete volute pumps. We've made more than anyone else in the world. And we are one company, you know, we believe that concrete volute pump is far better for our end customer on a lowest life cycle cost basis. And that's why we promote concrete volute pumps over vertical turbine pumps that need a lot of spare parts.

Concrete volute pumps, the ones that we supplied our first supply in 1994, you'll be happy to note that the efficiency had dropped by only 2% in 30 years compared to normal pumps losing 1 to 1.5 percentage points per year. And this when it's pumping seawater 24/7. Also, the spare cartridge, they asked for a spare cartridge to be supplied along with the original pumps, that spare cartridge is still lying there.

So, it is our belief that customers who understand the life cycle cost are not so worried about being L1, and see the value of concrete volute pumps will go for concrete volute pumps. We are hopeful that the new plants that will be ordered in the coming years will also have concrete volute pumps based on their inherent performance.

But it depends on when they place the order. For nuclear power plants, currently they are asking for metallic volute pumps where instead of concrete casing, they have a sheet metal casing. And there also, I believe we have a 100% market share at the moment.

Manish Goyal: Okay. Okay. Sir, how is the progress on the development order for the primary circuit for the fleet ordering, sir? Where are we, sir?

Sanjay Kirloskar: I said we've reached very close to when an order can be placed after the tender comes.

Manish Goyal: Okay. So will you be able to participate in the current tender...

Sanjay Kirloskar: Yes. Yes.

Manish Goyal: Okay, okay.

Sanjay Kirloskar: Yes, because what has happened is, we have proved the hydraulic performance. It's far superior to what we had promised. Mechanically also, we've proved the pump. Metallurgically, we had some hiccups because we couldn't get it made in India. But since these are civilian nuclear power plants, there is nothing stopping us from import.

So, what we've done is we expect that we will get orders and therefore we have a company, a foundry in Europe as well as a foundry, another foundry in India, making all the trials so that metallurgically also it will be proved. We expect that by the middle of the month or by the end of the month, everything will be clear.

Manish Goyal: Okay. Okay. Thank you so much, sir. Thanks a lot.

Moderator: Thank you. The next question is from the line of Himanshu Upadhyay from Steadfort. Please proceed.

Himanshu Upadhyay: Yes. hi. Good afternoon. My question is to Rama, Kirloskar we have that JV Ebara where last year the revenues fell quite significantly and which is also in Industrial and Power and some of those segments. What is the outlook on that company and how are you looking about that company moving in, let's say, one or two years ahead? Hello? Hello?

Rama Kirloskar: Am I audible? Hello, am I audible?

Himanshu Upadhyay: Yes, now you're audible.

Rama Kirloskar: Yes. So as far as last year is concerned, 1 of our large packages, we were not able to dispatch because the customer did not want that package at that point in time. That was the first case for a domestic order. And then there were some international orders that got hampered because we couldn't ship them.

But they will go out and they've gone out in Q1. So I don't see that as a long-term issue. As far as booking is concerned, we see significant growth and export opportunities coming from the Gulf as well as from Africa. So we are quite hopeful to see that double-digit growth there both in booking and in revenue.

Himanshu Upadhyay: Okay. And secondly, we have focused on or in our presentation also we gave certain slides on subscription platform and all those things. And we've said that IoT is an important pillar for us for growth. So how is the progress on industrial side in domestic markets? And let's say what is your thought process from here on how big can it be and some thoughts on how that business will help us or scaling up or it is not scaling?

Rama Kirloskar: No, so we do see an order board in industrial. So now we're coming back to KBL. And one of the reasons why our revenue to you know did not seem flat this time for industrial is because of our foundry modernization program, that did affect some of our dispatches. But we do see that picking up in Q2.

Sanjay Kirloskar: And as far as your question on IoT, I think it's going quite well. We've now made the second version, we've made two versions, one is a very cheap version which can be used for lower cost pumps, and the other one is one which can be used with multiple pumps. You know, the first lot of IoT devices, each pump needed one device. Now we've made sure that more than one pump can go per device, theoretically reducing the cost for the customer for adoption. So, we are quite bullish about the future of this. It can be connected into other programs and so we expect that customers will order this in larger numbers going forward.

Rama Kirloskar: And other than critical sectors where you would expect such condition monitoring systems to be adopted, we also see significant traction in municipal water and irrigation projects. They too are asking for these in a lot of times the pump houses are in very, very remote areas where it's difficult to find skilled manpower for maintenance. So, we do see a lot of demand for these systems in those tenders as well.

Himanshu Upadhyay: Okay. And how large would be our base let's say where we have applied IoT in India market and -- this would be increasing something like this?

Sanjay Kirloskar: It's in hundreds at the moment.

Himanshu Upadhyay: Okay. Okay.

Sanjay Kirloskar: We are actually we are the only ones who can supply this at the moment in India when governments come out or customers come out with requirements, we're the only ones participating.

Himanshu Upadhyay: And does it is it helping us in our after-market business also?

Sanjay Kirloskar: Yes, because we're able to monitor the performance of the pumps.

Himanshu Upadhyay: And secondly, how on let's say we have that CSD…

Rama Kirloskar Can you speak up a little bit? You're very soft. Can you speak up a little bit? We can't hear you.

Himanshu Upadhyay: What I am saying is on customer support, okay? Though there is one large business what we have got this quarter, but is it helping us in our customer support and ESB? And can we think it can be a large chunk of, let's say, 10% of our order booking or revenue over a period of time with IoT and everything?

Rama Kirloskar: Yes, we do believe that that'll happen over time but it will still take time. Specifically for critical applications, it does help us for customer support because it helps us to ensure that the customer has no downtime.

Himanshu Upadhyay: Okay, okay. Thank you, Rama.

Rama Kirloskar: Thank you.

Moderator: Thank you. The next question is from the line of Sakshi Pratap from Pratap Securities. Please proceed.

Sakshi Pratap: Hi, sir. Thanks for the opportunity. Sir, I had two questions. Firstly, finance cost and other expenses have increased by 31% and 21% respectively. So, could you help us understand what factors led to this rise and should we expect these levels to remain elevated over the coming quarters?

Bhavesh Chheda: So, the other expenses increase is on account of two things. One is about the digitalization expenses what we are undertaking and the advertisement expenses what we are incurring.

Sakshi Pratap: Okay. Understood, sir. And secondly, what would be our planned capex for the entire year FY27 and also if you can highlight where would be we would be using this for investment?

Sanjay Kirloskar: Normally our capital expenditure is equal to depreciation and it is mainly used for modernization, debottlenecking and quality requirements wherever they are.

Sakshi Pratap: Understood, sir. Thank you so much.

Moderator: Thank you. As there are no further questions from the participant, I now hand the conference over to Mr. Bhavesh Chheda for the closing comments. Over to you, sir.

Bhavesh Chheda: We thank everyone for joining the call today. We hope we have been able to give you a detailed overview of our business and also the answer your queries. Should you have any further queries or clarification, please feel free to reach out to SGA, our Investor Relation Advisor. Thank you once again for your continued trust and support and I wish everyone a very pleasant day.

Moderator: Thank you. On behalf of Kirloskar Brothers Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you. Thank you. Thank you.