KROSS LIMITED

CIN - L29100JH1991PLC004465

A Trailer's First Choice

e-mail : accounts@krossindia.com
purchase@krossindia.com
sales.trailerparts@krossindia.com

July 29, 2026

To
The General Manager
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort Mumbai – 400 001

Scrip Code: 544253

To
The General Manager
Department of Corporate Services,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Symbol: KROSS

Sub - Submission of Transcript of Earnings Conference Call held on July 27, 2026

Dear Sir/Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of Earnings Conference Call held on Monday, July 27, 2026

This is for your information and record.

Thanking You,

For Kross Limited

DEBOLINA KARMAKAR Digitally signed by DEBOLINA KARMAKAR Date: 2026.07.29 16:10:58 +05'30'

Debolina Karmakar
Company Secretary and Compliance Officer
ACS 62738

“Kross Limited

Q1 FY27 Results Conference Call”

July 27, 2026

MANAGEMENT:	**MR. SUDHIR RAI – CHAIRMAN AND MANAGING DIRECTOR – KROSS LIMITED** **MR. SUMEET RAI – WHOLE-TIME DIRECTOR – KROSS LIMITED** **MR. KUNAL RAI – WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER – KROSS LIMITED** **KAPTIFY CONSULTING – INVESTOR RELATIONS ADVISOR**
MODERATOR:	**MR. MIHIR VORA – EQUIRUS SECURITIES**

Moderator: Ladies and gentlemen, good day and welcome to Kross Limited Q1 FY27 Results Conference Call hosted by Equirus Securities. As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Mihir Vora from Equirus Securities. Thank you and over to you, Mr. Mihir.

Mihir Vora: Yes, thank you. Welcome everyone to the Q1 FY27 post-results call of Kross Limited. From the management side, we have with us Mr. Sudhir Rai, Chairman and Managing Director; Mr. Sumeet Rai, Whole-time Director; and Mr. Kunal Rai, Whole-time Director and CFO.

So, without taking much of your time, I'll now hand over call to Kunal. Over to you, Kunal.

Sudhir Rai: Yes, hi Mihir. Thank you. I'll start off the opening remarks. Okay, this is Sudhir. Okay, good morning, everyone. Thank you for joining us on this earnings call of Kross Limited for the first quarter ended June 30th, 2026. Along with me, I have Sumeet Rai and Kunal Rai, Whole-time Directors. Kunal Rai is also the CFO, as well as our senior team members and our Investor Relations Advisor, Kaptify Consulting.

I am pleased to report that Kross Limited has concluded its best top line in Q1 FY27 with a sale of INR185.35 crores, registering a growth of 32% year-on-year, building on the strong momentum of Q4 FY26. EBITDA grew by 39.5% year-on-year to 225.54 million with margin expansions to 12.23%, while PAT increased 24.4% year-on-year to 133.12 million. This performance demonstrates our continued focus on profitable growth, operational efficiency, and disciplined execution amidst a recovering industry environment.

I would like to further brief you on a few highlights of our company and business ahead. We have finally commissioned and productionized our extrusion line. We are very upbeat to showcase this improvement to our fleet owners, customers, and trailer fabricators. The trailer segment -- sorry, the tractor segment is doing very well and commercial vehicles along with the trailer segment is doing better than expected. In general, if you see, our Q1 results are in line of our targets for this coming financial year.

To add to this, recently the government has announced Parivartan scheme. To brief you on this, this scheme will be with effect from 30th October 26. This scheme will not allow any BS4 or less vehicles to enter Delhi NCR region. With this scheme, if a transporter replaces his old vehicle, he gets benefit of 10 years holiday of road tax. He gets free registrations for his new vehicle. He also gets close to 13% discount, 5% in the form of a subsidy and 8% discounts from the OEM.

We feel the Parivartan scheme will be good for the commercial vehicle segment and on the same line, GST reforms which were announced last year continued to be supportive of the CV industry.

With this, I hand over this call to Sumeet Rai to brief you on the segmental performance and the future outlook of the company. Thank you.

Sumeet Rai: Thank you. I'll brief you on the segment performance and the industry. Regarding the M&HCV segment, the momentum in the CV segment from Q4 FY26 continued into Q1 FY27. The period of June, July are where demands are slightly subdued due to monsoon. In spite of that, there has been indications from the OEMs for a strong September Q2 and then subsequently Q3 and Q4. These trends are first time supported by healthy order books.

Regarding the Trailer segment, with continued growth in the CV market, the trailer segment is also projecting good volumes. Our business on axle suspension and tipping jacks is progressing well year-on-year. The extruded axle beam has started production and volumes on axles and suspensions have increased 30% year-on-year.

Regarding the Tractor segment, demand has been consistent, on track to increase contribution meaningfully over the coming years. April 2026 tractor industry data remained encouraging and we remain on track to meaningfully increase the contribution of tractor segment sales to our revenues.

Regarding exports, the efforts are underway to grow share in export in line with our projections, which is supported by a 45% growth year-on-year. I'll brief you now on certain capacity expansions and new initiatives. Our strategic investments are on track and will further drive growth in the future.

The successful ramp-up of tipping jacks has been encouraging for us. We have sold 226 in Q1 of FY27 and we hope to further scale this in the subsequent quarters. The axle beam extrusion line is now in production, and we hope this will bring in even more orders for our trailer axle. Progress on the seamless tube facility is on track. Piercing mill has been received, sizing and straightening mills are on the high seas and this is progressing as per schedule.

We are further expanding on our casting capacity. A high-pressure mold line for our foundry is expected to start in Q3. This will double our foundry capacity. Axle shaft production facility using material gathering and press forging technology is on track for commissioning by September 2026. These initiatives reinforce our commitment to innovation, self-reliance, and critical component manufacturing.

With this, I would like to hand over the call to Mr. Kunal Rai to provide a detailed walkthrough of the financial performance.

Kunal Rai: Hi, good morning, everybody. Let me take you through the key financial highlights for quarter one of FY27. Firstly, for the quarter which has ended June 30, 2026, as far as our revenue is concerned, it's at INR184.3 crores, registering a strong 32.3% growth compared to INR139.3 crores in quarter one of FY26. This growth basically has been driven by healthy volume traction across the medium and heavy commercial vehicle, the trailers, and also the tractor segment.

The total income has been at INR184.7 crores. EBITDA has increased by 39.5% year-on-year. The margins right now are at -- for quarter one are at 12.23%, up 63 bps Y-o-Y, reflecting operational efficiency, a better product mix, and benefits from our backward integration. Profit before tax was at 178.27 million and our profit after tax grew 24.4% Y-o-Y to 133.12 million.

Our PAT margins for Q1 stood at 7.2%. If we look into our segment-wise revenue contribution, our trailers, axles, suspensions, and our tipping segment has contributed to 41%, while the component business stands at 59%. We continue to see the balanced growth across growth. On our fund utilization from the IPO, we have utilized fully as per the plan.

This has been achieved and the funds deployed towards capacity expansion and working capital have been as per plan. Overall, Q1 FY27 reflects robust top line growth with margin improvement and a disciplined approach towards our costs. We are confident that with the ongoing capacity expansions and also our new product launches, it will further support profitable growth in the coming quarters. We now open the floor for further questions and answers. Thank you.

Moderator: Thank you. We will now begin with the question-and-answer session. The first question comes from the line of Shubhi Gupta from Trinetra Asset Managers. Please go ahead.

Shubhi Gupta: Good morning, sir. So, my first question is that how are we doing cost-wise, like how are the cost pressures evolving in quarter and also have we done the OEM settlements that we were supposed to finalize to protect our margin? My second question is that we have secured an order from European tier 1 player. So, if you could just talk a bit about that, like what is the size and visibility of the contribution from that?

Kunal Rai: So, if we look into our cost, there are basically two most important settlements which are there in the industry. One is with the commodity price increase, that is steel for us. So steel, there has been a very recent settlement which has been given retrospective to all the suppliers. This has just happened around the 15th of July where INR4,700 per kilo has been given. Secondly is because of all the input costs increasing from the month of March right up to now in terms of LPG, other gases, tooling, and oil and lubricants, there is also a talk on the conversion price increase which is supposed to be passed on to the suppliers.

The tractor industry has already settled on a percentage which has been given retrospective from April 1st and very soon the CV industry will also be settling on the same. So that is as far as the costs are concerned. Secondly, on the export businesses that you were mentioning, that all plans are going as on track with the new tier 1 supplier.

Our couple of parts are getting -- are under validation. We should see order books coming in from that supplier from H2 onwards. And as far as our existing supplies to a European tier 1 manufacturer, that is also going as per plan. We are looking into having a growth of 40%, 45% in our exports for this financial year.

Shubhi Gupta: Okay, just one more follow-up, sir. Any targets for export, like long-term, at what percentage we want our business to be export business?

Kunal Rai: We've mentioned this before is that the plan is to have at least 8% of exports coming in in the next two years' time.

Shubhi Gupta: Okay, thank you, sir.

Moderator: Thank you. The next question comes from the line of Shubham Batra from Ambit Asset Management. Please go ahead.

Shubham Batra: Hi, sir. Thanks for taking my question. Congratulations on a very strong set of numbers. Firstly, on the trailer axles and suspension business, we have roughly grown 34% Y-o-Y, whereas if I look at the underlying industry, the growth seems to be somewhere in the single digits. So, could you highlight as to what is driving this growth for us? Are we gaining market share, increasing distribution?

Sumeet Rai: We have -- in Q1, we had got good orders and this was sort of like a spillover of the very strong Q4 of FY26. So, the orders of Q4 FY26 sort of spilled over to Q1 FY27. As far as market share is concerned, I can't really comment on it right now.

These things are calculated more over a longer term than just quarter-wise or month-wise. But, our sales in Q4 of FY26 were sort of capped by our capacities. So, with the extrusion line in place, we hope that we'll build on these capacities and further increase our sale going forward.

Shubham Batra: Got it, sir. Got it. Thank you. Secondly, on the margins, you highlighted that most of the pass-through for steel inflation for the CV segment is expected to come in Q2. So fair to say that the worst quarter in terms of margin is behind us and from here now we should start seeing margin increase on a Q-on-Q basis?

Sumeet Rai: Kunal will take this.

Kunal Rai: Yes, as I mentioned, the pass-through has just happened, although what we get is retrospective, but it's not that all steel mills start charging an increased price from day one. The impact is not totally, but quarter-to-quarter we will be expanding on margins and this will not only be compensated by the steel price, but also by the conversion increase.

That is a larger factor because that is somewhere we have been paying since day one and not yet been compensated on yet. So that will be a better compensation and overall margins will get better with top line growing also.

Shubham Batra: Got it, sir. Got it. Thank you.

Moderator: Thank you. The next question comes from the line of Himanshu Upadhyay from Steadford Investment Managers. Please go ahead. Hello Mr. Himanshu? Mr. Himanshu, can you hear me?

Himanshu Upadhyay: Hello?

Moderator: Hello, can you hear me?

Himanshu Upadhyay: Yes. Yes, I can hear you. Am I audible?

Moderator: Yes, please go ahead.

Himanshu Upadhyay: Yes, so my first question was on the largest five customers, okay? So if we look at our DRHP, the largest five customers were around INR209 crores in FY22, then it increased to INR409 crores in FY24, and based on our results for FY26, the largest five customers contributed to INR379 crores. So, what happened that the revenue has de-grown in the top five customers in last two years? Can you give some idea on that?

Kunal Rai: No, it's basically a diversification that is happening. I mean, our top five customers might be the same who has been in the last two years, but overall our percentage of the top five customers is coming down only. During the DRHP time, I think it was at around 60%, 63%, now it's at around 58%, 59%.

And our top five customers have a distribution in terms of industries. We have from the CV segment, we have from the trailer segment, and also from the tractor segment. So mostly the top five remains same, but it's just due to the diversification in the different industries which is there.

Himanshu Upadhyay: I take your point. I was just multiplying the percentage by the revenue for that year, okay? And based on that, it seemed what reached the highest of INR409 crores in FY24 was INR379 crores in FY26?

Kunal Rai: I'll have to check on these figures once, although the most important is that we haven't lost any business over the last couple of years from our top five customers. So as far as percentages, I'm not too sure on it, but it's just that we are growing on all the three segments, not only on one.

Himanshu Upadhyay: And one more question on the new business or export business what we have from the Swedish company. What is the nature of product what we are going to supply and any timeline for those contracts and how will it move from here on in terms of let's say…

Kunal Rai: No, as far as the Swedish customer is concerned, we are already supplying. In fact, the 4%, 4.5% revenue that you see on our exports mostly is coming from the European company only. And these are mostly, again, commercial vehicle parts, okay?

And this is as far as we have around four to five different product segments where one of them is under mass production. The other three which are there are going to be scheduled from H2 of this year. So, with the help of all four, we are looking at approximately taking it to around our export contribution to around 8% in the next two years' time.

Himanshu Upadhyay: Okay. Okay. And the two new facilities, the tipping jack, okay, and the axle beam, what type of capacity utilization do you expect by year-end for these two facilities and generally how convinced are the customers about these two products and how many places would we have let's say customers of ours or the distributor, not distributor, but the trailer manufacturers would we have started to supply these two products?

Sumeet Rai: So, on the tipping jacks, we have done around 200 kits in the first quarter. Now this is something where as manufacturers we also have to be very careful in terms of increasing it, increasing the numbers. These are highly engineered products, there is a process of a validation and everything which is there.

So as far as the utilization of it, we have a capacity to manufacture 800 numbers a month. The lines have already been set for that and we expect by quarter four to be at around 65% to 70% of that capacity utilization. So, it's a product at least which has been, it is received well, the performance of it is going good and slowly quarter-on-quarter we will be increasing our numbers with our existing trailer fabricator customers.

Secondly, on the axle beam extrusion, this is something it's a better technology in terms of the, in terms of manufacturing the axle beam as compared to a traditional welded beam. And we have just rolled out these products since it's been commissioned and now, we've rolled out these products.

This is something where the trailer fabricators and the fleet owners both will benefit with the performance. And it might be the first technology in India, but it is not that the fleet owners and trailer fabricators are not aware of the single-piece beam. So, we are confident on these two in terms of better market penetration.

Himanshu Upadhyay: Okay. Okay. Thanks, from my side.

Moderator: Thank you. The next question comes from the line of Mihir Vora from Equirus Securities. Please go ahead.

Mihir Vora: Yes, thanks. So, my question basically was on the current industry, like how is the overall CV demand outlook from your end and whether how we are seeing the OEM schedules currently for our business in a near-term as well as in a medium-term period?

Kunal Rai: So Mihir, the CV business is supposed to grow well in terms of volumes this year. We have been indicated very good projections from September onwards right up to March. And it's just that these kind of schedule lines or projections usually don't come into manufacturers as early as June and July.

So, this is a positive indication in terms of what the OEMs are planning on their capacities and capacities with their suppliers also. So, we are quite upbeat about the volume growth which will be taking place. It's mostly on all segments, the tractor-trailer segment, the tipper segment specifically is supposed to grow quite well also.

Mihir Vora: Okay. Okay. And within this as well, our fabricators are also sort of positive in the trailer axle segment, like what are they forecasting, sir?

Kunal Rai: Yes, same. I mean, even with the as obviously the tractor-trailer segment is a part of the CV segment, once volumes grow there, we usually see that the tractor-trailer volumes also grow. So, the fabricators, we have reached almost to each and every state. So, with our existing customers, we are getting obviously lot of repeated orders and also securing new orders. So that is how the 30% volume growth is there on a Y-o-Y basis.

Mihir Vora: Right, right. Sir just a follow-up here, that trailer- axle segment has been growing well, but within that can you just break it through into suspensions and the axle, whether is suspension growing faster or is it the axles only?

Management: Sumeet, you want to take that?

Sumeet Rai: The growth is or the ratio is basically just one second. The ratio remains more or less the same. I mean, in terms of because our suspensions go along with the axles except for very few customers. For most of the customers, the ratio of axle to suspension remains the same. So it is more or less the same as before.

Mihir Vora: Is it possible to just indicate the volumes for quarter one in axles and suspensions?

Sumeet Rai: Yes, the overall axle volume is almost at 9,500 numbers and the suspension volumes are at around 3,200, 3,300 numbers, both mechanical and air put together.

Mihir Vora: Okay. And sir, now given that, OEMs have been indicating about a decent volumes going ahead from September onwards, so whether more capacity expansion is required on us or whatever we have announced till now is something which will be adequate for this year? And given that, further capex which will happen on seamless in the plans, so how will our debt look like in this year?

Kunal Rai: So just to answer each one of those, as far as a capacity utilization is concerned with the ramp-up coming in, now most of with the proceeds of the IPO, most of our capacity enhancements which we had to do in our forging and casting segments, we have already done that, Mihir. We would not be requiring any more in the forging and casting for these volume ramp-up and we will still be operating at around a 70% utilization.

Now machining capacities are continuously even being set up now for new product lines, new product launches with our OEMs. That's a continuous effort which will continue to happen. And secondly, in terms of seamless tube, we have already taken the necessary term loan and debt for that. For our existing business, there is no plan on any debt in the immediate timeline.

Mihir Vora: Okay. So I think the fourth quarter debt which was say somewhere around INR54 crores odd will be in that range only, maybe INR10, INR15 crores extra?

Kunal Rai: Yes, but as far as the total term loan we have taken for our seamless tube is approximately INR100 crores. So it's obviously we are not utilizing that completely. We are only going to utilize that when more and more machines start coming in.

Mihir Vora: Okay. Sure, fair enough. So seamless so basically you are expecting it to come by Q4, I mean like commission the plant by Q4 or maybe…

Kunal Rai: Yes.

Mihir Vora: In FY27?

Kunal Rai: Yes. No. We should commission our plant by quarter four. The furnace fabrication is going as per plan. The first set of imported equipment has already reached us, the piercing mill, and the other couple of other mills which are the forward integration to the piercing, they are on high seas. So, I think by end of this financial year, we should be doing some production trials.

Mihir Vora: Okay. And lastly on the margin front, where we were mentioning that margins may look good, but here how does the price patterns work into the trailer axle segment wherein you are dealing with fabricators and also slightly we face a competition from a larger player? So how would the pricing action work here?

Kunal Rai: So, we have increased our prices on our trailer business with effect from 1st of April itself, right. We have already increased that and prices have to be in line with what competition is. And it is not that with such increased cost on steel and other inputs, competitors cannot increase their price, right. They have to obviously do it.

Pricing is always in line with what competitors do, but we have already passed on a price increase from the 1st of April and we will also be increasing more prices in terms of our conversion costs and all going up, but they will all be in line with the competition which is there.

Mihir Vora: All right. Okay.

Kunal Rai: Especially when we are backward integrated with most of our products on the axle and suspension, it is easier for us to have a good calculation on that.

Mihir Vora: All right. Okay, sir. That's all from my side.

Moderator: Thank you. The next question comes from the line of Shubham Batra from Ambit Asset Management. Please go ahead.

Shubham Batra: Hi Kunal, continuing on the previous participant's question, what is the price hike that you have taken in the axles business from 1st April, if you can quantify it?

Kunal Rai: It is approximately between 3% to 5%.

Shubham Batra: And does this largely set off the commodity pressure that we were seeing?

Kunal Rai: Well, with the increase in the steel prices, yes. As I also did mention during the end of the answer is that we will be further increasing the price on in terms of our input costs which have also gone up. So it has to be done in a staggered way so that the customers also accept it. But we are looking at least another 1% or 2% increase further.

Shubham Batra: Got it. Thank you. Thanks a lot.

Moderator: Thank you. Ladies and gentlemen, to ask a question, please press star and one. As there are no further questions, I would now like to hand the conference over to the management for closing comments. Thank you and over to you.

Kunal Rai: Right, we appreciate everyone's participation and the continued interest in Kross Limited. We are excited about all the opportunities ahead and remain committed to delivering a sustainable and profitable growth. For any queries, you can please reach out to our IR team and that is Kaptify Consulting. Thank you for joining once again.

Moderator: Thank you very much. On behalf of Equirus Securities, that concludes this conference. Thank you for joining us and you may now disconnect your lines.