



Date: 23rd April, 2025

The General Manager
The Corporate Relationship Department
BSE Limited
1st floor, New Trading Ring,
Rotunda Building
P J Towers
Dalal Street, Fort
Mumbai 400 001
BSE Scrip Code: 500249

The Manager
Listing Department
National Stock Exchange of India
Limited
“Exchange Plaza”, C-1, Block G
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051
NSE Symbol: KSB

Subject: Annual Report for the Financial Year 2024 and Notice convening Sixty Fifth Annual General Meeting of the Company.

Ref: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sirs/Madam,

In terms of Regulation 34 of the above referred Regulations, we herewith submit the soft copy of the Annual Report which comprises of the Board's Report along with Annexures including Business Responsibility and Sustainability Report (“BRSR”), Audited Standalone Financial Statements, Audited Consolidated Financial Statements and Auditor's Report thereon, for the Financial Year ended 31st December, 2024, and the Notice convening Sixty Fifth Annual General Meeting of the Company scheduled to be held on Thursday, 15th May, 2025 at 01.30 p.m. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

The Annual Report of the Company for the Financial Year ended 31st December, 2024 and Notice of Sixty Fifth Annual General Meeting have been sent through e- mail to all the Members whose e-mail addresses are registered with the Company/Depository Participants.

In accordance with the Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘Listing Regulations, 2015’), a letter containing the web-link, including the exact path, where complete details of the Annual Report are available, is being sent to all the Shareholders who have not registered their Email IDs with the Company or Depository Participants or MUFG Intime India Private Limited (Formerly Link Intime India Private Limited), Registrar & Transfer Agent (“RTA”) of the Company.

The aforesaid Annual Report along with Notice has also been uploaded on the website of the Company at www.ksbindia.co.in

Kindly take the same on your record.

Yours faithfully,
For KSB Limited

Shraddha Kavathekar
Company Secretary

Encl.: Annual Report

Efficiency engineered : SupremeServ Your Complete solution provider

Field Service



Mechanical Seal



KSB Guard



KSB Sonolyzer



Boiler Circulation
Pump rewinding



KSB SupremeServ

65th Annual Report, 2024

KSB SupremeServ

Transforming Service Excellence into Customer Value

"KSB SupremeServ delivers comprehensive, tailored service solutions designed to ensure the longevity and optimal performance of KSB products. From installation and maintenance to troubleshooting and upgrades, we offer a full spectrum of services that enhance operational efficiency, minimize downtime, and maximize system reliability. Our expert team is dedicated to provide unmatched support, help customers achieve sustained performance while reducing overall operational costs. Through KSB SupremeServ, we empower our clients with the tools and expertise they need to maintain peak performance, ensuring long-term value and seamless operations."



Key Services Offered by KSB SupremeServ



From initial consultancy and planning to installation, operation, maintenance, and advanced digital services KSB SupremeServ supports you throughout the entire lifecycle of your pumping systems. Backed by over **3,500 service specialists** and **190+ service centers** worldwide, we deliver expertise, reliability, and peace of mind wherever you are.

KSB SupremeServ – One partner. Every service. Complete lifecycle care.

We provide expert service solutions for key sectors

KSB SupremeServ delivers expert service solutions across key sectors. From complex power and process systems to critical infrastructure and utility services, we support reliable operation, efficiency and sustainability backed by decades of industry expertise and global service reach.



Energy



Petrochemical and Chemical



General Industry



Mining



Building Services



Water



KSB India SupremeServ Network

Branch Offices and Service Station

- Pune
- Baroda
- Mumbai
- Chennai
- Kochi
- Jaipur
- Chandigarh
- Lucknow
- Indore
- Kolkata
- Jamshedpur
- Bhubaneswar
- Raipur
- Noida
- Guwahati
- Patna
- Bangalore
- Secunderabad



To ensure quick response and personalized service, **KSB India SupremeServ operates a wide network of 14 Branch Offices** across India including Head office at **PPD - Chinchwad, Pune**. Additionally, we have service stations at Baddi, Odhav, Pune, Noida, Howrah and Chennai. Strategically located near major industrial hubs, our branch teams provide local expertise with global standards delivering timely support for installation, maintenance, repairs, spare parts, and technical consultation.

Each branch is staffed with **trained service engineers, technical experts, and genuine spare parts support**, ensuring minimal downtime and maximum equipment reliability for our customers.

Wherever your operations are, KSB SupremeServ is just around the corner ready to serve.

What Sets Us Apart: Superior Service, Proven Performance

End-to-End Lifecycle Support

From consultancy and commissioning to operation, monitoring, and repair, we support your systems at every stage.

Global Strength, Local Reach

With over 3,500 service specialists and 190+ service centers world-wide, we ensure fast, expert service wherever you operate.

Manufacturer-Grade Expertise

Backed by 150+ years of engineering know-how, we understand your equipment better than anyone else ensuring accurate diagnostics, reliable repairs, and long-term efficiency.

Smart & Sustainable Solutions

Our digital tools like KSB Guard and Sonolyzer ® help you monitor performance, reduce energy consumption, and prevent downtime.

Genuine Spare Parts & Fast Turnaround

We provide authentic KSB parts ensuring optimal performance and extended equipment life.

Trusted Across Industries

Whether it's energy, chemicals, mining, water, or infrastructure KSB SupremeServ is built to meet the demands of critical industries

Listening to Our Customers – Driving Service Excellence



At KSB SupremeServ, customer feedback is a key to constant improvement. Our recent Customer Satisfaction Survey received **positive responses**, along with valuable insights to help us enhance service quality and responsiveness. Our commitment to Listening to our customers, Improving continuously and Delivering reliable, efficient support.

Customer satisfaction isn't a destination it's a continuous journey.



Installation space

Zero modification, Reliable, efficient circulation & cost effective

Fair Pricing strategy

Promotes rational prices for Mechanical Seal & its spare parts

Single Point Contact

"KSB" a solution for mechanical seal, pump, valve and systems.

Spare & Repair Kits

Ready to dispatch kits for overhauling and repair of mechanical seals.

Application specific

Designs derived from application parameters, resulting in best suit.

Global Support

Multi-national network to extend support anywhere and everywhere.

KSB Mechanical Seal Approval :

A distinguished consulting firm in the general industry sector, has officially approved our **KSB Mechanical Seal** for use in their projects. Renowned for the excellence in **engineering design, project management, and sustainable solutions**, this endorsement marks a significant milestone in our journey.

This recognition is a strong validation of the **quality, reliability, and performance** of our product. More importantly, it strengthens our reputation in the market and opens doors for **collaborations with key industry stakeholders** where the firm is a consultant.

AVANT-GARDE SYSTEMS AND CONTROLS (P) LTD.
 NO. 47A, 70/8B, SAKESKARAN HIGH ROAD, KOVIL, CHENNAI - 600 116, INDIA
 TEL: +91-44-4898 1000, 5480 0528, 5488 8711 / 15 / 16 / 88 Fax: +91-44-5489 8001
 E-MAIL: ag@avant-garde.co.in WEBSITE: www.avant-garde.co.in
 DIN REG. URBAN/2015/0001/0001 PAN No. AAACA2835E GST No. 33AAACA2835E100

Ref No. AG-VEN-2024/365 Date: 28th September 2024

To
 M/s. KSB SE and Co. Kiosk
 (Kumar-Rate-Sr. 9 67227,
 Prantibhal (Pudh),
 (Hansland-Pala Germany
 Tel No. +49 367 2151558

Bild Anze: Mr. Dennis Linderberg

Dear Sir,

We refer to your application on the above subject matter and we are pleased to inform you that you have been registered as an approved vendor with Avant-Garde for the item as described below:

CATEGORY NO.	PRODUCT
PE - 329:	MECHANICAL SEAL

With the above approval your company name will be included in our Master List of Approved Vendors. For all our projects, the above master list will be sent to our clients, who in turn will select a few names from the list as their probable vendors. Registration with us does not mean confirmed issue of tender documents for projects. The approval of "List of vendors" is project specific.

Please note that this Approval of registration is Valid till 27th September 2026.

You are advised to contact us three (3) months before expiry of the enlistment for taking up for renewal process.

Thanking you,
 For AVANT-GARDE SYSTEMS AND CONTROLS (P) LTD.
 V. Narasimhan
 Head - Vendor Registration Cell

Note: Please ensure the presence of our Hologram Sticker

ENGINEERS, DESIGNERS AND CONSULTANTS
 AN ISO 9001:2015 CERTIFIED ORGANISATION

25+



Sustainability & Service

The SupremServ Mechanical Seal is part of KSB's commitment to sustainable and service-oriented solutions, reducing environmental impact through **leak prevention, energy savings, and product longevity**. Supported by KSB's global SupremServ service network, customers benefit from lifecycle support and expert technical assistance.



Proven in the Field: SupremServ Success Stories

KSB SupremeServ



Successful Testing of Reciprocating Pumps



Successful testing of our first-ever reciprocating pumps for a major petrochemical project, marking a significant technological milestone for KSB India. This achievement highlights our continued commitment to engineering excellence, product innovation, and customer-focused solutions.

The newly developed reciprocating pump models were manufactured and tested in-house, showcasing KSB's expanding capabilities in high-performance pump solutions.

Successful Execution of a Major Pump Overhauling Project

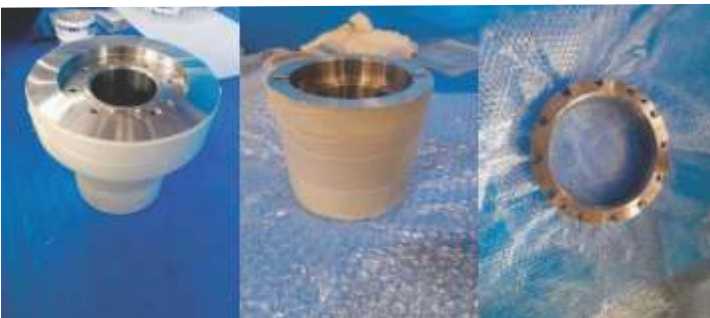


Completion of a major high-pressure pump overhauling project at a key industrial site in Eastern India. The scope included the overhauling of multiple pumps, both from KSB and other manufacturers, delivered on a turnkey basis. Despite operating under challenging site conditions and within a tight project schedule, the service team demonstrated exceptional dedication and teamwork, ensuring that the project was completed on time and to the highest quality standards.

The timely and efficient execution of this complex job further strengthens our capabilities in delivering comprehensive field service solutions and reinforces our position as a trusted service partner for industrial clients.



First Express Line Dispatch



Dispatch of the first international order through our Express Line, marking a significant achievement in our efforts to enhance delivery efficiency and customer satisfaction.

The order, destined for a key customer in Northern Europe, required close coordination and meticulous micromanagement of every component involved. Our teams conducted regular vendor visits to ensure strict adherence to quality and delivery timelines.

KSB Enhances Product Portfolio with BP&CL Technology



KSB has acquired the technology of a renowned Indian pump manufacturer, strengthening our product range and supporting the Make in India initiative. We now offer full-service support for additional pump types, including centrifugal, reciprocating plunger, and mud pumps, enhancing our capabilities in spares, repairs, and maintenance.





SupremeServ-Key Milestones : Transforming Goals into Results



Completion of first pump maintenance for 'RSR350' at NPCIL Kaiga site



Secured significant replacement pump orders for critical oil and gas application



Executed field services for submarine pumps at SBC Vizag, NRW Vishakhapatnam



Replaced four FSL seals (Plan 23) with KSB-made seals in the HG4 pump at Wilmar Sugar Australia



Obtained approval for the KSB mechanical seal from M/S Desmet India



Completed the registration process with NTPC for HT motor rewinding services



Inauguration of the central warehouse extension



Diversity: First woman employee at KSB SupremeServ's Field Service engineering. Also team of women employees at central warehouse and repair center at KSB SupremeServ



Obtained approval for KSB Mechanical Seals from BHEL and M/S Tennova, a prominent name in the metal industry



Launched MEGA and MEGACHEM in end-to-end for streamlined spare parts ordering

“KSB India’s **Solar** Journey: Empowering the Future of Agriculture in 2024”

Solar Success Story for KSB India continued in 2024, and the company has made a significant growth in the order intake as well as sales in this segment. This year we received 7000+ work orders, and 5900+ systems executed in the states of Maharashtra, Uttar Pradesh, Haryana, Gujarat and Rajasthan.

We are also now qualified in states of Tripura, Meghalaya and Madhya Pradesh. Along with development of Solar organization, focus on operational efficiency and establishing installer & Service network have been the key drivers of the growth in 2024.

The future of the solar pumping industry in India looks very promising. With the right combination of government incentives, technological advancements, and growing awareness about the benefits of solar energy, the adoption of solar pumps is expected to rise significantly in the coming years. This shift not only offers the economic and environmental benefits but also contributes to the overall sustainability of the agriculture sector in India.



7000+

Work Orders received...



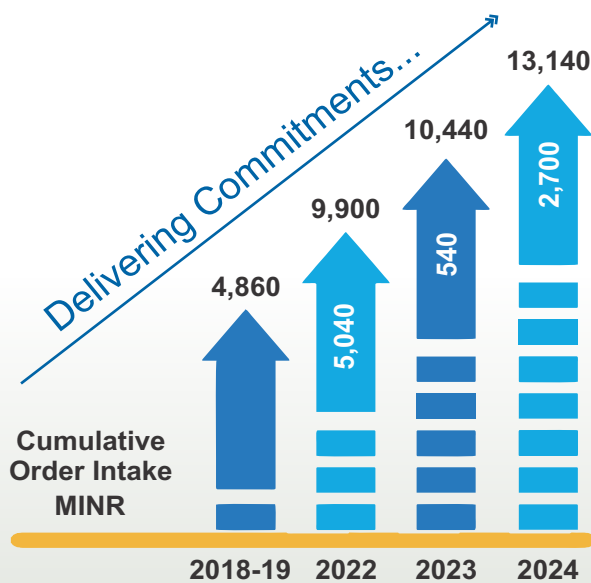
Systems executed so far...



Engineering Precision for Nuclear Power Sector Applications

KSB Strengthens Nuclear Power Pump Seal Testing with New Dynamic Testing Infrastructure

As a part of KSB's ongoing commitment to technological advancement in the nuclear power sector, a new Dynamic Test Facility was commissioned in 2024. This facility is designed for testing mechanical seals used in primary coolant pumps for nuclear power sector applications. The inauguration took place at KSB's Shirwal plant, marking a significant enhancement in our in-house testing capabilities. This development reinforces KSB's focus on delivering reliable, high-quality components for critical operations in the nuclear power segment.



Empowering Nuclear partnership - NPCIL Customer meet at KSB Shirwal



KSB India hosted a delegation from Nuclear Power Corporation of India Limited (NPCIL) at its Shirwal manufacturing facility. The visit included representatives from seven NPCIL plant locations, as well as teams from Bhabha Atomic Research Centre (BARC), Mumbai, and Indira Gandhi Centre for Atomic Research (IGCAR), Kalpakkam. The day-long engagement featured a detailed shop floor tour, showcasing KSB's technological advancements, modern infrastructure, and manufacturing excellence. The visiting teams appreciated the state-of-the-art equipment and robust processes implemented at the facility. The interaction provided an opportunity to highlight KSB India's engineering capabilities and address technical queries, further reinforcing the company's role as a reliable partner in India's nuclear energy journey.

KSB Launches Prototype Reciprocating Pump for Fuel Handling Unit



As a part of KSB's continued focus on supporting India's nuclear energy sector, a newly developed reciprocating pump prototype was showcased during the year. This pump is intended to complement existing installations within nuclear facilities and reflects KSB's commitment to providing reliable, high-performance solutions tailored to critical applications. The successful development and internal validation of this product mark an important step forward in expanding our specialized industrial applications.

Valves Division Updates

Product development / updates: Bigger Size Valves



SICCA GTC 34" #150



SICCA GTC 26" #300



SICCA GTC 34" #300



SICCA GTC 10" #2500
PNUMATIC ACTUATOR

KSB Limited's Coimbatore Valves Division has installed a 700 kWp rooftop solar power system

The Valves Division has taken sustainability to new heights, marking a significant step towards eco-conscious innovation and responsible growth. The 700 kWp rooftop solar power system shows KSB's commitment to reducing its environmental impact. By using solar energy, the division powers its operations while helping reduce reliance on traditional, non-renewable energy sources. This move supports global efforts to fight climate change in a practical way.

Key Highlights:



Generates 796 MWh of clean energy annually

Approximately saving of ₹1.9 million energy costs per year



Reduce 660 metric tons of CO₂ emissions each year
(equivalent to planting 30,000+ trees or removing 140+ cars from the road)



KSB Coimbatore Achieves Prestigious TSG Certification

KSB's Valves Division has earned the TSG Certification, a globally recognized mark of excellence in pressure equipment manufacturing. It reflects the division's strong technical capabilities & commitment to the highest quality standards, opening new opportunities in international markets.



Valves Learning Centre: Building Skills, Sharing Knowledge

KSB Coimbatore's Valves Learning Centre continues to foster hands-on learning and practical skill development through its Do-It-Yourself approach. In FY 2024 completed **36 + Mandays** of training.



Agricultural & Domestic



PERIJET



KSTP



OPAL I



ULTRA

Commercial Building Services, Water & Waste Water



MFMO V



SEWATEC

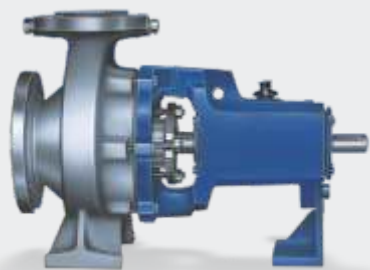


GAMMA IN STEEL



KRT (K35)

General Industrial



MAGACHEM SO



MOVITEC
15/5 C



AU



ESTIGIA



ILN

Oil & Gas



RPHv Additional
Sizes

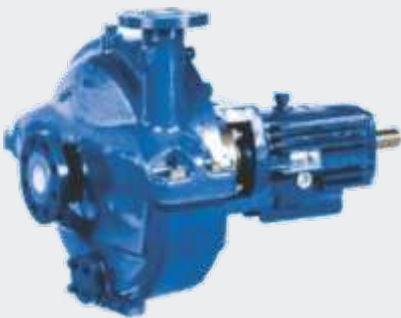


WKTR Extended
Range



RPHd Additional
Sizes

De-salination, Mining, Railways



RPH-RO



LCC Additional
Sizes



Etaseco

Advancing Innovation, Driving Excellence...

Contents



	Page No.
Board of Directors	11
Managing Director's Foreward	12
KSB Presence in India	14
Corporate information	16
Financial Highlights	17
Notice of the Annual General Meeting	18
Board's Report alongwith Annexures	33
Annexure I – Form AOC-1	40
Annexure II – Management Discussion & Analysis Report	41
Annexure III – Report on Corporate Governance	47
Annexure IV – Statement of Disclosure of Remuneration	64
Annexure V – Business Responsibility and Sustainability Report	65
Annexure VI – Conservation of Energy, etc.	127
Annexure VII – Secretarial Audit Report	129
Annexure VIII – Annual Report on Corporate Social Responsibility ("CSR") Activities	132
Independent Auditor's Report - Standalone Financial Statements	140
Standalone Financial Statements	152
Independent Auditor's Report - Consolidated Financial Statements	210
Consolidated Financial Statements	218

KSB Limited : Board of Directors



Mr. Gaurav Swarup
Chairman,
Non Executive Director



Dr. Stephan Bross
Non Executive Director



Dr. Matthias Schmitz
Non Executive Director



Mr. Rajeev Jain
Managing Director



**Ms. Sharmila Barua
Roychowdhury**
Non Executive -
Independent Director



Mr. Ulhas Yargop
Non Executive -
Independent Director
From 1st October, 2024



Mr. Vishal Kampani
Non Executive -
Independent Director
From 1st October, 2024



Mr. U.C. Muktibodh
Non Executive -
Independent Director
From 16th January, 2025



Mr. Dara N. Damania
Non Executive -
Independent Director
Upto 30th September, 2024



Mr. Pradip Shah
Non Executive -
Independent Director
Upto 30th September, 2024



Mr. V. K. Viswanathan
Non Executive -
Independent Director
Upto 15th January, 2025



Mr. Rajeev Jain
Managing Director

MD's Foreward Message

KSB Limited: A Future of Innovation, Growth and Sustainability

“ Dear Shareholders,

It is with great enthusiasm that I present to you our Annual Report for the year 2024, a year that has been defined by resilience, transformation, and a steadfast commitment to the excellence. As we move into a new era of industrial growth, we continue to push the boundaries, embrace the cutting-edge technologies, and invest in the sustainable progress, ensuring that our company not only thrives in today's dynamic market but also leads the way for future generations.

India continues to be one of the fastest growing major economies in the world, with GDP growth projected to reach 6.5%. This robust economic expansion is driven by infrastructure development, digital transformation, and a strong emphasis on domestic manufacturing under initiatives like “Make in India” and “Atmanirbhar Bharat”.

The Indian manufacturing sector, contributing approximately 17% to the nation's GDP, is undergoing a significant transformation through technology innovations. These developments, coupled with government-backed Production Linked Incentive (PLI) schemes, are positioning India as a global manufacturing hub.

Our company is poised to capitalize on the opportunities, strengthening our market leadership and contribution to the nation's economic prosperity.

At KSB, our culture is one of our most defining strengths. As a part of KSB group, we are deeply committed to upholding a legacy of strong ethics, integrity and professionalism. Throughout the year, we have taken deliberate steps to reinforce this culture by ensuring robust governance frameworks and conducting regular compliance audits. Our zero-tolerance approach to ethical breaches remains a cornerstone of how we operate, and we continue to strengthen our systems to align with the highest standards of corporate conduct.

As we advance towards 2030, our Group strategy continues to be firmly rooted in Technology & Quality Leadership, with a strong focus on sustainability and aftermarket services. These pillars form the foundation of our vision to drive long-term growth, operational excellence, and value creation for our stakeholders.

We have enhanced our product portfolio with cutting edge innovations that not only strengthen our market position but also reinforce our commitment to the technological advancement and sustainability driven solutions.

Sustainability, technology leadership, and aftermarket excellence remain central to our 2030 growth strategy.

The year 2024 year has been marked by significant strides in government projects, water projects, power sector advancements, digital transformation, and sustainability initiatives. We could secure substantial orders under key government schemes, and we become the first Indian manufacturer to supply an external firefighting system.

3248 Mlo
EBIT  **25331 Mlo**
Sales

Our vision of 'Zero Accidents and Zero Harm' continues to demonstrate our safety-first culture.

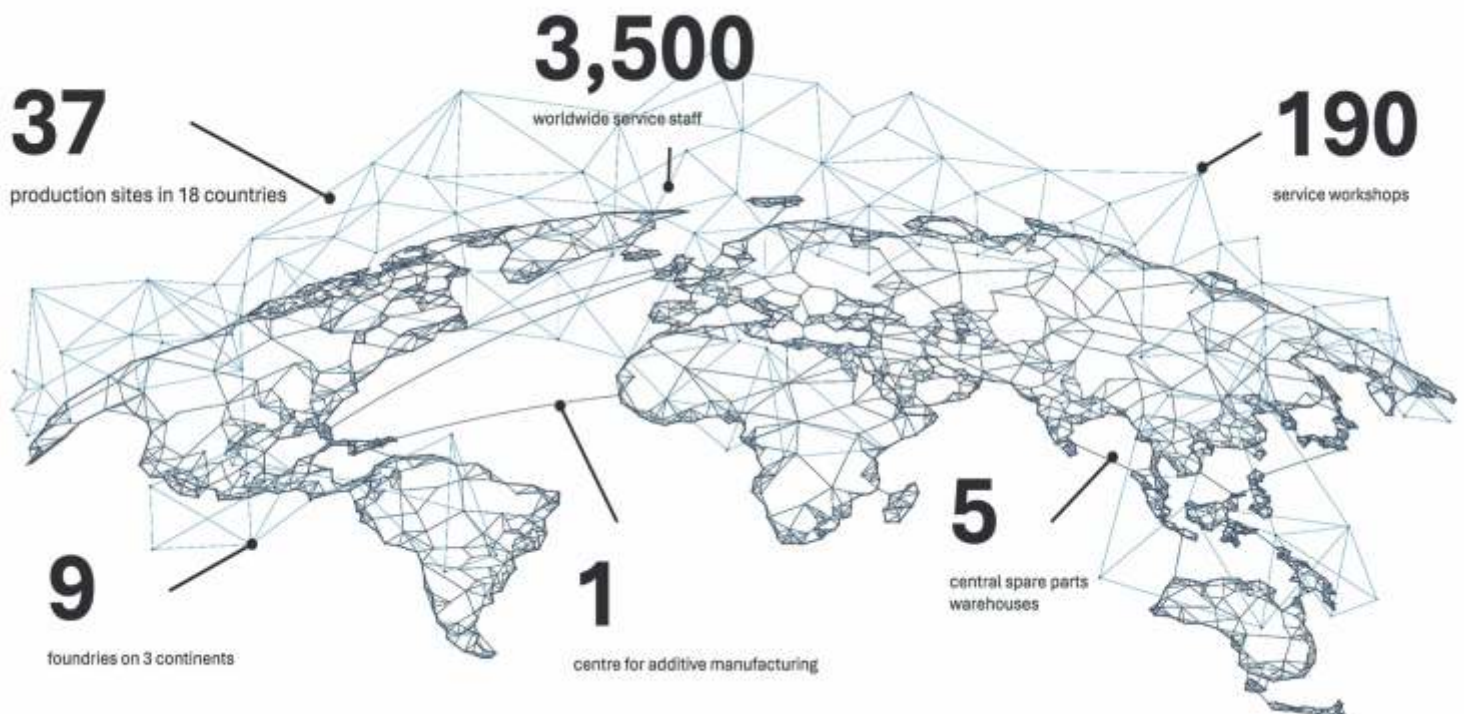
Sustainability remains a key priority, with third party ESG certifications, zero waste initiatives, underlining our dedication to a cleaner and more sustainable future. Big milestone for which we are really proud to have won the 'ESG Champion of India 2024' Award at the Dun & Bradstreet ESG Leadership Summit 2024.

At KSB, we continue to prioritise the safety, health, and well-being of our employees. In line with our vision of 'Zero Accident and Zero Harm,' we strive to maintain safe working environments through consistent adherence to safety practices and regulatory compliance. We are also taking steady steps to build a more diverse and inclusive workplace, where different perspectives are valued and respected.

88%
KSB Voice Score
(Employee engagement score)

As we conclude yet another remarkable year, I would like to extend my heartfelt gratitude to all our stakeholders, employees, customers, suppliers, partners, and shareholders whose unwavering support and commitment have been instrumental in our success. I am confident that we will continue to grow, evolve, and set new benchmarks of excellence in everything we do. With your continued trust and collaboration, we look forward to scaling greater heights and shaping a future filled with endless possibilities.”

Warm Regards,
Rajeev Jain
Managing Director,
KSB Limited



KSB Group companies in over 60 countries



KSB presence in India

Serving India, Scaling Excellence



450 + Authorised Service Centers
1100 + Authorised Dealers of Pumps & Valves



1	Head office
4	Zonal Offices
14	Branch offices
7	Manufacturing Units
6	Service Stations
1	Liaison Office

Corporate Information

CHIEF FINANCIAL OFFICER

Mr. Mahesh Bhavé

COMPANY SECRETARY

Ms. Shraddha Kavathekar

REGISTERED OFFICE

Office No. 601, Runwal R-Square,
L.B.S. Marg, Mulund (West),
Mumbai - 400 080.

FACTORIES

Maharashtra -

Pimpri, Pune,
Chinchwad, Pune
Vambori, Dist. Ahilyanagar
Sinnar, Dist. Nashik
Kesurdi, Shirwal, Dist. Satara

Tamil Nadu -

NSN Palayam, Coimbatore

BANKERS

Deutsche Bank AG
Bank of Baroda
Standard Chartered Bank
ICICI Bank
Axis Bank
HSBC Bank
Central Bank of India

COLLABORATORS

KSB SE & Co. KGaA, Germany

REGISTRAR & TRANSFER AGENT

MUFG Intime India Private Limited
(Formerly known as Link Intime India Pvt. Ltd.)

STATUTORY AUDITORS

Price Waterhouse Chartered Accountants LLP

COST AUDITORS

Dhananjay V. Joshi & Associates

SECRETARIAL AUDITORS

Mehta & Mehta, Company Secretaries

ANNUAL GENERAL MEETING

Date : 15th May, 2025
Day : Thursday
Time : 01.30 p.m. IST
Mode : Through video conferencing ("VC")/
Other Audio Visual Means
("OAVM")

COMMUNICATION DETAILS

Tel No. : 020-27101024
Shareholders' Grievance Cell :
compsec.india@ksb.com
Website : www.ksbindia.co.in

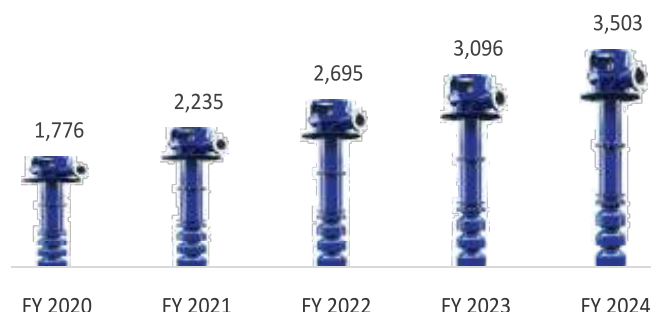
Financial Highlights



Revenue from Operations (MINR)



EBITDA (MINR)



Profit before Tax (MINR)



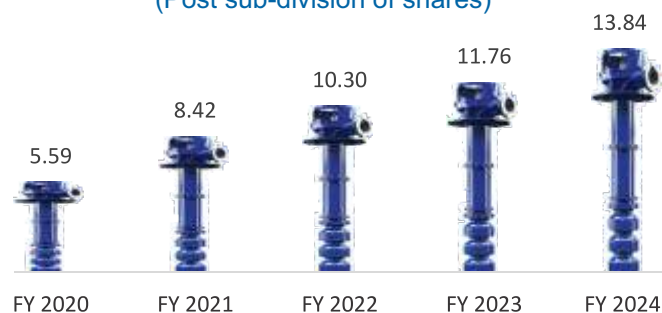
Profit after Tax (MINR)



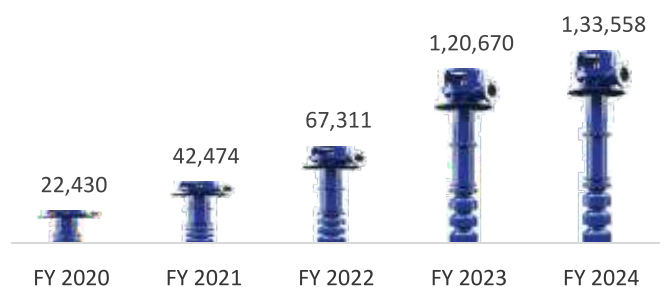
Return on net worth (%)



Adjusted Earnings Per Share (INR) (Post sub-division of shares)



Market Capitalisation (MINR)



Dividend per share (%)



NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixty Fifth Annual General Meeting (“AGM”) of the Members of KSB LIMITED will be held on Thursday, 15th May, 2025 at 01.30 p.m. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt :
 - (a) the audited Standalone financial statements of the Company for the financial year ended 31st December, 2024, together with the Reports of the Board of Directors and the Auditors thereon; and
 - (b) the audited Consolidated financial statements of the Company for the financial year ended 31st December, 2024, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares for the Financial Year 2024.
3. To appoint a Director in place of Dr. Matthias Schmitz (DIN: 07884418), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

Explanatory Statement under Section 102 of the Companies Act, 2013 (“the Act”), is annexed to the Notice for Special business.

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013, the remuneration payable for the year ending 31st December, 2025 to M/s Dhananjay V. Joshi & Associates, Cost Accountants, Pune, (Firm Registration No. 000030), appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, to conduct the audit of the Cost Records of the Company, amounting to ₹ 5,10,000 (Rupees Five Lakh Ten Thousand only) as also the payment of GST as applicable and reimbursement of out of pocket expenses incurred during the course of audit be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to perform and execute all such deeds, matters and things as may be deemed necessary or expedient to give effect to this resolution and for the matters annexed therewith or incidental thereto.”

5. To consider and, if thought fit, to pass the following Resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the provisions of Section 204(1) of the

NOTICE (Contd.)

Companies Act, 2013 along with the applicable Rules thereunder, and other applicable provisions, if any, of the Companies Act, 2013 and based on the recommendation of the Audit Committee and Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for appointment of M/s. Mehta & Mehta, Company Secretaries (Firm Registration No. - P1996MH007500 and Peer review No. - 3686/2023) as the Secretarial Auditors of the Company, to hold office for a period of 5 (five) consecutive years commencing from the conclusion of 65th Annual General Meeting till the conclusion of the 70th Annual General Meeting of the Company, who shall conduct Secretarial Audit of the Company from the Financial Year ended 31st December, 2025 to the financial Year ended 31st December, 2029 on such terms of remuneration, including revisions during the tenure, if any, as may be approved by the Board, based on the recommendation of Audit Committee;

RESOLVED FURTHER THAT Managing Director, Chief Financial Officer and Company Secretary be and are hereby severally authorised to file necessary forms with Registrar of Companies and to do all such acts, deeds and things, as may be necessary, to give effect to the above said resolution.”

By Order of the Board
GAURAV SWARUP
Chairman

KSB Limited

Registered Office:

Office No. 601, Runwal R-Square,
L.B.S. Marg, Mulund (West), Mumbai- 400 080

Mumbai, 27th February, 2025

NOTICE (Contd.)

NOTES:

- a. Pursuant to Circular No. 14/2020 dated 8th April 2020, Circular No. 17/2020 dated 13th April 2020, Circular No. 20/2020 dated 5th May 2020, Circular No. 21/2021 dated 14th December 2021, Circular No. 2/2022 dated 5th May 2022, Circular No. 10/2022 dated 28th December 2022, Circular No. 09/2023 dated 25th September 2023 and Circular No. 09/2024 dated 19th September, 2024 (“MCA Circulars”), issued by Ministry of Corporate Affairs, Government of India (“MCA”) and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024 (“SEBI Circular”) issued by the Securities and Exchange Board of India (“SEBI”) the 65th Annual General Meeting of the Members of the Company is being held through VC / OAVM which does not require physical presence of Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed Venue of the AGM.
- b. Since this AGM is being held through VC / OAVM, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route map are not annexed to this Notice.
- c. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- d. Institutional / Corporate Members (i.e. other than individuals/HUF/NRI etc.) are required to send scanned copy of Board Resolution authorizing their representative to attend the AGM through VC / OAVM on its behalf and to vote through remote E-voting to the Company's Registrar & Transfer Agent (“RTA”), MUFG Intime India Pvt. Ltd (formerly known as Link Intime India Pvt. Ltd) at https://liiplweb.linkintime.co.in/rnthelpdesk/Service_Request.html
- e. The Company has fixed Friday, 2nd May, 2025 as the “Record Date” for determining entitlement of Members to the dividend for the financial year ended 31st December, 2024, if approved at the AGM.
- f. Dividend as recommended by the Board of Directors, if declared at the AGM, will be paid on or after 30th May, 2025 to those members whose names appear in the Register of Members at the close of the business hours on 2nd May, 2025 in respect of shares held by them in physical form and whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of the business hours on 2nd May, 2025 in respect of shares held by them in dematerialised form.

Unclaimed Final Dividend for the financial year ended 31st December, 2016 has been transferred to the Investor Education and Protection Fund (“IEPF”) after completion of seven years in accordance with Section 124 of the Companies Act, 2013. Other unpaid dividends that are due for transfer are detailed below:

NOTICE (Contd.)

Dividend	For the Financial Year ended	Date of Payment	Tentative Date of Transfer
Final	31st Dec'17	16th May '18	15th May'25
Final	31st Dec'18	13th May'19	12th May'26
Final	31st Dec'19	16th Oct'20	15th Oct'27
Final	31st Dec'20	16th May'21	15th May'28
Final	31st Dec'21	25th May'22	24th May'29
Final	31st Dec'22	25th May'23	24th May'30
Final	31st Dec'23	15th Jul'24	14th Jul'31

Members who have not encashed their Dividend Warrants/Demand Drafts/Electronic Remittance pertaining to the earlier years may approach the Company's Registrar & Transfer Agent ("RTA"), MUFG Intime India Pvt. Ltd (formerly known as Link Intime India Pvt. Ltd)., at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, for the same.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF Account established by the Central Government, within prescribed time line. The Members whose shares/ unclaimed dividend have been transferred to the Fund may claim the shares or apply for refund by making an application to IEPF Authority in form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The details of the unclaimed dividends are available on the Company's website at www.ksbindia.co.in and on the website of Ministry of Corporate Affairs at: www.mca.gov.in

- g. As per SEBI Master Circular No. SEBI/HO/MIRSD/ POD-1/P/CIR/2024/37 dated 7th May, 2024, SEBI has mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024.
 - i. The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR2, ISR-3, SH-13, SH-14 and SEBI circular are available on the website of MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited) <https://web.in.mpms.mufig.com/KYC-downloads.html>
 - ii. Original cancelled cheque leaf bearing the name of the first holder failing which first security holder is required to submit copy of bank passbook/statement attested by the bank which is mandatory for registering the new bank details.

In view of the above, we request you to submit the KYC Form, duly completed along with Investor Service Request Form ISR-1 and the required supporting documents as stated in Form ISR-1 at the earliest to MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited).

NOTICE (Contd.)

- h. Members who hold equity shares in physical form and desirous of availing Electronic Clearance Scheme (ECS) facility for direct credit of dividend to their bank account, may submit their request to the Company's RTA. Any query related to dividend should be directed to RTA.
- i. The information regarding the Director/s who is/are proposed to be appointed/re-appointed, as required to be provided under Listing Regulations, 2015 and Secretarial Standard on General Meetings, is annexed hereto.
- j. In compliance with the aforesaid MCA Circulars and SEBI Listing Regulations, 2015 the Notice of the 65th AGM of the Company along with the Annual Report for the year 2024 is being sent only through electronic mode to those Members whose email addresses are registered with their respective Depository Participants ("Dps"), Company or Company's RTA.

Further, a letter providing the web-link, including the exact path, where complete details of the Annual Report is available is being sent to those shareholder(s) who have not so registered.

Members may note that the Notice of the AGM and the Annual Report for the year 2024 will also be available on the Company's website at www.ksbindia.co.in, and also on the website of the Stock Exchanges where the shares of the Company have been listed viz., BSE Limited-www.bseindia.com and National Stock Exchange of India Limited - www.nseindia.com. The Company will also publish a Public Notice by way of advertisement with the required details of 65th AGM, for information of the Members.

- k. Members having more than one folio in identical names are requested to consolidate the same.
- l. The Company has made necessary arrangements for the members to hold their shares in dematerialised form. Members holding shares in physical form are requested to dematerialise their shares by approaching any of the Dps.
- m. All documents referred in the accompanying Notice and Statement setting out material facts will be available electronically for inspection for Members on all working days between 09.00 a.m. IST to 11.00 a.m. IST upto Thursday, 15th May, 2025 being the date of the AGM. Members seeking to inspect such documents can send an email at: compsec.india@ksb.com
- n. **Instructions for Remote E-voting before AGM:**

In compliance with the provisions of Section 108 of Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the provisions of the Regulation 44 of the Listing Regulations, 2015, the members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by MUFG Intime India Pvt. Ltd.(formerly known as Link Intime India Pvt. Ltd.), on all resolutions set forth in this Notice. As per the SEBI circular dated 9th December, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

The remote e-voting period commences on **Monday, 12th May, 2025 at 9.00 a.m. IST and ends on Wednesday, 14th May, 2025 at 5.00 p.m. IST**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on **Friday, 9th May, 2025 (the cut-off date)** may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

NOTICE (Contd.)

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Friday, 9th May, 2025.

I. Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL
 - i. 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 name i.e. MUFG Intime and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 - ii. If you are not registered for IDeAS e-Services, click : <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>.
 - iii. 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 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 hold 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 name i.e. MUFG Intime and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 - i. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The 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 my easi username & password.
 - ii. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by the company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. MUFG Intime for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are 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.

NOTICE (Contd.)

- iii. If the user is not registered for Easi/Easiest, the 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.
 - iv. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from 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, the user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
3. 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. After Successful login, you will be able to see e-Voting option. Once you 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 the company name or e-Voting service provider name i.e. MUFG Intime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

II. Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e- voting may register for e-Voting facility of MUFG Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under 'SHARE HOLDER' tab and register with your following details: -
 - A. **User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above.

NOTICE (Contd.)

Shareholders holding shares in NSDL, shall provide details as per 'D' above.

Shareholders may set the password as per their choice containing minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Click “confirm” (Your password is now generated).

3. Click on 'Login' under 'SHARE HOLDER' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

III. Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

IV. Guidelines for Institutional shareholders :

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of MUFG at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. Click on “Investor Mapping” tab under the Menu Section.

Map the Investor with the following details:

1. Investor ID' –
 - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., In00000012345678
 - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
2. Investor's Name - Enter Investor's Name as updated with DP.
3. Investor PAN' - Enter your 10-digit PAN.
4. Power of Attorney' - Attach Board resolution or Power of Attorney
*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures, as may be required.
5. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

V. Helpdesk for Individual shareholders holding securities in physical form/ Institutional shareholders:

Shareholders facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpgms.mufg.com or contact on: - Tel: 022 – 4918 6000.

NOTICE (Contd.)

VI. Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

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.co.in or call at : 022 - 4886 7000 and 022 - 2499 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 22 55 33

VII. Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of MUFG Intime:<https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholder is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event Number + Folio Number registered with the Company.

VIII. Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

Other e-voting Instructions

- A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting and voting during the AGM.

NOTICE (Contd.)

- ii. Ms. Ashwini Inamdar (FCS No. 9409/CP No. 11226), Partner, M/s Mehta & Mehta, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- iii. The results declared along with the Scrutinizer's Report will be submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and placed on the Company's website at www.ksbindia.co.in within the prescribed time line from the 65th Annual General Meeting.
- iv. The contact details for Registrar and Transfer Agent: MUFG Intime India Private Limited (Formerly known as Link Intime India Pvt. Ltd.), Tel. No.: 022 – 4918 6000. write at : rnt.helpdesk@in.mpms.mufig.com
- o. Instructions for Members to attend the AGM through (VC/OAVM):**

Members are entitled to attend the AGM through VC/OAVM provided by RTA, MUFG Intime India Private Limited (Formerly known as Link Intime India Pvt. Ltd.), by following the below mentioned process:

 - i. Facility for joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and shall be kept open till the expiry of 15 minutes after the scheduled time on first-come-first basis.
 - ii. Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.
 - iii. Members will be provided with Insta Meet facility wherein they shall register their details and attend the AGM as under:
 - 1. Open the internet browser and open the URL: <https://instameet.in.mpms.mufig.com>
 - 2. Select the "Company" and "Event date" and register with your following details:
 - A. Demat Account No. or Folio No:** Enter your 16-digit Demat Account No. or Folio No.
 - a. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - b. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - c. Members holding shares in physical form shall provide Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company/RTA

NOTICE (Contd.)

3. Click “Go to Meeting”: You are now registered for InstaMeet and your attendance is marked for the meeting.

(Note: Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience. Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting).

p. Instructions for Members to Vote during the AGM:

- a. Only those Members, who are 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 available during the AGM.
- b. If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.
- c. 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.

Once the electronic voting is activated by the scrutinizer during the AGM, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- i. On the Shareholders VC page, click on the link for e-Voting “Cast your vote.”
- ii. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
- iii. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
- iv. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- v. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
- vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

q. Instructions for Members to Speak during the AGM:

- i. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request on or before 5th May 2025, mentioning their name, demat account number/folio number, e-mail ID, mobile number, questions to ask, if any, at: compsec.india@ksb.com
- ii. Only those Members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the meeting.

NOTICE (Contd.)

- iii. Members will get confirmation on first cum first basis. First 10 Speakers registered with the Company will only be allowed to speak at the AGM for a duration upto 3 minutes each.
- iv. Members will receive “speaking serial number” once they mark attendance for the meeting.
- v. Members are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
- vi. Please remember your speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
- vii. Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

The Members who do not wish to speak during the AGM but have queries may send their queries in advance on or before 5th May, 2025 mentioning their name, demat account number/folio number, e-mail ID, mobile number at: compsec.india@ksb.com. These queries will be replied to by the Company suitably by e-mail.

For a smooth experience of viewing the AGM proceedings of MUFG Intime India Private Limited (Formerly known as Link Intime India Pvt. Ltd.), InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance.

Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

In case shareholders/members have any queries regarding login, they may send an e-mail to instameet@in.mpms.mufig.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

r. Instructions for Income Tax compliances with respect to dividend:

- i. The Finance Act, 2020 has abolished dividend distribution tax (DDT). Accordingly, effective from 1st April, 2020, dividend income will be taxable in the hands of shareholders. Hence the Company is required to deduct tax at source (“TDS”) from the amount of dividend paid to shareholders at the prescribed rates. The detailed TDS rates and required documents for claiming non-deduction/lower deduction of TDS are uploaded in the website of the company at: www.ksbindia.co.in
- ii. To avail the benefit of non-deduction/lower deduction of TDS kindly submit the required documents by email to ksbdivtax@linkintime.co.in on or before 5th May 2025:

or

The forms/documents (duly completed and signed) for claiming tax exemption are required to be uploaded on the url: <https://web.in.mpms.mufig.com/formsreg/submission-of-form-15g-15h.html>

- On this page the user shall be prompted to select / share the required information therein to register their request.

NOTICE (Contd.)

- iii. The forms for tax exemption can be downloaded from MUFG Intime's website. The URL for the same is: <https://web.in.mpms.mufig.com/client-downloads.html>
 - On this page select the General tab. All the forms are available under the head “Form 15G/15H/10F”
- iv. The upload of forms/documents (duly completed and signed) on the above-mentioned URL of MUFG Intime India Private Ltd should be done on or before 5th May, 2025 to enable the Company to determine and deduct appropriate TDS / Withholding Tax.
- v. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after 5th May, 2025.
- vi. In terms of the MCA and SEBI circular, in case the Company is unable to pay the dividend to any share holder by electronic mode due to non-availability of the details of their bank account, the Company will dispatch the Dividend Warrants/Demand Drafts to such shareholders by post.
- vii. All communications/ queries in this respect should be addressed to our RTA, MUFG Intime India Private Limited to: ksbdivtax@linkintime.co.in

NOTICE (Contd.)

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

BUSINESS 4:

The Board of Directors of the Company, on the recommendation of its Audit Committee, has approved the appointment of M/s Dhananjay V. Joshi & Associates, Cost Accountants, Pune, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st December, 2025. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought by way of an Ordinary Resolution as set out at Business No. 4 of the Notice for ratification of the remuneration amounting to ₹ 5,10,000 plus applicable GST and out-of pocket expenses incurred by them in connection with the aforesaid audit.

The Directors recommend the resolution as an Ordinary Resolution for approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

BUSINESS 5:

The Board of Directors, based on the recommendation of the Audit Committee, at its meeting held on 27th February, 2025, has recommended the appointment of M/s. Mehta & Mehta, Company Secretaries (Firm Registration No. - P1996MH007500 and Peer review No. - 3686/2023), as the Secretarial Auditors of the Company, in accordance with the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for a term of 5 (Five) consecutive years starting from the conclusion of this 65th Annual General Meeting till the conclusion of the 70th Annual General Meeting, subject to approval of the Members at this Annual General Meeting, shall conduct Secretarial Audit of the Company from the Financial Year ended 31st December, 2025 to the Financial Year ended 31st December, 2029.

M/s Mehta & Mehta, has provided their consent to act as Secretarial Auditors of the Company for the proposed period of appointment. They have further confirmed their eligibility, qualifications and confirmation on non-disqualification referred to in Regulation 24A of SEBI Listing Regulations, 2015.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

It is proposed that the remuneration to be paid to the Secretarial Auditors for issuing the Secretarial Audit Report and other reports, certificates or opinions, and for other prescribed services rendered, shall be determined from time to time, by the Board based on the recommendation of the Audit Committee. In addition to the remuneration, the Secretarial Auditors shall be entitled to receive the out-of-pocket expenses as may be incurred by them during the course of the Audit or issuance of any other certificate, report, opinion, prescribed approved services. The consent and Peer Review Certificate received from M/s Mehta & Mehta, Company Secretaries and the letter of engagement inter-alia containing the terms of engagement including remuneration, shall be available for inspection by the members in electronic form up to the date of Annual General Meeting. The members seeking to inspect these documents may send an email request at : compsec.india@ksb.com

Information pursuant to Regulation 36(5) of SEBI Listing Regulations, is as following:

NOTICE (Contd.)

Terms of appointment	M/s Mehta & Mehta, is proposed to be appointed as secretarial auditors for a term of five years, commencing from the 65th Annual General Meeting to the 70th Annual General Meeting of the Company to conduct secretarial audit from FY 2025 to FY 2029.
Material change in fee payable	NA
Basis of recommendation and auditor credentials	The recommendation is based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI Listing Regulations with regard to the full time partners, secretarial audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done in the past.
Brief Profile of the Auditors	M/s Mehta & Mehta is founded for more than 25 years by Mr. Atul Mehta and Ms. Dipti Mehta. The firm provides legal and secretarial consultancy covering varied areas of the corporate field and other related areas

The Directors recommend the resolution as an Ordinary Resolution for approval. None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Notes on Director/s seeking appointment/re-appointment

As required under Listing Regulations, 2015 and Secretarial Standards on General Meetings, particulars of Director/s who is/are to be appointed/re-appointed are given below:

Name of the Director	Dr. Matthias Schmitz
Director Identification Number	07884418
Date of Birth (Age)	15th November, 1963
Date of appointment	25th July, 2017
Qualifications	Doctorate, Engineering and Business Administration
Experience (including expertise in specific functional area)	Vast experience in the engineering industry
Directorships held in other Companies in India excluding Directorship in Private and Section 8 companies	Nil
Chairmanship/Membership of Committees held in other Companies in India excluding Private and Section 8 companies	Nil
Listed entities from which the person has resigned in the past three years	Nil
Relationship with other Directors and Key Managerial Personnel	Nil
No. of Equity shares held in the Company, including shareholding as a beneficial owner	Nil
No. of Board meetings attended during last Financial Year	4 (Four)
Details of Remuneration Sitting fees and commission paid/ sought to be paid	Sitting fees and commission
Terms and Conditions of appointment	Non-Executive Director (Non-Independent), liable to retire by rotation.
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements (Applicable to Independent Director)	Not Applicable

BOARD'S REPORT

To
The Shareholders,

The Board of Directors has pleasure to submit the report and audited financial statements of the Company for the year ended 31st December, 2024.

1. Financial Performance (Standalone):

₹ Million

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from operations and Other Income	25,745.78	22,835.07
Profit before tax	3,219.90	2,748.77
Income tax expense		
Current	815.07	721.62
Deferred tax	(4.19)	(18.98)
Total tax expense	810.88	702.64
Profit for the year	2,409.02	2,046.13
Other comprehensive income	(27.48)	23.75
Total comprehensive income	2,381.54	2,069.88
Appropriations:		
Opening balance of retained earnings	11,041.83	9,494.07
Profit for the year	2,409.02	2,046.13
Dividend paid (including tax thereon)	(609.14)	(522.12)
Other comprehensive income recognised directly in retained earnings	(27.48)	23.75
Total retained earnings	12,814.23	11,041.83
EPS*	13.84	11.76

*EPS is post sub-division of shares during FY 2024 in the ratio 1:5.

2. Dividend

The Board of Directors propose a dividend of ₹ 4.00 per share of ₹ 2.00 each (200 %).

Dividend Distribution Policy of the Company as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015") is available on the Company's website at: www.ksbindia.co.in

3. Share Capital

During the year under review, there was no change in the share capital of the Company.

In order to encourage wider participation of investors and improve the liquidity of the equity shares of the Company, the Board of Directors and the shareholders of the Company had approved the Sub-division(split) of 1 (One) equity share of nominal value (face value) of ₹ 10.00 (INR Ten Only) each into 5 (Five) equity shares of face value of ₹ 2.00 (INR Two only) each, with effect from the record date 25th July, 2024.

4. Alteration of 'Capital Clause' of Memorandum of Association

Pursuant to the Sub-division of nominal value (face value) of equity shares of the Company during the year, the Board and the shareholders have approved alteration of the Capital Clause of the Memorandum of Association of the Company and substituted with a new clause to reflect the corresponding changes.

BOARD'S REPORT (Contd.)

5. Transfer to reserves

The Company does not propose to transfer any amounts to its reserves for year under review.

6. General review and performance

The Financial Year 2024 has been another year of strong performance, driven by strategic growth initiatives, operational excellence, and technological advancements. Despite industry challenges, the Company could successfully achieve the operational synergy and financial growth, reinforcing its position in key market segments.

A significant milestone this year has been securing major orders across critical sectors, resulting in further strengthening of our market leadership. The Company's Solar and Green Hydrogen segments continue to expand, supported by an enhanced product portfolio and new technology-driven offerings. Our digital transformation journey continues, with new automation solutions improving both internal efficiencies and customer engagement.

Despite a dynamic business environment, the Company remains resilient and future-ready, committed to innovation, sustainability and continuous growth in the years ahead.

Export increased by ₹ 501.14 Million from ₹ 2,999.08 Million last year to ₹ 3,500.22 Million during the year.

The Company continues with its efforts to maintain growth even during the continued challenges.

7. Credit Rating

Reaffirmation for the Long Term rating (Fund based) [ICRA] AA+ (stable) and Short Term Rating [ICRA] A1+ assigned for the Line of Credit of the Company continues during the year 2024. This reaffirms the high reputation and the trust Company has earned for its sound financial management and its ability to meet financial obligations. Below Credit Ratings are obtained during past 3 years:

Year	Amount (₹ in Million)	Rating
2024	25,000.00	Long Term AA+, Short Term A1+
2023	25,000.00	Long Term AA+, Short Term A1+
2022	25,000.00	Long Term AA+, Short Term A1+

The Company does not have any debt instruments, fixed deposit program or any scheme for mobilization of funds and accordingly it has not obtained any credit ratings during the financial year for these purposes.

8. Fixed Deposits

The Company has not accepted any fixed deposits.

9. Transfer to Investor Education and Protection Fund ("IEPF")

During the year, in accordance with section 125 of the Companies Act, 2013 ("the Act") an amount of INR 592,452 being unclaimed dividends up to the year 31st December, 2016, were transferred to the Investor Education and Protection Fund established by the Central Government.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ("IEPF Rules"), as amended, the

BOARD'S REPORT (Contd.)

shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund (IEPF). Accordingly, during the year Company has transferred 2,497 equity shares to the IEPF. The details of equity shares transferred are available on the Company's website at: www.ksbindia.co.in

10. Equity Shares in the Unclaimed Suspense Account / Suspense Escrow Demat Account

There are 320 shares lying in the Suspense Escrow Demat Account. There are no shares in the Unclaimed Suspense Account.

11. Subsidiary and Associate

The Company has 1 subsidiary, viz. Pofran Sales and Agency Limited and 1 associate, viz. KSB MIL Controls Limited as on 31st December, 2024.

In accordance with Section 129 (3) of the Act and Regulation 34 of Listing Regulations, 2015, the audited consolidated financial statements of the Company form part of the Annual Report. A statement containing salient features of the financial statements of the Company's subsidiary and associate is annexed to this Report in prescribed form AOC-1 as Annexure I.

The audited financial statements of Pofran Sales and Agency Limited for the year ended 31st March, 2025 have been placed on the website of the Company viz. www.ksbindia.co.in and are available for inspection at the registered office of the Company. The Company will also make available these documents electronically upon request by any member of the Company interested in obtaining the same.

Refer Notes to the Financial Statements forming part of this Annual Report for additional information.

12. Management Discussion and Analysis Report

Annexed to this report as Annexure II.

13. Report on Corporate Governance Report

Annexed to this Report along with certificate thereon as Annexure III.

14. Business Responsibility and Sustainability Report

Annexed to this report as Annexure V.

15. Annual Return

In accordance with the provisions of the Act, the Annual Return of the Company for the year ended 2024 is hosted on website of the Company at : www.ksbindia.co.in

16. Particulars of contracts or arrangements with related parties

Contracts or arrangements with related parties referred to under Section 188 of the Act, entered into during the financial year, were on an arm's length basis. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, no transactions are being reported in form AOC- 2 in terms of section 134 of the Act.

17. Disclosure under Regulation 34(3) of SEBI Listing Regulations, 2015

There are no loans and advances in the nature of loans to subsidiary/associate/ firms/Companies in which Directors are interested.

BOARD'S REPORT (Contd.)

18. Particulars of loans, guarantees or investments

The Company has not granted any loans, guarantees and investments covered under section 186 of the Act during the year.

19. Vigil mechanism / Whistle Blower Policy

The Company has established a vigil mechanism to provide avenues to the stakeholders to bring to the attention of the management, the concerns about behaviour of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy. The details of the said policy are included in the report on Corporate Governance.

20. Risk management

The Company has laid down procedures and informed the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. The Risk Management Committee monitors the risks and their mitigation actions.

21. Significant and material orders passed by the regulations or courts

There is no significant or material order passed during the year by any regulators, courts or tribunals impacting the going concern status of the Company or its future operations. The Company has not filed any application or no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

22. Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

23. Policy on prevention, prohibition and redressal of sexual harassment of women at workplace

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, to redress complaints received regarding sexual harassment. The Company has in place a policy in line with the requirements of the said Act. During the year, nil complaint with allegations of sexual harassment was received by the Company.

24. Directors and Key Managerial Personnel

Dr. Matthias Schmitz (DIN: 07884418) retires by rotation and is eligible for re-appointment. The Board recommends the re-appointment.

During the year, two Non-Executive and Independent Directors Mr. Dara N. Damania (DIN: 00403834) and Mr. Pradip Shah (DIN: 00066242) ceased to be Directors on the Board of Directors of the Company from the close of the business hours on 30th September, 2024 after serving 2 consecutive terms of 5 years each. Mr. V. K. Viswanathan (DIN: 01782934), Non-Executive and Independent Director also ceased to be a Director on the Board of Directors of the Company from close of business hours on 15th January, 2025 after serving 2 consecutive terms of 5 years each.

The Board of Directors, on recommendation of the Nomination and Remuneration Committee and approval of shareholders through postal ballot, appointed Mr. Ulhas Yargop

BOARD'S REPORT (Contd.)

(DIN: 00054530) and Mr. Vishal Kampani (DIN: 00009079) as Non-Executive and Independent Directors effective from 1st October, 2024 and Mr. U. C. Muktibodh (DIN: 06558392) as Non-Executive and Independent Director with effect from 16th January, 2025 for a term of 5 years respectively.

There are no changes in the Key Managerial Personnel of the Company during the year.

25. Declarations by Independent Directors

The Independent Directors have given a declaration to the Company that they meet the criteria of independence as per Section 149(6) of the Act and Regulation 25 of the Listing Regulations, 2015.

The Board of Directors acknowledges the integrity, expertise, and experience of the Independent Directors on the Board.

26. Board Meetings

During the year ended 31st December, 2024, four meetings of the Board were held. The details of the attendance of Directors at the Board Meetings are mentioned in the report on Corporate Governance annexed hereto.

27. Policy on Directors' appointment and remuneration

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and other matters forms part of report on Corporate Governance. The detailed policy is available on the Company's website at: www.ksbindia.co.in

28. Evaluation of Board of Directors

The details of the annual evaluation of Board, its Committees and individual Directors are mentioned in the report on Corporate Governance.

29. Board Committees

The Company has five Committees of Board, viz,

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Details of all the Committees along with their composition, terms of reference and meetings held during the year are provided in report on Corporate Governance.

30. Directors' responsibility statement

Pursuant to Section 134(5) of the Act, the Board of Directors report that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 or loss of the Company for that period;

BOARD'S REPORT (Contd.)

- c. proper and sufficient care has been taken 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. proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively; and
- f. systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

31. Particulars of employees and related information

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules are provided in the Annual Report. The disclosures as specified under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as Annexure IV.

The information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be available electronically for inspection by members on all working days (Monday to Friday) between 09.00 a.m. and 11.00 a.m. upto Thursday, 15th May, 2025, being the date of the 65th AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished electronically on such request.

32. Statutory Auditors

Pursuant to provisions of Section 139 of the Act and Rules thereunder, M/s Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N/ N500016) were appointed as Statutory Auditors of the Company for a term of five years, to hold office from the conclusion of 62nd Annual General Meeting, until the conclusion of 67th Annual General Meeting. Affirmation from Statutory Auditors has been received to the effect that their appointment as Statutory Auditors of the Company, continues to be according to the terms and conditions prescribed under Section 139 of the Act and Rules framed there under.

The Auditors' Report for the financial year 2024 does not contain any qualification, reservation, adverse remark or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year 2024.

33. Cost Auditors

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act, 2013, is required by the Company and accordingly such accounts and records are prepared and maintained. Pursuant to Section 148, the Board on the recommendation of the Audit Committee has re-appointed M/s Dhananjay V. Joshi and Associates, Cost Accountants, Pune as Cost Auditors to carry out the audit of Cost Accounts of the Company for the financial year 2025 at a remuneration as mentioned in the Notice convening the 65th Annual General Meeting and the same is recommended for your consideration and ratification. The Cost Audit Report for financial year 2023 which was due to be filed with the Ministry of Corporate Affairs before 29th June, 2024, was filed on 24th May, 2024 and it did not contain any qualification, reservation, adverse remark or disclaimer.

BOARD'S REPORT (Contd.)

34. Secretarial Auditors

Pursuant to provisions of Section 204 of the Act and Rules thereunder, the Secretarial Audit Report for financial year 2024 issued by Secretarial Auditors, M/s Mehta & Mehta, Company Secretaries is annexed to this report as Annexure VII and it does not contain any qualification, reservation, adverse remark or disclaimer.

Pursuant to SEBI Listing Regulations, 2015 it is proposed to appoint M/s Mehta and Mehta Associates (Firm Reg. No. P1996MH007500), as the Secretarial Auditors of the Company for a term of 5 years to conduct the annual secretarial audit, commencing from the 65th Annual General Meeting to the 70th Annual General Meeting subject to approval of Shareholders by way of Ordinary resolution as proposed in the Notice of 65th Annual General Meeting.

35. Secretarial Standards

During the year under review, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

36. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information as required to be given under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in the annexure to this report as Annexure VI.

37. Corporate Social responsibility ("CSR")

The composition of the CSR Committee, CSR Policy and other required details are given in the Annual Report on CSR Activities annexed to this Report as Annexure VIII.

38. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

The Company has not made any one-time settlement with the banks or financial institutions, therefore, the same is not applicable.

39. Proceeding under Insolvency and Bankruptcy Code, 2016

The Company has not filed any application or no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

40. Acknowledgements

The Board of Directors are grateful to Canadian Kay Pump Ltd., the main shareholder, and to KSB SE & Co. KGaA, Germany, the Company's collaborators, for their valuable assistance and support. They wish to record their appreciation for the co-operation and support of the Company's shareholders, bankers and all employees including the workers, staff and management and all others concerned with the Company's business.

On behalf of the Board of Directors
GAURAV SWARUP
Chairman

Mumbai, 27th February, 2025

ANNEXURE TO BOARD'S REPORT

ANNEXURE I TO BOARD'S REPORT

FORM NO. AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies as per Section 129 (3) and Rules thereunder

Part "A": Subsidiaries

₹ Million

Name of the subsidiary	Pofran Sales and Agency Limited
The date since when subsidiary was acquired	7th January, 2005
Reporting period for the subsidiary concerned, if different from the holding company's reporting	1st April, 2024 to 31st March, 2025*
Reporting currency and Exchange rate	₹
Share capital	0.50
Reserves & Surplus	1.14
Total Assets	1.74
Total Liabilities	0.10
Investments	-
Turnover	NIL
Profit / (Loss) before taxation	(0.05)
Provision for taxation	0.00
Profit / (Loss) after taxation	(0.05)
Proposed Dividend	-
% of shareholding	100

*The consolidation is based on the unaudited financial information for the period ended as on 31st December, 2024 of the subsidiary.

Part "B": Associate

₹ Million

Name of the associate	KSB MIL Controls Limited
The date on which associate was associated / acquired	24th October, 1997
Latest audited Balance Sheet date	31st December, 2024
Number of shares of associate held by the company on the year end	7,35,000
Amount of investment in associate	62.65
Extent of holding %	49%
Description of how there is significant influence	Ownership of 20% or more of the voting power
Reason why the associate is not consolidated	Ownership of not more than 50% of the voting Power and no control over the Board
Networth attributable to shareholding as per latest audited Balance Sheet	853.70
Profit / Loss for the year	273.55
i. Considered in consolidation	134.06
ii. Not Considered in consolidation	139.53

Note : Refer Notes to the Financial Statements forming part of this Annual Report for additional information.

Gaurav Swarup
Chairman
(DIN : 00374298)
Rajeev Jain
Managing Director
(DIN : 07475640)

Place : Mumbai
Date : 27th February, 2025

Ulhas Yargop
Director
(DIN : 00054530)
Mahesh Bhav
Chief Financial Officer
Shraddha Kavathekar
Company Secretary

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE II TO BOARD'S REPORT

INTRODUCTION

The Company is engaged in the business of manufacture of power-driven pumps and industrial valves. Castings are mainly produced for captive consumption.

INDUSTRY STRUCTURE AND DEVELOPMENT:

General:

Global Macro-Economic Outlook

As we progress through 2025, the global economic environment remains complex and multifaceted. The International Monetary Fund (IMF) projects global GDP growth to stabilize at 3.3% for both 2025 and 2026, consistent with previous forecasts. Inflationary pressures are gradually easing, with global inflation expected to decline to 4.4% in 2025, down from 5.8% in 2024.

India continues to be a significant contributor to global growth. The IMF's January 2025 World Economic Outlook Update projects India's real GDP growth at 6.5% for 2025, underscoring the country's economic resilience and growth potential.

Despite these positive indicators, several challenges persist. Geopolitical tensions, particularly in Eastern Europe, ongoing supply chain disruptions, and potential energy market volatility pose risks to the global economic landscape. Additionally, the gradual withdrawal of fiscal support in high-debt economies and the potential for renewed inflationary pressures could impact financial stability and growth prospects.

Indian Economy:

Despite ongoing global challenges, India's economy continues to demonstrate resilience, driven primarily by robust domestic demand. Inflation is expected to stabilize within the Reserve Bank of India's target range of 4% to 6%, supporting economic stability. The government's strategic investments in infrastructure and initiatives like the Production-Linked Incentives (PLI) scheme continue to foster growth by encouraging private investment and bolstering domestic manufacturing. The 'Make in India' initiative remains pivotal in promoting self-reliance and enhancing the manufacturing sector's competitiveness, which is poised to benefit from an improving investment climate. While global economic headwinds may impact exports, strong domestic demand is expected to sustain momentum in the service sector. Additionally, India's manufacturing sector is set to play a crucial role in the country's economic future, with its contribution to Gross Value Added (GVA) projected to rise significantly by 2032.

Pumps and Valves Industries:

The Indian pumps and valves industries are poised to capitalize on the country's robust economic growth and the government's strategic focus on infrastructure development. In 2024, increased investments in irrigation, water supply, sanitation, and urban housing projects have significantly boosted demand for pumps in the water segment. The government's commitment is evident through a substantial capital expenditure allocation of ₹11 lakh crore for the fiscal year, aiming to enhance the nation's infrastructure landscape.

Market projections indicate that the Indian industrial pumps market is expected to reach USD 1.23 billion by 2030, growing at a CAGR of 4.80% from 2025 to 2030. Similarly, the industrial valves market is anticipated to grow at a CAGR of greater than 7%, reaching USD 3.62 billion by 2030.

Sustainability continues to be a pivotal focus, with technological advancements leading to the development of more energy-efficient and environmentally friendly pumps and valves. Innovations in materials and manufacturing processes have resulted in submersible pumps that are stronger, lighter, and more corrosion-resistant, enhancing overall performance and reliability.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

OPPORTUNITIES AND THREATS

The resilient economic outlook, driven by robust consumption demand, presents a mix of opportunities for our company. We are witnessing an ever-expanding demand for our pumps and valves, and we are well-positioned to capitalize on this trend. Our strategic expansion plans, including entry into untapped geographies and a focused market approach, will further strengthen our market presence. Identifying emerging opportunities and diversifying our product offerings into new market segments, such as hydrogen, firefighting, and railways, will unlock further growth potential. Additionally, our dedication to the aftermarket segment, through readily available spares and on-demand service, fosters long-term customer relationships and opens up valuable revenue streams.

In 2024, the Indian government's initiatives, such as the Jal Jeevan Mission and the PM KUSUM scheme, have created new opportunities for the adoption of solar pumps and water management systems. Moreover, the growing emphasis on sustainability and energy efficiency has led to increased demand for eco-friendly pumps and valves, aligning with our strategic focus on innovation and environmental stewardship. Our investments in automation and digital solutions will enhance operational efficiency and cost competitiveness, enabling us to navigate the evolving market dynamics effectively.

However, we remain vigilant of potential threats such as volatile commodity prices, intensifying competition, and a possible slowdown in exports. Increased emphasis on product life cycle cost and customer expectations for reduced development time are also mounting pressure to create an ecosystem for sustainable developments. Furthermore, geopolitical tensions and supply chain disruptions pose risks to global economic stability. As a company, we are prepared to mitigate these risks through sound strategies, including resource allocation, capacity expansion, and strategic partnerships. By leveraging our established strengths, embracing technological advancements, and adapting to the evolving market dynamics, we are confident in continuing our successful growth trajectory and solidifying our position as a leading player in the industry.

SEGMENT WISE PERFORMANCE (Consolidated):

During the year under review, pumps and related spares worth ₹ 21,081 Million (Previous year ₹18,968 Million) and valves and related spares worth ₹4,250 Million (Previous year ₹ 3,504 Million) were sold. Out of the above, export of pumps, valves and their spares in terms of value were ₹ 3,500 Million (Previous year ₹ 2,999 Million).

OUTLOOK:

Company's outlook for 2025 remains positive as we are on the growing path and have registered significant growth from past 5 years. Our strategic initiatives to expand into new market segments like Railways and Firefighting, alongside continued innovation in energy-efficient solutions, will help us stay ahead on our growth curve. Strengthening domestic presence with expanding our distribution network and service infrastructure will further solidify our market position and improve customer reach. While acknowledging the global slowdown, we expect slower growth in our export.

RISKS AND CONCERNS THE MANAGEMENT PERCEIVE:

While the 2025 outlook remains promising, potential headwinds such as geopolitical tensions, global inflation, and rising interest rates could impact growth, affecting exports and domestic demand. A slowdown in private sector investments may also influence key industries like agriculture, infrastructure, and manufacturing.

To mitigate these risks, we are diversifying into emerging segments like hydrogen and renewable energy, strengthening our supply chain through strategic partnerships, and expanding our domestic presence. Investments in automation and digital solutions will further enhance efficiency and competitiveness.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

With an agile approach and strong risk management, we are confident in navigating challenges, driving sustainable growth, and reinforcing our leadership in the pumps and valves industry.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Internal control systems are implemented –

- To Protect Assets and Optimizing Controls:

Our commitment to effective internal control systems remained unyielding in 2024. These systems safeguard our assets, optimize costs, and ensure reliable financial reporting, all while adapting to evolving business landscapes, regulatory changes, and best practices.

- To keep constant check on Core Control Areas:

For Asset Safeguarding we maintain comprehensive physical and electronic security measures, including regular inventory reconciliations, access control systems, and data encryption, to prevent asset loss or compromise.

For Cost Management we have robust systems monitoring and manage expenditures, utilizing budget variance analysis, automated expense approvals, and stringent procurement controls to ensure efficient resource allocation and oversight.

- To maintain Financial Integrity:

We adhere to the highest accounting standards and maintain rigorous internal financial controls, including segregation of duties, automated reconciliations, and continuous monitoring, to guarantee accurate and transparent financial reporting

- For Continuous Improvement:

For recognizing the need for continual evolution, we have inhouse Internal Audit team to assess control effectiveness, identify potential vulnerabilities, and recommend corrective actions. We proactively address their findings and track progress through a dedicated risk management database. Our periodic reviews ensure adherence to established policies and procedures, identifying areas for improvement and fostering proactive risk management.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL EFFICIENCY

The financial performance of the Company has seen a good contribution from operations perspectives. Various cost optimisation drives by ways of alternate sourcing, standardization, process improvements and operational efficiency improvements has led significant savings. Cost reduction have been achieved in certain areas by implementing efficiency improvement programme within the company.

The following statements cover financial performance review, which are attached to this report.

- a) Distribution of income
- b) Financial position at a glance
- c) Financial summary

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES, INDUSTRIAL RELATIONS

KSB remains committed to sustainable and responsible business practices. As we continue to expand, we nurture and continue the culture of open communication, execute exclusive skill development programmes, foster a progressive & inclusive work environment and encourage equal opportunities for each employee through our robust gender diversity programme. We undertook various initiatives to enhance the gender diversity at KSB India like hiring female employees on shop floor, appointment of Social counsellor and a female Gynaecologist; suitable

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

infrastructure and female Security Officer for the safety and wellbeing of women and ensuring measures for their work-life balance.

The HR policies are periodically updated to ensure compliance while fostering a culture of trust and respect. Enhancement to the Service Milestone policy and Leave Policy have helped promote ease and a positive work environment. Also, HR digital transformation has automated and streamlined many HR activities with improvised data analysis, and enhanced employee experiences, ultimately leading to more efficient and data-driven HR operations.

Through such comprehensive strategy, we forge flexible work arrangements, execute wellness programs and ensure boosted safety measures; which has resulted in equitable outcomes, minimized risk and accelerated growth. We have also navigated our efforts towards restructuring and strengthening of departments, digitization of processes, ambitious launch of several new products and addition of new segments, employee engagement activities and employee retention initiatives.

Industrial relations have been our focus and upheld at good levels through open communication with employee representatives, competitive compensation packages, and being committed to providing a fair and rewarding work environment across all our plants.

Year 2024 was a year of transformation and perseverance with two key accomplishments that stand out for the year 2024 being KSB Voice survey with 88% engagement score is a testament to our commitment to creating a vibrant workplace; and successfully meeting our Strategy 2024 targets underscores our dedication to delivering on our promises.

CAUTION:

This report is based on the experience and information available to the Company in the pumps and valves business and assumption in regard to domestic and global economic conditions, government and regulation policies etc. The performance of the Company is dependent on these factors. However, the performance may be materially influenced by the changes therein beyond the Company's control, affecting the views expressed in or perceived from this report.

KEY FINANCIAL RATIOS

Key financial ratios of the Company showing financial performance are as under:

Ratios (Standalone)	Year Ended 31st December, 2024	Year Ended 31st December, 2023
1. Debtors Turnover (days)	83	74
2. Inventory Turnover (days)	165	172
3. Operating Profit Margin (%)	11.75	11.65
4. Net Profit Margin (%)	9.54	9.14
5. Return on Net Worth (%)	18.03	17.48
6. Interest Coverage Ratio (No. of times)	120.26	52.87

Note: Interest Coverage Ratio has increased due to reduction in interest cost for FY 2024.

On behalf of the Board of Directors,

GAURAV SWARUP

Chairman

Mumbai, 27th February, 2025

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

DISTRIBUTION OF INCOME (STANDALONE)

	Year ended 31st December, 2024		Year ended 31st December, 2023	
	₹	%	₹	%
1. Raw Materials/Bought-out Components Consumed	14,223	55.24	12,775	55.94
2. Excise Duty(till 30th June, 2017)	-	-	-	-
3. Employee benefits expense	3,135	12.18	2,697	11.81
4. Other Expenses	4,599	17.86	4,064	17.80
5. Finance cost	27	0.10	53	0.23
6. Depreciation	543	2.11	497	2.18
7. Taxation				
Current	815	3.17	722	3.16
Deferred	(4)	(0.02)	(19)	(0.08)
8. Other Comprehensive (Income)/Expense	27	0.10	(24)	(0.11)
9. Dividend (including tax thereon)	609	2.37	522	2.29
10. Retained Earnings	1,772	6.88	1,548	6.78
TOTAL	25,746	99.99	22,835	100.00

FINANCIAL POSITION AT A GLANCE (STANDALONE)

CAPITAL

	Year ended 31st December, 2024		Year ended 31st December, 2023	
	₹		₹	
ASSETS OWNED				
Non-Current Assets				
1. Property, Plant and Equipment (including Capital Work in Progress and RoU assets)	4,720		4,290	
2. Intangible Assets	211		224	
3. Investments	63		63	
4. Other Non-Current Assets (net)	41		227	
5. Deferred Tax Assets (net)	191		178	
Current Assets (Net) excluding borrowings	9,025		7,496	
TOTAL	14,251		12,478	
FINANCED BY				
1. Borrowings	-		-	
2. Net Worth*	14,251		12,478	
TOTAL	14,251		12,478	
*Represented by				
Equity Share Capital	348		348	
Other equity	13,903		12,130	
TOTAL	14,251		12,478	
INCOME EARNED				
1. Revenue from operations	25,331		22,472	
2. Other Income	415		363	
TOTAL	25,746		22,835	
INCOME DISTRIBUTED				
1. Materials consumed	14,223		12,775	

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

			₹ Million
2.	Employee benefits expense	3,135	2,697
3.	Other expenses	4,599	4,064
4.	Finance cost	27	53
5.	Depreciation	543	497
6.	Taxation		
	Current	815	722
	Deferred	(4)	(19)
7.	Other Comprehensive (Income)/Expense (net)	27	(24)
8.	Dividend (including tax thereon)	609	522
9.	Retained Income	1,772	1,548
	TOTAL	25,746	22,835

FINANCIAL SUMMARY (STANDALONE)

	2024	2023	2022	2021	2020
CAPITAL ACCOUNTS (INR Million)					
Equity and Liabilities					
Equity Share Capital	348	348	348	348	348
Other Equity	13,903	12,130	10,583	9,293	8,116
Non-Current Liabilities	591	458	453	537	462
Assets					
Non-Current Assets					
Gross Block	10,481	9,547	8,467	7,805	7,482
Net Block	4,931	4,514	3,752	3,498	3,435
Investments	63	63	63	63	63
Other Non-Current Assets	632	685	1,015	643	381
Deferred Tax Assets (net)	191	178	167	220	168
Current Assets (Net)	9,025	7,496	6,386	5,754	4,879
REVENUE ACCOUNTS (INR Million)					
Revenue from operations and Other Income	25,746	22,835	18,674	15,337	12,404
Gross Profit before finance cost and depreciation	3,790	3,299	2,921	2,459	2,001
Finance cost	27	53	61	50	34
Depreciation	543	497	453	436	418
Profit before tax	3,220	2,749	2,407	1,973	1,549
Profit after tax	2,409	2,046	1,793	1,466	973
Dividend amount (including tax thereon)	609	522	435	296	278
Retained earnings	1,772	1,548	1,290	1,176	657
SELECTED INDICATORS					
Return on Capital Employed %	23.45	23.20	22.97	20.98	17.46
Current Ratio	2.13	2.05	2.01	2.06	2.01
Earnings per share	13.84	58.78	51.50	42.12	27.96
Debt equity ratio	0	0	0	0.00	0.07
Book value per share	81.88	358.50	314.05	276.99	243.18
Dividend %	175	150	125	85	80
Fixed Assets Turnover	5.22	5.06	4.98	4.38	3.61

REPORT ON CORPORATE GOVERNANCE

ANNEXURE III TO BOARD'S REPORT

1. COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

The Company aims at conducting its business efficiently, by following professionally acknowledged good governance policies, thus meeting its obligations to all stakeholders in a balanced and accountable manner.

2. BOARD OF DIRECTORS

(a) Composition

The Board of Directors comprises of eight Directors as on signing of this report, of whom one is Managing Director. The office of Managing Director is held by a nominee of Canadian Kay Pump Ltd., the Company's major shareholder.

(b) Attendance of each Director at the Board Meetings and the last Annual General Meeting ("AGM")

Name of the Director	DIN	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM (27th June, 2024)
Mr. Gaurav Swarup	00374298	Chairman - NED	4	Yes
Mr. D. N. Damania (Upto 30th September, 2024)	00403834	NED - I	3	Yes
Mr. Pradip Shah (Upto 30th September, 2024)	00066242	NED - I	3	Yes
Mr. V. K. Viswanathan (Upto 15th January, 2025)	01782934	NED - I	4	Yes
Ms. Sharmila Barua Roychowdhury	08242998	NED - I	4	Yes
Dr. Stephan Bross	00423114	NED	4	Yes
Dr. Matthias Schmitz	07884418	NED	4	Yes
Mr. Rajeev Jain	07475640	Managing Director - ED	4	Yes
Mr. Ulhas Yargop (From 1st October, 2024)	00054530	NED - I	0	NA
Mr. Vishal Kampani (From 1st October, 2024)	00009079	NED - I	1	NA
Mr. U. C. Muktibodh (From 16th January, 2025)	06558392	NED - I	NA	NA

ED : Executive Director NED : Non-Executive Director NED - I : Non-Executive Director - Independent

(c) Number of other Companies or Committees the Director of the Company is a Director/ Member/Chairman as on 31st December, 2024

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of the Director	No. of Directorships in other Boards @	No. of Memberships in other Board Committees #	No. of Chairmanships in other Board Committees #
Mr. Gaurav Swarup	7	2	1
Mr. D. N. Damania (Upto 30th September, 2024)	NA	NA	NA
Mr. Pradip Shah (Upto 30th September, 2024)	NA	NA	NA
Mr. V. K. Viswanathan (Upto 15th January, 2025)	2	0	2
Ms. Sharmila Barua Roychowdhury	Nil	Nil	Nil
Dr. Stephan Bross	1	Nil	Nil
Dr. Matthias Schmitz	Nil	Nil	Nil
Mr. Rajeev Jain	2	Nil	1
Mr. Ulhas Yargop (From 1st October, 2024)	Nil	Nil	Nil
Mr. Vishal Kampani (From 1st October, 2024)	6	1	Nil
Mr. U. C. Muktibodh (From 16th January, 2025)	NA	NA	NA

@ Directorships of other Indian Public Limited Companies are included.

Memberships / Chairmanships in Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies are included.

(d) Membership on the Boards of other listed Companies

Name of Director	Name of other Listed Company	Category
Mr. Gaurav Swarup	Swadeshi Polytex Limited	Chairman & NED
	Industrial & Prudential Investment Company Limited	Chairman & MD
	Avadh Sugar & Energy Limited	NED-I
	Graphite Limited	NED-I
	IFGL Refractories Limited	NED-I
Mr. D. N. Damania (Upto 30 th September, 2024)	NA	NA
Mr. Pradip Shah (Upto 30 th September, 2024)	NA	NA
Mr. V. K. Viswanathan	United Spirits Limited	NED-I

REPORT ON CORPORATE GOVERNANCE (Contd.)

(d) Membership on the Boards of other listed Companies (Contd.)

Name of Director	Name of other Listed Company	Category
Ms. Sharmila Barua Roychowdhury	Nil	NA
Dr. Stephan Bross	Nil	NA
Dr. Matthias Schmitz	Nil	NA
Mr. Rajeev Jain	Nil	NA
Mr. Ulhas Yargop	Nil	NA
Mr. Vishal Kampani	JM Financial Limited	MD & Vice Chairman
Mr. U. C. Muktibodh (From 16th January, 2025)	NA	NA

MD : Managing Director, NED : Non-Executive Director

NED – I : Non-Executive Director – Independent

(e) Details of Board Meetings held during the year under review

During the year 2024, four Meetings were held on 28th February, 2024, 26th April, 2024, 1st August, 2024, and 13th November, 2024.

The information as specified in Schedule II to the Listing Regulations, 2015 is regularly made available to the Board, wherever applicable, for discussion and consideration.

(f) There are no inter-se relationships between the Board members.

(g) Number of shares held by Non-Executive Directors

Name of Non- Executive Director	No. of shares held	
	Before sub-division of shares	After sub-division of shares
Mr. Gaurav Swarup	34,000	1,70,000
Mr. D. N. Damania	4,200	21,000

Notes:

Record date for sub-division of shares was 25th July, 2024.

No other Non-Executive Directors hold shares in the Company.

Held by Mr. D. N. Damania in the capacity of NED upto 30th September, 2024

(h) Web-link of familiarisation programme for Independent Directors : <https://www.ksbindia.co.in>

(i) The Board evaluates its composition to ensure that the Board has the appropriate mix of skills, experience, independence and knowledge to ensure their continued effectiveness. In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

REPORT ON CORPORATE GOVERNANCE (Contd.)

No.	Essential Core skills/expertise/competencies required for the Company	Core skills/expertise/competencies of all the Directors on the Board of the Company
1	Strategic and Business Leadership	The Directors and especially the Managing Director have many years of experience.
2	Financial expertise	The Board has eminent business leaders with deep knowledge of finance and business.
3	Governance, Compliance and Regulatory	The presence of Directors with qualifications and expertise in Law and Regulatory affairs lends strength to the Board.
4	Knowledge and expertise of Information Technology (IT), Trade and Technology	The Directors have profound knowledge of Information Technology, economic affairs, trade and technology related matters.

- (j) The Board has noted the declaration received from the Independent Directors pursuant to Listing Regulations, 2015 with regard to their Independence and is of the opinion that the Independent Directors fulfil the conditions of independence and are independent of the management of the Company.

3. COMMITTEES OF THE BOARD

A. Audit Committee

i. Terms of Reference

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Regulations, 2015 and the Act.

ii. Composition, Name of Members and Chairperson

Name of Member	No. of Meetings held	No. of Meetings attended	Remarks
Mr. D. N. Damania	4	3	Ceased to be the Chairperson and a Committee member from 30th September, 2024 pursuant to his cessation from the Board.
Mr. Gaurav Swarup	4	4	–
Mr. Pradip Shah	4	3	Ceased to be a Committee member from 30th September, 2024 pursuant to his cessation from the Board.
Mr. V. K. Viswanathan	4	4	Appointed as the Chairperson from 1st October, 2024. Ceased to be the Chairperson and Committee member from 15th January, 2025 pursuant to his cessation from the Board.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Ms. Sharmila Barua Roychowdhury	4	4	–
Dr. Matthias Schmitz	4	4	–
Mr. Ulhas Yargop	4	0	Appointed as a Committee member from 1st October, 2024 and as the Chairperson from 16th January, 2025.
Mr. Vishal Kampani	4	1	Appointed as a Committee member from 1st October, 2024.
Mr. U. C. Muktibodh	4	NA	Appointed as a Committee member from 16th January, 2025.

iii. Details of Audit Committee Meetings held during the year under review

Four Meetings were held on 28th February, 2024, 26th April, 2024, 1st August, 2024, and 13th November, 2024.

Managing Director, Chief Financial Officer, Internal Auditors and Statutory Auditors are invitees to the meeting. The Company Secretary of the Company acts as the Secretary to the Committee.

B. Nomination and Remuneration Committee

i. Terms of Reference

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Regulations, 2015 and the Act.

ii. Composition, Name of Members and Chairperson

Name of Member	No. of Meetings held	No. of Meetings attended	Remarks
Mr. D. N. Damania	4	3	Ceased to be the Chairperson and a Committee member from 30th September, 2024 pursuant to his cessation from the Board
Mr. Pradip Shah	4	3	Ceased to be a Committee member from 30th September, 2024 pursuant to his cessation from the Board.
Mr. Gaurav Swarup	4	4	–
Mr. V. K. Viswanathan	4	1	Appointed as the Chairperson from 1st October, 2024. Ceased to be the Chairperson and a Committee member from 15th January, 2025 pursuant to his cessation from the Board
Mr. Vishal Kampani	4	1	Appointed as a Committee member from 1st October, 2024.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Mr. Ulhas Yargop	4	0	Appointed as a Committee member from 1st October, 2024 and as the Chairperson from 16th January, 2025.
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- iii. Details of Nomination and Remuneration Committee Meetings held during the year under review
Four Meetings were held on 28th February, 2024, 26th April, 2024, 1st August, 2024, and 13th November, 2024.
- iv. Remuneration Policy
Remuneration Policy of the Company aims at recommending and reviewing the remuneration to Managing Director, Non-Executive Directors and Key Managerial Personnel of the Company and is based on evaluation criteria such as industry benchmarks, Company's annual performance and its strategy, expertise, talent and meritocracy including criteria for determining qualification, positive attributes, independence of a Director etc.
- v. Annual evaluation of Board, Committees and individual Directors
Pursuant to the provisions of the Act, Listing Regulations, 2015 and the Remuneration Policy of the Company, the Board of Directors/ Independent Directors/ Nomination and Remuneration Committee (as applicable) has undertaken an evaluation of its own performance, the performance of its Committees and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. Summary of evaluation is presented to the Nomination and Remuneration Committee and the Board of Directors (as applicable).
Directors express their satisfaction with the evaluation process.
- vi. Senior Management
The Board of Directors, based on the recommendations of NRC, has identified category of Senior Management Personnel(s), pursuant to the provisions of Regulation 16(1)(d) of LODR. Details of Senior Management Personnel(s) as on 31st December, 2024, are as follows:

Sr No	Name	Designation/Head of Department
1	Mr. Rajeev Jain	Managing Director, KSB India & Regional Executive Officer - Region Asia West
2	Mr. Mahesh Bhawe	Chief Financial Officer & Vice President Finance, Purchase and DTC
3	Mr. Nitin Patil	Vice President, Nuclear Business, Operations- Pimpri & Shirwal Plants
4	Mr. Mohan Patil	Vice President, Human Resources
5	Mr. Prashant Kumar	Vice President, Sales & Marketing
6	Mr. Sunil Bapat	Vice President, Operations - Sinnar, Solar Business & Foundry

REPORT ON CORPORATE GOVERNANCE (Contd.)

7	Mr. Manoharan Raja	Senior General Manager, Operations - Coimbatore Valves Plant
8	Mr. Shraddhanand Desai	Senior General Manger- Controlling, DTC, Corporate Strategy
9	Mr. Mukesh Pattewar	Senior General Manger- Contract Management
10	Mr. Rajesh Kulkarni	General Manager, SupermeServ - Chinchwad Plant
11	Mr. K S Seshadri	General Manager- Product Management & Product Support
12	Mr. Philip Puthenpurackal	General Manager, Quality Management
13	Ms. Shraddha Kavathekar	Company Secretary & Compliance Officer
14	Mr. Pradip Watave (Upto 31st May, 2024)	Senior General Manager – Purchase

C. Corporate Social Responsibility Committee

i. Terms of Reference

The terms of reference of this Committee are wide enough covering the matters specified under Companies Act, 2013 and the Rules made thereunder.

ii. Composition, Name of Members and Chairperson

Name of Member	No. of Meetings held	No. of Meetings attended	Remarks
Mr. D. N. Damania	3	2	Ceased to be the Chairperson and a Committee member from 30th September, 2024 pursuant to cessation from the Board
Mr. Gaurav Swarup	3	3	–
Mr. Rajeev Jain	3	3	–
Ms. Sharmila Barua Roychowdhury	3	1	Appointed as the Chairperson and a Committee member from 1st October, 2024

iii. Details of Corporate Social Responsibility Committee meetings held during the year under review

Three Meetings were held on 28th February, 2024, 1st August, 2024, and 13th November, 2024.

REPORT ON CORPORATE GOVERNANCE (Contd.)

D. Stakeholders' Relationship Committee

i. Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Regulations, 2015 and the Act.

ii. Composition, Name of Members and Chairperson

Name of Member	No. of Meetings held	No. of Meetings attended	Remarks
Mr. D. N. Damania	1	1	Ceased to be the Chairperson and a member from 30th September, 2024 pursuant to cessation from the Board
Mr. Gaurav Swarup	1	1	–
Mr. Rajeev Jain	1	1	–
Mr. Ulhas Yargop	1	NA	Appointed as the Chairperson and a member from 1st October, 2024

iii. Details of Stakeholders' Relationship Committee Meetings held during the year under review:

Meeting was held on 1st August, 2024.

iv. The Company Secretary Ms. Shraddha Kavathekar acts as Compliance Officer and as the secretary to the committee.

During the year under review fourteen grievances were received based on the reports from MUFG Intime India Pvt. Ltd (Formerly known as Link in time India Private Limited). The grievances have been resolved to the satisfaction of the shareholders.

There are no pending complaints as at the year end.

E. Risk Management Committee

i. Terms of Reference

The terms of reference of this Committee are wide enough covering the matters specified under the Listing Regulations, 2015 and the Act.

ii. Composition, Name of Members and Chairperson

Name of Member	No. of Meetings held	No. of Meetings attended	Remarks
Mr. Pradip Shah	3	2	Ceased to be the Chairperson and a Committee member from 30th September, 2024 pursuant to cessation from the Board.
Dr. Matthias Schmitz	3	3	–
Mr. Rajeev Jain	3	3	–

REPORT ON CORPORATE GOVERNANCE (Contd.)

Mr. V. K. Viswanathan	3	1	Appointed as the Chairperson and a Committee member from 1st October, 2024. Ceased to be the Chairperson and a Committee member from 15th January, 2025 pursuant to cessation from the Board.
Mr. U. C. Muktibodh	3	NA	Appointed as the Chairperson and a Committee member from 16th January, 2025.

- iii. Details of Risk Management Committee meetings held during the year under review

Three Meetings were held on 28th February, 2024, 1st August, 2024, and 13th November, 2024.

4. REMUNERATION OF DIRECTORS

The remuneration payable to the Executive Director is approved by the members at the general meeting of the Company. Remuneration of Executive Director consists of a fixed salary, perquisites, performance linked bonus, based on the individual and the Company's performance and commission based on net profits of the Company subject to a ceiling of 50% of the annual salary. The Board of Directors on the recommendation of Nomination and Remuneration Committee determine the performance linked bonus from year to year.

- (a) Details of remuneration paid/payable to the Executive Director for the year under review

₹ '000s

Name of the Director	Salary	Commission	Performance linked bonus	Perquisites & Contribution to Provident Fund	Total	Terms of appointment
Mr. Rajeev Jain	13,175	6,587	18,697	16,996	55,455	For a term of 5 years effective from 1st July, 2021.

Notes:

- The above remuneration to Mr. Rajeev Jain excludes contribution for gratuity, superannuation and personal accident insurance premium and the liability for encashable leave as the figures for the Director are not separately available.
 - The Company does not have a stock option scheme.
 - The notice period for Mr. Rajeev Jain will be as per the service contract mutually agreed between him and the Board. No severance fees are payable to the Director.
- (b) The Board of Directors decide the remuneration of Non-Executive Directors which consists of a sitting fee as well as commission based on the net profits of the Company. As approved by the members commission amount is limited to 1% of the net profits of the Company.
- Details of remuneration to Non-Executive Directors for the period 1st January, 2024 to 31st December, 2024 are as under:

REPORT ON CORPORATE GOVERNANCE (Contd.)

₹ '000s

Name of the Directors	Directors' Fees (Sitting fees)	Commission (to be proposed)
Mr. Gaurav Swarup	395	3,900.00
Mr. D. N. Damania	295	1,462.50
Mr. Pradip Shah	285	1,462.50
Mr. V. K. Viswanathan	310	1,950.00
Ms. Sharmila Barua Roychowdhury	295	1,950.00
Dr. Stephan Bross	160	1,950.00
Dr. Matthias Schmitz	325	1,950.00
Mr. Vishal Kampani	70	487.50
Mr. Ulhas Yargop	0	487.50
Total	2,135	15,600.00

5. GENERAL BODY MEETINGS

- (i) Location and time where last three Annual General Meetings were held

Financial Year	Date	Time	Venue
2021	11th May, 2022	12.00 pm	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
2022	11th May, 2023	1.00 pm	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")
2023	27th June, 2024	3:30 pm	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")

- (ii) Special Resolution passed in the previous three Annual General Meetings

Financial Year	Special Resolution Passed
2021	No
2022	Yes
2023	Yes

- (iii) Postal Ballot

During the year, three postal ballot events were carried out pursuant to the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Circulars issued by Ministry of Corporate Affairs by way of remote e-voting.

Following Special resolutions were passed through Postal Ballot by the Members of Company:

1. Appointment of Mr. Ulhas Yargop as a Non-Executive and an Independent Director
2. Appointment of Mr. Vishal Kampani as a Non-Executive and an Independent Director

REPORT ON CORPORATE GOVERNANCE (Contd.)

3. Appointment of Mr. U. C. Muktibodh as a Non-Executive and an Independent Director

The Board had appointed Ms. Ashwini Inamdar (FCS No. 9409/CP No. 11226), Partner, M/s Mehta and Mehta Associates, Company Secretaries the Scrutinizers for conducting the e voting process in a fair and transparent manner for the above said postal ballot events. All the resolutions were duly passed, and the results were announced on 27th September, 2024 for appointment of Mr. Ulhas Yargop and Mr. Vishal Kampani and on 11th January, 2025 for appointment of Mr. U. C. Muktibodh.

Procedure for Postal Ballot

The Postal Ballots were carried out as per the provisions of Section 108 and 110 and other applicable provisions of the Act read with the Rules framed thereunder, Regulation 44 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirement) Regulations 2015 (Listing Regulations) and applicable circulars issued by the MCA and SEBI from time to time.

6. MEANS OF COMMUNICATION

i. Quarterly Results	Published in the newspaper every quarter
ii. Newspapers wherein results are normally published	Business Standard, Economic Times, Sakal and Navashakti
iii. Any website, where results are displayed	On the website of the Company at www.ksbindia.co.in and on websites of BSE Limited and National Stock Exchange of India Ltd.
iv. Whether it also displays official news releases	Yes
v. The presentations made to institutional investors or to the analysts	Yes and the same are available on the website of the Company at www.ksbindia.co.in

7. GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time and Venue	Thursday, 15th May, 2025 at 1.30 p.m. IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").
Financial Year	The financial year under review covers the period 1st January, 2024 to 31st December, 2024.
Date of Book Closure/ Record date	Record date for the purpose of payment of dividend is 2nd May, 2025
Dividend Payment date	30th May, 2025 onwards
Listing on Stock Exchanges	1. Listing on Stock Exchanges BSE Limited, Mumbai 2. National Stock Exchange of India Limited (NSE), Mumbai The Company has paid the listing fees for the period 1st April, 2024 to 31st March, 2025.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Stock Code	1. BSE : 500249 2. NSE : KSB 3. ISIN : INE999A01023
Registrar and Transfer Agent	MUFG Intime India Pvt. Ltd (Formerly known as Link in time India Private Limited)
Share Transfer System	Transfer of shares held in physical form is not permitted after 31st March, 2019 as per the SEBI notifications.
Updation of KYC details	Members are requested to update their KYC details with Company's RTA viz. MUFG Intime India Pvt. Ltd (Formerly known as Link in time India Private Limited) at the earliest.
Distribution of Shareholding and Shareholding pattern as on 31st December, 2024	Please see Annexure 'A'
Dematerialisation of shares and liquidity	99.41 % of the Paid-up Capital has been dematerialised as on 31st December, 2024.
Outstanding GDRs/ADRs/Warrants or any Convertible instruments conversion date and likely impact on equity	Not issued.
Plant Locations	The Company's plants are located at Maharashtra- Pimpri, Pune Chinchwad, Pune Vambori, Ahilyanagar Sinnar, Nashik Kesurdi, Shirwal / Khandala Tamil Nadu- NSN Palayam, Coimbatore
Address for correspondence	Shareholders should address correspondence to MUFG Intime India Pvt. Ltd (Formerly known as Link in time India Private Limited), C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No.: 022 49186000 Website: https://web.in.mpms.mufig.com/helpdesk/Service_Request.html .
Credit Rating	The Company does not have any debt instruments, fixed deposit program or any scheme for mobilization of funds and accordingly it has not obtained any credit ratings during the financial year for these purposes. The details of Credit Rating obtained for borrowings are covered in the Board's Report annexed herewith.

REPORT ON CORPORATE GOVERNANCE (Contd.)

8. DISCLOSURES

- A. Pursuant to requirements of Listing Regulations, 2015 the Company has adopted the policy determining material subsidiaries and the policy on related party transactions and the said policies are available on the Company's website at: www.ksbindia.co.in

- B. Disclosure on Material Related Party Transactions

The Company has not entered into any transactions of a material nature with the promoters, Directors or management and their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large.

Normal trade transactions, sales commission agreement for exports and license and technical collaboration agreements are being entered into with KSB SE, Germany and other group Companies from time to time. Further, remuneration is paid to Directors, dividend is paid on shares held by Directors, etc. Full disclosures on related party transactions, as per the Ind AS 24 are given under Notes to the financial statements. The link of the Related Party Policy of the Company is : www.ksbindia.co.in

Details of shareholdings of Non-Executive Directors and dividend paid thereon:

Name of the Directors	No. of shares held	Dividend paid (INR)
Mr. Gaurav Swarup	34,000*	5,95,000
Mr. D. N. Damania	4,200*	73,500

* No of shares held mentioned above are before sub-division of shares during FY 2024.

- C. Details of non-compliance, penalties and strictures imposed on the Company by the Stock Exchanges/ SEBI/ Statutory Authorities on matters relating to capital markets during the last three years.

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures have been imposed against it in the last three years.

- D. Board Disclosures - Risk Management

The Company has laid down procedures and informed the Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

- E. Whistle Blower Policy

The Whistle Blower Policy has been adopted to provide appropriate avenues to the stakeholders to bring to the attention of the management, the concerns about any unethical behaviour, by using the mechanism provided in the Policy. We affirm that no personnel has been denied access to the Chairman of the Audit Committee.

- F. Details required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year: Nil
- number of complaints disposed of during the financial year: Nil
- number of complaints pending as on end of the financial year: Nil

- G. Certificate from practicing Company Secretary on eligibility of the Board of Directors to serve as Directors is annexed to this Report.

- H. The Board has accepted the recommendations of its Committees, as applicable.

- I. The total fees for all services paid by the Company to the statutory auditors are mentioned in financial statements.

REPORT ON CORPORATE GOVERNANCE (Contd.)

- J. The Company has not given any loans or advances to subsidiary /associate /firms / Companies in which Directors are interested during the year under review.
- K. Disclosure of commodity price risks and commodity hedging activities: The details are provided in financial statements forming part of this report.
- L. Disclosure of certain types of agreements binding listed entities : NA during the year under review.

9. NON-MANDATORY REQUIREMENTS

The Company has complied with all requirements of corporate governance specified in Listing Regulations, 2015.

The status with regard to compliance by the Company with discretionary requirements as listed out in Part E of Schedule II of the SEBI Listing Regulations is as under:

- a. The position and office of the Chairman of the Board of Directors and that of MD / CEO are separate.
- b. The audit report of the Company's Financial Statements for the year ended 31st December, 2024 is unmodified.
- c. The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulation. The Internal Auditors engaged by the Company report directly to the Audit Committee.
- d. The Company follows a robust process of communicating with the shareholders which has been elaborated in the Report under the Heading 'Means of Communication'.

On behalf of the Board of Directors
GAURAV SWARUP
Chairman

Mumbai, 27th February, 2025

Declaration by the Managing Director under Schedule V to SEBI Listing Regulations, 2015 regarding compliance with Business conduct Guidelines (Code of Conduct)

All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2024.

Rajeev Jain
Managing Director

Mumbai, 27th February, 2025

REPORT ON CORPORATE GOVERNANCE (Contd.)

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
KSB Limited

We have examined the compliance of conditions of Corporate Governance by KSB LIMITED (hereinafter referred as "Company") for the Financial year ended December 31, 2024 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing Regulations.

We further state that such compliance is neither on assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For Mehta & Mehta, Company Secretaries
(ICSI Unique Code P1996MH007500)

Ashwini Inamdar, Partner

FCS No: F 9409, CP No.: 11226

UDIN: F009409F004014344

Mumbai, 27th February, 2025

REPORT ON CORPORATE GOVERNANCE (Contd.)

ANNEXURE A

Distribution of shareholding as on 31st December, 2024

Number of shares held	Members		Shares	
	Number	%	Number	%
1-500	50,783	90.20	36,60,482	2.10
501 - 1,000	2,206	3.90	17,59,884	1.01
1,001 - 2,000	1,258	2.20	18,94,011	1.09
2,001 - 3,000	546	1.00	13,65,345	0.78
3,001 - 4,000	313	0.60	11,17,007	0.64
4,001 - 5,000	253	0.40	11,81,847	0.68
5,001 - 10,000	532	0.90	39,25,196	2.26
10,001 and above	428	0.80	15,91,35,448	91.44
Total	56,319	100.00	17,40,39,220	100.00

Categories of shareholders as on 31st December, 2024

Category	No. of Shares held	% to the Capital
Indian Promoters	5,09,17,290	29.26
Foreign Promoters	7,05,54,240	40.54
Mutual Funds, AIF	1,47,69,425	8.49
Banks, Financial Institutions, NBFC and Insurance Companies	37,09,802	2.13
Private Coprorate Bodies	10,13,209	0.58
Indian Public	2,10,87,175	12.12
Foreign Nationals/NRIs/FPIs	1,05,97,682	6.09
Escrow and IEPF	2,81,950	0.16
Directors Trusts, HUF, Clearing Members and LLPs	11,08,447	0.63
Total	17,40,39,220	100.00

REPORT ON CORPORATE GOVERNANCE (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
KSB LIMITED
Office No. 601, Runwal R-Square,
L.B.S. Marg, Mulund (West), Mumbai - 400080.

We have examined the relevant registers, records, forms, returns, declarations and other disclosures received from the Directors of KSB LIMITED, having CIN : L29120MH1960PLC011635 and having registered office situated at Office No. 601, Runwal R-Square, L.B.S. Marg, Mulund (West), Mumbai - 400080 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and carried by us and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on December 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authorities:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Gaurav Swarup	00374298	24/01/2000
2.	Stephan Bross	00423114	11/02/2014
3.	Vegulaparanan Kasi Viswanathan	01782934	16/01/2015
4.	Rajeev Jayantiprasad Jain	07475640	01/07/2016
5.	Matthias Gunter Schmitz	07884418	25/07/2017
6.	Sharmila Barua Roychowdhury	08242998	30/09/2018
7.	Vishal Nimesh Kampani	00009079	01/10/2024
8.	Ulhas Narayan Yargop	00054530	01/10/2024
9.	Pradip Panalal Shah (Upto 30th September, 2024)	00066242	21/06/2008
10.	Dara Nadirshaw Damania (Upto 30th September, 2024)	00403834	30/12/1981

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

For Mehta & Mehta, Company Secretaries
(ICSI Unique Code P1996MH007500)
Ashwini Inamdar, Partner
FCS No: F 9409, C.P. No.: 11226
UDIN: F009409F004013805

Mumbai, 27th February, 2025

ANNEXURE TO BOARD'S REPORT (Contd.)

ANNEXURE IV TO BOARD'S REPORT

STATEMENT OF DISCLOSURE OF REMUNERATION

under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I. **Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial year 2024.**

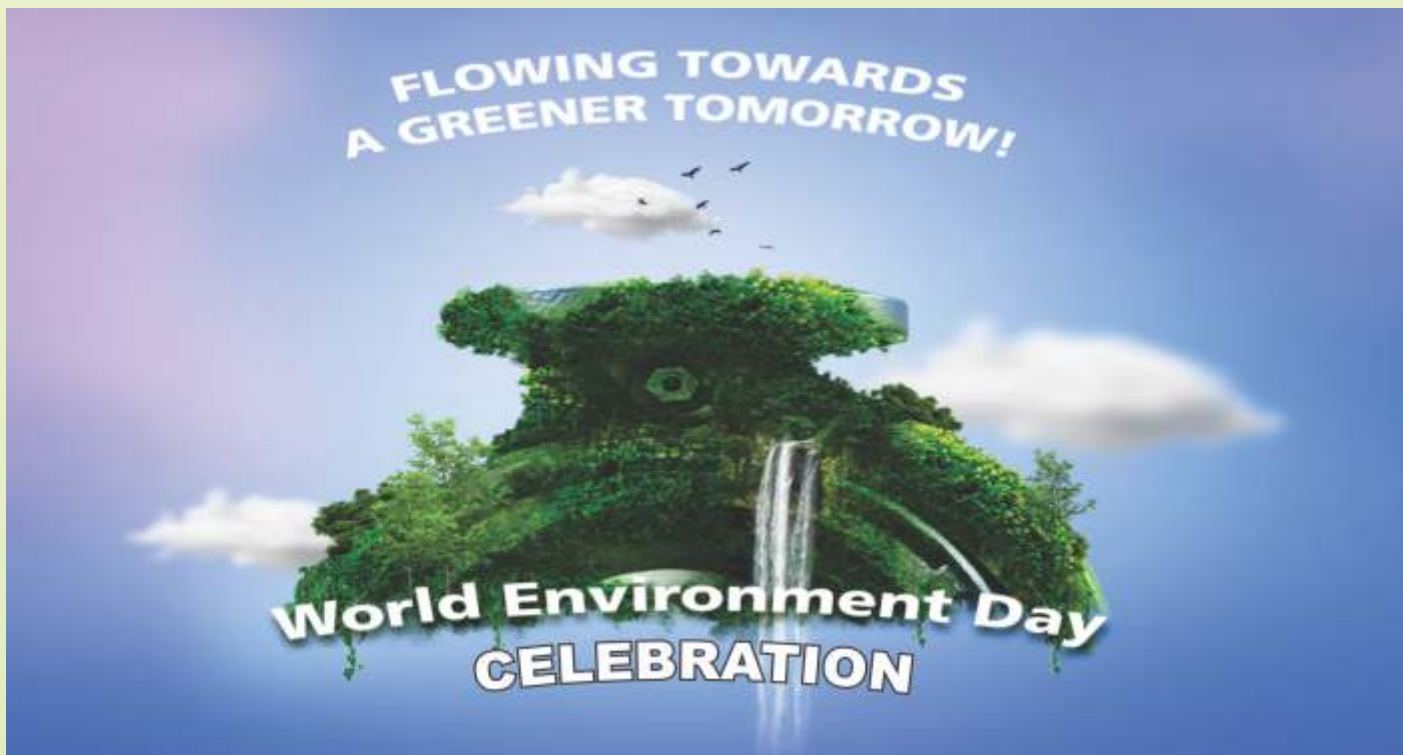
No.	Name of the Director / KMP	Designation	Ratio of remuneration of each Director to the median remuneration of employees	% Increase in remuneration during FY 2024
1.	Mr. Rajeev Jain	Managing Director	54:1	5.68%
2.	Mr. Mahesh Bhawe	Chief Financial Officer	Not Applicable	Refer Note 2
3.	Ms. Shraddha Kavathekar	Company Secretary	Not Applicable	Refer Note 2

Notes:

1. The Independent Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-executive Directors' Remuneration is therefore not considered for the above purpose.
 2. The details are mentioned in the Annual Return available on the website of the Company.
- II. **The percentage increase in the median remuneration of the employees in the financial year:** There has been an increase of 3.29% in median remuneration of employees in Financial Year 2024 as compared to Financial Year 2023.
- III. **The number of permanent employees on the rolls of the Company:** There were 2,165 employees on the rolls of the Company as on 31st December, 2024.
- IV. **Average percentile increase already made in the salaries of employees other than the key managerial personnel in Financial Year 2024 and its comparison with the percentile increase in the managerial remuneration:** The aggregate remuneration of employees other than managerial personnel has increased by 13% and that of managerial personnel has also increased by 11%.
- V. **Affirmation that the remuneration is as per the remuneration policy of the Company:** The remuneration of Directors was as per the Remuneration Policy of the Company.

Business Responsibility and Sustainability Report

ANNEXURE V TO THE BOARD'S REPORT



Highlights of Celebration at KSB India

"5th June" the World Environment Day is globally celebrated to highlight that the protection and health of the environment is a major issue, which affects the well-being of people and economic development throughout the world. The celebration of this day provided us with an opportunity to broaden the basis for an enlightened opinion and responsible conduct by individuals, enterprises and communities in preserving and enhancing the environment.

The theme of the 2024 World Environment Day is "Land restoration, Desertification, and Drought resilience."

On Jun 5th, KSB Limited celebrated Environment Day with great enthusiasm, aiming to raise awareness about environmental issues. The event started with a pledge taken by all employees at every location to protect the environment, reinforcing our commitment to sustainability. Various activities were conducted, like Tree plantation, Seedball distribution, dark Hour – Switch off AC/Lights at lunch time, Encourage the Carpooling, Selfie with planted tree Campaign, Zero WasteLunch Day, Photography competition for inhouse biodiversity and Ecofriendly stalls from NGO.



Business Responsibility and Sustainability Report

Glimpses of Celebration



Rangoli replacing plastic banner



Environment Protection Pledge Ceremony



Employees Participation at Tree Plantation Drive



Dark Hour –Shop Floor



Dark Hour –Office

Carpooling

Carpooling helps the environment by improving air quality, reducing pollutants, and reducing traffic. KSB has launched a campaign to "reduce carbon emissions by carpooling to the office."

We had organised carpooling competition on Environment Day which was a huge success.



Business Responsibility and Sustainability Report

KSB India Biodiversity

All life on Earth is based on biodiversity, which is the variety of living things from all sources. This encompasses variation within species and within ecosystems, signifying the genetic composition of microbes, plants, fauna etc.

Numerous initiatives are taken by KSB Limited to preserve biodiversity at every location. The "Office Biodiversity Photography Contest" was held by KSB on Environment Day. Employees from all locations participated in the contest.



Business Responsibility and Sustainability Report

Strengthening Our Commitment to Workplace Safety

At KSB Limited, the Occupational Health & Safety Management System, ISO 45001: 2018, is in place. To guarantee a safe, healthy, and comfortable working environment for everyone, all EHS systems and procedures are also built with local health and safety rules and requirements in mind. To foster a culture of safety and raise awareness of safety throughout the company, safety officers are assigned to each plant. The organization uses methodical procedures to regularly identify and evaluate work-related risks and hazards in order to provide a safe working environment.

We continue to plan a variety of events to encourage safe work practices and increase worker and employee awareness of workplace hazards. Our company's safety culture has been strengthened in large part by the safety awareness training sessions, hands-on workshops, evacuation drill exercises, and safety exhibitions like firefighting, mock drills, snake bite awareness training, health and wellness training, and safety games like Safety Ladder and street plays.



Safety & Health Pledge



Fire Fighting Training



Safety Induction



Health Training



Blood Donation Camp



First Aid Training



Personal Protection Equipment Display



Safety Quiz Competition



Safety Training Program

Business Responsibility and Sustainability Report

ESG Digitization Solution:

The growth of digital technology brings up opportunities for environmental, social, and governance (ESG) performance studies to assess corporate ESG performance more accurately, make decisions more effectively, and boost business competitiveness. KSB took the initiative to introduce the ESG Digitization Solution, which may assist businesses in improving their sustainable development and increasing stakeholder value.

Benefits:

 ESG Data Management Collect, Consolidate & Monitor	 ESG Analytics Deep Insights for Quick Analysis
 ESG Reporting Automated ESG reporting like BRSR Report/GRI Report at one-click	 Enterprise Risk Management Proactively identify, manage & monitor
 End point Integration (Phase II) Automated data capturing	

Interplant Sustainability Challenger Award:

The plant personnel who are responsible for data collecting, maintenance, analysis, and emission reduction projects are encouraged by KSB Limited. The criteria for the analysis were determined by the corporate committee.

Criteria:

- Promptly EHS data updating on Monthly basis
- Absolute reduction of environmental parameters
- Parameters in FY 2024 comparison with FY 2023
- Scop I & Scope II Emission intensity in terms of physical output
- Air leakage scenario in FY 2024 compare with FY 2023
- Training man-days per employee in FY 2024 compared to FY 2023
- This challenger award is declared quarterly by corporate committee



Business Responsibility and Sustainability Report

Awards and Recognitions:



**VDMA Manufacturing Excellence Award,
2024 Award for CSR Initiatives**

Under the CSR Large Category at the 13th VDMA (German Engineering Federation) Mechanical Engineering Summit. society through purposeful, impactful programs.



Empowerment Conclave Award 2024
KSB Limited Recognized for Societal Impact at Y4D Foundation's 10th Annual Day "Empowerment Conclave"



**BEE STAR RATING CERTIFICATE
(Renewal)**

IGBC Green Factory Building Certification:

We are excited to share that KSB Limited has achieved another milestone by receiving the prestigious IGBC Green Factory Building Certification for MIL Plant in FY 2024. Our Chennai Office & EPD Plant are already IGBC certified locations in previous years. This recognition underscores our commitment to sustainable manufacturing practices and environmentally friendly operations.



Business Responsibility and Sustainability Report

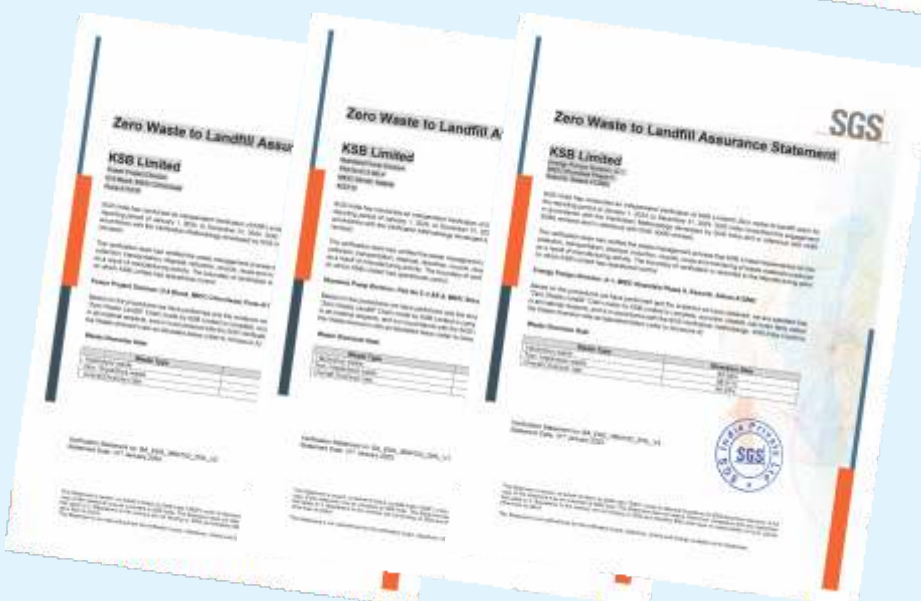


KSB obtained :

- Reasonable level assurance for Scope 1 and Scope 2 emissions
- Limited level assurance for Scope 3 emissions

Zero Liquid Discharge Certification Achieved"

- Chinchwad Plant
- Coimbatore Plant



"Zero Waste to Landfill Certification Achieved"

- Chinchwad Plant
- Shirwal Plant
- Sinnar Plant

Environmental

 <p>Absolute reduction in GHG Emissions by 2025 over base line of 2022</p>		 <p>Preferred suppliers' (critical Tier I) assessment for their sustainability performance by 2025.</p>	
 <p>Green Energy generation by 2025</p>		 <p>ESG awareness training completion for Employees, workmen & Suppliers by 2025.</p>	
 <p>Reduction in fresh water consumption in facilities by 2025 from 2022 level</p>		 <p>Zero waste to landfill 3rd party assurance by 2025</p>	
 <p>Sinnar Plant Platinum certification by 2025</p>		 <p>Eco friendly packaging particularly cardboard sheet boxes by 2025</p>	

Social

<p>By 2024</p> <p>3 Training Man Days per employee</p>		<p>By 2024</p> <p>8.5 % of Female Employees</p>	
<p>By 2024</p> <p>Differently abled employee/s at one of the plants</p>		<p>By 2024</p> <p>Complete Comprehensive training on Human Rights for all the employees and workmen</p>	
<p>By 2024</p> <p>Complete Human Rights Due Diligence audit through external party.</p>			

Governance

<p>From 2024</p> <p>100% coverage for detailed Risk Management trainings for new Managers & above employees, and other employees identified by HODs, annually. And Refresher training, once in 2 years for existing Managers and above employees and other identified employees.</p>		<p>2023 to 2026</p> <p>Year wise full implementation of the measures for issues identified during Comprehensive Cyber security assessment conducted in FY 2023, as approved by the Board</p>	
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BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

S. No.	Question	Response
1.	Corporate Identity Number (CIN) of the Entity	L29120MH1960PLC011635
2.	Name of the Listed Entity	KSB Limited
3.	Year of Incorporation	1960
4.	Registered Office Address	Office No. 601, Runwal R-Square, L.B.S. Marg, Mulund (West), Mumbai, Mumbai City- 400080, Maharashtra, India.
5.	Corporate Address	KSB Limited, Mumbai-Pune Road, Pimpri Pune- 411018, Maharashtra, India.
6.	E-mail	compsec.india@ksb.com
7.	Telephone	020 - 27101024
8.	Website	www.ksbindia.co.in
9.	Financial Year for which report is being done	1st January, 2024 to 31st December, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited, Mumbai, and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital (INR.)	34,80,78,440
12.	Name and contact details (telephone, email) of the person who may be contacted in case of queries on the BRSR report	Ms. Shraddha Kavathekar Company Secretary compsec.india@ksb.com 020- 27101024
13.	Reporting Boundary (Standalone or Consolidated basis)	Standalone
14.	Name of Assurance provider	SGS India Private Limited
15.	Type of assurance	Reasonable level assurance obtained on Scope 1 and Scope 2 GHG emissions. Limited level Assurance obtained on Scope 3 GHG emissions. Zero waste to landfill assurance and zero liquid discharge assurance obtained at selected manufacturing units.

Note for the report: Few numbers for previous year/s are revised wherever required, pursuant to adoption of more accurate calculation methods during the year 2024.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

II. Products and Services:

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the entity
1.	Manufacturing of pumps, valves, systems and related services	Electrical equipment, general purpose and special purpose machinery and equipment.	100%

17. Product/ Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/ Service	NIC Code	% of total turnover contributed
1.	Pumps and Valves Manufacture of fluid power equipment, Manufacture of other pumps, compressors taps and valves	2812 and 2813	100 %

III. Operations:

18. Number of locations where plants and/or operations/ offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
	6 Plants	14 Branch Offices and 4 Zonal Offices	
	Maharashtra:	North- Noida (ZO)	
	<ul style="list-style-type: none"> Pimpri, District - Pune Chinchwad, District - Pune 	<ul style="list-style-type: none"> Chandigarh, Jaipur, Lucknow & Noida 	
National	<ul style="list-style-type: none"> Vambori, District - Ahilyanagar Sinnar, District - Nashik Kesurdi, Shirwal, District - Satara 	East- Kolkata (ZO)	24
		<ul style="list-style-type: none"> Bhubaneshwar, Jamshedpur, Raipur, Kolkata, Indore, Guwahati & Patna 	
	Tamil Nadu:	West- Mumbai (ZO)	
	<ul style="list-style-type: none"> NSN Palayam, District - Coimbatore 	<ul style="list-style-type: none"> Mumbai, Baroda, & Pune 	
		South- Chennai (ZO)	
		<ul style="list-style-type: none"> Bengaluru, Secunderabad, Chennai & Kochi 	
International	NIL	1 Liaison office in Bangladesh	1

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

19. Markets Served by the Entity:

a. Number of Locations:

Location	Number
National (No. of States)	Pan India
International (No. of Countries)	KSB exports to many countries worldwide

b. What is the contribution of exports as a percentage of the total turnover of the entity?

KSB India's export contribution is 14% of the total turnover of the entity.

c. A Brief on types of customers?

Our customers include different public sector enterprises, various EPC/LSTK/other contractors, dealers, retailers, direct customers, corporates, semi government bodies, online buyers, inter-company exports etc.

IV. Employees:

20. Details as at the end of the Year 2024:

a. Employees and Workers

Employees (including differently abled)						
S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	% (B/A)	Number (B)	% (B/A)
1.	Permanent Employees	1,654	1,532	92.62%	122	7.38%
2.	Other than Permanent Employees	208	144	69.23%	64	30.77%
3.	Total Employees (1+2)	1,862	1,676	90.01%	186	9.99%
Workers (including differently abled)						
S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	% (B/A)	Number (B)	% (B/A)
4.	Permanent Workers	726	724	99.72%	2	0.28%
5.	Other than Permanent Workers	117	110	94.02%	7	5.98%
6.	Total Workers (4+5)	843	834	98.93%	9	1.07%

b. Differently abled Employees and Workers

The Company currently has no differently abled employees but remains committed to workforce diversification and is actively working towards making its infrastructure accessible to all.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

21. Participation/ Inclusion/ Representation of Women for year 2023

Particulars	Total (A)	Number of Female (B)	% (B/A)
Board of Directors	8	1	12.50%
Key Management Personnel	3	1	33.33%

22. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

Particulars	Year 2024			Year 2023			Year 2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.44%	14.75%	25.20%	4.97%	20.16%	25.13%	7.98%	0.91%	8.89%
Permanent Workers	5.11%	0.00%	5.11%	16.08%	40.00%	55.08%	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a). Names of holding/ subsidiary/ associate companies/ joint ventures

S. No.	Name of the holding/ subsidiary/ associate company/ joint venture (A)	Indicate whether holding/ subsidiary/ associate company/ joint venture	% of shares held by listed entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the entity (Yes/No)
1.	Pofran Sales and Agency Limited	Subsidiary Company	100%	No
2.	KSB MIL Controls Limited	Associate Company	49%	No

VI. CSR Details

24. CSR related details

(i). Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No)	Yes
(ii). Turnover (in INR.)	25,330.86 Million
(iii). Net Worth (in INR.)	14,250.84 Million

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

VII. Transparency and Disclosures Compliances:

25.Complaints/ Grievances on any of the Principles (1-9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group	Grievance Redressal Mechanism in place (Y/N) (Provide web-link of policy)	Current Year 2024			Previous Year 2023		
		No. of complaints filed	No. of complaints pending at close of year	Remarks	No. of complaints filed	No. of complaints pending at close of year	Remarks
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	0	0	-	0	0	-
Employees and Workers	Yes	0	0	-	0	0	-
Customers	Yes	20,466*	0		23,275*	0	Claims management enters all recorded complaints into the SAP system. Monthly claim meetings are held at various places to determine what's necessary to be accomplished to address complaints.
Value Chain partners	Yes	0	0	-	0	0	-
Communities	Yes	0	0	-	0	0	-
Implementation Partners	Yes	0	0	-	0	0	-

*: The figure includes Customer claims registered in SAP as well as Toll free registrations.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	Risk	Our organization and the value chain are at acute and long-term physical risk from climate change. So to be prepared for emergency situations, we have identified climate change as a risk.	Using the specific GPS data (geographic coordinates) of the facilities, our insurance broker provided our parent business with concrete risk assessment data for climate risks in order to more precisely identify the various climate hazards across our manufacturing sites. Emergency plans have been updated accordingly, and relevant locations have hosted simulated drills for such scenarios.	Insufficient readiness for certain unforeseen circumstances may result in medical concerns for employees, impact investments, asset damage, supply chain disruption, regulatory impacts and a loss in operational productivity.
2	Energy Management	Opportunity	Opportunities include lowering carbon emissions and supporting climate goals. Energy access is improved by decentralized renewable energy systems without relying on the grid.	Upgrade equipment and processes to consume less energy. Adopt solar panels, windmills energy efficient technologies to lower the carbon footprints. KSB has a 4.6 MWp rooftop solar capacity. In CY 2024, KSB has implemented the "Power Purchase Agreement" for the renewable energy generation & utilization with the capacity of renewable energy 6.65 MWp. By taking these initiatives, KSB started using the 37% renewable energy share in total consumption of electricity.	Positive Implications: Efficient energy use can reduce operational cost. Lower non-renewable energy consumption reduces GHG emissions and pollution. Promote the use of renewable energy, reducing reliance on fossil fuels.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Water Management	Risk & Opportunity	Water scarcity is a quiet disaster in India, and manufacturing companies are particularly vulnerable to it due to the country's unpredictable rainfall. For the company's domestic and production operations, fresh water is a crucial component. Inadequate water management results in both legal violations and water shortages.	We have implemented advanced filtration and treatment plants to recycle the wastewater and reused it. In CY 2024 KSB has recycled and used 39.3 Mio Litters of waste water. We have ensured that strict regulations on industrial pollutants and better waste water disposal methods are being followed. We have taken proactive measures like replacing aging pipes to prevent leakages and contaminations. We are collecting and storing rainwater for industrial and domestic use.	Water shortages could disrupt operations, and violating water regulations can result in fines and penalties.
4	Waste Management	Risk and Opportunity	Waste (both hazardous and non-hazardous) is one of the focus areas under sustainability. Ineffective waste management creates environmental hazards and legal violations.	The company implemented several initiatives, such as environmentally appropriate disposal method and waste management. Recycle, Reuse, and Reduce are the 3 R's that the company adheres to. The company is working towards a landfill with zero waste. The company has achieved "Zero Waste to Landfill" certifications for several locations.	Company saves money by reducing waste and reused/recycled material. Waste management supports industries such as recycling, reusing, composting and energy recovery. No other impact other than fines/penalties.
5	Supply Chain Sustainability	Risk	The company aims to create a sustainable supply chain and provide awareness to the business partners for sustainability topics. Furthermore, any violation of ESG standards will have a negative effect on the company's operations and reputation in addition to the supplier's business.	We have selected top spending suppliers for sustainability assessment and training. accordingly, we have finished sustainability assessments and trainings for 64% of total selected suppliers.	Lowers the risk of financial loss due to supply chain interruption in case of major violation of non-compliance of government rules and regulations



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Occupational Health and Safety	Risk and Opportunity	Risk of failure to comply with the safe working practices established by the organization in accordance with OHSMS ISO: 45001:2018 and legislative standards.	KSB's all manufacturing facilities are holding OHSMS ISO: 45001:2018 certification. Each manufacturing facility has appointed safety officers to foster a culture of safety and raise awareness of safety throughout the company. There are emergency and contingency plans in place for various risks. Emphasizing safety fundamentals, required training, and awareness at all levels is continuous and ingrained in the organization's culture. There are procedures in place for issues reporting and investigation, followed by engineering control and a corrective plan.	Inadequate safety management can result in lost man-days, lower operational productivity, and a damaged reputation for the business.
7	IT security, data protection and system availability	Risk and Opportunity	As the company expands, there's an increased risk of data breaches and noncompliance with privacy regulations. With the growth of our services, there's a higher chance of operational failure, potentially disrupting continuity. System availability is crucial for productivity and impacts the services delivered to clients	The KSB group has established a Data Protection Management System (DPMS) to ensure ongoing compliance with data protection regulations. This system incorporates preventive measures to mitigate potential risks and supervisory measures for monitoring. It covers planning, organization, implementation, control, and monitoring to meet legal and operational data protection requirements, including GDPR compliance.	Any incident has a direct impact on the company's operational efficiency via its IT systems, leading to regulatory consequences and potential damage to reputation, which could translate into financial repercussions.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				Additionally, KSB has taken steps to guarantee system availability and has undertaken global and local cybersecurity initiatives. Several measures, including comprehensive cybersecurity assessments, have been completed to bolster overall security posture.	
8	Governance and ethics	Risk and Opportunity	At KSB, Governance and Ethics are fundamental principles ingrained in our culture. We craft our governance framework to promote ethical conduct throughout the organization. It's clear that lasting success requires a strong governance structure and ethical culture. Regulatory expectations for governance are evolving, emphasizing accountability, transparency, and fairness. For KSB, compliance with current regulations is essential, but we also prioritize proactive readiness for future regulatory demands.	KSB has implemented policies, procedures, and structures to promote ethical conduct and ensure a strong governance framework. The KSB Group's Code of Conduct outlines expected behaviours for KSB and its employees during business activities. The whistle blower policy, along with various reporting channels, is essential for identifying and resolving any issues that may arise. The Audit Committee conducts regular evaluations of these processes to confirm their efficiency and alignment with established norms.	Non compliance with corporate governance regulations can result in adverse outcomes for the company, such as financial penalties and harm to its reputation. Moreover, incidents that, while not necessarily violating regulations, raise doubts about the ethical conduct of business activities, carry the risk of diminishing the company's prestige and reputation



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes									
1.a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board?(Yes/No)*	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the policies, if available	The Policies / Codes required to be Statutorily disclosed are available on website of the Company at www.ksbindia.co.in and other policies are available in company's internal network								
2. Whether the entity has translated the policy into procedures? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> • ISO 9001:2015 • ISO 14001:2015 • ISO 45001:2018 • PED 2014/68/EU • ISO 19443:2018 • ISO/IEC 17025:2017 • TSG Certification 								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	<p>In alignment with KSB Germany Group targets, our management vision and commitment to sustainable business practices, we have established key performance indicator (KPI) targets and goals to drive meaningful progress towards our corporate sustainability objectives.</p> <p>Environment goals include</p> <ul style="list-style-type: none"> • 30% Absolute reduction in GHG emission by 2025 over base line 2022 • 40% green energy generation by 2025 • 6% reduction in freshwater consumption in facilities by 2025 from 2022 level • IGBC platinum certification for Sinnar plant by 2025 • 80% preferred suppliers (Critical Tier I) assessment for their sustainability performance by 2025 • 80% ESG awareness training completion for employees, workmen & suppliers by 2025 								

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

[illegible]

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Social Goals Achievement:

- 3.9 Training Man days per employee in CY 2024
- Total 7.2% Female employees in CY 2024
- Training on Human Rights: POSH Training Business Code of Conduct No Child Labour at Work Equal Remuneration to Male & female

Governance Goals Achievement:

- Detailed Risk management training conducted for all new employees in the category managers & above, and for other employees identified by HODs
- Year wise implementation of the measures for issues identified during Comprehensive Cyber security assessment conducted in FY 2023 is ongoing and as per schedule.

Governance, leadership, and oversight

7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

At KSB Limited, we are steadfast in our dedication to sustainability as we continue to manage the ever-changing environmental, social, and governance (ESG) challenges

It is abundantly clear to us that environmental consciousness is paramount. We have reinforced our commitment to reducing our environmental effect and encouraging responsible resource management in the face of persistent ESG issues, such as resource shortages and climate change. We have been working to make our operations more efficient, lower our carbon footprint, and conserve natural resources wherever we can.

Our sustainability agenda has advanced significantly over the course of the year. This entails ongoing enhancements to our goods, procedures, and services in order to conform to sustainable development ideals and establish new benchmarks for the sector.

We have top-notch facilities in India to help customers, design and test products, make them, and ensure they're the best in fluid mechanics. To further demonstrate our dedication to ethical business practices, our production facilities are certified to environmental and occupational health and safety management requirements.

We extend our commitment to responsible business practices by integrating fair working conditions and good environmental practices throughout the value chain by making our business partners aware of sustainability.

With pride I would like to mention our accolades like IGBC Certification, Sustainability Champion Award, VDMA Manufacturing Excellence Award, Conclave Award, and many more to come.

We are prioritising our ESG initiatives in areas like Energy Management, Emissions Management, Water Management, Waste Management, Occupational Health and Safety, Digitization of Operations, Data Security and Data Protection, Human Rights, etc.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

KSB India has officially signed Power Purchase Agreement with Sunsure energy (renewable energy provider) which will support us in achieving our sustainability goals by offsetting major chunk of our CO2 emissions. By next year 70% of our power generation will be green power.

Our DEI policies and practices are designed and implemented in a way that accommodates people from various backgrounds, making them feel welcome and enabling them to perform at the peak of their abilities in the workplace.

Together, we will shape the upcoming decades and beyond. I would close by saying that, however good we are today, there is always a scope for better and the best

Policy and Management Processes

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)	Mr. Rajeev Jain Managing Director (MD)
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Committed to sustainability, our internal ESG Committee drives company-wide initiatives. Led by the Managing Director, they develop and oversee ambitious goals, reporting progress to the Board alongside regular business updates. This ensures strong leadership and accountability for our ESG strategy.

Note : The statutory policies are approved by the Board or Board Committees, as applicable. Other applicable policies are either approved by the Board or by the appropriate authority.

10.Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee and Frequency(Annually/Halfyearly/Quarterly/ AnyOther please specify)								
Performance against above policies and follow up action; and Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The policies of the company as a practice are periodically reviewed by departmental or business heads and Directors of the company, basis the business needs and external changes. During the review, efficacy of the policies is assessed, and as applicable, necessary amendments are made to the policies and the associated procedures and processes. The policies on a periodic and need basis undergo review by the Board of the Directors, regarding regulation requirements and compliances.								



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If "Yes", provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
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The policies of the company are reviewed internally by various committees on need basis and third-party agencies are engaged for carrying audits and assurance as part of compliance requirements, which inter-alia includes policy review and assessment on a periodic basis.

12. If Answer to Question (1) Above is "NO", i.e., not all Principles are covered by a Policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any Other Reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

SECTION C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable



Highlights

28 Nos

Awareness Programs conducted for ESG related issues for value chain partners.

64%

of selected Value Chain partner assessed for ESG performance

238 Nos

Trainings provided on Ethics and Human Rights to Employees and Workers.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/ Principles covered under training and its impact	% of persons in respective category covered by the awareness programs
Board of Directors	4	<p>The Board of Directors participates in familiarization and awareness programs, including plant visits.</p> <p>Key topics covered in these programs include:</p> <ul style="list-style-type: none"> • Business and Operations: Insights into company strategies, performance, and operations. • Regulations and Compliance: Updates on relevant legal and regulatory changes. • Code of Business Conduct and Ethics: ethical business practices and governance standards. • Environmental, Social, and Governance (ESG): Focus on sustainability, social responsibility, and governance frameworks. • Financial and Taxation Topics: Updates on financial health, accounting, and taxation. • Risk Management: business risks and mitigation strategies. • Internal Controls: internal processes to ensure operational integrity. 	<p>100%</p> <p>(As per applicability to retired/newly appointed Directors)</p>



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Segment	Total number of training and awareness programs held	Topics/ Principles covered under training and its impact	% of persons in respective category covered by the awareness programs
<p>Additionally, the Board receives frequent updates on developments in the company, key regulatory changes, risks, legal cases, and compliance, which helps ensure they are well-equipped to make informed decisions and maintain strong oversight.</p>			
Key Managerial Personnel	3	<p>The Company's KMP and employees participated in various training programs throughout the year, utilizing a hybrid learning approach that combined virtual classroom sessions with e-learning modules. In addition to individual training in specific areas of interest, the Company offered several organization-wide programs, including Compliance Training, Information and Cyber Security Awareness, Code of Conduct, POSH Awareness, Introduction to ESG Initiatives, general awareness sessions, and CSR programs.</p>	100%
Employees other than BoD and KMPs	214		100%
Workers	24		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/ judicial institutions	Amount (in INR.)	Brief of Case	Has an appealbeen preferred? (yes/ No)
Penalty/ Fine	No penalties / fines were levied to the company during the period.				
Settlement Compounding Fee					
Non-Monetary					
Particulars	NGRBC Principle	Name of the Regulatory/ Enforcement Agencies/ judicial institutions	Amount (inINR.)	Brief of Case	Has an appealbeen preferred? (yes/ No)
Imprisonment Punishment	No non-monetary implications during the period.				

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

- The company has adopted 'Anti-Corruption and Anti-Bribery Policy' of KSB Germany. The company does not tolerate any bribery and corruption and continues to uphold the highest standards of integrity and transparency.
- The policy forms part of the Code of Conduct of KSB Germany for the KSB Group, which is available on: www.ksbindia.co.in

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	Current Year 2024	Previous Year 2023
Directors	Nil	Nil
Key Managerial Personnel(KMPs)	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	Current Year 2024		Previous Year 2023	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

- Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
No.of days of account payables	71	75.20



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Concentration of Purchases	a. Purchase form Trading House	100%	100%
	b. Number of trading Houses where purchases are made	3,134	2,500
	c. Purchases from top 10 trading houses as% of total purchases from trading houses	21%	36.00%
Concentration of Sales	a. Sales to dealers/ distributors as% of total	46.66%	48.66%
	b. Number of dealers/ distributors to whom sales are made	931	1497
	c. Number of dealers/ distributors to whom sales are made	9.97%	0.03%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	5.92%	8.25%
	b. Sales (Sales to related parties/Total Sales)	9.38%	9.68%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/Principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
The top 44 suppliers are selected for awareness trainings. And out of 44 suppliers we have given the training to 28 Suppliers.	Environmental Topics, Social Topics and Governance topics are covered under the training.	64%

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

- Yes. As part of the Corporate Governance, the Company has adopted best practices on reviews of conflict of interest of Directors. The Director's disclosures are placed before the Board and conflict of interest, if any, is discussed and reviewed. The Board collectively is responsible for decision making on conflict of interest disclosed to the Board for any business decisions, wherein any of the Directors are interested. The Board strictly ensures ethical behaviour and there are no instances of conflict of interest.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe



Highlights

45%	“Product Carbon Footprint”	46%
R&D investments towards environmental and social impact	of Top 3 Selling Pump Series	Recycled or reused input material to total material (by value) used in production

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Year 2024	Previous Year 2023	Details of improvements in environmental and social impacts
R&D (%)	37	18	- Development in Pump Patterns, Valve patterns ultimately resulting in Environmental and Social benefits.
Capex (%)	19	19	- By implementing the technological solutions, we achieved energy savings - During replacement of old machines/equipment, we are considering energy efficiency as a selection parameter.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

2.
 - a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
 - b. If yes, what percentage of inputs were sourced sustainably?
 - The organization has the procedures in place regarding supplier diversification, outsourcing, and procurement. Suppliers are chosen through an evaluation and assessment process that takes environmental, social, and governance factors into account. Internal and external audits are carried out either on-site at supplier locations or remotely. The supplier must meet the Pollution Control Board standards' minimal requirements for selection, which include understanding the effects on the environment and abiding by all rules and regulations. The most favoured providers are those certified by the ISO 14001 or ISO 45001 systems.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
 - The majority of the company's products are composed of steel or special steel, which has a high resale value when its life cycle is over and can be readily recycled by Pollution Control Board authorized local vendors. The company uses a limited amount of recycled materials as processed inputs because of the nature of its operation. Depending on the demands of a particular customer, some products are refurbished by KSB-approved service centres when their useful lives are coming to an end.
 - **Plastics (Including Packaging)**
Since the majority of the company's products are composed of steel, little or no plastic is available in products when the products reach the end of life. However, the packaging plastic is being recycled by the Pollution Control Board authorized waste handler.
 - **E-Waste**
KSB follows the E-Waste Management Rules, 2022, and appoints recyclers who have been approved by the Pollution Control Board recycle E- Waste.
 - **Other Waste (Steel/Special Steel)**
As products are majorly made up of steel, at the endlife of product, steel waste is being recycled. In our foundry division we are using metal scrap, runners & risers as a raw material to manufacture castings.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
 - Yes, Extended Producer Responsibility (EPR) applies to the company. The recycling plan is produced / submitted in compliance with EPR registration to the Central Pollution Control Board.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Life cycle assessments (LCA) have not been performed on any of our products. However, KSB took an action regarding the influence of following top 3 products on climate change. In accordance with ISO 14067, the KSB team internally determined the product carbon footprint of the top three selling pumps. Cradle to Gate serves as the calculation's boundary. The business is creating a thorough framework to analyse the life cycle evaluation of its products, as well as their impact on society and the environment and the appropriate mitigation measures.

NIC Code	Name of product/ service	% of Total Turnover contributed	Boundary for which the Life cycle perspective/ assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If "Yes", provide web- link
2812	Gamma 100-375 GB	0.80%	Product Carbon Footprint – Cradle to Gate (Including Transport up to Client Gate)	No	Yes
2812	ETAN 040-025-160	5.33%	Product Carbon Footprint – Cradle to Gate	No	No (Communicated Internally)
2812	CORA 7C25G+UMAI100_ 3.722kW	0.85%	Product Carbon Footprint – Cradle to Gate	No	No (Communicated Internally)

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

- The company's manufacturing procedures, goods, and services don't pose any significant risks to society or the environment.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	Current Year 2024	Previous Year 2023
Steel and Cast Iron Non-Ferrous(runners & risers)	46%	39%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Particulars	Current Year 2024			Previous Year 2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-Waste	-	-	-	-	-	-
Hazardous Waste	-	-	-	-	-	-
Other Waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials(as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % total products sold in respective category
---------------------------	--

In CY 2024, there are no reclaimed products available.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains



Highlights

100%
Employees/Workers
Covered under Health Benefits

88 %
Voice Score
achieved (positive feedback
of employees survey)

100%
Retirement Benefits
to employees/Workers

Essential Indicators

1. a. Details of measures for the well-being of employees:

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
		(B)	(B/A)	(C)	(C/A)	(D)	(D/A)	(E)	(E/A)	(F)	(F/A)
Permanent Employees											
Male	1,532	1,532	100%	1,532	100%	NA	NA	NA	NA	NA	NA
Female	122	122	100%	122	100%	122	100%	NA	NA	122*	100
Total	1,654	1,654	100%	1,654	100%	122	7.37%	NA	NA	122	7.37%
Other than Permanent Employees											
Male	144	NA	NA	144	100%	NA	NA	NA	NA	NA	NA
Female	64	NA	NA	64	100%	64	100%	NA	NA	NA *	NA
Total	208	NA	NA	208	100%	64	30.77%	NA	NA	NA	NA

2. b. Details of measures for the well-being of workers:

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
		(B)	(B/A)	(C)	(C/A)	(D)	(D/A)	(E)	(E/A)	(F)	(F/A)
Permanent Workers											
Male	724	724	100%	724	100%	NA	NA	NA	NA	NA	NA
Female	2	2	100%	2	100%	2	100%	NA	NA	NA*	NA
Total	726	726	100%	726	100%	2	0.27%	NA	NA	NA	NA
Other than Permanent Workers											
Male	1329	NA	NA	1329	100%	NA	NA	NA	NA	NA	NA
Female	61	NA	NA	61	100%	61	100%	NA	NA	NA*	NA
Total	1390	NA	NA	1390	100%	61	4.38%	NA	NA	NA	NA

*Applicable as per internal policies in line with statutory requirements.

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.03%	0.02%

*Above spending pertains to the costs incurred by the Company for well being measures mentioned in point 1a and 1b. Additionally, the Company spends on several other well - being measures for employees and workers.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

2. Details of retirement benefits, for Current Calendar Year and Previous Calendar Year.

Benefits	Current Year 2024			Previous Year 2023		
	No.of employees covered as % of total employees	No.of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/No/ NA)	No.of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/NA)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	NA	68%	Yes	NA	68%	Yes

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

- The company is making great efforts to make its facilities and future opportunities universally accessible in the near future, and one of KSB Ltd's administrative offices is fully accessible to workers with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

- Yes, the company's Code of Conduct, which can be found on its website at www.ksbindia.co.in reflects its belief in equitable opportunity for all.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	NA	NA	NA	NA
Female	100%	NA	NA	NA
Total	NA	NA	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Permanent Workers	Issues and concerns are raised and resolved through workforce associations and unions through discussions and deliberations.
Permanent Employees	For our employees, we have grievance cell, where the employees can raise their complaint, without the fear of retaliation and their concerns will be resolved effectively and in a timely manner. There are various forums like communication meetings and functional meetings at periodic intervals in respective locations to gauge day-to-day issues/concerns. In addition to this, company carries out employee satisfaction survey (KSB Voice) at a set frequency.
Other than Permanent Workers Employees	Issues and concerns are raised to and resolved by concerned operational heads and/or HR coordinator in respective locations.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	Current Year 2024			Previous Year 2023		
	Total employees/ workers irrespective category (A)	No. of employees /workers irrespective category, who are part of Association(s) or Unions (B)	% (B/A)	Total employees/ workers irrespective category (A)	No. of employees /workers irrespective category, who are part of Association(s) or Unions (B)	% (B/A)
Total Permanent Employees	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total Permanent Workers	726	726	100%	727	727	100%
Male	724	724	100%	725	725	100%
Female	2	2	100%	2	2	100%

8. Details of training given to employees and workers:

Category		Current Year 2024				Previous Year 2023				
	Total (A)	On Health and safety Measures		On Skill upgradation		Total (C)	On Health and safety Measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (B)	% (B/A)			Number (D)	% (D/C)	Number (D)
	Employees									
Male	Refer Note below									
Female										
Total	12,378	470	3.79%	11,908	96.20%	7,660	1,837	24%	5,823	76%
	Workers									
Male	Refer Note below									
Female										
Total	552	186	33.69%	366	66.30%	220	-	-	220	100%

Note : Bifurcation data not monitored



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

9. Details of performance and career development reviews of

Category	Current Year 2024			Previous Year 2023		
	Total (A)	Number (B)	%(B/A)	Total (C)	Number (D)	%(D/C)
Employees						
Male	1,532	1532	100%	1,223	1,223	100%
Female	122	122	100%	98	98	100%
Total	1,654	1,654	100%	1,321	1,321	100%
Workers						
Male	724	0	0%	725	0	0%
Female	2	0	0%	2	0	0%
Total	726	0	0%	727	0	0%

Note:

- The career development figures are only for the Permanent employees, excluding other than permanent employee's category.
- Time to time, career development feedbacks are given to extended work force to strengthen their skills and competencies. Basis the performance and contribution, due incentives are made available to them which act as a motivation for multi-skilling and internal job posting opportunities.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) If "Yes", then coverage of the system.	Yes, the implementation of the Occupational Health & Safety Management System (ISO 45001:2018) has been completed successfully, and the certification remains valid until July 2025. To further ensure a safe, healthy, and comfortable working environment for all employees, all Environmental, Health, and Safety (EHS) systems and procedures have been designed in compliance with local health and safety rules and requirements.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis of the entity?	<p>The organization uses the following procedures to detect and evaluate work-related risks and hazards on a regular and irregular basis to ensure a safe working environment. Below measures are on place</p> <ul style="list-style-type: none"> • Hazard Identification & Risk Assessment (HIRA) study • Job Safety Analysis (JSA) • Internal and External Safety Audits • Incident Investigation • Permit to Work System • Hazard and Operability (HAZOP) Study • Fire Safety Audit

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/No)	Yes. Occupational Health & Safety Management System - ISO 45001: 2018 is implemented and the certificate is valid till July 2025. In addition, all the EHS systems and procedures are developed considering the local health and safety regulations and requirements, to ensure a safe, healthy, and conducive working environment for all.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)	To ensure safe working environment, the company adopts following processes to identify and assess work related hazards and risks on a routine and non-routine basis, which are as follows:

11. Details of safety related incidents, in the following format:

Safety Incidents/ Number	Category	Current Year 2024	Previous Year 2023
Lost Time Injury Frequency Rate (LTIFR)(per one million-person hours worked)	Employees	0.22	0
	Workers	0.00	3.51
Total recordable work-related injuries	Employees	1	2
	Workers	0	0
Number of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

To make sure a safe working environment, KSB Limited appointed "Safety Officers" to each location. This is a crucial practice in cultivating a safe work culture, striving for zero harm or incidents, conducting prompt risk assessments, and putting mitigation measures into place, with a particular emphasis on EHS audits and compliance.

The company has established and adopted several safety measures across all locations, including:

- Safety walks/observations to identify unsafe conditions, with immediate corrective actions taken to close any identified gaps.
- A defined system for hazard identification and control is implemented at all locations, reviewed periodically to address new hazards and apply necessary controls.
- Mandatory safety training is provided to new employees, including contract labour, upon joining.
- An effective training and education program is in place to enhance EHS awareness for all employees and workers.
- A process for investigating all EHS-related incidents is followed to prevent recurrence, with timely corrective measures implemented to eliminate potential risks.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

- Regular risk assessment studies, EHS audits, and inspections of equipment, machines, cranes, and lifting gears are conducted.
- Emergency preparedness plans are developed for identified high-risk areas to mitigate emergencies within the shortest possible time.
- All machines are equipped with maximum safety controls and proper guarding for moving parts, minimizing hazards to the greatest extent.
- The company ensures facilities like 24/7 ambulance availability, and an emergency alarm system that includes smoke detectors, beam detectors, manual call points, and hooters

13. Number of Complaints on the following made by employees and workers:

Particulars	Current Year 2024			Previous Year 2023		
	Filed	Pending Resolutionat end of year	Remark	Filed	Pending Resolutionat end of year	Remark
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health and Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year :

Particulars	% of plants and offices that were assessed (by entity or statutory authorities or third party)
Health and Safety Practices	100%
Working Conditions	100%

Note :The company is ISO certified, besides the plants undergo timely regulatory safety audits & assessments.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

- At KSB, the safety of our employees and extended workforce remains our top priority. This year, we continue to focus on both leading and lagging indicators of health and safety through thorough audits and assessments to maintain a conducive working environment. In response to audit findings and recommendations, we have implemented initiatives such as comprehensive training programs, safety manuals, and visual aids to educate employees and workers on safety measures. These efforts highlight our unwavering commitment to cultivating a culture of safety and well-being throughout the organization.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

- Yes, adequate compensation to the family member (nominee) of the deceased employee. Also, the company provides fast track settlement of benefits like provident fund, gratuity, and superannuation in the event of death of an employee and worker.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
- The Company ensures ethical business practices and necessary compliances and disclosures by all its service providers, which is incorporated as part of individual business agreements and reviewed through periodic assessments.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total Number of affected employees/ workers		No. of employees/ workers that are rehabilitated or whose family member have been placed in suitable employment	
	Year 2024	Year 2023	Year 2024	Year 2023
Employees	1	0	NA	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)
- Capacity building and skill upgradation training are conducted for all employees, which aids employees during their retirement phase. In some cases, depending upon the employee expertise and business needs, further suitable opportunities are offered to them.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	This year we have assessed 64% of preferred suppliers for their sustainability performance, which include Health and Safety practices, and verification of working conditions.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.
- During the reporting period, no significant risks were identified in the supplier assessments. The company has implemented a comprehensive vendor assessment framework, which includes verifying relevant certifications from local statutory bodies and other system-related certifications, reviewing EHS practices during the onboarding process, and obtaining declarations through registration forms.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders



Highlights

64%

Value Chain Partners
trained on ESG Disclosures.

Stakeholder's feedback

considered into business decisions and
considering their perspectives
wherever possible.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

- Stakeholder groups are identified based on the nature of their engagement with the entity. The Company considers government bodies, regulators, employees, suppliers, dealers, retailers, shareholders and investors, direct customers, contractors, plumbers, communities, NGOs, and media as our key stakeholders that contribute to shaping our business. Our stakeholders add value and constitute a core part of our business value chain, therefore, ensuring continuous engagement and interaction through various channels which strengthens our relationship with identified stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Identified as Vulnerable or Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during each engagement
Investors and Shareholders	No	Annual General Meeting (AGM), Investors Meet, Newsletter, Forum Meetings, Website, & Press Release (PR)	Regularly	Key topics: Updates on the company's financial performance, strategic initiatives, growth potential, opportunities, risks, ESG objectives, actions, and significant events that could affect the company's performance and brand reputation.
Communities Beneficiaries	Yes	Email, telephone, in person meetings, and field visits	Regularly and need based	Identifying areas for CSR activities, assessing community needs, prioritizing CSR initiatives, and gathering feedback on the impact and outcomes of CSR projects.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Stakeholder Group	Identified as Vulnerable or Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during each engagement
NGO (Implementing partners for CSR activities)	No	Email, telephone, in-person meetings, and field visits	Monthly and need based	Assessment of needs, development of project implementation plans, review and corrective actions, and monitoring the progress of CSR projects.
Dealers	No	Dealer meets, Field visits, Physical and virtual meetings, Training sessions, Dealer Conferences, and Email communication	Fortnightly and need based	Regularly communicate with our dealers to keep them updated on new products and the latest developments in our offerings. Additionally, collaborate with dealers to enhance the reach of our products through various marketing initiatives. Organize dealer meetings and exhibitions regularly to foster interactions and gain insights into evolving customer expectations.
Direct Customers/ Consumers	No	Physical meets, Calls, Email, Events, Exhibitions, Plant visits, and Demonstrations	Regularly and need based	We continuously strive to enhance our processes and systems to gather valuable feedback and ideas from our stakeholders. KSB arranges plant visits for our esteemed customers, and we conduct periodic Customer Satisfaction Surveys to assess their feedback.
Employees and Workers	No	Email, in-person meetings, website, Newsletter, Press Release, Forums, communication meets and employee surveys	Daily and need based	Employee involvement, human resource enhancement, skill development, career advancement, safety education, ESG and CSR endeavors and the company's dedication to ESG.
Government Bodies and Industry Associations	No	Email, website, Press Release, and Regulatory Forums	Regularly and need based	New initiatives, regulations and statutory reporting and project implementation
Media	No	Press Release and Email	Regularly and need based	We nurture connections with the media through press releases, plant tours, and interviews to build the company's credibility, trustworthiness and transparency.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
 - The consultation with various stakeholders generally happens through the management team. These consultations are part of regular interactions with various stakeholders and the board is apprised of the important issues.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
 - Yes, the CSR projects taken for implementation have inputs from the stakeholders and the projects are taken based on the needs identified by the communities and implementation agency.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups
 - The Company identifies the needs of the communities in local areas and engages with the communities and implement the suitable projects for addressing the needs of the community. The details are provided in Principle 8 to this report.

Principle 5: Businesses should respect and promote human rights



Highlights

100%

Training on Human Rights issues to Employees and Workers

Equal

Pay Policy considering diversity

Zero

Complaints filed under the Sexual Harassment of Women at Workplace

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	Current Year 2024			Previous Year 2023		
	Total	Number	%	Total	Number	%
	(A)	(B)	(B/A)	(C)	(D)	(D/C)
Employees						
Permanent	1,532	1,532	100%	1,321	1,321	100%
Other than permanent	122	122	100%	132	132	100%
Total Employees	1,654	1,654	100%	1,453	1,453	100%

*:Human Rights trainings include Code of conduct, POSH and other related topics.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Current Year 2024					Previous Year 2023				
	Total (A)	Equal to Minimum Wage		More than MinimumWage		Total (D)	Equal to MinimumWage		More than MinimumWage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent	1,411	-	-	1,411	100%	1,321	-	-	1,321	100%
- Male	1,302	-	-	1,302	100%	1,223	-	-	1,223	100%
- Female	109	-	-	109	100%	98	-	-	98	100%
Other than Permanent	238	-	-	238	100%	132	-	-	132	100%
- Male	183	-	-	183	100%	99	-	-	99	100%
- Female	55	-	-	55	100%	33	-	-	33	100%
Category	Current Year 2024					Previous Year 2023				
	Total (A)	Equal to Minimum Wage		More than MinimumWage		Total (D)	Equal to MinimumWage		More than MinimumWage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Workers										
Permanent	684	-	-	684	100%	728	-	-	766	100%
Male	682	-	-	682	100%	726	-	-	763	100%
Female	2	-	-	2	100%	2	-	-	3	100%
Other than Permanent	1,683	-	-	-	-	1,561	946	60.6%	615	39.3%
Male	1,603	-	-	-	-	1,518	926	61.0%	592	39.0%
Female	80	-	-	-	-	43	20	46.5%	23	53.5%

3. Details of remuneration/salary/wages

(a) Median remuneration/wages:

Particulars	Male		Female	
	Number	Median salary/ wage of respective category (INR)	Number	Median salary/ wage of respective category (INR)
Board of Directors(BoD)	Details are mentioned in Annexure V of the Board's Report			
Key Managerial Personnel				
Employees other than BoD and KMP	1,527	10,30,463	121	10,27,249
Workers	724	10,85,302	2	11,01,065



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

(b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

Gross wages paid to females as % of total wages	Current Year 2024	Previous Year 2023
	3.94%	3.92%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

- The Human Resource(HR) Head of the company is responsible for ensuring ethical behavior within the organization. In the event of any violation, he is accountable for promptly and transparently addressing concerns or issues without any form of retaliation. The Company has grievance redressal policy in place. Additionally, the Audit Committee oversees the whistle blower mechanism, and the POSH Internal Committee supervises sexual harassment complaints.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

- The Code of Conduct serves as a robust deterrent against misconduct and fosters equal opportunities for all. The company has established policies including the POSH Policy (Internal Complaints Committee), Code of Conduct (Ombudsman), and Whistle blower system (Designated email id and dropbox). These policies outline specific mechanisms for addressing grievances.

6. Number of Complaints on the following made by employees and workers:

Particulars	Current Year 2024			Previous Year 2023		
	Filed during the year	Pending resolution at end of year	Remark	Filed during the year	Pending resolution at end of year	Remark
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labor	0	0	-	0	0	-
Forced Labor/ Involuntary Labor	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	Current Year 2024	Previous Year 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

- The Company upholds a robust Code of Conduct and has established a whistle-blower mechanism. Additionally, an Internal Complaints Committee (ICC) is in place to address any instances of sexual harassment in the workplace. The Company actively promotes reporting of harassment, discrimination, or offensive behavior without the fear of retaliation. Investigations and necessary actions will be carried out as deemed appropriate. Regular training and awareness sessions, including mandatory modules, are conducted periodically to ensure employees are fully equipped.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

- Yes. At KSB, human rights are fundamental to our business, and all matters and concerns are diligently addressed throughout our operations and across the value chain by following the policies and guidelines outlined in our code. We anticipate our value chain partners to uphold high standards of business ethics and integrity.

10. Assessments for the year:

Particulars	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labor	No such assessments were carried out during the reporting period.
Forced/Involuntary Labor	
Sexual harassment	
Discrimination at workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

- The company maintains robust human rights standards, resulting in no reported cases of child labor, forced or involuntary labor, sexual harassment, or discrimination of any kind in the workplace against any of our employees or extended workforce.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

- The Company strives to uphold basic principles of human rights in all its operations through its codes and policies. There is a Code of Conduct that sensitizes the employees periodically about ethical behavior.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

- The Company conducts various internal audits and human rights forms an integral part of these audits which are conducted on a regular basis to check the compliance requirements and recommend remedial action plan, wherever required. However, no formal human rights due diligence was conducted during the reporting period.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

- One of the administrative offices at KSB Ltd is fully accessible to differently abled employees. The company is actively engaged in making its premises and future offices universally accessible for all in the coming times.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed:
Child Labor	No such assessments were carried out during the reporting period.
Forced / Involuntary Labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others-please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

- Whenever deviations from the principles of the Code of Conduct / human rights principles defined in the Code are identified, the Company works with the supplier to clarify how lasting corrective action can be taken within a reasonable time frame and takes necessary remedial actions.

Principle 6: Businesses should respect and make efforts to protect and restore the environment



Highlights

35%	37%	39,360 KL
GHG Emission Reduction	Renewable Electricity Share	Recycled Water
2	99%	28 Nos
Sites that are Zero Liquid Discharge Certified	Waste diverted from Landfill (3 Sites)	Value Chain - Environmental Impact Assessments done

Essential Indicators

1. Details of total energy consumption (in MJ) and energy intensity:

Parameter	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	2,39,49,270	1,54,32,009
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	2,39,49,270	1,54,32,009

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

From non-renewable sources		
Total electricity consumption (D)	4,04,08,289	6,08,42,596
Total fuel consumption (E)	2,53,54,198	3,06,55,886
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	6,57,62,487	9,14,98,482
Total energy consumed (A+B+C+D+E+F)	8,97,11,757	10,69,30,491
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.003541599	0.00475839
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.079331825	0.10549346
Energy intensity in terms of physical output Energy intensity (optional) - the relevant metric may be selected by the entity	153.82#	172.75#

#Only products manufactured/assembled in our facilities are considered (traded products and spares sold by entity are excluded)

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency: Yes, Independent reasonable level assurance taken on Electricity and Fuel Consumption by SGS India.

2 Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

- Not applicable, as the company does not fall in the category of industries mandated under PAT scheme.

3. Details of the following disclosures related to water:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	19,764	16,879
(iii) Third party water (Municipal Corporation)	1,86,178	1,82,978
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,05,942	1,99,858
Total volume of water consumption (in kilolitres)	2,04,620	1,99,626
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000008078	0.000009



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000180945	0.00019953
Water intensity in terms of physical output Water intensity (optional) – the relevant metric may be selected by the entity	0.350860#	0.3225184#

#*Only products manufactured/assembled in our facilities are considered (traded products and spares sold by entity are excluded) Note : The total consumption is for all 6 manufacturing locations.

4. Details related to water discharged:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
With treatment – please specify level of treatment – Primary Treatment, Secondary Treatment and Tertiary Treatment Method	39,360	39,566
Total water discharged (in kilolitres)	39,360	39,566

Note: KSB Manufacturing plants have Effluent and/or sewage treatment plants with Primary, Secondary and tertiary treatment. The waste water is treated and reused for the internal purpose only like flushing and Gardening etc.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?
If yes, name of the external agency.: Yes, 3rd Party ZLD Certification from SGS India for Chinchwad and Coimbatore Plant.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

- KSB Limited implemented "Zero Liquide Discharge" Verification and Certification at two manufacturing plants (Power Project Division, Chinchwad and Valves Division, Coimbatore) for CY 2024.
- No waste water is released outside the premises, and all reclaimed water is used exclusively internally.
- SGS India, a third party, has verified and assured two manufacturing units as "ZLD plants."
- To reduce water consumption and limit its demand on fresh water, the organization has been rigorously pursuing several programs and initiatives. To treat all its effluents using Primary, secondary and tertiary treatment technologies, the company has taken the effort to build an effective methodology.

6. Details of air emissions (other than GHG emissions) by the entity:

Stacks Monitoring– Pimpri Location

Parameter	specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	ug/m3	Nil	Nil
SOx	Kg/Day	5.91	5.96
Particulate Matter (PM)	mg/Nm3	71.75	70.40
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutant (HAP)	-	-	-

Stacks Monitoring– Chinchwad Location

Parameter	specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	mg/Nm3	Nil	Nil
SOx	Kg/Day	1.97	4
Particulate Matter (PM)	mg/Nm3	73.28	71
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutant (HAP)	-	-	-

Stacks Monitoring– Shirwal Location

Parameter	specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	mg/Nm3	Nil	Nil
SOx	Kg/Day	9.90	7
Particulate Matter (PM)	mg/Nm3	67.10	72
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutant (HAP)	-	-	-



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Stacks Monitoring– Sinnar Location

Parameter	specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	mg/Nm3	Nil	Nil
SOx	Kg/Day	35.80	29.60
Particulate Matter (PM)	mg/Nm3	31.60	36.70
Persistent organipollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutant (HAP)	-	-	-

Stacks Monitoring– Vambori Location

Parameter	specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	mg/Nm3	Nil	Nil
SOx	Kg/Day	0.60	0.50
Particulate Matter (PM)	mg/Nm3	42.50	26.00
Persistent organipollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutant (HAP)	-	-	-

Stacks Monitoring– Coimbatore Location

Parameter	specify unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
NOx	µg/m3	14.90	15.63
SOx	µg/m3	11.60	13.61
Particulate Matter (PM)	µg/m3	49.20	37.79
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutant(HAP)	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?
If yes, name of the external agency.: No

7. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,219	2,297
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	8,160	13,690
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	0.0000004097	0.0000007114

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)(Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	0.00000917817	0.0000157719
Total Scope 1 and Scope 2 emission intensity in terms of physical output(<i>optional</i>) – the relevant metric may be selected by the entity	-	0.017796#	0.025828#

#Only products manufactured/assembled in our facilities are considered (traded products and spares sold by entity are excluded)

Note: The total Scope 1 & Scope 2 emissions are for all 6 manufacturing locations.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? If “Yes”, name the external agency: Yes Independent reasonable level assurance taken on Scope 1 & Scope 2 emissions by 3rd Party SGS India.

8. The entity has projects related to reducing Green House Gas emission:

- By optimizing the use of direct fuel in the manufacturing process, increasing the share of renewable energy, and eventually implementing several energy-efficient projects to reduce energy consumption, the KSB company has begun the decarbonization of its operations.
- With a baseline of 2022, KSB has reduced greenhouse emissions (Scope 1 and Scope 2) by 41 % in 2024.
- In CY 2024, KSB started tracking the sources of Scope 3 GHG emissions throughout a corporate value chain. The company reported that the following categories were significantly impacted: Category 2: Capital Goods; Category 3: Fuel and Energy-Related Activities; Category 5: Waste Generated in Operations; Category 6: Business Travel; Category 7: Employee Commuting; and Category 8: Upstream Leased Assets.

In CY 2024, KSB reported 4,754 Tons of Co2eq Scope 3 emissions for selected above 6 nos of categories.

- We have installed 48 MWh capacity hybrid solar and wind mill at Shirwal plant.
- KSB is producing Green energy from 3.27 MWp rooftop solar capacity from last five years. In FY 2024, KSB added additional 1.1 MWp of solar rooftop power for the Coimbatore and Chinchwad plants.
- In CY 2024, with “Power Purchase Agreement” for the renewable energy generation & utilization with Sunsure Energy of capacity 6.65MWp, Actual consumption of Open Access solar energy started from August 2024

KSB is using 37% renewable energy out of total consumption of electricity.

- KSB sold around 15,471 solar pumps in CY 2024 which is contributing 7.88% of business of its total revenue.
- To identify ways to conserve energy, the KSB internal/external energy team regularly conducts energy audits in all manufacturing plants.
- The KSB team carried out energy-saving initiatives, such as:
 - o Compressed air system automation
 - o Using a modern inverter-based air conditioning system in place of one that is conventional
 - o Using advanced heat pumps in place instead of conventional water heaters
 - o Using BLDC energy-efficient fans in place over conventional wall-mounted fans



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

9. Details related to waste management by the entity:

<i>Parameter</i>	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	29.10	3.84
E-waste (B)	101.10	0.05
Bio-medical waste (C)	0.01	0.01
Construction and demolition waste (D)	103.19	12.00
Battery waste (E)	5.22	4.40
Radioactive waste (F)	0.28	0.23
Other Hazardous waste. Please specify, if any. (G)	111.42	122.10
Other Non -hazardous waste generated (H) Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	7,265.86	7,685.79
Total (A+B + C + D + E + F + G + H)	7,616.18	7,828.42
Waste intensity per rupee of turnover (Total waste generated /Revenue from operations)	0.0000003007	0.0000003484
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000006735	0.0000007723
Waste intensity in terms of physical output Waste intensity (optional) – the relevant metric may be selected by the entity	0.013059#	0.12647#
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1,858	680
(ii) Re-used	5,673	211
(iii) Other recovery operations	15	9
Total	7,546	900
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	56	677
(ii) Landfilling	14	13
(iii) Other disposal operations	0	6,225
Total	70	6,915

*#Only products manufactured/assembled in our facilities are considered (traded products and spares sold by entity are excluded)

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Note: The total Hazardous and Non-Hazardous waste disposal are for all 6 manufacturing locations.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? If “Yes”, name the external agency: Yes, Third-party SGS India has provided independent assurance on waste management and disposal. Three sites (Chinchwad, Shirwal, and Sinnar) of KSB got "Zero Waste to Landfill" certification.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such waste.

- In CY 2024, for the three locations (Chinchwad, Shirwal, and Sinnar), the KSB company completed the "Zero Waste to Landfill" verification & certification by a third party SGS India.
- The overall waste diversion rate is 99.47% at the Chinchwad location, 98.93% at the Shirwal location, and 98.6% at the Sinnar location. (The assurance statement by SGS India is attached.)
- The KSB company has a robust waste management system, and by 2025, the company plans to have all of its sites certified as "Zero Waste to Landfill" by third-party assurance.
- The company is dedicated to taking accountability for disposing of waste in accordance with the relevant Pollution Control Board rules and regulations.
- **Waste Generation:**
 - o We are generating both hazardous and non-hazardous waste. Spent oil, used paint, oil-soaked cotton, discarded barrels and containers, dry varnish, e-waste, battery waste, biomedical waste, radioactive waste (X-ray films), etc. are all categorized as hazardous waste. On the other hand, metal scrap, wooden scrap, plastic, corrugated boxes, construction and demolition waste, thermocol, etc. are all categorized as non-hazardous waste.
- **Waste Storage:**
 - o We have allocated specific areas for the storage of hazardous and non-hazardous trash in each KSB plant. We segregate the waste and kept it in the scrap yard in accordance with the CPCB's policies and procedures. We dispose of the waste in compliance with the Pollution Control Board rules and regulations either monthly or quarterly.
- **Waste Collection:**
 - o The authorized PCB waste handlers, who are responsible for environmentally responsible practices, collect this segregated waste. KSB has waste handlers with PCB authorization.
- **Waste Transportation:**
 - o At the vendor's location, waste gets transported by vehicles for processing, such as landfilling, recycling, reuse, reduction, or incineration.
- **Waste Treatment:**
 - o The goal of waste treatment is to reduce the harm caused by waste to human health and the environment. With our waste treatment technologies, we turn waste into valuable resources. To achieve the most effective result, we use various methods and technologies, including recycling, composting, waste incineration, mechanical-biological treatment, composting, solidification or landfilling. Recycling helps to conserve natural resources, reduce energy usage, and minimize waste.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

- None of KSB Limited's production facilities are in ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

- KSB's Integrated Management System is certified to "ISO 9001:2015," "ISO 14001:2015," and "ISO 45001:2018," which evaluates all business operations for their effects on safety, health, and the environment.
- The business complies with all legal requirements for projects started in 2024, and it has been creating a system for undergoing environmental impact assessments and certification for a number of projects that can significantly lower the organization's energy, water, and carbon footprint levels.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

- The company is compliant with all relevant environmental laws, rules, and regulations in India.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

- Vambori, Ahillyanagar, Maharashtra - Foundry Division
- Narasimmanaickenpalayam, Coimbatore, Tamilnadu - Valves Operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Ground water	17,185	16,879
(iii) Third party water	14,952	18,434
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	32,137	35,313
Total volume of water consumption (in kilolitres)	32,137	35,313
Water intensity per rupee of turnover (Water consumed/turnover)	0.000001269	0.000001571
Water intensity (optional)- the relevant metric may be selected by the entity	0.055105#	0.057052#
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) Into Ground water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
(iii) Into Sea water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(v) Others		
- No treatment		
- With treatment - please specify level of treatment	14,519	14,973
Total water discharged (in kiloliters)	14,519	14,973

'# Only products manufactured/assembled in our facilities are considered (traded products and spares sold by entity are excluded)

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? If yes, name of the external agency: No

2. Details of total Scope3 emissions & its intensity

Parameter	Unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	4,754	Not Evaluated
Total Scope3 emissions per rupee of turnover	-	0.00000018768	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	0.008152#	-

'# Only products manufactured/assembled in our facilities are considered (traded products and spares sold by entity are excluded)

Note: In FY 2024, KSB company has selected limited categories for scope 3 calculations like Category 2 – Capital Goods, Category 3 – Fuel & Energy related activities, Category 5 – Waste generation in operations, Category 6 – Business travel by Road/Air, Category 7 – Employee Commute, Category 8 – Upstream Leased Assets.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? If “Yes”, name the external agency: Yes, Independent Limited level assurance taken on Scope 3 emissions (Category 2, Category 3, Category 5, Category 6, Category 7 and Category 8) by SGS India.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

- Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (<i>Web-link, if any, may be provided along with summary</i>)	Outcome of the initiative
1	Replacement of Existing 1.5 Ton Air Conditioning System by advanced inverterbased Air Conditioning System	An inverter type air-conditioner adjusts the speed of the compressor to control the refrigerant (gas) flow rate, thereby consuming less energy. An inverter has precise temp. control and as the set temp. is attained, the unit adjusts its capacity to eliminate any . temp fluctuations.	Potential energy saving per year is 25,230 kWh. GHG emission reduction by 18.34 Tons Co2 eq.
2	Replacement of conventional wall mounted fans with energy efficient BLDC fans in shop floor.	A BLDC motor is a Brush Less DC (Direct Current) motor which uses less power than brushed motors in an induction motor. This change is resulting in a good amount of energy saving. Additionally, BLDC motors have a longer life span as they do not get heated. BLDC fans are silent compared to a standard fan.	Potential energy saving per year is 14,400 kwh. GHG emission reduction by 10.46 Tons Co2 eq.
3	Digi VCC for Air Compressor	Improves compressor durability and increase air end life by reducing the bearing loads due to variable flow demands.	Potential energy saving per year is 22,626 kWh. GHG emission reduction by 16.44 Tons Co2 eq.
4	Automation (ON/OFF) control in HVAC system for water pumps and electricity usage in shop1 and shop 3	An automated ON/OFF mechanism is implemented in the HVAC system. When there is a temperature achieved on the shop floor at that time, the blower and water pumps are under the OFF condition and at the time of temperature rise the blower and motor are automatically in ON condition. The OFF-condition time is maximum, so energy saving is achieved.	Potential energy saving per year is 18,990 kWh. GHG emission reduction by 13.80 Tons Co2 eq
5	Replacement of washing machine heaters with Heat pump to generate hot water.	Industrial Washing Machines are used for washing & degreasing the pump components with the help of hot water 65 deg. C. Existing washing machines have 4 no heaters of 3 KW each to reach the designed temperatures. We studied heat pumps which use the heat of ambient air to pre-heat the water. This results in energy saving.	Potential energy saving per year is 10932 kWh. GHG emission reduction by 7.94 Tons Co2 eq.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Sr. No	Initiative undertaken	Details of the initiative (<i>Web-link, if any, may be provided along with summary</i>)	Outcome of the initiative
6	Installation of IFC controller for Compressed Air System.	In industry, air compressors account for a significant amount of electricity used. Air compressors are used to supply process requirements, to operate pneumatic tools and to meet instrumentation needs. KSB has taken many energy saving initiatives in compressor systems, like VFD installations to reduce the unloading time, arresting compressed air leakages, reduced artificial demand of compressed air, reduction in pressure settings, etc.	Potential energy saving per year is 90,000 kWh. GHG emission reduction by 65.43 Tons Co2 eq.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

- At KSB Limited, an emergency /disaster management procedure is integrated into its management system for dealing with such situations to minimize hazards to environment and human health.
- A list of potential emergency situations has been identified and the roles and responsibilities of all concerned personnel are also defined to handle the emergencies effectively. Training and awareness sessions are conducted for the employees and emergency handling teams to prepare them for actual emergency situations. Fire-fighting teams, first aid teams have been formed and displayed all over the plants.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

- During the reporting period, there was no negative environmental impact from value chain operations.
- To evaluate their sustainability (environment, social, and governance) performance, we have selected the top 44 suppliers.
- We performed a remote audit and site visit for the top 28 suppliers in FY 2024 as part of the supplier sustainability assessment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

- We have selected the top 44 suppliers to assess their sustainability (Environment, Social and Governance) performance.
- In FY 2024, we completed 64% suppliers (Out of 44, 28 top supplier sustainability assessment site visit/remote audit done.)



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



Highlights

6 Nos

No. of Affiliation with Trade and Industry Chambers

Zero

Anti-Competitive conduct instances

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

- 6 Nos.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S.No.	Name the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1.	Maharashtra Chamber of Commerce Industries and Agriculture (MCCIA)	State
2.	Indian Pumps Manufacturers' Association (IPMA)	National
3.	Confederation of Indian Industries (CII)	National
4.	Indo-German Chamber of Commerce (IGCC)	National*
5.	Indian Plumbing Association	National
6.	German Machinery and Plant Manufacturer's Association	National*

*: International Partnership-helps India and German companies to collaborate and work jointly.

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

Leadership Indicator

1. Details of public policy positions advocated by the entity:

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board	Web-Link, if available
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The Company does not have a separate policy on “policy advocacy”. For advocacy on policies related to the Pumps Industry, the Company works through industry associations such as Maharashtra Chamber of Commerce Industries and Agriculture (MCCIA), Indian Pumps Manufacturers' Association (IPMA), Confederation of Indian Industries, Indian Plumbing Association etc. There are specified officials in the Company who are authorized for communicating with industrial bodies and managing Government affairs in accordance with Communication Policy of the Company.

Principle 8: Businesses should promote inclusive growth and equitable development



Highlights

9,300+
persons benefited from
CSR Projects

73+
Job Creation in Urban Area

20,000+
Trees Planted

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief detail of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant web-link
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We are checking the possibilities of conducting Social Impact Assessments for which we have identified some sources.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR.)
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Not Applicable, none of our projects have affected the habitation of our near-by communities across our plants.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

3. Describe the mechanisms to receive and redress grievances of the community.

- The company has a process to ensure all the grievances and feedback from all stakeholders including communities are received and addressed. This includes :
 - (i) A dedicated toll-free number
 - (ii) A dedicated contact page on the website
 - (iii) Complaints / Feedback received on contact Email
 - (iv) Complaints / Feedback received directly by Company representatives
 - (v) Complaints / Feedback received through Social Media Platforms
- Dedicated teams within the Company manage all the complaints and feedback to ensure timely response.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	Current Year 2024	Previous Year 2023
Directly sourced from MSMEs/ Small producers	The company sources its input material from suppliers including MSMEs within the district and across India as well as imports, wherever required.	
Sourced directly from within the district and neighboring districts		

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	Current Year 2024	Previous Year 2023
Rural	6.37%	-
Semi-Urban	0%	-
Urban	72.85%	-
Metropolitan	20.80%	-

Leadership Indicator

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
We have not conducted social impact assessments but as per our internal assessment there is no any negative social impact.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

S.No.	State	Aspirational District	Amount Spent (in INR.)
KSB plays a vital role in implementing impactful projects based on thorough ground-level need assessments in and around its operational areas, focusing on underserved and needy communities. While KSB does not operate in aspirational districts, it remains dedicated to driving positive change and making a meaningful impact on the lives of those in need.			

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

- No

(b) From which marginalized /vulnerable groups do you procure?

- Nil

(c) What percentage of total procurement (by value) does it constitute?

- Nil

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/No)	Basis of calculating benefit share
	Nil			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of Case	Corrective action taken
Nil		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects (Tentatively)
1	Miyawaki Afforestation - PCMC and Vambori	6,000
2	Skill Development - Y4D	182
3	KSB Scholarship	75
4	Don Bosco - Chinchwad (Phase II)	200
5	CNC Simulator Software	200
6	Govt ITI, Satara	175
7	Govt. Polytechnic, Karad	100
8	"Hydraulic-Pneumatic Simulator Software to Govt ITI, Satara"	100
9	ZP School Infrastructure Development, Harsul	350
10	Garbage Collection	1,000
11	School Infrastructure Development, Vambori, Ahmednagar (Phase ii)	700
12	School Infrastructure Development, Palayam	300
13	Welding Lab Development, ITI Kavundampalayam	120
% beneficiaries from vulnerable & marginalized groups: 100% for all projects		



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner



Highlights

Policy

On Cyber security and
Data privacy

Zero

Complaints received for data privacy, Cyber
security, Advertising, Delivery of essential
services and Restrictive Trade Practices

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

- A consumer complaint can be registered via an active toll-free service. The "Regional Service Coordinator" keeps monitor on the complaint resolution process, which is handled by the toll-free agent through the S3 (Portal) AM Module.
- The Mechanism to resolve Online complaints:
Complaints are tracked on the KSB India website and on social media platforms including Facebook, Instagram, LinkedIn, and Twitter.
- If the Contact and location details are mentioned in the complaint, then the following steps are followed:
 - Digital Media Team sends the complaint details by email to the authorized person of that product and location. Authorized person contacts the customer and resolves the issue in the time frame provided to the customer.
 - After the issue is resolved the authorized person writes back to the customer keeping Digital Media Team about the resolution of the issue.
 - Digital Media Team responds to the customer appropriately for necessary feedback.
- Contact and location details not provided in the complaint
 - Digital Media Team asks for the contact and location details of the customer.
 - Once the details are received, step i., ii., and iii., as mentioned above are followed.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As percentage to total turnover
Environmental and social parameters relevant to the product	The organization adheres with all relevant environmental regulations as well as standards for product safety and quality
Safe and responsible usage	
Recycling and/or safe disposal	

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

3. Number of consumer complaints in respect of the following:

Complaints	Current Year 2024			PreviousYear 2023		
	Received	Pending at end of year	Remarks	Received	Pending at end of year	Remarks
DataPrivacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Customer Complaints	20,466*	0		23,275*	0	-

*: The figure includes Customer claims registered in SAP as well as Toll free registrations.

4. Details of instances of product recalls on account of safety issues:

Recalls	Number	Reasons for recall
Voluntary Recalls	Nil	During the reporting period, there have been no instances of product recalls on account of safety concerns.
Forced Recalls	Nil	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

- Yes, cyber security policies aligned with required ISO standards, are available at KSB intranet for internal usage.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

- KSB has taken initiatives at global and local level to strengthen the cyber security posture. These include introduction of two factor authentication for applications, Implementation of EDR/MDR(End point detection and response / Managed detection and response) solution for the complete group, regular IT security audits and VAPT for group countries etc. There are host of other initiatives that will ensure in further improving the overall security footprint. No corrective actions were needed for other regulatory topics.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

- Nil

b. Percentage of data breaches involving personally identifiable information of customers

- Not Applicable

c. Impact, if any, of the data breaches

- Not Applicable

Leadership Indicator

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

- The company ensures that all the information required to be displayed on the product labels are as per the applicable rules and regulation. Dealer management portal is also equipped with all the information.



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (Contd.)

- Product related all information is available on the website of the company www.ksbindia.co.in
- We also have our Toll-Free no. 18002331299, which allow our existing as well as prospective customers to reachout to us in case of any queries or complaints.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

- The company educates its consumers through product manuals and provides them with trouble shooting manual for each product category which includes vital details on product do's and don'ts, circuit diagrams of pump electrical connections, and procedure for operating pumps. Further, training workshops for educating consumers on the safe and responsible usage of products and services are organized.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

- Necessary emailers and updated product information circulars are communicated to applicable customers in event of product discontinuation, modifications and introductions.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

- The company does display the fundamental product information on the product as per local laws:
 - i. Name plate for product specification
 - ii. Troubleshooting guides
 - iii. MRP sticker/Barcode for warranty, wherever applicable
 - iv. QR Codes for operating manuals



ANNEXURE TO BOARD'S REPORT (Contd.)

ANNEXURE VI TO BOARD'S REPORT

A. CONSERVATION OF ENERGY

Steps taken or impact on conservation of energy, for utilising alternate source of energy, Capital Investment on Energy Conservation: Covered in the Business Responsibility and Sustainability Report annexed to the Board's Report as annexure V.

TECHNOLOGY ABSORPTION

Efforts made towards technology absorption, Benefits derived as a result of the above efforts, imported technology, expenditure incurred on research and development:

The Company continues with its efforts to introduce various products for market segments by technology absorption. Line synchronous motor concept motor concept is established for submersible range of products. Various improvements in castings and its processes are under implementation to fine tune the use of castings in terms of consumption, wastage and environmental impact. Company has a special focus on solar market and are developing a range of products suitable for the same.

The Refinery and Petrochemical market is one that calls for latest technology and engineered products. The Company has developed axial split casing pumps and vertical cannister pumps as per latest API standards for this market. Two sizes of BB1 pumps are developed from BP&CL range as per latest API standard and is under final testing. We are also focussing on expanding the range of these products to meet customer specific requirements. General industry is an expanding market and company has specifically targeted to absorb technology from its parent company to meet specific market requirements in this sector. Two sizes of pumps for chemical application were developed and are under production. A Product to meet requirements in railway sector for Vande Bharat and metro rail as well as in wind energy generation is complete. Further localisation for cost effectiveness of magnetic drive pumps are under progress. For mining market we are also developing new products under the guidance of parent company. Various product mix to meet the market requirements in the submersible pumps of sheet metal stain less steel, is a focus area. New products and bigger sizes of these pumps to cater to export market are under design and testing. In the industry segments like paper and pulp, newer models and sizes are being developed to cater to market requirements. In the water transportation segment, HSC Gamma pump range is being extended with stainless steel metallurgy and adaptation of better efficient hydraulics. With better efficiencies and better metallurgy has been undertaken in current year. The Company has targeted specific certifications for UL&FM sizes for the fire fighting market which would open our doors for this listed market in airports, malls and high rise buildings.

Looking at the growing needs of mechanical seals, the Company continues to offer new sizes and variants to the market. Localisation of Mechanical seals to meet market requirements is also a main focus. Solar segment is now well established and supply of pumps, motors structures and controllers have started in good quantities.

The Company is moving ahead for localisation and import substitution in a big way. This really adds to our efforts to meet 'Make in India' requirements of Indian government. The reduction in import content and saving foreign exchange has long term benefits to the company and the nation. Company has targeted digitisation in all aspects of sales operation and service departments and processes to provide more flexibility, efficiency reliability in its operations. The Company also has a focussed approach on energy efficient pumps for

ANNEXURE TO BOARD'S REPORT (Contd.)

Industrial application thereby reducing the energy consumption of the products. This is undertaken as part of development in new products as well as in replacement and retrofit sectors to upgrade installed base to meet better efficiency standards in energy consumption. The Company also introduced several adaptations of submersible Agriculture and Domestic products.

The Company has been receiving and absorbing technology from the parent company KSB SE, Germany and its group companies in various segments like mining, water, waste water, petrochemicals, energy and industrial applications.

The details of expenditure incurred on research and development are included in the Annexure V to the Board's Report.

The Company has been importing technology from the parent company KSB SE, Germany in various segments like water, waste-water, petrochemicals, energy and industrial applications.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO

Exports during the year were ₹ 3,500 Million. Total foreign exchange used during the year was ₹ 1,122 Million and total foreign exchange earned was ₹ 3,145 Million.

On behalf of the Board of Directors
Gaurav Swarup
Chairman

Mumbai, 27th February, 2025

ANNEXURE TO BOARD'S REPORT (Contd.)

ANNEXURE VII TO BOARD'S REPORT

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2024

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

To,
The Members,
KSB Limited,
Office No. 601, Runwal R-Square,
L.B.S. Marg, Mulund (West),
Mumbai

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KSB Limited (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance 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 December 31, 2024, 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 December 31, 2024 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 there under 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 (during the period under review not applicable to the Company);

ANNEXURE TO BOARD'S REPORT (Contd.)

- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (during the period under review not applicable to the Company)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (during the period under review not applicable to the Company)
- 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 (during the period under review not applicable to the Company);
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

The Company follows system driven Legal Compliance System, which tracks compliances and generates necessary certificates and ensures compliance of other applicable laws, however, the same has not been verified and audited by us.

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

- a. Secretarial Standards issued by the Institute of Company Secretaries of India;
- b. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The Changes in 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 shorter notice, 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 minutes of the meetings dissenting views were recorded and noted by the Chairman wherever applicable.

We further report that 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 were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.

For Mehta & Mehta, Company Secretaries
(ICSI Unique Code P1996MH007500)

Ashwini Inamdar, Partner

FCS No: F 9409, CP No: 11226

UDIN: F009409F004013783

Mumbai, February 27, 2025

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

ANNEXURE TO BOARD'S REPORT (Contd.)

‘ANNEXURE A’

To,
The Members,
KSB Limited,
Office No. 601, Runwal R-Square,
L.B.S. Marg, Mulund (West), Mumbai

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The Secretarial Audit Report 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.

For Mehta & Mehta, Company Secretaries
(ICSI Unique Code P1996MH007500)

Ashwini Inamdar, Partner
FCS No: F 9409, CP No: 11226
UDIN: F009409F004013783

Mumbai, February 27, 2025

Annual Report on Corporate Social Responsibility (CSR) Activities

ANNEXURE VIII TO THE BOARD'S REPORT



Environment: Creating Green Impact

KSB India supported the development of a Miyawaki forest in Nigdi by planting over **8,000 native trees**, in collaboration with the Pimpri Chinchwad Municipal Corporation, Saytrees Environment Trust, and the Oxygen Park Residents Association (OPRA). This initiative plays a vital role in enhancing urban green cover and contributes meaningfully to **carbon footprint reduction** and ecological restoration. It reflects a strong commitment to environmental sustainability and community well-being through impactful green initiatives.



6000 + Beneficiaries
Impact in FY 2024

The Miyawaki forest will act as a natural carbon sink, helping mitigate the impact of urban emissions over time.



Destitute Care: Caring for Every Child

KSB Ltd supported Apulki School for specially-abled children in Wai, Maharashtra by providing kitchen appliances, sports equipment, and playground materials. This effort helped improve the everyday experiences of the students and encouraged their overall development. The initiative also fostered a more engaging and supportive learning environment, helping to enhance the quality of care and education for the children.

50 +
Beneficiaries
Impact in
FY 2024





Building Skills, Building Futures:



KSB Skill Development Centre at Don Bosco ITI, Chinchwad



As a part of KSB's commitment to creating meaningful impact through education and employability, we have established a new Skill Development Centre at Don Bosco ITI, Chinchwad. This initiative is designed to provide practical, hands-on training to underprivileged youth and equip them with the skills required to succeed in today's competitive industrial landscape.

The centre is equipped with modern learning tools and technical infrastructure including a fitter lab, CNC simulator lab, hydraulic-pneumatic training kits, lathe machinery, and dedicated training classrooms. These resources ensure that students receive industry-aligned education that enhances both their confidence and career readiness.

Through this initiative, KSB is not only supporting the technical training ecosystem but also playing a proactive role in bridging the skill gap in India. The program has already started to impact young lives by preparing them for sustainable employment and long-term career growth.



75 + Students
Per Quarter
Impact in FY 2024

Empowering Education: KSB Gurukul

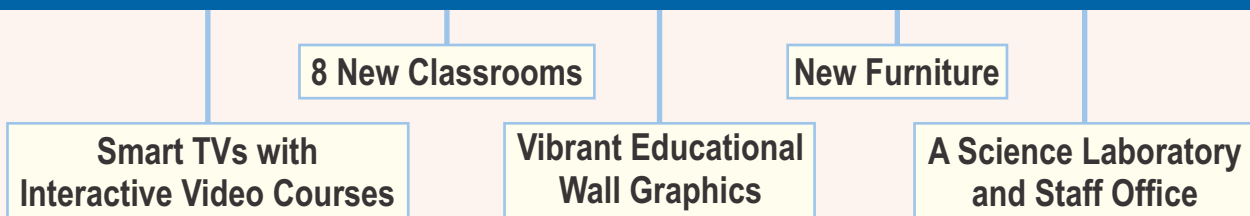
Vambhori Z.P. Primary School (Girls)



600 + Girls
Impact in FY 2024

We believe that educating a girl empowers a community, thus KSB Ltd. undertook a transformative project - the rebuilding of **KSB Gurukul – Z.P. Primary School for Girls in Vambhori, Maharashtra.**

Originally established in 1912, the school serves over 200 young girls and is a cornerstone of the local community. As part of our initiative, KSB fully redeveloped the school infrastructure, adding:



“A Journey of Renewal – Then and Now”

“Vibrant Educational Wall Graphics Aligned with Learning”



Each classroom wall is designed in line with the year-wise syllabus, making learning more engaging and visual.

Subjects like language, science, math, and environment are represented through colourful, child-friendly illustrations.

These graphics support interactive, joyful learning and help teachers reinforce key concepts with ease.



Inauguration Ceremony of KSB Gurukul



“Guiding Hands, Shaping Futures”

ANNEXURE TO BOARD'S REPORT (Contd.)

ANNEXURE VIII TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

1. Brief outline on CSR Policy of the company:

The CSR policy of the Company contains the activities that can be undertaken by the Company for CSR, composition of CSR committee, details of existing charitable trust, annual allocation for CSR activities, areas of CSR projects, criteria for selection of CSR projects, modalities of execution /implementation of CSR activities and the monitoring mechanism of CSR activities/projects.

The CSR activities of the Company are aligned with the activities specified in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

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	Ms. Sharmila Barua Roychowdhury	Chairperson and a member from 1st October, 2024	3	1
2	Mr. Gaurav Swarup	Member	3	3
3	Mr. Rajeev Jain	Member	3	3
4	Mr. D.N. Damania	Chairperson and a member upto 30th September, 2024	3	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

The link for CSR Committee composition, CSR Policy and approved CSR Projects is: www.ksbindia.co.in

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable): Not Applicable

5.
 - a. Average net profit of the company as per section 135(5): ₹ 2,371.46 Million
 - b. Two percent of average net profit of the company as per section 135(5): ₹ 47.43 Million
 - 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 the financial year, if any: NIL
 - e. Total CSR obligation for the financial year : ₹ 47.43 Million

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Mode of implementation - No direct spending by the Company.

CSR Amount is spent through implementing agency and the name of the implementing Agency: KSB Care Charitable Trust,

CSR Registration Number of the implementing Agency: CSR00012480

ANNEXURE TO BOARD'S REPORT (Contd.)

(1)	(2)	(3)	(4)	(5)	(6)
Sl. No.	Name of The Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project (District, State.)	Amount spent (₹ Million)
1.	CNC lab development for ITI students, providing CNC machines and lab equipment, (Don Bosco)	Skill Development	Yes	Chinchwad, Maharashtra	5.00
2.	Construction of school infrastructure – Classrooms (ZP School)	Education	Yes	Vambori, Maharashtra	2.25
3.	Development of CNC Simulator and CNC Lab (ITI College Satara)	Skill Development	Yes	Satara, Maharashtra	1.37
4.	Civil work in kitchen room (Families for Children)	Destitute Care	Yes	Coimbatore	0.25
5.	Provided sports and kitchen Equipment (Aapulki, school for specially abled children)	Destitute Care	Yes	Wai, Satara, Maharashtra	0.37
6.	Renovation of toilets for Girls' home (Maher)	Sanitation and Destitute Care	Yes	Bakori, Pune, Maharashtra	0.55
7.	Tree plantation – Miyawaki afforestation (SayTrees)	Environment	Yes	Pimpri-Chinchwad , Pune and Vambori, Maharashtra	2.07
8.	School infrastructure - Compound wall, dining hall repair, benches, toilet block for Girls (ZP School)	Education	Yes	Harsul, Maharashtra	2.95
9.	School infrastructure - Construction of Class Rooms, benches, Electronic boards, and Sports related & other equipment (ZP Girls School)	Education	Yes	Vambori, Maharashtra	6.98
10.	School infrastructure - Construction of toilets and refurbishment of classrooms (Primary School NSN)	Education	Yes	Palayam, Coimbatore, Tamil Nadu	2.73
11.	Sponsoring PCB assembly training (Y4D Foundation)	Skill Development	Yes	Pune, Maharashtra	3.53
12.	Sponsoring scholarship to engineering diploma girl students (Buddy4Study)	Education and women empowerment	Yes	Pune	5.35

ANNEXURE TO BOARD'S REPORT (Contd.)

(1) Sl. No.	(2) Name of The Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/ No).	(5) Location of the project (District, State.)	(6) Amount spent (₹ Million)
13.	College infrastructure - Building a Hydraulic Pneumatic lab, Hydraulic Pneumatic Simulator Software, providing CNC machine for CNC lab, and refurbishment of toilets (ITI government College)	Education and Skill development	Yes	Satara, Maharashtra	5.27
14.	College infrastructure- Building a Mechanical Engineering Materials (MEM) Lab and provide lab related equipment. (Government Polytechnic, Karad)	Education and Skill development	Yes	Karad, Maharashtra	1.52
15.	Provide Garbage Collection Van (Malegaon Gram panchayat)	Environment and Destitute Care	Yes	Sinnar, Maharashtra	1.84
16.	Provide CNC Simulator Software and Interactive Board for ITI students (DON Bosco)	Skill Development	Yes	Pimpri-Chinchwad, Pune	1.22
17.	College infrastructure – Development of lab with advanced MIG & TIG welding facilities, providing lab related equipment and welding simulator	Education and skill development	Yes	Kavundam-palayam , Coimbatore	2.95
(a)	Amount spent on CSR Projects				46.20
(b)	Amount spent in Administrative overheads				1.32
(c)	Amount spent on Impact Assessment, if applicable				0.00
(d)	Total amount spent for the Financial Year (a+b+c):				47.52

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹)	Amount Unspent (₹ Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
47.52	NA	NA	NA	NA	NA

ANNEXURE TO BOARD'S REPORT (Contd.)

(f) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount (₹ Million)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	47.43
(ii)	Total amount spent for the Financial Year	47.52
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial years, if any	0
(v)	Amount available for set off in succeeding Financial years [(iii)- (iv)]	0

7. Details of Unspent CSR amount for the preceding three financial years: Nil

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in Rs)	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 Rs)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1		NIL						
	Total							

8. Whether any capital assets have been created or acquired through CSR 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 section 135(5): Not Applicable

On behalf of the Board of Directors
For KSB Limited

Mumbai, 27th February, 2025

Rajeev Jain
Managing Director

Ms. Sharmila Barua Roychowdhury
Chairman, CSR Committee

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KSB LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of KSB Limited ("the Company"), which comprise the Balance Sheet as at December 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, 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.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of Revenue Recognition (Refer to Note 1 (e), 2 (ii) and 20 to the standalone financial statements)</p> <p>The Company recognises revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers". This involves application of significant judgement by Management with respect to:</p> <ul style="list-style-type: none">• Combining multiple contracts as a single contract.• Identification of distinct performance obligations;• Allocation of consideration to identified performance obligations;• Determination of timing of recognition of revenue either over a period of time or at a point in time on transfer of control to customers. This includes assessment of alternative use of the products to the	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• Understanding and evaluation of the design and testing the operating effectiveness of controls surrounding the recording of revenue in accordance with the principles of Ind AS 115.• Testing of customer contracts on a sample basis to assess the terms for identification of performance obligations in accordance with Ind AS 115 and comparing those to the management assessment;• Assessing appropriateness of management's judgements and estimates involved in accounting for a sample of customer contracts including inquiry and discussion with appropriate client personnel especially regarding the nature of products and alternative use of the products to the Company.

INDEPENDENT AUDITORS' REPORT (Contd.)

<p>Company based on technical analysis as well as legal assessment of right to payment.</p> <p>Considering the above-mentioned factors, appropriateness of revenue recognition has been considered as a Key Audit Matter.</p>	<ul style="list-style-type: none"> • Evaluation of the Company's in-house legal counsel's views regarding the Company's right to payment for performance to date; • Testing the appropriateness of timing of recognition of revenue (including procedures related to cut off testing) in line with the terms of the customer contracts; • Testing the key assumptions used by the management to estimate contract risks, claims, liquidated damages etc.; • Verifying the reports used by management for monitoring contracts and their progress; • Evaluating appropriateness of the disclosures made in the standalone financial statements. <p>Based on above procedures, we did not identify any significant exceptions in the judgement applied by the management in recognition of revenue.</p>
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Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read 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 and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the standalone financial statements

6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 of 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.

INDEPENDENT AUDITORS' REPORT (Contd.)

7. In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 control 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 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.
10. 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 control that we identify during our audit.
11. 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.

INDEPENDENT AUDITORS' REPORT (Contd.)

12. 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

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- 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.
 - 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, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
 - The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the

Accounting Standards specified under Section 133 of the Act.

- On the basis of written representations received from the directors as on December 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
- 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".
- 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, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 18 (b) and 30 (a) to the standalone financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year;
 - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 39(h) 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

INDEPENDENT AUDITORS' REPORT (Contd.)

entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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, as disclosed in the Note 39(h) 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, whether, 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; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used multiple accounting software for maintaining its books

of account, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for the following:

- (i) in respect of the core accounting software, the audit trail is not maintained in case of modification through certain access and changes to certain information or data recorded in the software;
- (ii) with respect to another accounting software of a third party service provider used for maintaining certain records, the audit trail feature was not enabled at the database level to log any direct data changes;

During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vivian Pillai
Partner
Membership Number: 127791
UDIN: 25127791BMNVBC5282

Mumbai
February 27, 2025

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of KSB Limited on the standalone financial statements for the year ended December 31, 2024

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of KSB Limited ("the Company") as of December 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("the Guidance Note") 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 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the

Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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.
5. 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 system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls 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 controls with reference to standalone financial statements includes those policies and procedures that;

ANNEXURE TO INDEPENDENT AUDITORS' REPORT (Contd.)

- (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

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at December 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vivian Pillai
Partner
Membership Number: 127791
UDIN: 25127791BMNVBC5282

Mumbai
February 27, 2025

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of KSB Limited on the standalone financial statements as of and for the year ended December 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 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 programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of all the immovable properties other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, as disclosed in Note 4 to the standalone financial statements, are held in the name or erstwhile name of the Company.
- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying

the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The terms of sanction do not stipulate filing of quarterly returns or statements with such banks, and accordingly, the question of our commenting on whether the returns or statements are in agreement with the unaudited books of account of the Company, does not arise.
- iii. (a) The Company has granted unsecured loans to 532 employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to employees are as per the table given below:

Particulars	Loans (Amount in ₹ Millions)
Aggregate amount of loans granted to employees during the year	67.42
Balance outstanding as at balance sheet date in respect of the above case	121.00

(Also refer Note 6(b) to the financial statements)

ANNEXURE TO INDEPENDENT AUDITORS' REPORT (Contd.)

- (b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- (f) There were no loans which were granted during the year that were repayable on demand or without specifying any terms or period of repayment. The Company has not granted any loan to promoters/related parties.
- iv. In our opinion, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, to that extent the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, professional tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) There are no statutory dues of duty of customs, professional tax, sales tax, value added tax, cess and employees' state insurance which have not been deposited on account of any dispute. The particulars of statutory dues referred to in sub-clause (a) as at December 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty (including interest and penalty if applicable)	24.07	7.87	August 2013 to June 2017	The Commissioner of CGST & Central Excise, Nashik, Maharashtra
	Excise Duty (including interest and penalty if applicable)	574.29	191.20	April 2013 to June 2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Pune, Maharashtra
	Excise Duty (including interest and penalty if applicable)	1.86	0.12	March 2002	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Name of the statute	Nature of dues	Amount (₹ In millions)	Amount paid under protest (₹ in millions)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax (including interest and penalty if applicable)	565.76	9.49	September 2004 to March 2009	Principal Commissioner of Central Excise and Service Tax, Pune, Maharashtra
Goods and Services Tax Act, 2017	Goods and Service Tax Act (including interest and penalty, if applicable)	5.46	1.85	July 2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Coimbatore
	Goods and Service Tax Act (including interest and penalty, if applicable)	13.48	0.55	June 2017	Commissioner (Appeal), Maharashtra
	Goods and Service Tax Act (including interest and penalty, if applicable)	53.02	2.36	FY 2017-18	Commissioner (Appeal) Coimbatore, Tamil Nadu
	Goods and Service Tax Act (including interest and penalty, if applicable)	1.47	0.06	FY 2017-18	Additional Commissioner (Appeals) Bhubaneswar, Odisha
	Goods and Service Tax Act (including interest and penalty, if applicable)	3.33	0.16	FY 2018-19	Commissioner (Appeals) Kolkata, Bengal
	Goods and Service Tax Act (including interest and penalty, if applicable)	0.91	0.07	FY 2018-19	Additional Commissioner (Appeals) Hyderabad, Telangana
Income Tax Act, 1961	Income Tax (including interest and penalty if applicable)	85.97	29.70	AY 2017 – 18	Income Tax Appellate Tribunal (ITAT), Mumbai
	Income Tax (including interest and penalty if applicable)	3.80	-	AY 2020-21	Commissioner of Income Tax CIT (A), Faceless appeal
	Income Tax (including interest and penalty if applicable)	459.53	25.00	AY 2021 - 22	Income Tax Appellate Tribunal (ITAT), Mumbai
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund (including interest and penalty, if applicable)	5.12	1.84	October 2007 to February 2021	Regional Provident Fund Commissioner-II, Nashik, Maharashtra

ANNEXURE TO INDEPENDENT AUDITORS' REPORT (Contd.)

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) On the basis of our audit procedures, we report that 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 obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or associate company. The company does not have a joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary or associate company. The Company does not have a joint venture.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.

ANNEXURE TO INDEPENDENT AUDITORS' REPORT (Contd.)

- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is 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. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vivian Pillai
Partner

Membership Number: 127791
UDIN: 25127791BMNVBC5282

Mumbai
February 27, 2025

Balance Sheet as at December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	3,864.74	3,710.40
Right-of-use assets	4	327.18	269.25
Capital work-in-progress	3	528.08	310.25
Other Intangible assets	5	192.72	210.24
Intangible assets under development	5	18.48	13.75
Financial assets			
(a) Investments	6 (a)	63.15	63.15
(b) Trade receivables	7	19.14	42.34
(c) Loans	6 (b)	80.24	73.91
(d) Other financial assets	9	77.98	42.28
Deferred tax assets (net)	13 (a)	191.29	177.85
Income Tax assets (net)	13 (b)	110.59	183.49
Other non-current assets	11	344.18	343.23
Total non-current assets		5,817.77	5,440.14
II. Current assets			
Inventories	10	6,428.23	6,426.34
Financial assets			
(a) Trade receivables	7	6,502.73	4,917.19
(b) Cash and cash equivalents	8 (a)	958.87	1,195.13
(c) Bank balances other than (b) above	8 (b)	2,275.67	1,550.40
(d) Loans	6 (b)	52.95	27.96
(e) Other financial assets	9	116.69	114.75
Other current assets	12	701.78	429.41
Total current assets		17,036.92	14,661.18
Total Assets		22,854.69	20,101.32
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14 (a)	348.08	348.08
Other equity	14 (b)	13,902.76	12,130.36
Total Equity		14,250.84	12,478.44
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	15	21.67	21.02
Provisions	18 (a)	569.82	437.00
Total non-current liabilities		591.49	458.02
II. Current liabilities			
Financial liabilities			
(a) Lease liabilities	15	12.69	11.34
(b) Trade payables	16		
-Total outstanding dues of micro enterprises and small enterprises		347.31	473.09
-Total outstanding dues of creditors other than micro enterprises and small enterprises		3,405.98	2,959.40
(c) Other financial liabilities	17	955.44	925.02
Other current liabilities	19	2,657.72	2,258.52
Provisions	18 (b)	558.52	537.49
Current tax liabilities (net)	13 (b)	74.70	-
Total current liabilities		8,012.36	7,164.86
Total Liabilities		8,603.85	7,622.88
Total Equity and Liabilities		22,854.69	20,101.32

Summary of material accounting policies

1

The accompanying notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai
Partner
Membership No.: 127791

Gaurav Swarup
Chairman
(DIN : 00374298)
Rajeev Jain
Managing Director
(DIN : 07475640)

Ulhas Yargop
Director
(DIN : 00054530)
Mahesh Bhav
Chief Financial Officer

Place : Mumbai
Date : February 27, 2025

Place : Mumbai
Date : February 27, 2025

Shraddha Kavathekar
Company Secretary

Statement of Profit and Loss for the year ended December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	Year ended December 31, 2024	Year ended December 31, 2023
Income			
Revenue from operations	20	25,330.86	22,472.38
Other income	21	414.92	362.69
Total Income		25,745.78	22,835.07
Expenses			
Cost of materials consumed	22	12,034.04	10,688.97
Purchases of stock-in-trade	23	2,567.34	1,907.05
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(379.94)	179.08
Employee benefits expense	25	3,135.19	2,696.83
Finance costs	26	27.17	52.90
Depreciation and amortisation expense	27	543.24	496.78
Other expenses	28	4,598.84	4,064.69
Total Expenses		22,525.88	20,086.30
Profit before tax		3,219.90	2,748.77
Tax expense			
Current tax	13 (b)	815.07	721.62
Deferred tax	13 (a), (b)	(4.19)	(18.98)
Total tax expense		810.88	702.64
Profit for the year		2,409.02	2,046.13
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations	31	(36.73)	31.73
Income tax relating to items that will not be reclassified to profit or loss	13 (a), (b)	9.25	(7.98)
Total other comprehensive income for the year, net of tax		(27.48)	23.75
Total comprehensive income for the year		2,381.54	2,069.88
Earnings per equity share			
Basic and Diluted (face value of ₹ 2/- each)	29	13.84	11.76

Summary of material accounting policies

1

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai
Partner
Membership No.: 127791

Gaurav Swarup
Chairman
(DIN : 00374298)

Rajeev Jain
Managing Director
(DIN : 07475640)

Ulhas Yargop
Director
(DIN : 00054530)

Mahesh Bhawe
Chief Financial Officer

Place : Mumbai
Date : February 27, 2025

Place : Mumbai
Date : February 27, 2025

Shraddha Kavathekar
Company Secretary

Statement of Cash Flows for the year ended December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
A. Cash flows from operating activities		
Profit before tax	3,219.90	2,748.77
Adjustments for :		
Depreciation and amortisation expense	543.24	496.78
Net gain on disposal of property, plant and equipment and intangible assets	(6.32)	(2.21)
Finance costs	27.17	52.90
Interest income	(239.47)	(163.27)
Dividend from investment in associate	(47.41)	(39.32)
Fair value (gain)/loss in derivative financial instruments	1.40	(2.72)
Sundry credit balances and provisions no longer required, written back	-	(3.45)
Unrealised foreign exchange (gain)/loss	4.78	8.61
Allowance for doubtful trade and other receivables	71.89	(55.49)
	<u>355.28</u>	<u>291.83</u>
Operating profit before working capital changes	3,575.18	3,040.60
Adjustment for changes in working capital:		
(Increase) / decrease in operating assets:		
Inventories	(1.89)	(815.45)
Trade receivables	(1,642.30)	(789.75)
Loans	(31.32)	28.66
Other financial assets	(6.97)	(46.75)
Other assets	(287.64)	(83.94)
Increase / (decrease) in operating liabilities:		
Trade payables	319.56	301.27
Other financial liabilities	98.01	110.27
Other liabilities	399.20	295.86
Provisions	117.12	70.18
	<u>(1,036.23)</u>	<u>(929.65)</u>
Cash generated from operations	2,538.95	2,110.95
Income taxes paid (net of refunds)	(667.47)	(695.93)
Net cash flows generated from operating activities (A)	1,871.48	1,415.02

Statement of Cash Flows for the year ended December 31, 2024 (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
B. Cash flows from investing activities		
Purchase of property, plant and equipment, right of use assets and intangible assets	(1,005.50)	(932.76)
Proceeds from disposal of property, plant and equipment and intangible assets	10.67	8.34
Investment in fixed deposits	(2,589.20)	(3,098.26)
Redemption of fixed deposits	1,863.91	3,838.88
Interest received	208.52	189.80
Dividend from investment in associate	47.41	39.32
Net cash flows generated from/(used in) investing activities (B)	(1,464.19)	45.32
C. Cash flows from financing activities		
Proceeds from current borrowings	500.00	400.00
Repayment of current borrowings	(500.00)	(400.00)
Interest paid	(23.87)	(49.92)
Repayment of lease liabilities (including interest)	(15.07)	(13.15)
Dividend paid	(609.14)	(522.12)
Net cash flows used in financing activities (c)	(648.08)	(585.19)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(240.79)	875.15
Cash and cash equivalents at the beginning of the year	1,195.13	319.34
Effects of exchange rate changes on cash and cash equivalents	4.53	0.64
Cash and cash equivalents at the end of the year	<u>958.87</u>	<u>1,195.13</u>

Reconciliation of Cash and cash equivalents as per Statement of Cash Flows

Cash and cash equivalents as per above comprise of following:	As at December 31, 2024	As at December 31, 2023
Cash and cash equivalents [Refer note 8 (a)]	958.87	1,195.13
Balances as per Statement of Cash Flows	<u>958.87</u>	<u>1,195.13</u>

Notes:

- Statement of Cash Flows has been prepared under the 'Indirect Method' in accordance with 'Ind AS 7 : Statement of Cash Flows'.
- Refer note 36 (a) for Net debt reconciliation.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai
Partner
Membership No.: 127791

Gaurav Swarup
Chairman
(DIN : 00374298)

Rajeev Jain
Managing Director
(DIN : 07475640)

Ulhas Yargop
Director
(DIN : 00054530)

Mahesh Bhav
Chief Financial Officer

Place : Mumbai
Date : February 27, 2025

Place : Mumbai
Date : February 27, 2025

Shraddha Kavathekar
Company Secretary

Statement of Changes in Equity for the year ended December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

A. Equity Share Capital

	Notes	
As at January 1, 2023		348.08
Change in equity share capital	14 (a)	-
As at December 31, 2023		348.08
Change in equity share capital	14 (a)	-
As at December 31, 2024		348.08

B. Other equity [Refer note 14 (b)]

	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Amalgamation reserve	Retained earnings	Total
As at January 1, 2023	0.09	0.10	3.20	1,085.08	0.06	9,494.07	10,582.60
Profit for the year	-	-	-	-	-	2,046.13	2,046.13
Other Comprehensive Income							
Remeasurement of post-employment benefit obligations (net of tax)	-	-	-	-	-	23.75	23.75
Total Comprehensive Income	-	-	-	-	-	2,069.88	2,069.88
Transactions with owners in their capacity as owners:							
Dividend paid	-	-	-	-	-	(522.12)	(522.12)
As at December 31, 2023	0.09	0.10	3.20	1,085.08	0.06	11,041.83	12,130.36
As at January 1, 2024	0.09	0.10	3.20	1,085.08	0.06	11,041.83	12,130.36
Profit for the year	-	-	-	-	-	2,409.02	2,409.02
Other Comprehensive Income							
Remeasurement of post-employment benefit obligations (net of tax)	-	-	-	-	-	(27.48)	(27.48)
Total Comprehensive Income	-	-	-	-	-	2,381.54	2,381.54
Transactions with owners in their capacity as owners:							
Dividend paid	-	-	-	-	-	(609.14)	(609.14)
As at December 31, 2024	0.09	0.10	3.20	1,085.08	0.06	12,814.23	13,902.76

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai
Partner
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(DIN : 00054530)

Mahesh Bhav
Chief Financial Officer

Place : Mumbai
Date : February 27, 2025

Place : Mumbai
Date : February 27, 2025

Shraddha Kavathekar
Company Secretary

Notes forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

	<p>Background: KSB Limited (the 'Company') is a public limited Company domiciled in India with its registered office located at Office No. 601, Runwal R-Square, L.B.S Marg, Mulund (West), Mumbai – 400 080. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in the business of manufacture of different types of power-driven pumps and industrial valves. Castings are mainly produced for captive consumption. CIN of the Company is L29120MH1960PLC011635. The financial statements have been authorized for issue by the Board of Directors on February 27, 2025.</p>
1.	<p>Summary of material accounting policies:</p> <p>This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.</p>
a.	<p>Basis of preparation</p> <p>i. Compliance with Ind AS</p> <p>The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time] and other relevant provisions of the Act.</p> <p>ii. Historical cost convention</p> <p>The financial statements have been prepared on a historical cost basis, except for the following:</p> <ul style="list-style-type: none"> • Derivative instruments that are measured at fair value • Defined benefit plans - plan assets measured at fair value. <p>All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for all products and services except for certain set of products for which operating cycle has been ascertained as 48 months for the purpose of current and non-current classification of assets and liabilities.</p>
b.	<p>Recent Accounting Pronouncements</p> <p>I) New and Amended Standards</p> <p>The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company applied these amendments for the first-time.</p> <p>(i) Definition of Accounting Estimates - Amendments to Ind AS 8</p> <p>The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's financial statements.</p> <p>(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1</p> <p>The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.</p>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12</p> <p>The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.</p> <p>The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at January 01, 2024.</p> <p>Apart from these, consequential amendments and editorials have been made to other Ind AS.</p>
c.	<p>Segment reporting</p> <p>Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Company's board of directors. Refer note 33 for segment information presented.</p>
d.	<p>Foreign currency translation</p> <p>(i) Functional and presentation currency</p> <p>Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.</p> <p>(ii) Transactions and balances</p> <p>Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are recognised in profit and loss and are presented in the Statement of Profit and Loss on a net basis.</p> <p>Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.</p>
e.	<p>Revenue recognition</p> <p>The Company recognises the revenue when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.</p> <p>The five-step process is applied for recognition of revenue:</p> <ol style="list-style-type: none"> identify contracts with customers identify the separate performance obligation determine the transaction price of the contract allocate the transaction price to each of the separate performance obligations, and recognise the revenue as each performance obligation is satisfied.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(i) Revenue from sale of products

The Company accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Company generate revenue from sale of pumps, valves and related support services. The Company may promise to provide distinct goods or services within a contract, for example when a contract covers multiple promises (e.g., supply of pumps, motors and spares), in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

- a. The customer simultaneously consumes the benefits as the Company performs, or
- b. The customer controls the work-in-progress, or
- c. The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date

If none of the criteria above are met, the Company recognizes revenue at a point-in-time. The point of recognition of revenue is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining whether the control has been transferred.

In case of revenue to be recognized over time, the Company uses input method to measure the progress for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the input method measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Due to the nature of the work required to be performed, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. It is common for project contracts to contain penalties, bonuses or other provisions that can either increase or decrease the transaction price. These variable amounts generally are awarded upon achievement of certain performance metrics, program milestones or cost targets and may be based upon customer discretion. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company estimates variable consideration using expected value method of probability-weighted values at an amount to which it expects to be entitled. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur and the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.</p> <p>The Company does not expect material financing component adjustments to contracts where the period between the transfer of the promised goods or services to the customer and payment exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.</p> <p>Contracts are modified to account for changes in contract specifications and requirements. The Company considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.</p> <p>The Company recognizes Advances from customers as contractual liability.</p> <p>When estimates of total costs to be incurred exceed total estimates of revenue to be earned on a performance obligation related to a contract, a provision for the entire loss on the performance obligation is recognized in the period.</p> <p>(ii) Revenue from sale of services</p> <p>Company generate revenue from sale of pumps, valves and related support services. Revenue from services is recognised in the accounting period in which the services are rendered.</p> <p>(iii) Other operating revenue</p> <p>Revenue comprising of income from ancillary activities incidental to the operations of the Company is recognized when the right to receive the income is established as per the terms of the contract. Revenue from export incentives majorly comprises of Duty drawback, Merchandise Export Incentive Scheme (MEIS) and Remission of Duties and Taxes on Exported Products (RoDTEP) which are recognised on an accrual basis at specified rates. Refer note 20.</p> <p>(iv) Other income</p> <p>Interest income:</p> <p>Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in Other income in the Statement of Profit and Loss.</p> <p>Dividends:</p> <p>Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.</p> <p>f. Income tax</p> <p>The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.</p> <p>The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation.</p> <p>Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is</p>
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Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.</p> <p>Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.</p> <p>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 the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.</p> <p>Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.</p>
g.	<p>Leases</p> <p><i>As a lessee:</i></p> <p>Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.</p> <p>Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable. Company does not have any variable lease payments.</p> <p>Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.</p> <p>Right-of-use assets are measured at cost comprising the following:</p> <ul style="list-style-type: none"> • the amount of the initial measurement of lease liability • any lease payments made at or before the commencement date less any lease incentives received • any initial direct costs, and • restoration costs. <p>Right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.</p> <p>Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less.</p>
h.	<p>Impairment of assets</p> <p>The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. If an asset is impaired, the Company recognises an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. Recoverable amount is higher of an asset's or</p>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.</p>
i.	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents include cash on hand, balances with banks in current accounts and EEFC accounts, fixed deposits with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet. Other bank balances include fixed deposits with original maturities of more than three months and earmarked accounts which includes unpaid dividend.</p>
j.	<p>Trade receivables</p> <p>Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.</p>
k.	<p>Borrowing and Borrowing costs</p> <p>Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.</p> <p>Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.</p> <p>Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.</p>
l.	<p>Inventories</p> <p>Inventories are valued at the lower of cost and net realisable value.</p> <p>Cost of raw materials, components, stores, spares, loose tools and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p>
m.	<p>Financial assets</p> <p>i. Classification</p> <p>The Company classifies its financial assets in the following measurement categories:</p> <ul style="list-style-type: none"> those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortised cost.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.</p> <p>For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.</p> <p>For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.</p> <p>The Company assesses whether the financial asset falls within the definition of equity basis the underlying contractual terms and whether the Company has residual interest in the assets of the entity (investee) after deducting all of its liabilities. If the financial asset does not meet the definition of equity, the disclosure of same is assessed based on the substance of the transaction. During the year, the Company has subscribed shares in a power producer entity as per the regulatory requirement as set out in Electricity Rules, 2005. Based on the substance of transaction, the amount has been disclosed as security deposit.</p> <p>The Company reclassifies debt investments when and only when its business model for managing those assets changes.</p>
ii.	<p>Measurement</p> <p>At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.</p> <p>Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.</p> <p>Debt instruments</p> <p>Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments at amortised cost as below:</p> <ul style="list-style-type: none"> • Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method. <p>Equity instruments</p> <p>The Company subsequently measures equity investment at fair value. The Company's Management elects to present fair value gains and losses on equity investments in other comprehensive income on an instrument by instrument basis.</p> <p>Investment in subsidiaries and associates</p> <p>The investments in subsidiaries and associates are carried in the financial statements at historical cost except when the investment, or a portion thereof, is classified as held for sale, in which case measured at lower of carrying amount and fair value less costs to sell.</p> <p>Investments in subsidiaries carried at cost are tested for impairment in accordance with Ind AS 36 Impairment of Assets. The carrying amount of the investment is tested for impairment as a single asset by</p>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>comparing its recoverable amount with its carrying amount, any impairment loss recognised reduces the carrying amount of the investment.</p> <p>iii. Impairment of financial assets</p> <p>The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer note 35(A) for details of credit risk.</p> <p>For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.</p> <p>iv. Derecognition of financial assets</p> <p>A financial asset is derecognised only when</p> <ul style="list-style-type: none"> • The Company has transferred the rights to receive cash flows from the financial asset or • retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients. <p>Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.</p> <p>Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.</p> <p>n. Offsetting financial instruments</p> <p>Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.</p> <p>o. Property, plant and equipment</p> <p>Freehold land is stated at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.</p> <p>Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.</p> <p>Depreciation methods, estimated useful lives and residual value</p> <p>Depreciation is provided on the straight-line method/ written down value method over the useful lives of assets which has been assessed as under the technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, maintenance support, etc., which are different from those prescribed in Schedule II to the Companies Act, 2013 (Act) except for server and networking (SLM) and furniture and fixtures (WDV) which are same as prescribed in Schedule II to the Act. Estimated useful lives of assets are as follows:</p>
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Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<table> <tr> <th>Asset</th><th>Useful life and method of depreciation</th></tr> <tr> <td>Buildings</td><td>43 to 90 years (WDV)</td></tr> <tr> <td>Plant and equipment</td><td>09 to 21 years (SLM)</td></tr> <tr> <td>Vehicles</td><td>05 to 11 years (WDV)</td></tr> <tr> <td>Office equipment</td><td>10 years (SLM)</td></tr> <tr> <td>Computer equipment</td><td>06 years (SLM)</td></tr> </table> <p>The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period.</p> <p>An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.</p> <p>Net gains or net losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss under other income or other expenses respectively.</p>	Asset	Useful life and method of depreciation	Buildings	43 to 90 years (WDV)	Plant and equipment	09 to 21 years (SLM)	Vehicles	05 to 11 years (WDV)	Office equipment	10 years (SLM)	Computer equipment	06 years (SLM)
Asset	Useful life and method of depreciation												
Buildings	43 to 90 years (WDV)												
Plant and equipment	09 to 21 years (SLM)												
Vehicles	05 to 11 years (WDV)												
Office equipment	10 years (SLM)												
Computer equipment	06 years (SLM)												
p.	<p>Intangible assets</p> <p>Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss. Intangible assets are amortized on the straight-line method as follows:</p> <table> <tr> <th>Asset</th><th>Useful life</th></tr> <tr> <td>Copyrights, patents, intellectual property rights and operating rights</td><td>7 to 15 years</td></tr> <tr> <td>Computer software</td><td>3 years</td></tr> </table>	Asset	Useful life	Copyrights, patents, intellectual property rights and operating rights	7 to 15 years	Computer software	3 years						
Asset	Useful life												
Copyrights, patents, intellectual property rights and operating rights	7 to 15 years												
Computer software	3 years												
q.	<p>Trade and other payables</p> <p>These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Company after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.</p>												
r.	<p>Provisions and Contingent liabilities</p> <p>Provisions are recognised when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognised for future operating losses. Provision for warranty is computed as a percentage of sales based on the past trends observed.</p> <p>Contingent liabilities are disclosed by way of a note to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.</p>												
s.	<p>Employee benefits</p> <p>(i) Short-term obligations</p>												

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.</p> <p>(ii) Other long-term employee benefit obligations</p> <p>The liabilities for Other long-term employee benefits such as long service award, privileged leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. The Company does not have an unconditional right to defer settlement for any of these obligations. However, based on the past experience, the Company does not expect payment of the entire amount of accrued leaves or availment of the entire number of accrued leaves by employees within twelve months and accordingly, amounts have been classified as current and non-current.</p> <p>(iii) Post-employment obligations</p> <p>The Company operates the following post-employment schemes:</p> <p>(a) Defined benefit plans - gratuity and superannuation</p> <p>(b) Defined contribution plans - provident fund</p> <p>(a) Defined benefit plans - gratuity and superannuation</p> <p>(i) Gratuity</p> <p>The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972, as amended from time to time. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.</p> <p>The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.</p> <p>The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.</p> <p>The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in finance cost in the Statement of Profit and Loss.</p> <p>Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.</p> <p>Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.</p>
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Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>(ii) Superannuation</p> <p>Superannuation is a benefit to certain employees (depending on the grade / category of the employee and completed years of service) per month for each completed year of service. The accounting policy followed by the Company for Superannuation is consistent with accounting policy followed for Gratuity [Refer note 1(s)(iii)(a)(i)].</p> <p>(b) Defined Contribution Plans</p> <p>The Company pays provident fund contributions for all employees to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.</p>
t.	<p>Dividends</p> <p>The Company recognizes provision for Dividend and the tax thereupon, if any, once the Dividend is approved by the shareholders in the annual general meeting.</p>
u.	<p>Contributed equity</p> <p>Equity shares are classified as equity.</p> <p>Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.</p>
v.	<p>Earnings per share</p> <p>i. Basic Earnings per share</p> <p>Basic earnings per share is calculated by dividing:</p> <ul style="list-style-type: none"> the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. <p>Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares or share split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.</p> <p>ii. Diluted Earnings per share</p> <p>Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:</p> <ul style="list-style-type: none"> the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares. <p>Other accounting policies:</p> <p>a. Government grants</p> <p>Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. Government grants relating to income are recognised in the Statement of Profit and Loss. Refer note 1(e)(iii) for accounting policy related to Duty drawback, Merchandise Export Incentive Scheme (MEIS) and Remission of Duties and Taxes on Exported Products (RoDTEP).</p>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>When government or related institutions provide concession in interest on borrowings or loans availed by the Company from financial institutions, such interest concession is regarded as a government grant. The Company accounts for the interest paid at concessional rate on packing credit facility availed for export of goods.</p> <p>b. Derivatives</p> <p>The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.</p> <p>c. Rounding of amounts:</p> <p>Amounts disclosed in the financial statements are presented in INR in million rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.</p>
2.	<p>Significant accounting judgements, estimates and assumptions</p> <p>The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reliable and relevant under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Management believes that the estimates are the most likely outcome of future events. Detailed information about each of these estimates and judgements is described below.</p> <p>Judgements</p> <p>In the process of applying the Company's accounting policies, Management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:</p> <p>i. Legal contingencies</p> <p>The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.</p> <p>ii. Revenue Recognition on Contracts with Customers</p> <p>Company generate revenue from sale of Pumps, valves and related support services. Company uses judgement with respect to accounting of multiple contracts which need to be combined and considered as single contract. The Company exercises judgement with respect to identifying contracts for which revenue need to be recognised point in time or over time, depending upon when customer consumes the benefit, when the control is passed to customer, whether asset created has an alternative use and whether the Company has right to payment for performance completed till date, either contractually or legally.</p> <p>Estimates and assumptions</p> <p>The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and</p>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.</p> <p>i. Warranty</p> <p>The Company generally offers an 18 months warranty for its products, except for certain projects where the warranty offered may be higher to meet specific project requirements. Warranty costs are determined as a percentage of sales based on the past trends of the costs required to be incurred for repairs, replacements, material costs and servicing cost. Management estimates the related closing provision as at Balance Sheet date for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past information may differ from future claims. The assumptions made in current period are consistent with those in the prior year. As the time value of money is not considered to be material, warranty provisions are not discounted. Refer note 18 for further information.</p> <p>ii. Gratuity</p> <p>The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate, mortality rates and expected return on planned assets. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the year end. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations are given in note 31.</p> <p>iii. Recoverability of trade receivables</p> <p>Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. Refer note 35(A) for further details.</p> <p>iv. Inventories</p> <p>An inventory provision is recognized for cases where the realizable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sale prices of inventory item and losses associated with obsolete / slow moving / redundant inventory items. The Company has, based on these assessments, made adequate provision in the books.</p>
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Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

3 Property, plant and equipment

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying amount as at							
January 1, 2023	3.01	2,299.16	5,053.07	144.54	70.68	210.39	7,780.85
Additions	-	327.88	420.24	52.87	23.55	147.72	972.26
Disposals	-	(1.67)	(131.88)	(1.83)	(3.79)	(16.13)	(155.30)
Balance as at December 31, 2023	3.01	2,625.37	5,341.43	195.58	90.44	341.98	8,597.81
Accumulated depreciation							
January 1, 2023	-	1,019.52	3,255.42	126.43	49.82	115.02	4,566.21
Charge for the year (Refer note 27)	-	130.72	288.78	11.39	19.71	19.78	470.38
Disposals	-	(1.50)	(126.30)	(1.76)	(3.71)	(15.91)	(149.18)
Balance as at December 31, 2023	-	1,148.74	3,417.90	136.06	65.82	118.89	4,887.41
Net carrying amount as at							
December 31, 2023	3.01	1,476.63	1,923.53	59.52	24.62	223.09	3,710.40
Gross carrying amount as at							
January 1, 2024	3.01	2,625.37	5,341.43	195.58	90.44	341.98	8,597.81
Additions	-	129.27	465.15	7.99	34.93	20.93	658.27
Disposals	-	(0.07)	(81.99)	(0.67)	(13.68)	(2.98)	(99.39)
Balance as at December 31, 2024	3.01	2,754.57	5,724.59	202.90	111.69	359.93	9,156.69
Accumulated depreciation as at							
January 1, 2024	-	1,148.74	3,417.90	136.06	65.82	118.89	4,887.41
Charge for the year (Refer note 27)	-	149.17	272.68	23.49	24.32	29.92	499.58
Disposals	-	(0.06)	(80.56)	(0.64)	(11.52)	(2.26)	(95.04)
Balance as at December 31, 2024	-	1,297.85	3,610.02	158.91	78.62	146.55	5,291.95
Net carrying amount as at							
December 31, 2024	3.01	1,456.72	2,114.57	43.99	33.07	213.38	3,864.74

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Notes:

- (i) Refer to note 30 (b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (ii) Capital work-in-progress mainly includes building under construction and plant and machinery in the process of installation.
- (iii) Gross additions to capital work-in-progress and transfers to property, plant and equipment are as follows:

Particulars	Capital work-in-progress	
	As at December 31, 2024	As at December 31, 2023
Opening carrying value	310.25	251.43
Additions	876.10	1,007.53
Transfers to property, plant and equipment	(658.27)	(948.71)
Closing carrying value	<u>528.08</u>	<u>310.25</u>

(a) Aging of Capital work-in-progress:

Particulars	As at December 31, 2023				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	281.04	23.72	5.49	-	310.25
(ii) Projects temporarily suspended	-	-	-	-	-
Total	<u>281.04</u>	<u>23.72</u>	<u>5.49</u>	<u>-</u>	<u>310.25</u>

Particulars	As at December 31, 2024				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	337.16	173.51	15.52	1.89	528.08
(ii) Projects temporarily suspended	-	-	-	-	-
Total	<u>337.16</u>	<u>173.51</u>	<u>15.52</u>	<u>1.89</u>	<u>528.08</u>

- (b) There are no assets under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

4 Right-of-use assets

Particulars	Leasehold land	Buildings	Total
Gross carrying amount as at January 1, 2023	265.09	50.38	315.47
Additions	-	13.71	13.71
Disposals	-	(12.21)	(12.21)
Balance as at December 31, 2023	265.09	51.88	316.97
Accumulated depreciation as at January 1, 2023	22.61	23.78	46.39
Charge for the year (Refer note 27)	2.81	10.73	13.54
Disposals	-	(12.21)	(12.21)
Balance as at December 31, 2023	25.42	22.30	47.72
Net carrying amount as at December 31, 2023	239.67	29.58	269.25

Particulars	Leasehold land	Buildings	Total
Gross carrying amount as at January 1, 2024	265.09	51.88	316.97
Additions	59.64	13.77	73.41
Disposals	-	(7.28)	(7.28)
Balance as at December 31, 2024	324.73	58.37	383.10
Accumulated depreciation as at January 1, 2024	25.42	22.30	47.72
Charge for the year (Refer note 27)	3.02	12.46	15.48
Disposals	-	(7.28)	(7.28)
Balance as at December 31, 2024	28.44	27.48	55.92
Net carrying amount as at December 31, 2024	296.29	30.89	327.18

Details of Leases : The Company's leasing arrangements include land and building for office premises and service stations. Leasehold land mainly pertains to manufacturing plant located at Shirwal. Rental contracts for office premises and service stations are typically made for fixed periods of 3 to 15 years, but have extension options.

(i) Amount recognised in the Statement of Profit and Loss

Particulars	Note	December 31, 2024	December 31, 2023
Interest expense on lease liabilities	26	3.30	2.98
Depreciation on right-of-use assets	27	15.48	13.54
Expenses related to short term leases (included in Miscellaneous expenses in Other expenses)	28	7.88	10.44

The total cash outflow for the year ended December 31, 2024 for leases is INR 22.95 million (December 31, 2023: INR 23.59 million).

(ii) Extension and Termination option :

Extension and termination options are included in a number of lease contracts. These terms are used to maximise operational flexibility in terms of managing contracts.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

5 Other Intangible assets

Particulars	Copyrights, patents, intellectual property rights and operating rights	Computer software	Total
Gross carrying amount as at January 1, 2023	-	118.97	118.97
Additions	181.81	24.25	206.06
Disposals	-	(3.42)	(3.42)
Balance as at December 31, 2023	181.81	139.80	321.61
Accumulated Amortisation Balance as at January 1, 2023	-	101.92	101.92
Charge for the year (Refer note 27)	1.25	11.61	12.86
Disposals	-	(3.41)	(3.41)
Balance as at December 31, 2023	1.25	110.12	111.37
Net carrying amount as at December 31, 2023	180.56	29.68	210.24

Particulars	Copyrights, patents, intellectual property rights and operating rights	Computer software	Total
Gross carrying amount as at January 1, 2024	181.81	139.80	321.61
Additions	-	10.66	10.66
Disposals	-	(0.88)	(0.88)
Balance as at December 31, 2024	181.81	149.58	331.39
Accumulated Amortisation Balance as at January 1, 2024	1.25	110.12	111.37
Charge for the year (Refer note 27)	12.60	15.58	28.18
Disposals	-	(0.88)	(0.88)
Balance as at December 31, 2024	13.85	124.82	138.67
Net carrying amount as at December 31, 2024	167.96	24.76	192.72

(a) Aging of Intangible assets under development:

Particulars	As at December 31, 2023				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	13.75	-	-	-	13.75
(ii) Projects temporarily suspended	-	-	-	-	-
Total	13.75	-	-	-	13.75

Particulars	As at December 31, 2024				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	9.49	8.99	-	-	18.48
(ii) Projects temporarily suspended	-	-	-	-	-
Total	9.49	8.99	-	-	18.48

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(b) There are no assets under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(c) Intangible assets under development

Particulars	As at December 31, 2024	As at December 31, 2023
Opening carrying value	13.75	-
Additions	15.39	219.81
Transfers to Intangible assets	(10.66)	(206.06)
Closing carrying value	18.48	13.75

6(a) Investments

Particulars	As at December 31, 2024	As at December 31, 2023
Investment in subsidiary		
Pofran Sales & Agency Ltd. - 5000 equity shares (December 31, 2023 - 5000 equity shares) of INR 100 each fully paid	0.50	0.50
Investment in associate		
KSB MIL Controls Ltd. - 735,000 equity shares (December 31, 2023 - 735,000 equity shares) of INR 10 each fully paid	62.65	62.65
Investment in equity instruments of other entities		
Mula Pravara Electric Co - operative Society Ltd. - 15,995 equity shares (December 31, 2023 - 15,995 equity shares) of INR 25 each fully paid	0.40	0.40
Total (unquoted investments)	63.55	63.55
Less : Aggregate amount of provision for impairment in the value of investments	(0.40)	(0.40)
Total Investments	63.15	63.15

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

6(b) Loans

Non-current	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Loans to employees	80.24	73.91
Total	80.24	73.91

Current	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Loans and advances to employees	52.95	27.96
Total	52.95	27.96

7 Trade receivables

	As at December 31, 2024	As at December 31, 2023
Trade receivables	5,946.98	4,542.68
Trade receivables from related parties (Refer note 32)	795.39	569.56
	6,742.37	5,112.24
Less: Loss allowance*	(220.50)	(152.71)
Total	6,521.87	4,959.53
Current portion	6,502.73	4,917.19
Non-current portion	19.14	42.34

Break-up of security details

	As at December 31, 2024	As at December 31, 2023
Trade receivables considered good - Unsecured	6,521.87	4,959.53
Trade receivables - credit impaired	220.50	152.71
	6,742.37	5,112.24
Less: Loss allowance*	(220.50)	(152.71)
Total	6,521.87	4,959.53

*The net impact of change in loss allowance of INR 67.79 millions (December 31, 2023:- reversal of INR 56.29 millions) has been included in Miscellaneous expenses (refer note 28)

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Aging of trade receivables

	As at December 31, 2023						
	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- considered good	1,812.36	2,883.69	126.51	64.55	18.68	53.74	4,959.53
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	1.81	1.09	55.74	23.52	15.05	97.21
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	3.60	0.35	1.81	49.74	55.50
Total	1,812.36	2,885.50	131.20	120.64	44.01	118.53	5,112.24

	As at December 31, 2024						
	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- considered good	1,613.36	4,127.71	424.27	275.38	30.50	50.65	6,521.87
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	1.00	67.14	40.06	45.70	153.90
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	1.10	-	16.33	4.97	44.20	66.60
Total	1,613.36	4,128.81	425.27	358.85	75.53	140.55	6,742.37

8 (a) Cash and cash equivalents

	As at December 31, 2024	As at December 31, 2023
Balances with banks		
In current accounts	345.66	191.63
In EEFC accounts	313.09	283.28
Deposits with original maturity of less than three months	300.00	720.00
Cash on hand	0.12	0.22
Total	958.87	1,195.13

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

8 (b) Bank balances other than 8 (a) above

	As at December 31, 2024	As at December 31, 2023
Balances with banks		
Fixed deposits*	2,268.00	1,542.96
In earmarked accounts		
Unpaid dividend accounts	7.67	7.44
Total	2,275.67	1,550.40

*Includes INR 500.70 million (December 31, 2023: INR 988.44 million) held as lien by bank against credit facilities.

9 Other financial assets

	As at December 31, 2024	As at December 31, 2023
Non-current		
Unsecured, considered good		
Security deposits	77.72	42.28
Balances with banks		
Fixed deposits with balance maturity more than one year*	0.26	-
Unsecured, considered doubtful		
Security deposits	5.30	5.30
	83.28	47.58
Less: Provision for doubtful security deposits	(5.30)	(5.30)
Total	77.98	42.28

*Includes INR 0.26 million (December 31, 2023: Nil) held as lien by bank against credit facilities.

	As at December 31, 2024	As at December 31, 2023
Current		
Interest accrued on deposits with banks	94.36	63.41
Derivative asset	-	0.54
Others*	22.33	50.80
Total	116.69	114.75

*Others include export incentives and GST rebate receivable.

10 Inventories

	As at December 31, 2024	As at December 31, 2023
Raw materials (includes in transit INR 97.6 million; December 31, 2023: INR 104.2 million)	2,284.32	2,670.49
Work-in-progress	2,949.68	2,719.16
Finished goods (includes in transit INR 259.19 million; December 31, 2023: INR 192.15 million)	931.89	774.98
Stock-in-trade	177.34	184.83
Stores and spares	62.53	71.14
Loose tools	22.47	5.74
Total	6,428.23	6,426.34

The cost of inventories recognised as an expense during the year is disclosed in Note 22, 23 and 24. The cost of inventories recognised as an expense include write-down of inventories of INR 90.41 million (December 31, 2023: INR 124.76 million) and reversal of write-down of inventories of INR 92.59 million (December 31, 2023: INR 189.30 million).

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

11 Other non-current assets

	As at December 31, 2024	As at December 31, 2023
Capital advances	116.41	130.73
Advances other than capital advances		
Prepaid expenses	28.70	13.43
Balances with government authorities		
Considered good	199.07	199.07
Considered doubtful	-	-
	<u>199.07</u>	<u>199.07</u>
Less: Provision for doubtful balances	-	-
	<u>199.07</u>	<u>199.07</u>
Total	<u>344.18</u>	<u>343.23</u>

12 Other current assets

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	32.45	23.69
Balances with government authorities		
Considered good	68.72	45.48
Considered doubtful	28.65	28.65
	<u>97.37</u>	<u>74.13</u>
Less: Provision for doubtful balances	(28.65)	(28.65)
	<u>68.72</u>	<u>45.48</u>
Others*		
Considered good	600.61	360.24
Considered doubtful	11.59	11.59
	<u>612.20</u>	<u>371.83</u>
Less: Provision for doubtful balances	(11.59)	(11.59)
	<u>600.61</u>	<u>360.24</u>
Total	<u>701.78</u>	<u>429.41</u>

*Others mainly include advances paid to suppliers which would be subsequently settled against purchases.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

13 (a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

	As at December 31, 2024	As at December 31, 2023
Deferred tax assets		
Provision for compensated absences, gratuity, superannuation and long service award	129.75	112.51
Provision for loss allowance on trade and other receivables	67.06	50.00
Fair value loss on derivative instruments	0.31	-
Lease Liabilities	8.65	8.14
Others (including allowances on payment basis)	88.88	91.05
	<u>294.65</u>	<u>261.70</u>
Deferred tax liabilities		
Impact of difference between income tax depreciation and depreciation in financial reporting	95.59	76.27
Right of Use Assets	7.77	7.44
Fair value gain on derivative instruments	-	0.14
	<u>103.36</u>	<u>83.85</u>
Deferred tax assets (net)	<u>191.29</u>	<u>177.85</u>

Changes in Deferred tax assets/ (liabilities) in Statement of Profit and Loss including Other Comprehensive Income [credited / (charged) during the year]

	Year Ended December 31, 2024	Year Ended December 31, 2023
Provision for compensated absences, gratuity, superannuation and long service award	17.24	6.14
Provision for loss allowance on trade and other receivables	17.06	(14.98)
Impact of difference between income tax depreciation and depreciation in financial reporting	(19.32)	(4.00)
Fair value of derivative instruments	0.45	(0.69)
Lease Liabilities	0.51	0.89
Right of Use Assets	(0.33)	0.75
Others	(2.17)	22.89
Total	<u>13.44</u>	<u>11.00</u>

13 (b) Income taxes

The major components of income tax expense for the year ended December 31, 2024 and December 31, 2023 are:

Statement of Profit and Loss

	Year ended December 31, 2024	Year ended December 31, 2023
Current income tax		
- Current tax on profit for the current year	825.48	713.15
- Adjustments for current tax of prior periods	<u>(10.41)</u>	<u>8.47</u>
	815.07	721.62
Deferred tax	<u>(4.19)</u>	<u>(18.98)</u>
Total tax expense reported in the Statement of Profit and Loss	<u>810.88</u>	<u>702.64</u>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	Year ended December 31, 2024	Year ended December 31, 2023
Other comprehensive income		
Deferred tax relating to remeasurement of post employment benefit obligations	9.25	(7.98)
Deferred tax credit/ (charge) to Other comprehensive income	9.25	(7.98)

Movement in income tax liabilities / (assets) (net)

	As at December 31, 2024	As at December 31, 2023
Opening balance [payable/ (receivable)]	(183.49)	(209.18)
Add : Current tax payable (including tax for prior period)	815.07	721.62
Less : Taxes paid (including tax paid for prior period, net of refunds)	(667.47)	(695.93)
Closing balance [payable/ (receivable)]	(35.89)	(183.49)
Income Tax assets (net)	(110.59)	(183.49)
Current tax liabilities (net)	74.70	-

Reconciliation of tax expense and accounting profit multiplied by statutory income tax rate :

	Year ended December 31, 2024	Year ended December 31, 2023
Accounting profit before tax	3,219.90	2,748.77
Tax at statutory income tax rate of 25.17% (2023: 25.17%)	810.38	691.81
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Dividend Income	(11.93)	(9.90)
- Donations	11.63	10.07
- Other items	11.21	2.19
Adjustments for current-tax of prior periods	(10.41)	8.47
Income tax expense	810.88	702.64

14 (a) Equity share capital

	As at December 31, 2024	As at December 31, 2023
Authorised equity share capital :		
20,00,00,000 Equity shares of INR 2 each* (December 31, 2023 : 20,00,00,000 Equity shares of INR 2 each)	400.00	400.00
Total	400.00	400.00
Issued, subscribed and paid up :		
17,40,39,220 Equity shares of INR 2 each* (December 31, 2023 : 17,40,39,220 Equity shares of INR 2 each)	348.08	348.08
Total	348.08	348.08

(i) Reconciliation of number of equity shares

	As at December 31, 2024	As at December 31, 2023
Shares outstanding at the beginning and at the end of the year	17,40,39,220	17,40,39,220

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

*The Board of Directors of the Company at its meeting held on April 26, 2024 recommended the sub-division/split of 1 (One) fully paid-up equity share having a face value of ₹ 10 each into 5 (Five) fully paid-up equity shares having a face value of ₹ 2 each by alteration of capital clause of the Memorandum of Association (MOA) subject to the approval of Members of the Company. Further, the Board of Directors approved the Record Date for Split/Sub-division of Equity Shares. The Members of the Company approved the sub-division/Split of 1 (One) fully paid up equity share of ₹ 10 each into 5 (Five) fully paid-up equity shares of ₹ 2 each through an ordinary resolution passed in the Annual General Meeting held on June 27, 2024 with the requisite majority. The voting results were declared on June 29, 2024.

Consequent to this, the authorised share capital comprises 20,00,00,000 equity shares having a face value of ₹ 2 each aggregating to 40,00,00,000, and the paid-up capital comprises 17,40,39,220 equity shares having a face value of ₹ 2 each aggregating to 34,80,78,440. The impact of this has been considered in the financial statement.

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a face value of ₹ 2 per share. Each equity shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders 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.

(iii) Shares of the Company held by Ultimate Holding Company / Holding Company and/ or their Subsidiaries/ Associates

	As at December 31, 2024	As at December 31, 2023
Canadian Kay Pump Ltd. (Holding Company)	7,05,54,240	7,05,54,240

(iv) Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

Name of the shareholder	As at December 31, 2024		As at December 31, 2023	
	% holding	No. of shares	% holding	No. of shares
Canadian Kay Pump Ltd.	40.54%	7,05,54,240	40.54%	7,05,54,240
Industrial & Prudential Investment Co. Ltd.	21.55%	3,75,00,000	21.55%	3,75,00,000

(v) Details of shareholding of promoters:

Name of the shareholder	As at December 31, 2024			As at December 31, 2023		
	No. of shares	% holding	% change during the year	No. of shares	% holding	% change during the year
Canadian Kay Pump Ltd.	7,05,54,240	40.54%	-	7,05,54,240	40.54%	-
Vikram Swarup Family Trust	3,02,000	0.17%	-	3,02,000	0.17%	-
Vikram Swarup	2,00,000	0.11%	-	2,00,000	0.11%	-
Gaurav Swarup	1,70,000	0.10%	-	1,70,000	0.10%	-
Bindu Vikram Swarup	80,000	0.05%	-	80,000	0.05%	-
Parul Swarup	15,290	0.01%	-	15,290	0.01%	-
Paharpur Cooling Towers Limited	72,50,000	4.17%	-	72,50,000	4.17%	-
TKIL Industries Pvt Ltd*	54,00,000	3.10%	-	54,00,000	3.10%	-
Industrial & Prudential Investment Co. Ltd.	3,75,00,000	21.55%	-	3,75,00,000	21.55%	-

*During the reporting period, Paharpur Cooling Towers Limited acquired shares in TKIL Industries Private Limited (formerly known as ThyssenKrupp Industries India Private Limited), which has resulted in TKIL Industries Private

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Limited (formerly known as ThyssenKrupp Industries India Private Limited) becoming a promoter of the Company. It is pertinent to note that there has been no change in the number of shares held by either Paharpur Cooling Towers Limited or TKIL Industries Private Limited (formerly known as ThyssenKrupp Industries India Private Limited) in the Company, and the overall shareholding structure in the Company remains unchanged.

- (vi) There were neither shares bought back nor allotted either as fully paid bonus shares or under any contract without payment being received in cash, during the five years immediately preceding December 31, 2024.

14(b) Other equity

(i) Retained earnings

	As at December 31, 2024	As at December 31, 2023
Opening balance	11,041.83	9,494.07
Profit for the year	2,409.02	2,046.13
	<u>13,450.85</u>	<u>11,540.20</u>
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post-employment benefit obligations (net of tax)	(27.48)	23.75
Less: Dividend paid	(609.14)	(522.12)
Closing Balance	<u>12,814.23</u>	<u>11,041.83</u>
Total Retained earnings	<u>12,814.23</u>	<u>11,041.83</u>

(ii) Other reserves

	As at December 31, 2024	As at December 31, 2023
Capital reserve [Refer note (i) below]	0.09	0.09
Capital redemption reserve [Refer note (i) below]	0.10	0.10
Securities premium [Refer note (i) below]	3.20	3.20
General reserve [Refer note (ii) below]	1,085.08	1,085.08
Amalgamation reserve [Refer note (i) below]	0.06	0.06
Total Other reserves	<u>1,088.53</u>	<u>1,088.53</u>
Total Other equity	<u>13,902.76</u>	<u>12,130.36</u>

Nature and purpose of Other reserves:

- (i) These reserves pertain to reserve arising on amalgamations in the past, which is required to be statutorily maintained and cannot be distributed to the shareholders.
- (ii) This reserve represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956. The reserve is a free reserve.

15 Lease liabilities

	As at December 31, 2024	As at December 31, 2023
Non-current lease liabilities	21.67	21.02
Current lease liabilities	12.69	11.34
Total	<u>34.36</u>	<u>32.36</u>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Movement in lease liabilities

	As at December 31, 2024	As at December 31, 2023
Opening balance	32.36	28.82
Add: Additions during the year (Refer note 4)	13.77	13.71
Add: Interest expense on lease liabilities (Refer note 26)	3.30	2.98
Less: Repayment of lease liabilities	(15.07)	(13.15)
Closing balance	34.36	32.36

16 Trade payables

	As at December 31, 2024	As at December 31, 2023
Total outstanding dues of micro enterprises and small enterprises	347.31	473.09
	347.31	473.09
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related parties (Refer note 32)	652.40	772.06
(ii) Others	2,753.58	2,187.34
	3,405.98	2,959.40
Total	3,753.29	3,432.49

Aging of trade payables

	As at December 31, 2023						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	256.78	216.31	-	-	-	473.09
Others	834.32	948.54	1,084.05	29.10	16.35	46.46	2,958.82
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	834.32	1,205.32	1,300.36	29.10	16.35	47.04	3,432.49
	As at December 31, 2024						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	266.01	81.30	-	-	-	347.31
Others	1,324.29	1,286.41	711.92	16.84	9.51	56.43	3,405.40
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	1,324.29	1,552.42	793.22	16.84	9.51	57.01	3,753.29

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The information as required to be disclosed under MSMED Act has been determined to the extent such parties have been identified on the basis of information available with the Company.

	December 31, 2024	December 31, 2023
a) i) The principal amount remaining unpaid to any supplier as at the year end	346.53	471.77
ii) The interest due remaining unpaid to any supplier as at the year end thereon	0.35	0.54
b) The amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	3.89	7.15
c) The amount of payment made to the supplier beyond the appointed day during the year.	330.72	656.22
d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.43	0.78
e) The amount of interest accrued and remaining unpaid as at the year end	0.78	1.32
f) The amount of further interest 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 of a deductible expenditure under Section 23 of the MSMED Act, 2006	0.78	1.32

17 Other financial liabilities-current

	As at December 31, 2024	As at December 31, 2023
Security deposits	133.85	119.74
Unclaimed dividend	7.67	7.44
Payable for purchase of property, plant and equipment	188.78	257.46
Derivative liability	0.86	-
Dealer incentive schemes	447.43	387.49
Payable to employees	176.85	152.89
Total	955.44	925.02

18 (a) Provisions - Non-current

	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits (Refer note 31)	444.00	339.13
Provision for warranty [Refer note (ii) below]	125.82	97.87
Total	569.82	437.00

(b) Provisions - Current

	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits [Refer note (i) below]	367.10	349.60
Provision for warranty [Refer note (ii) below]	51.49	47.96
Provision for litigations / contingencies [Refer note (iii) below]	139.93	139.93
Total	558.52	537.49

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Notes :

- (i) Includes provision for employee bonus and incentives. For details of gratuity, superannuation, compensated absences and long service award, refer note 31.
- (ii) The Company offers warranty for its products. Provision for warranty is computed as a percentage of sales based on the past trends observed. The time value of money is considered to be not material and hence the provisions are not discounted. It is expected that this expenditure will be incurred over the contractual warranty period.
- (iii) Provision is towards contingencies in respect of disputed claims against the Company, the quantum of outflow and timing of which is presently unascertainable.

Movement in provisions

	Provision for warranty	Provision for litigations / contingencies
As at January 1, 2023		
Balance at the beginning	127.72	139.93
Charged to the Statement of Profit and Loss		
Provision recognised (net of reversal)	76.16	-
Amounts used during the year	(58.05)	-
As at December 31, 2023	145.83	139.93

	Provision for warranty	Provision for litigations / contingencies
As at January 1, 2024		
Balance at the beginning	145.83	139.93
Charged to the Statement of Profit and Loss		
Provision recognised (net of reversal)	100.95	-
Amounts used during the year	(69.47)	-
As at December 31, 2024	177.31	139.93

19 Other current liabilities

	As at December 31, 2024	As at December 31, 2023
Statutory dues payable	203.34	207.67
Advances from customers*	2,454.38	2,050.85
Total	2,657.72	2,258.52

*Notes:

- i) During the year ended December 31, 2024, the Company have recognised INR 394.85 million (December 31, 2023: INR 667.26 million) as revenue from the Advances from customer outstanding as at the beginning of the year.
- ii) Advances from customers have increased in current year mainly on account of advance received during the year ended December 31, 2024 as per the contractual terms with the customers.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

20 Revenue from operations

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from contracts with customers		
Sale of products	24,835.65	22,067.08
Sale of services	364.91	249.91
	<u>25,200.56</u>	<u>22,316.99</u>
Other operating revenue		
Sale of scrap	57.43	59.97
Export incentives	72.87	95.42
	<u>130.30</u>	<u>155.39</u>
Revenue from operations	<u>25,330.86</u>	<u>22,472.38</u>

Notes:

(i) Disaggregated revenue information

The table below presents disaggregated revenue from contracts with customers for the year ended December 31, 2024 and December 31, 2023. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Geographical location of customer	Year ended December 31, 2024	Year ended December 31, 2023
Within India	21,700.34	19,317.91
Outside India	3,500.22	2,999.08
Revenue from contracts with customers	<u>25,200.56</u>	<u>22,316.99</u>

Segment	Year ended December 31, 2024	Year ended December 31, 2023
Pumps	20,972.33	18,838.22
Valves	4,228.23	3,478.77
Revenue from contracts with customers	<u>25,200.56</u>	<u>22,316.99</u>

(ii) Reconciliation of revenue recognized with contract price :

	Year ended December 31, 2024	Year ended December 31, 2023
Contract price	25,831.45	22,876.33
Adjustments for discounts, incentives, liquidated damages, price reductions	(630.89)	(559.34)
Revenue from contracts with customers	<u>25,200.56</u>	<u>22,316.99</u>

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

21 Other income

	Year ended December 31, 2024	Year ended December 31, 2023
Interest income		
- Interest income from financial assets measured at amortised cost	172.24	126.89
- Others	67.23	36.38
Dividend from investment in associate	47.41	39.32
Sundry credit balances and provisions no longer required, written back	-	3.45
Net gain on disposal of property, plant and equipment and intangible assets	6.32	2.21
Net gain on foreign currency transactions and translations	63.62	58.81
Fair value gain in derivative financial instruments	-	2.72
Miscellaneous income	58.10	92.91
Total	414.92	362.69

22 Cost of materials consumed

	Year ended December 31, 2024	Year ended December 31, 2023
Opening stock of raw materials	2,670.49	1,671.97
Add: Purchases	11,647.87	11,687.49
Less: Closing stock of raw materials	2,284.32	2,670.49
	12,034.04	10,688.97

23 Purchases of stock-in-trade

	Year ended December 31, 2024	Year ended December 31, 2023
Purchases of stock-in-trade	2,567.34	1,907.05
Total	2,567.34	1,907.05

24 Change in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended December 31, 2024	Year ended December 31, 2023
Opening inventory		
- Finished goods	774.98	867.69
- Work-in-progress	2,719.16	2,797.47
- Stock-in-trade	184.83	192.89
	3,678.97	3,858.05
Less: Closing inventory		
- Finished goods	931.89	774.98
- Work-in-progress	2,949.68	2,719.16
- Stock-in-trade	177.34	184.83
	4,058.91	3,678.97
Net change in inventories	(379.94)	179.08

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

25 Employee benefit expense

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries and wages	2,715.01	2,328.66
Contributions to provident and other funds	185.72	170.28
Staff welfare expenses	234.46	197.89
Total	3,135.19	2,696.83

26 Finance costs

	Year ended December 31, 2024	Year ended December 31, 2023
Interest and other finance charges	12.79	41.33
Interest expense on lease liabilities (Refer note 4)	3.30	2.98
Net interest expense on defined benefit obligations (Refer note 31)	11.08	8.59
Total	27.17	52.90

27 Depreciation and amortisation expenses

	Year ended December 31, 2024	Year ended December 31, 2023
Depreciation of property, plant and equipment (Refer note 3)	499.58	470.38
Depreciation of right-of-use assets (Refer note 4)	15.48	13.54
Amortisation of intangible assets (Refer note 5)	28.18	12.86
Total	543.24	496.78

28 Other expenses

	Year ended December 31, 2024	Year ended December 31, 2023
Processing and machining charges	987.07	1,069.39
Stores consumed	418.93	483.66
Tools consumed	54.26	40.42
Water, power and fuel	227.39	246.06
Sitework Charges	382.02	-
Rates and taxes	15.18	14.22
Insurance	39.60	37.88
Repairs and maintenance		
- Buildings	40.43	48.71
- Machinery	57.34	60.14
- Others	55.41	59.34
Travelling and conveyance	171.92	177.97
Packing and forwarding charges	508.06	497.33
(Net of recoveries-INR 39.48 million; December 31, 2023-INR 43.65 million)		
Royalty charges	379.50	326.50
Trademark Charges	28.23	12.92
Expenditure on Corporate Social Responsibility [Refer note (i) below]	46.20	40.02
Fair value losses in derivative financial instruments	1.40	-
Legal and professional fees	84.34	72.46
IT Services	231.79	190.60
Advertisements and catalogues	122.26	58.94
Miscellaneous expenses	747.51	628.13
Total	4,598.84	4,064.69

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(i) **Expenditure on Corporate Social Responsibility**

	December 31, 2024	December 31, 2023
Contribution to KSB Care Charitable Trust	46.20	39.03
Expenditure towards other CSR activities	-	-
Administrative overheads	1.32	0.99
Total	47.52	40.02
Gross amount required to be spent by the Company during the year	47.43	40.02
Total	47.43	40.02
Amount spent during the year on :	In cash	
	December 31, 2024	December 31, 2023
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	47.52	40.02
Total	47.52	40.02

Nature of CSR activities - Education, Skill development, Healthcare, Destitute care, Environment, Sanitation.

(ii) **Payment to auditors (included in legal and professional fees)**

	Year ended December 31, 2024	Year ended December 31, 2023
As auditor		
Audit fee (Including limited review)	3.10	3.50
In Other Capacities		
Fees for other services	0.80	0.80
Reimbursement of expenses	0.35	0.53
Total	4.25	4.83

29 Earnings per equity share

	As at December 31, 2024	As at December 31, 2023
Profit for the year attributable to the equity shareholders of the Company	2,409.02	2,046.13
Weighted average number of equity shares	17,40,39,220	17,40,39,220
Basic and Diluted Earnings per share (in ₹)	13.84	11.76

*The basic and diluted earnings per share is retrospectively adjusted for the share split in accordance with Ind AS 33 –Earnings per Share (Refer note 14).

30 Contingencies and commitments

a) **Contingent liabilities**

	As at December 31, 2024	As at December 31, 2023
Claims against the Company not acknowledged as debts	125.30	110.65
Income tax	549.13	549.40
Goods and Services Tax, Excise and Service tax	1,242.44	1,207.27
Others	5.19	4.90
Total	1,922.06	1,872.22

b) **Capital commitments**

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is INR 381.42 million (December 31, 2023: INR 405.66 million)

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

31 Employee benefit obligations

	As at December 31, 2024	As at December 31, 2023
Compensated absences (Refer note B)	343.12	297.58
Non-current	279.93	242.19
Current	63.19	55.39
Long service award (Refer note C)	35.07	36.19
Non-current	24.60	12.41
Current	10.47	23.78
Gratuity (Refer note D)	177.60	127.12
Non-current	129.40	72.20
Current	48.20	54.92
Superannuation (Refer note E)	20.07	22.33
Non-current	10.07	12.33
Current	10.00	10.00

A Defined contribution plan

Contributions are made to provident fund at a fixed percentage of employee's salary as per the regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards contribution to provident fund is ₹ 119.71 million (December 31, 2023 - ₹ 107.46 million).

B Compensated absences

The leave obligations cover the Company's liability for privilege leave and sick leave. The amount of provision made during the year is ₹ 86.98 million (December 31, 2023 - ₹ 32.61 million). The Company does not have an unconditional right to defer settlement for any of these obligations. However, based on the past experience, the Company does not expect payment of the entire amount of accrued leaves or availment of the entire number of accrued leaves by employees within twelve months and accordingly, amounts have been classified as current and non-current.

C Long service award

The Company award all the employees who complete 25 years of service in the Company and the Workmen employees who complete 20 or more years of service in the Company but unable to complete 25 years due to superannuation. The amount of provision made during the year is ₹ 5.83 million (December 31, 2023 - ₹ 9.22 million).

Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2024	As at December 31, 2023
Discount rate	6.95%	7.40%
Gold Inflation rate	8.00%	8.00%
Attrition rate	8.00%	7.00%

D Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days to one month's salary multiplied for the number of years of service. The gratuity plan is a funded plan.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(I) The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2023	940.17	(839.80)	100.37
Current service cost	59.91	-	59.91
Interest expense/(income)	68.58	(61.26)	7.32
Total amount recognised in Statement of Profit and Loss	128.49	(61.26)	67.23
Return on plan assets	-	-	-
(Gain)/loss from experience changes	(29.41)	-	(29.41)
(Gain)/loss from change in financial assumptions	(5.16)	-	(5.16)
(Gain)/loss from change in demographic assumptions	0.81	-	0.81
Total amount recognised in Other Comprehensive Income	(33.76)	-	(33.76)
Employer contributions	-	(6.72)	(6.72)
Benefits paid	(62.81)	62.81	-
December 31, 2023	972.09	(844.97)	127.12

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2024	972.09	(844.97)	127.12
Current service cost	63.52	-	63.52
Interest expense/(income)	72.09	(62.66)	9.43
Total amount recognised in Statement of Profit and Loss	135.61	(62.66)	72.95
Return on plan assets	-	19.52	19.52
(Gain)/loss from experience changes	(30.70)	-	(30.70)
(Gain)/loss from change in financial assumptions	50.22	-	50.22
(Gain)/loss from change in demographic assumptions	(6.60)	-	(6.60)
Total amount recognised in Other Comprehensive Income	12.92	19.52	32.44
Employer contributions	-	(54.91)	(54.91)
Benefits paid	(82.49)	82.49	-
December 31, 2024	1,038.13	(860.53)	177.60

(II) The net liability disclosed above relates to funded plans are as follows:

Particulars	As at December 31, 2024	As at December 31, 2023
Present value of funded obligation	1,038.13	972.09
Fair value of plan assets	(860.53)	(844.97)
Deficit	177.60	127.12

(III) Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2024	As at December 31, 2023
Discount rate	6.95%	7.40%
Salary growth rate	8.00%	7.50%
Attrition rate	8.00%	7.00%

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(IV) Sensitivity of actuarial assumptions

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation [Increase / (Decrease)]	
	As at December 31, 2024	As at December 31, 2023
Discount rate		
1 % increase	(45.60)	(46.77)
1 % decrease	50.48	51.78
Salary growth rate		
1 % increase	52.77	54.44
1 % decrease	(49.88)	(51.24)
Attrition rate		
1 % increase	(4.01)	(2.01)
1 % decrease	5.59	2.67

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Projected benefits payable from the fund in future years from the date of reporting:

Particulars	As at	
	December 31, 2024	December 31, 2023
Upto 1 year	206.83	164.14
Between 2 to 5 years	506.06	445.58
Between 6 to 10 years	435.53	483.11
More than 10 years	375.28	425.56
Total	<u>1,523.70</u>	<u>1,518.39</u>

The weighted average duration of the defined benefit obligation is 5 years. (December 31, 2023: 5 years)

(V) The major categories of plan assets are as follows:

Particulars	As at	
	December 31, 2024	December 31, 2023
Funds managed by insurer	100%	100%

The Company expects to contribute INR 48.20 million towards plan assets in the next 12 months.

E Superannuation

The Company provides for superannuation for employees qualifying specified eligibility criteria. The amount of superannuation payable on retirement/termination is computed on the basis of employee's category and number of years of service. The superannuation plan is a funded plan.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(I) The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2023	28.72	(11.26)	17.46
Current service cost	1.57	-	1.57
Interest expense/(income)	2.09	(0.82)	1.27
Total amount recognised in Statement of Profit and Loss	3.66	(0.82)	2.84
Return on plan assets	-	2.46	2.46
(Gain)/loss from experience changes	(1.50)	-	(1.50)
(Gain)/loss from change in financial assumptions	(0.12)	-	(0.12)
(Gain)/loss from change in demographic assumptions	1.19	-	1.19
Total amount recognised in Other Comprehensive Income	(0.43)	2.46	2.03
Employer contributions	-	-	-
Benefits paid	(3.63)	3.63	-
December 31, 2023	28.32	(5.99)	22.33

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2024	28.32	(5.99)	22.33
Current service cost	1.80	-	1.80
Interest expense/(income)	2.10	(0.45)	1.65
Total amount recognised in Statement of Profit and Loss	3.90	(0.45)	3.45
Return on plan assets	-	-	-
(Gain)/loss from experience changes	3.46	-	3.46
(Gain)/loss from change in financial assumptions	0.60	-	0.60
(Gain)/loss from change in demographic assumptions	0.23	-	0.23
Total amount recognised in Other Comprehensive Income	4.29	-	4.29
Employer contributions	-	(10.00)	(10.00)
Benefits paid	(4.63)	4.63	-
December 31, 2024	31.88	(11.81)	20.07

(II) The net liability disclosed above relates to funded plans are as follows:

Particulars	As at December 31, 2024	As at December 31, 2023
Present value of funded obligation	31.88	28.32
Fair value of plan assets	(11.81)	(5.99)
Deficit	20.07	22.33

(III) Significant estimates

The significant actuarial assumptions were as follows :

Particulars	As at December 31, 2024	As at December 31, 2023
Discount rate	6.95%	7.40%
Attrition rate	8.00%	7.00%

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(IV) Sensitivity of actuarial assumptions

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation [Increase / (Decrease)]	
	As at December 31, 2024	As at December 31, 2023
Discount rate		
1 % increase	(1.26)	(1.08)
1 % decrease	1.37	1.17
Attrition rate		
1 % increase	0.19	0.21
1 % decrease	(0.26)	(0.27)

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Projected benefits payable from the fund in future years from the date of reporting:

	As at December 31, 2024	As at December 31, 2023
Upto 1 year	8.75	11.08
Between 2 to 5 years	18.27	11.33
Between 6 to 10 years	11.34	12.22
More than 10 years	6.02	5.34
Total	<u>44.38</u>	<u>39.97</u>

The weighted average duration of the defined benefit obligation is 4 years. (December 31, 2022: 4 years)

(V) The major categories of plan assets are as follows:

Particulars	As at December 31, 2024	As at December 31, 2023
Funds managed by insurer	100%	100%

The Company expects to contribute INR 10 million towards plan assets in the next 12 months.

Risk exposure for the above plans

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

(i) Asset-liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes asset - liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk averse markets).

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(ii) Asset volatility

All plan assets are maintained in a trust fund managed by a public sector insurer i.e., LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured.

(iii) Discount rate risk

The present value of the defined benefit obligation is calculated using discount rate based on Government bonds. The decrease in the bond yield will increase the defined benefit obligation, however the same will be partially offset by an increase in value of plan assets.

(iv) Future salary escalation risk

The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the defined benefit obligation.

32 Disclosure pursuant to Ind AS 24 'Related party transactions':

A Name of the related parties and nature of relationship

a.	Ultimate Parent Entity / Ultimate Controlling Party KSB Stiftung and Kuborth Stiftungs GmbH
b.	Parent Entities Canadian Kay Pump Ltd. (Direct parent) KSB SE & Co. KGaA (previously KSB AG) (next most senior parent that produces Consolidated Financials for public use)
c.	Subsidiary Pofran Sales and Agency Limited
d.	Associate KSB MIL Controls Limited
e.	Other Related Parties with whom transactions have taken place during the year: Fellow Subsidiaries: <ol style="list-style-type: none"> 1 KSB S.A.S France 2 KSB Inc., USA 3 KSB Pumps and Valves Pty Ltd South Africa 4 KSB Australia Pty Limited 5 KSB Chile S.A. 6 KSB Limited, Hongkong 7 KSB Pumps Co.Ltd., Thailand 8 P.T. KSB., Indonesia 9 KSB Taiwan Co. Ltd. 10 KSB Korea Limited 11 KSB de Mexico S.A. de C.V. 12 REEL s.r.l. 13 KSB Manufacturing B.V. (Earlier know as DP Industries B.V., Netherland) 14 KSB Pumps Arabia Ltd.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 A Name of the related parties and nature of relationship (continued):

15	KSB Italia S.p.A., Italy
16	KSB Panama S.A.
17	KSB Shanghai Pump Co. Ltd., China
18	KSB Finland Oy
19	KSB ITUR SPAIN SA
20	KSB Tech Pvt. Ltd., India
21	GIW Industries Inc., USA
22	KSB Middle East FZE, Dubai
23	KSB Service LLC, UAE
24	KSB Polska Sp. z o.o., Poland
25	KSB Singapore (Asia Pacific) PTE Ltd.
26	KSB Malaysia Pumps & Valves Sdn. Bhd.
27	KSB Service Egypt LLC
28	KSB Sverige AB
29	KSB Service GmbH, Germany
30	KSB New Zealand Limited
31	Shanghai Electric-KSB Nuclear
32	KSB Vietnam Company Ltd.
33	KSB Philippines
34	KSB Colombia SAS
35	KSB-Pompa, Armatür Sanayi
36	KSB Pumps and valves L.t.d.
37	PT. KSB Sales Indonesia
38	KSB Zambia Limited
39	KSB Pumps and Valves Limited, Kenya
40	KSB Peru S.A.
41	GIW Industries, Inc.
42	KSB Pumps and Valves Ltd.
43	KSB Cerpadla a
44	KSB Argentina S.A.
45	KSB Pumps Company Ltd.
46	KSB Pumps Inc.
47	KSB Valves (Changzhou) Co.,Ltd.
48	KSB Industries BV
49	SISTO Armaturen S.A.
50	KSB BRASIL LTDA.
51	KSB Ltd. Japan
52	OOO KSB Russia
53	KSB Pompes Et Robinetteries S.A.R.L
54	Pumpen-Service Bentz GmbH
55	KSB Belgium S.A.
56	KSB (Schweiz) AG

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 A Name of the related parties and nature of relationship (continued):

	57	KSB-PUMPY+ARMATURY s.r.o., koncern
	58	KSB Algérie Eurl
	59	KSB Pumpy Armatury s.r.o.,koncern
	60	KSB Pompa Armatur Sanayi ve Ticaret AS Turkey
	61	Dalian KSB AMRI Valves Co.Ltd
	62	KSB Bombas e Valvulas,SA
	63	Kagama Industrieausrestungen GmbH
f.		Key Management Personnel:
	1	Mr. Rajeev Jain (Managing Director)
	2	Mr. Gaurav Swarup
	3	Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)
	4	Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)
	5	Dr. Stephan Bross
	6	Mr. V. K. Vishwanathan
	7	Dr. Matthias Schmitz
	8	Ms. Sharmila Roychowdhury
	9	Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)
	10	Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)
g.		Individuals having significant influence over the enterprise
	1	Mr. Gaurav Swarup
h.		Relatives of individuals having significant influence over the enterprise
	1	Mrs. Gyan M Swarup
	2	Vikram Swarup Family Trust
	3	Mr. Vikram Swarup
	4	Mrs. Bindu Swarup
	5	Mrs. Parul Swarup
i.		Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence
	1	The Industrial & Prudential Investment Co. Ltd.
	2	Paharpur Cooling Towers Ltd.
	3	KSB Care Charitable Trust
	4	TKIL Industries Pvt Ltd (Formerly known as Thyssenkrupp Industries India Private Limited) (w.e.f. 8th May 24)
j.		Post employment benefit Trusts
	1	KSB Pumps Employee's Gratuity Trust
	2	Grade-O-Castings Employee's Gratuity Trust
	3	KSB Pumps (Core Employee's) Superannuation Trust

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 B. Transactions with related parties:

Nature of transactions	Parent Entities	Subsidiary Company	Associate Company	Fellow Subsidiaries	Key Management Personnel	Individuals having significant influence over the reporting enterprise	Relatives of individuals having significant influence over the enterprise	Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence	Post employment benefit Trusts	Total
Purchase of goods	525.93 (753.75)	- (-)	107.41 (111.85)	208.13 (253.74)	- (-)	- (-)	- (-)	- (-)	- (-)	841.47 (1,119.34)
Purchase of Property, plant and equipment	(0.16)	-	(1.58)	(-)	-	-	-	(0.53)	-	(2.27)
Sale of goods	286.96 (386.59)	-	15.06 (6.25)	1,845.83 (1,733.97)	-	-	-	171.26 (17.18)	-	2,319.11 (2,143.99)
Sale of services	3.04 (2.90)	-	5.10 (-)	23.27 (14.40)	-	-	-	-	-	31.41 (17.30)
Site expenses	-	-	-	9.57	-	-	-	-	-	9.57
Commission income	(-)	(-)	(-)	(2.95)	(-)	(-)	(-)	(-)	(-)	(2.95)
Commission expenses	2.53 (18.16)	-	-	8.96 (1.65)	-	-	-	-	-	11.49 (19.81)
Commission expenses	-	-	-	12.02 (1.07)	-	-	-	-	-	12.02 (1.07)
Dividend income	-	-	47.41 (39.32)	-	-	-	-	-	-	47.41 (39.32)
Liquidated damages	-	-	-	1.35	-	-	-	-	-	1.35 (0.32)
Liquidated damages income	-	-	-	-	-	-	-	(0.32)	-	-
Charges for technical / professional services	(6.80)	-	-	-	-	-	-	-	-	(6.80)
Royalty charges	214.89 (192.60)	-	-	7.71 (7.36)	-	-	-	-	-	222.60 (199.96)
Trademark fees	370.21 (311.07)	(-)	(-)	9.29 (13.20)	(-)	(-)	(-)	(-)	(-)	379.50 (324.27)
Warranty charges	28.23 (12.92)	-	-	-	-	-	-	-	-	28.23 (12.92)
Recovery of expenses	1.79 (0.81)	-	-	1.83 (4.51)	-	-	-	-	-	3.62 (5.32)
Reimbursement of expenses	7.70 (16.38)	-	5.37 (13.83)	4.85 (2.44)	-	-	-	0.01	-	17.93 (32.65)
	3.73 (0.76)	-	0.03	3.76 (2.08)	-	-	-	-	-	7.52 (2.84)

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 B. Transactions with related parties (Contd.):

Nature of transactions	Parent Entities	Subsidiary Company	Associate Company	Fellow Subsidiaries	Key Management Personnel	Individuals having significant influence over the reporting enterprise	Relatives of individuals having significant influence over the enterprise	Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence	Post employment benefit Trusts	Total
LD Charges written back	(-)	(-)	(-)	(-)	(-)	(-)	(-)	0.54	(-)	0.54
Remuneration	(-)	(-)	(-)	(-)	61.84	(-)	(-)	(-)	(-)	61.84
Sitting fees paid	(-)	(-)	(-)	(-)	(56.50)	(-)	(-)	(-)	(-)	(56.50)
	(-)	(-)	(-)	(-)	1.74	0.40	(-)	(-)	(-)	2.14
	(-)	(-)	(-)	(-)	(1.80)	(0.38)	(-)	(-)	(-)	(2.18)
Dividend paid	246.94	(-)	(-)	(-)	0.09	0.60	2.09	175.53	(-)	425.25
	(211.66)	(-)	(-)	(-)	(0.08)	(0.51)	(1.79)	(134.25)	(-)	(348.29)
Commission to Directors	(-)	(-)	(-)	(-)	10.80	3.60	(-)	(-)	(-)	14.40
	(-)	(-)	(-)	(-)	(9.60)	(3.19)	(-)	(-)	(-)	(12.79)
Expenditure on Corporate Social Responsibility	(-)	(-)	(-)	(-)	(-)	(-)	(-)	46.20	(-)	46.20
Contribution to post employment benefits	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(39.03)	(-)	(39.03)
Outstanding balances arising from sales/purchases of goods and services	81.11	(-)	18.52	607.75	(-)	(-)	(-)	88.01	(-)	795.39
	(80.37)	(-)	(-)	(481.47)	(-)	(-)	(-)	(7.72)	(-)	(569.56)
Trade receivables (Refer note 7)	551.73	(-)	6.55	94.12	(-)	(-)	(-)	(-)	(-)	652.40
Trade payables (Refer note 16)	(665.90)	(-)	(8.33)	(97.83)	(-)	(-)	(-)	(-)	(-)	(772.06)
Advances from related parties	45.79	(-)	(-)	68.64	(-)	(-)	(-)	0.75	(-)	115.18
	(41.81)	(-)	(-)	(39.29)	(-)	(-)	(-)	(4.00)	(-)	(85.10)
Advances to related parties (Refer note 19)	4.44	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	4.44
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

Notes :

1. Previous year's figures are shown in brackets.
2. The Company enters into a variety of transactions with the related parties on arm's length basis. Terms and conditions for outstanding balances
3. All outstanding balances are unsecured and payable in cash.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 C. Transactions with related parties:

I Key management personnel compensation

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
Short term employee benefits	55.46	52.47
Post-employment benefits	6.38	4.03
Total	61.84	56.50

II Material transactions with related parties

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2024	Year ended December 31, 2023
1	Purchase of goods	KSB SE & Co. KGaA KSB MIL Controls Limited KSB BV	525.93 107.41 85.89	753.75 111.85 97.89
2	Purchase of Property, plant and equipment	KSB MIL Controls Limited Paharpur Cooling Towers Limited	- -	1.58 0.53
3	Sale of goods	KSB SE & Co. KGaA KSB Middle East FZE, Dubai	286.96 482.09	386.59 326.33
4	Sale of services	KSB SE & Co. KGaA KSB Tech Private Limited KSB MIL Controls Limited	3.04 20.51 5.10	2.90 14.40 -
5	Site expenses	KSB Pumps and Valves Pty Ltd South Africa PT KSB INDONESIA KSB Brasil LTDA. KSB Algérie Eurl KSB Malaysia Pumps & Valves Sdn. Bhd.	1.62 1.08 6.62 - 0.18	- - - 0.61 1.94
6	Commission income	KSB SE & Co. KGaA KSB S.A.S, France KSB Shanghai Pump Co. Ltd., China KSB Sverige AB	2.53 3.92 2.36 1.22	18.16 1.65 - -
7	Commission expenses	KSB Polska Sp. z o.o. [PL] KSB Italia S.p.A. KSB Pompa Armatur Sanayi ve Ticaret	6.13 5.65 -	- - 0.99
8	Trademark fees	KSB SE & Co. KGaA	28.23	12.92

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 C. Transactions with related parties:

II Material transactions with related parties (continued)

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2024	Year ended December 31, 2023
9	Dividend income	KSB MIL Controls Limited	47.41	39.32
10	Liquidated damages	Paharpur Cooling Towers Limited	-	0.32
		KSB Shanghai Pump Co. Ltd., China	0.99	-
		KSB Valves (Changzhou) Co.,Ltd.	0.36	-
11	Liquidated damages income	KSB SE & Co. KGaA	-	6.80
12	Charges for technical / professional services	KSB SE & Co. KGaA	214.89	192.60
13	Royalty charges	KSB SE & Co. KGaA	370.21	311.07
14	Warranty charges	KSB SE & Co. KGaA	1.79	0.81
		KSB Vietnam Company Ltd.	-	1.80
		KSB Pumps Co. Ltd, Thailand	0.07	1.37
		KSB Pumps and Valves Pty Ltd South Africa	0.64	0.72
		KSB Singapore (Asia Pacific) PTE Ltd.	0.72	0.04
15	Recovery of expenses	KSB MIL Controls Limited	5.37	13.83
		KSB SE & Co. KGaA	7.70	16.38
		KSB Tech Pvt. Ltd., India	2.57	-
		KSB S.A.S France	1.97	-
16	Reimbursement of expenses	KSB SE & Co. KGaA	3.73	0.76
		KSB Valves (Changzhou) Co.,Ltd.	0.60	0.71
		KSB Service GmbH, Germany	0.87	1.14
		KSB Tech Pvt. Ltd., India	1.29	-
17	Expenses write off	TKIL Industries Private Limited(w.e.f. 8th May 24)	0.03	-
18	LD Charges written back	TKIL Industries Private Limited(w.e.f. 8th May 24)	0.54	-
19	Remuneration	Mr. Rajeev Jain	61.84	56.50

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 C. Transactions with related parties:

II Material transactions with related parties (continued)

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2024	Year ended December 31, 2023
20	Sitting fees paid	Mr. Gaurav Swarup	0.40	0.38
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	0.30	0.38
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	0.29	0.37
		Mr. V. K. Vishwanathan	0.31	0.28
		Dr. Matthias Schmitz	0.33	0.33
		Ms. Sharmila Roy Chowdhury	0.30	0.28
		Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)	0.07	-
		Dr. Stephan Bross	0.16	0.16
21	Dividend paid	Canadian Kay Pump Ltd.	246.94	211.66
		The Industrial & Prudential Investment Co. Ltd.	131.25	112.50
22	Commission to Directors	Mr. Gaurav Swarup	3.60	3.19
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	1.80	1.60
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	1.80	1.60
		Dr. Stephan Bross	1.80	1.60
		Mr. V. K. Vishwanathan	1.80	1.60
		Dr. Matthias Schmitz	1.80	1.60
		Ms. Sharmila Roychowdhury	1.80	1.60
23	Expenditure on Corporate Social Responsibility	KSB Care Charitable Trust	46.20	39.03
24	Contribution to post employment benefits	KSB Pumps Employee's Gratuity Trust	54.81	6.72
		KSB Pumps (Core Employee's) Superannuation Trust	10.00	-

Note:

1. "Material transactions with related parties" denote entities accounting for 10% or more of the aggregate for that category of balance during respective period.

33 Segment reporting

As per Ind AS 108 Operating Segments, when a financial report contains both consolidated financial statements and separate financial statements for the parent, segment information needs to be presented only in case of consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

34 Fair value measurements

Except derivative instruments, all financial assets and financial liabilities are measured at amortised cost. Derivative instruments are classified as fair value through profit or loss. The fair value is determined using forward exchange rates at the balance sheet date. The instruments fall under level 2 of the fair value hierarchy as per Ind AS 113 Fair Value Measurements. Level 2 fair value financial instruments are those which are not traded in an active market, which maximise the use of observable market data and rely as little as possible on entity specific estimates. Significant inputs required to measure a level 2 fair value are observable. The fair value of all the instruments measured at amortised cost is not significantly different from the carrying value of such instruments.

35 Financial risk management

The Company's activities exposes it to credit risk, liquidity risk and market risk. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are taken. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Company's risk management is carried out by the Company's treasury department under policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, loans given to employees, security deposits are subject to low credit risk and the risk of default is negligible or nil. The Company has recognized provision based on assumptions about risk of default, expected loss rates and specific identification method.

I Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly. The Company has recognized the provision based on assumptions about risk of default, expected loss rates based on payment profile and historic credit losses experienced.

Expected credit loss for trade receivables under simplified approach

Trade receivables	Weighted average loss rate	Year ended December 31, 2023			
		Gross	Allowance	Net	Credit impaired
Outstanding for following periods from the due date	0%	1,812.36	-	1,812.36	No
Not due					
Less than 6 months	0%	2,885.50	(1.81)	2,883.69	No
6 months - 1 year	4%	131.20	(4.69)	126.51	No
1-2 years	46%	120.64	(56.09)	64.55	No
2-3 years	58%	44.01	(25.33)	18.68	No
More than 3 years	55%	118.53	(64.79)	53.74	No
Total		5,112.24	(152.71)	4,959.53	

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Trade receivables	Weighted average loss rate	Year ended December 31, 2024		Net	Credit impaired
		Gross	Allowance		
Outstanding for following periods from the due date	0%	1,613.36	-	1,613.36	No
Not due					
Less than 6 months	0%	4,128.81	(1.10)	4,127.71	No
6 months - 1 year	0%	425.27	(1.00)	424.27	No
1-2 years	23%	358.85	(83.47)	275.38	No
2-3 years	60%	75.53	(45.03)	30.50	No
More than 3 years	64%	140.55	(89.90)	50.65	No
Total		6,742.37	(220.50)	6,521.87	

Movement of provision for loss allowance :

	Provision for Loss allowance
Provision as at January 1, 2023	209.00
Change during the year	(56.29)
Provision as at December 31, 2023	152.71
Change during the year	67.79
Provision as at December 31, 2024	220.50

II Other financial assets

The Company's exposure to investments, loans, security deposits and other financial assets are considered to be low risk.

The loss allowance as at year end reconciles to the opening loss allowance as follows:

Movement of provision for loss allowance :

	Provision for Loss allowance
Provision as at January 1, 2023	5.30
Change during the year	-
Provision as at December 31, 2023	5.30
Change during the year	-
Provision as at December 31, 2024	5.30

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

Maturity profile of financial liabilities based on undiscounted cash flows:

	December 31, 2024		December 31, 2023	
	Upto 1 year	Above 1 year	Upto 1 year	Above 1 year
Trade payables	3,753.29	-	3,432.49	-
Lease liabilities	13.89	26.86	12.42	26.73
Other financial liabilities	955.44	-	925.02	-

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(C) Market risk

I) Foreign currency risk

The Company is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the EUR and USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk.

i) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR million, are as follows :-

	December 31, 2024						December 31, 2023				
	EUR	USD	AUD	SGD	GBP	BDT	EUR	USD	AUD	GBP	BDT
Financial assets											
Trade receivables	217.37	895.08	-	-	0.24	0.25	153.94	653.68	-	-	0.20
Balances with banks											
- In current accounts	-	-	-	-	-	2.17	-	-	-	-	0.76
- In EEFC accounts	107.25	205.84	-	-	-	-	54.31	228.97	-	-	-
Derivative assets - Foreign exchange forward contracts (Sell Foreign Currency)	(61.44)	(101.37)	-	-	-	-	-	(37.49)	-	-	-
Net exposure to foreign currency risk (assets)	263.18	999.55	-	-	0.24	2.42	208.25	845.16	-	-	0.96
Financial liabilities											
Trade payables	250.94	112.29	0.11	0.06	0.99	0.59	351.94	110.11	0.11	1.10	1.36
Derivative liabilities - Foreign exchange forward contracts (Buy Foreign Currency)	-	-	-	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	250.94	112.29	0.11	0.06	0.99	0.59	351.94	110.11	0.11	1.10	1.36

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

	Impact on profit before tax	
	December 31, 2024	December 31, 2023
EUR sensitivity		
INR/EUR - Increase by 5% (December 31, 2023-5%)*	0.61	(7.18)
INR/EUR - Decrease by 5% (December 31, 2023-5%)*	(0.61)	7.18
USD sensitivity		
INR/USD - Increase by 5% (December 31, 2023-5%)*	44.36	36.75
INR/USD - Decrease by 5% (December 31, 2023-5%)*	(44.36)	(36.75)

* Holding all other variables constant

II) Interest rate risk

The Company's main interest rate risk arises from short term borrowings and deposits taken / placed over a period of time on frequent basis thereby exposing the Company to interest rate risk. The Company's policy is to have fixed interest rate at the time of deal execution.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

36 Capital management

a) Risk management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. The Company is debt-free and has net cash and bank balance as at years ended December 31, 2024 and December 31, 2023.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2024 and December 31, 2023.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	Year ended December 31, 2024	Year ended December 31, 2023
Cash and bank balance		
Cash and cash equivalents [Refer note 8 (a)]	958.87	1,195.13
Other bank balance [Refer note 8 (b)]	2,268.00	1,542.96
Borrowings		
Current borrowings	-	-
Net cash and bank balance	3,226.87	2,738.09

The amount of net cash and bank balance considering the amount of lease liability of ₹ 34.36 million (December 31, 2023: ₹ 32.36 million) is ₹ 3,192.51 million (December 31, 2023: ₹ 2,705.73 million)

Net debt reconciliation - Current borrowings

	Year ended December 31, 2024	Year ended December 31, 2023
Net debt at the beginning of the year	-	-
Net cashflows [Inflow/(Outflow)]	-	-
Interest on borrowings	6.97	27.31
Interest paid on borrowings	(6.97)	(27.31)
Net debt at the end of the year	-	-

b) Dividends

	December 31, 2024	December 31, 2023
(i) Equity shares		
Final dividend paid for the year ended December 31, 2023 of ₹ 3.50* (December 31, 2022 of ₹ 3.00*) per fully paid share	609.14	522.12
(ii) Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a final dividend of ₹ 4.00 per fully paid equity share (December 31, 2023 - ₹ 3.50*). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	696.16	609.14

*Dividend per equity share disclosed in above note represents dividends declared previously, retrospectively adjusted for the share split (Refer note 14).

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

- 37 With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014 as per which backup of books of accounts and other books and papers maintained in electronic mode is required to be kept on servers physically located in India on a daily basis. The Company has a process in place to take backup on a daily basis. During the year ended December 31, 2024, the Company has taken the backup of its ERP system used for maintaining books of accounts. However, due to a technical issue, daily backup of certain working files and papers maintained in electronic mode has not been maintained on certain occasions on servers physically located in India.
- 38 The Company has complied with the requirements of The Companies (Accounts) Rules, 2014 with respect to the usage of accounting software with a feature of recording audit trail except for matters listed below
- Feature of recording audit trail (edit log) facility has operated throughout the year for all transactions in respect of the core accounting software (SAP) which the company has used for maintaining its books of accounts, except that the due to certain inherent and other technical challenges, audit trail is not maintained for certain records and changes made.
 - Further, from the purpose of payroll processing the Company uses software of third-party service provider for certain records. Due to certain inherent and other technical challenges, the audit trail feature was not enabled at the database level to log any direct data changes.

39. Additional regulatory information

(a) Analytical ratios

Sr. No.	Ratio	Numerator	Denominator	December 31, 2024	December 31, 2023	Change %
(i)	Current ratio	Current assets	Current liabilities	2.13	2.05	3.90%
(ii)	Return on equity ratio	Net profit after tax	Average* share holders equity	18.03%	17.48%	3.11%
(iii)	Inventory turnover ratio	Cost of goods sold	Average* inventory	2.21	2.12	4.25%
(iv)	Trade receivables turnover ratio	Total Sales	Average* Trade receivables	4.40	4.92	-10.57%
(v)	Trade payables turnover ratio	Purchases	Average* Trade payables	5.25	5.42	-3.14%
(vi)	Net capital turnover ratio	Total Sales	Working capital	2.80	2.99	-6.35%
(vii)	Net profit ratio	Net profit after tax	Total Sales	9.54%	9.14%	4.38%
(viii)	Return on capital employed	Earnings before interest and tax	Capital employed	23.45%	23.20%	1.08%
(ix)	Return on investment	Earnings before interest and tax	Average* total assets	15.12%	14.81%	2.09%

Total Sales = Revenue from operations less Export incentives

Capital employed = Tangible Net Worth less Deferred tax assets

Working capital = Current assets less Current liabilities

"* Average = ((Opening + Closing) / 2)"

Note:- The reason for variance should be provided for any change in the ratio by more than 25% as compared to the ratio of preceding year, as per the requirements of Schedule III.

(b) Details of benami property held

No proceedings have been initiated on or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

- (c) Borrowing secured against current assets
The Company has placed fixed deposits of INR 500.96 million (December 31, 2023: INR 988.44 million) under lien with banks and has availed the overdraft facilities against the same. Thus, the Company is not required to file quarterly returns or statement of current assets with the banks.
- (d) Wilful defaulter
The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (e) Relationship with struck off companies
Below are the details of transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Sr	Name of the struck off Company	Nature of transactions	Balance outstanding as at December 31, 2023	Relationship
1	Soares Engineers Private Limited	Payables	0.27	Non related party
2	Hi-Tech Engineering Corporation	Payables	3.27	Non related party
3	Airmech Engineers Private Limited	Payables	-*	Non related party

Sr	Name of the struck off Company	Nature of transactions	Balance outstanding as at December 31, 2024	Relationship
1	Soares Engineers Private Limited	Payables	0.14	Non related party
2	Resurgent Power Systems Private Limited	Payables	0.69	Non related party

* amount below rounding off norms of the Group

- (f) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (g) Compliance with approved scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact in the year ended December 31, 2024 and December 31, 2023.
- (h) Utilisation of borrowed funds and share premium
The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity (Intermediary) with the understanding 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 to or on behalf of the ultimate beneficiaries
- The Company has not received any funds from any person or entity, including foreign entity (Funding Party) 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
- (i) Undisclosed income
There is no income surrendered or disclosed as income during the year ended December 31, 2024 and December 31, 2023 in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (j) Details of cryptocurrency or virtual currency
The Company has not traded or invested in cryptocurrency or virtual currency during the year ended December 31, 2024 and December 31, 2023.

Notes forming part of the financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(k) Valuation of Property, plant and equipment, Right-of-use assets and Other intangible assets

The Company has not revalued its property, plant and equipment or right-of-use assets or intangible assets during the year ended December 31, 2024 and December 31, 2023.

40 During the year ended December 31, 2023, the Company has filed for renewal application with Income Tax authorities for Unilateral Advance Pricing Agreement for the period from April 01, 2023 to March 31, 2028 and is awaiting the approval. The initial application for Unilateral Advance Pricing Agreement for the period from April 01, 2018 to March 31, 2023 was filed in the year ended December 31, 2018 and the same is under approval with the Income Tax authorities.

41 Events occurring after the reporting period

Refer to note 36 (b) (ii) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing general meeting.

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai

Partner

Membership No.: 127791

Gaurav Swarup

Chairman

(DIN : 00374298)

Ulhas Yargop

Director

(DIN : 00054530)

Rajeev Jain

Managing Director

(DIN : 07475640)

Mahesh Bhav

Chief Financial Officer

Place : Mumbai

Date : February 27, 2025

Place : Mumbai

Date : February 27, 2025

Shraddha Kavathekar

Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KSB LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of KSB Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") and its associate company (refer Note 34 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at December 31, 2024, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate company as at December 31, 2024, and consolidated total comprehensive income (comprising of profit and other

comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its associate company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of Revenue Recognition (Refer to Note 1 (f), 2 (ii) and 20 to the consolidated financial statements)</p> <p>The Group recognises revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers". This involves application of significant judgement by Management with respect to:</p> <ul style="list-style-type: none"> Combining multiple contracts as a single contract. Identification of distinct performance obligations; Allocation of consideration to identified performance obligations; 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understanding and evaluation of the design and testing the operating effectiveness of controls surrounding the recording of revenue in accordance with the principles of Ind AS 115. Testing of customer contracts on a sample basis to assess the terms for identification of performance obligations in accordance with Ind AS 115 and comparing those to the management assessment; Assessing appropriateness of management's judgements and estimates involved in accounting

INDEPENDENT AUDITORS' REPORT (Contd.)

<ul style="list-style-type: none"> • Determination of timing of recognition of revenue either over a period of time or at a point in time on transfer of control to customers. This includes assessment of alternative use of the products to the Group based on technical analysis as well as legal assessment of right to payment. <p>Considering the above-mentioned factors, appropriateness of revenue recognition has been considered as a Key Audit Matter.</p>	<p>for a sample of customer contracts including inquiry and discussion with appropriate client personnel especially regarding the nature of products and alternative use of the products to the Group.</p> <ul style="list-style-type: none"> • Evaluation of the Holding Company's in-house legal counsel's views regarding the Group's right to payment for performance to date; • Testing the appropriateness of timing of recognition of revenue (including procedures related to cut off testing) in line with the terms of the customer contracts; • Testing the key assumptions used by the management to estimate contract risks, claims, liquidated damages etc.; • Verifying the reports used by management for monitoring contracts and their progress; • Evaluating appropriateness of the disclosures made in the consolidated financial statements. • Based on above procedures, we did not identify any significant exceptions in the judgement applied by the management in recognition of revenue.
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Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read 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 and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associate company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate company 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

INDEPENDENT AUDITORS' REPORT (Contd.)

preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate company are responsible for assessing the ability of the Group and of its associate company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate company are responsible for overseeing the financial reporting process of the Group and of its associate company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 control 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 Holding company 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 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 and its associate company 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 and its associate company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements,

INDEPENDENT AUDITORS' REPORT (Contd.)

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 and its associate company 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.
11. We communicate with those charged with governance of the Holding Company 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 control that we identify during our audit.
 12. 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.
 13. 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.

Other Matters

14. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs 1.74 million and net assets of Rs 1.64

million as at December 31, 2024, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs (0.05) million and net cash flows amounting to Rs (0.01) million for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 [including Rule 11 of the Companies (Audit and Auditors) Rules, 2014] of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
16. As required by Section 143(3) of the Act, we report, to the extent applicable, 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

INDEPENDENT AUDITORS' REPORT (Contd.)

- been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained by the Holding Company on a daily basis on servers physically located in India during the year. Further in case of associate, in the absence of sufficient appropriate audit evidence, we are unable to verify the evidence whether the backup of books of account and other books and papers maintained in electronic mode has been kept on a daily basis on servers physically located in India for every Sunday's during the period from January 1, 2024 to February 15, 2024. Further, based on our examination, we noted a few instances (October 7, 2024 to October 9, 2024) during the year where the backup could not be taken due to restoration activity. Also refer to the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company and its associate company incorporated in India as on December 31, 2024, taken on record by the Board of Directors of the Holding Company and its associate company incorporated in India, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on December 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above on reporting under Section 143(3)(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
- g. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- 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, 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, if any, of pending litigations on the consolidated financial position of the Group and its associate company— Refer Note 18 (b) and 30 (a) to the consolidated financial statements.
- ii. The Group and its associate company did not have any long-term contracts including derivative contracts as at December 31, 2024 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 Holding Company and its associate company incorporated in India during the year.
- iv. (a) The respective Managements of the Holding Company and its associate company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the best of their knowledge and belief, as disclosed in Note 41(g) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or associate 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 Holding Company or associate

INDEPENDENT AUDITORS' REPORT (Contd.)

- company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its associate company which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and to the best of their knowledge and belief, as disclosed in the Note 41(g) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or associate company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or associate 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, that has been considered reasonable and appropriate in the circumstances, performed by us, 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) contain any material misstatement.
- v. The dividend declared and paid during the year by the Holding Company and its associate company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Holding Company and associate company have used multiple accounting software for maintaining their books of account, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for the following:
- (b) with respect to another accounting software of a third party service provider used for maintaining certain records, the audit trail feature was not enabled at the database level to log any direct data changes;
- In case of associate Company**
- (a) In the absence of adequate evidence of necessary controls and documentation regarding whether audit trail feature is enabled for all relevant transactions during the period January 1, 2024 to December 11, 2024, we are unable to comment on the audit trail feature of the core accounting software. The audit trail feature has operated from December 12, 2024, except for certain information or data;
- (b) in respect of the second accounting software of a third party service provider used for maintaining certain records, the audit trail feature was not enabled at the database level to log any direct data changes;
- (c) in respect of the third accounting software used by the Company, the accounting software did not have a feature of audit trail (edit log) facility.
- During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with.
17. The Group and its associate company have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
- Vivian Pillai
Partner
Membership Number: 127791
UDIN: 25127791BMNVBD1835

In case of Holding Company

- (a) in respect of the core accounting software, the audit trail is not maintained in case of modification through certain access and changes to certain information or data recorded in the software;

Mumbai
February 27, 2025

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of KSB Limited on the consolidated financial statements for the year ended December 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended December 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of KSB Limited (hereinafter referred to as "the Holding Company") and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its associate company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting 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 ("the Guidance Note") 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

ANNEXURE TO INDEPENDENT AUDITORS' REPORT (Contd.)

Meaning of Internal Financial Controls with reference to consolidated financial statements

6. 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 consolidated 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 consolidated 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 consolidated financial statements.

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

7. 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

8. In our opinion, the Holding Company and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at December 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vivian Pillai
Partner
Membership Number: 127791
UDIN: 25127791BMNVBD1835

Mumbai
February 27, 2025

Consolidated Balance Sheet as at December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	As at December 31, 2024	As at December 31, 2023
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	3,864.74	3,710.40
Right-of-use assets	4	327.18	269.25
Capital work-in-progress	3	528.08	310.25
Other Intangible assets	5	192.72	210.24
Intangible assets under development	5	18.48	13.75
Financial assets			
(a) Investments	6 (a)	878.28	795.36
(b) Trade receivables	7	19.14	42.34
(c) Loans	6 (b)	80.24	73.91
(d) Other financial assets	9	77.98	42.28
Assets for current tax (net)	13 (b)	112.17	185.07
Other non-current assets	11	344.18	343.23
Total non-current assets		6,443.19	5,996.08
II. Current assets			
Inventories	10	6,428.23	6,426.34
Financial assets			
(a) Trade receivables	7	6,502.73	4,917.19
(b) Cash and cash equivalents	8 (a)	959.01	1,195.28
(c) Bank balances other than (b) above	8 (b)	2,275.67	1,550.40
(d) Loans	6 (b)	52.95	27.96
(e) Other financial assets	9	116.69	114.75
Other current assets	12	701.81	429.43
Total current assets		17,037.09	14,661.35
Total Assets		23,480.28	20,657.43
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14 (a)	348.08	348.08
Other equity	14 (b)	14,505.42	12,671.01
Total Equity		14,853.50	13,019.09
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	15	21.67	21.02
Provisions	18 (a)	569.82	437.00
Deferred tax liabilities (net)	13 (a)	22.83	15.40
Total non-current liabilities		614.32	473.42
II. Current liabilities			
Financial liabilities			
(a) Lease liabilities	15	12.69	11.34
(b) Trade payables	16		
-Total outstanding dues of micro enterprises and small enterprises		347.31	473.09
-Total outstanding dues of creditors other than micro enterprises and small enterprises		3,406.08	2,959.46
(c) Other financial liabilities	17	955.44	925.02
Other current liabilities	19	2,657.72	2,258.52
Provisions	18 (b)	558.52	537.49
Current tax liabilities (net)	13 (b)	74.70	-
Total current liabilities		8,012.46	7,164.92
Total Liabilities		8,626.78	7,638.34
Total Equity and Liabilities		23,480.28	20,657.43

Summary of material accounting policies

1

The accompanying notes are an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai
Partner
Membership No.: 127791

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhav
Chief Financial Officer

Place : Mumbai
Date : February 27, 2025

Place : Mumbai
Date : February 27, 2025

Shraddha Kavathekar
Company Secretary

Consolidated Statement of Profit and Loss for the year ended December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

Particulars	Notes	Year ended December 31, 2024	Year ended December 31, 2023
Income			
Revenue from operations	20	25,330.86	22,472.38
Other income	21	367.51	323.37
Total Income		<u>25,698.37</u>	<u>22,795.75</u>
Expenses			
Cost of materials consumed	22	12,034.04	10,688.97
Purchases of stock-in-trade	23	2,567.34	1,907.05
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(379.94)	179.08
Employee benefits expense	25	3,135.19	2,696.83
Finance costs	26	27.17	52.90
Depreciation and amortisation expense	27	543.24	496.78
Other expenses	28	4,598.89	4,064.75
Total Expenses		<u>22,525.93</u>	<u>20,086.36</u>
Profit before share of net profit of associate accounted for using the equity method and tax		3,172.44	2,709.39
Share of net profit of associate accounted for using the equity method		134.06	94.10
Profit before tax		<u>3,306.50</u>	<u>2,803.49</u>
Tax expense			
Current tax	13 (b)	815.07	721.62
Deferred tax	13 (a), (b)	16.68	(5.46)
Total tax expense		<u>831.75</u>	<u>716.16</u>
Profit for the year		<u>2,474.75</u>	<u>2,087.33</u>
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations	31	(36.73)	31.73
Income tax relating to items that will not be reclassified to profit or loss	13 (a), (b)	9.25	(7.98)
Share of Other comprehensive income of associate accounted for using the equity method		(3.72)	(1.03)
Total other comprehensive income for the year, net of tax		<u>(31.20)</u>	<u>22.72</u>
Total comprehensive income for the year		<u>2,443.55</u>	<u>2,110.05</u>
Earnings per equity share			
Basic and Diluted (face value of ₹ 2/- each)	29	14.22	11.99

Summary of material accounting policies

1

The accompanying notes are an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai
Partner
Membership No.: 127791

Gaurav Swarup
Chairman
(DIN: 00374298)

Ulhas Yargop
Director
(DIN: 00054530)

Rajeev Jain
Managing Director
(DIN: 07475640)

Mahesh Bhav
Chief Financial Officer

Place : Mumbai
Date : February 27, 2025

Place : Mumbai
Date : February 27, 2025

Shraddha Kavathekar
Company Secretary

Consolidated Statement of Cash Flows for the year ended December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
A. Cash flows from operating activities		
Profit before tax	3,306.50	2,803.49
Adjustments for :		
Depreciation and amortisation expense	543.24	496.78
Net gain on disposal of property, plant and equipment and intangible assets	(6.32)	(2.21)
Finance costs	27.17	52.90
Interest income	(239.47)	(163.27)
Fair value (gain)/loss in derivative financial instruments	1.40	(2.72)
Sundry credit balances and provisions no longer required, written back	-	(3.45)
Unrealised foreign exchange (gain)/loss	4.78	8.61
Allowance for doubtful trade and other receivables	71.89	(55.49)
Share of net profit of associate	(134.06)	(94.10)
	<u>268.63</u>	<u>237.05</u>
Operating profit before working capital changes	3,575.13	3,040.54
Adjustment for changes in working capital: (Increase) / decrease in operating assets:		
Inventories	(1.89)	(815.45)
Trade receivables	(1,642.30)	(789.75)
Loans	(31.32)	28.66
Other financial assets	(6.97)	(46.75)
Other assets	(287.64)	(83.95)
Increase / (decrease) in operating liabilities:		
Trade payables	319.60	301.28
Other financial liabilities	98.01	110.27
Other liabilities	399.20	295.86
Provisions	117.12	70.18
	<u>(1,036.19)</u>	<u>(929.65)</u>
Cash generated from operations	2,538.94	2,110.89
Income taxes paid (net of refunds)	(667.47)	(695.92)
Net cash flows generated from operating activities (A)	<u>1,871.47</u>	<u>1,414.97</u>
B. Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1,005.50)	(932.76)
Proceeds from disposal of property, plant and equipment and intangible assets	10.67	8.34
Investment in fixed deposits	(2,589.20)	(3,098.26)
Redemption of fixed deposits	1,863.91	3,838.88
Interest received	208.52	189.80
Income from trade investments (non-current)	47.41	39.32
Net cash flows generated from/(used in) investing activities (B)	(1464.19)	45.32

Consolidated Statement of Cash Flows for the year ended December 31, 2024 (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Particulars	Year ended December 31, 2024	Year ended December 31, 2023
C. Cash flows from financing activities		
Proceeds from current borrowings	500.00	400.00
Repayment of current borrowings	(500.00)	(400.00)
Interest paid	(23.87)	(49.92)
Repayment of lease liabilities	(15.07)	(13.15)
Dividend paid	<u>(609.14)</u>	<u>(522.12)</u>
Net cash flows used in financing activities (c)	(648.08)	(585.19)
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	(240.80)	875.10
Cash and cash equivalents at the beginning of the year	1,195.28	319.54
Effects of exchange rate changes on cash and cash equivalents	4.53	0.64
Cash and cash equivalents at the end of the year	<u>959.01</u>	<u>1,195.28</u>

Reconciliation of Cash and cash equivalents as per Consolidated Statement of Cash Flows

Cash and cash equivalents as per above comprise of following:	As at December 31, 2024	As at December 31, 2023
Cash and cash equivalents [Refer note 8 (a)]	959.01	1,195.28
Balances as per Consolidated Statement of Cash Flows	<u>959.01</u>	<u>1,195.28</u>

Notes:

- Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' in accordance with 'Ind AS 7 : Statement of Cash Flows'.
- Refer note 38 (a) for Net debt reconciliation.

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vivian Pillai
Partner
Membership No.: 127791

Place : Mumbai
Date : February 27, 2025

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Rajeev Jain
Managing Director
(DIN : 07475640)

Place : Mumbai
Date : February 27, 2025

Ulhas Yargop
Director
(DIN : 00054530)

Mahesh Bhav
Chief Financial Officer

Shraddha Kavathekar
Company Secretary

Consolidated Statement of changes in equity for the year ended December 31, 2024

(All amounts in ₹ million, unless otherwise stated)

A. Equity Share Capital

	Notes	
As at January 1, 2023		348.08
Change in equity share capital	14 (a)	-
As at December 31, 2023		348.08
Change in equity share capital	14 (a)	-
As at December 31, 2024		348.08

B. Other equity [Refer note 14 (b)]

	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Amalgamation reserve	Retained earnings	Total
As at January 1, 2023	0.09	0.10	3.20	1,085.97	0.06	9,993.66	11,083.08
Profit for the year	-	-	-	-	-	2,087.33	2,087.33
Other Comprehensive Income							
Remeasurement of post-employment benefit obligations (net of tax)	-	-	-	-	-	22.72	22.72
Total Comprehensive Income	-	-	-	-	-	2,110.05	2,110.05
Transactions with owners in their capacity as owners:							
Dividend paid	-	-	-	-	-	(522.12)	(522.12)
As at December 31, 2023	0.09	0.10	3.20	1,085.97	0.06	11,581.59	12,671.01
As at January 1, 2024	0.09	0.10	3.20	1,085.97	0.06	11,581.59	12,671.01
Profit for the year	-	-	-	-	-	2,474.75	2,474.75
Other Comprehensive Income							
Remeasurement of post-employment benefit obligations (net of tax) -	-	-	-	-	-	(31.20)	(31.20)
Total Comprehensive Income -	-	-	-	-	-	2,443.55	2,443.55
Transactions with owners in their capacity as owners:							
Dividend paid -	-	-	-	-	-	(609.14)	(609.14)
As at December 31, 2024	0.09	0.10	3.20	1,085.97	0.06	13,416.00	14,505.42

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.
This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board of Directors

Vivian Pillai
Partner
Membership No.: 127791

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhav
Chief Financial Officer

Place : Mumbai
Date : February 27, 2025

Place : Mumbai
Date : February 27, 2025

Shraddha Kavathekar
Company Secretary

Notes forming part of the Consolidated financial statements

(All amounts in ₹ million, unless otherwise stated)

	<p>Background: KSB Limited (the 'Company') is a public limited Company domiciled in India with its registered office located at Office No. 601, Runwal R-Square, L.B.S Marg, Mulund (West), Mumbai – 400 080. The Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in the business of manufacture of different types of power-driven pumps and industrial valves. Castings are mainly produced for captive consumption. CIN of the Company is L29120MH1960PLC011635.</p> <p>The consolidated financial statements comprise the financial statements of KSB Limited and its subsidiary company (jointly referred to as the 'Group') and its associate company (Refer Note 34 to the attached consolidated financial statements).</p> <p>The consolidated financial statements have been authorized for issue by the Board of Directors on February 27, 2025.</p>
1.	<p>Summary of material accounting policies:</p> <p>This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.</p>
a.	<p>Basis of preparation</p> <p>i. Compliance with Ind AS</p> <p>The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time] and other relevant provisions of the Act.</p> <p>ii. Historical cost convention</p> <p>The consolidated financial statements have been prepared on a historical cost basis, except for the following:</p> <ul style="list-style-type: none"> • Derivative instruments that are measured at fair value • Defined benefit plans - plan assets measured at fair value. <p>All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for all products and services except for certain set of products for which operating cycle has been ascertained as 48 months for the purpose of current and non-current classification of assets and liabilities.</p>
b.	<p>Recent Accounting Pronouncements</p> <p>I) New and Amended Standards</p> <p>The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Group applied these amendments for the first-time.</p> <p>(i) Definition of Accounting Estimates - Amendments to Ind AS 8</p> <p>The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Consolidated financial statements.</p> <p>(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1</p> <p>The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Consolidated financial statements.</p> <p>(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12</p> <p>The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.</p> <p>The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at January 01, 2024.</p> <p>Apart from these, consequential amendments and editorials have been made to other Ind AS.</p>
c.	<p>Segment reporting</p> <p>Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Group's board of directors. Refer note 33 for segment information presented.</p>
d.	<p>Principles of consolidation and equity accounting</p> <p>(i) Subsidiaries</p> <p>Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.</p> <p>(ii) Associates</p> <p>Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.</p> <p>(iii) Equity method</p> <p>Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>the investment. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in this entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy of the Group.</p>
e.	<p>Foreign currency translation</p> <p>(i) Functional and presentation currency</p> <p>Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.</p> <p>(ii) Transactions and balances</p> <p>Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end are recognised in profit and loss and are presented in the Consolidated Statement of Profit and Loss on a net basis.</p> <p>Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.</p>
f.	<p>Revenue recognition</p> <p>The Group recognises the revenue when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.</p> <p>The five-step process is applied for recognition of revenue:</p> <ol style="list-style-type: none"> identify contracts with customers identify the separate performance obligation determine the transaction price of the contract allocate the transaction price to each of the separate performance obligations, and recognise the revenue as each performance obligation is satisfied. <p>i. Revenue from sale of products</p> <p>The Group accounts for a contract when it has approval and commitment from parties involved, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.</p> <p>Group generate revenue from sale of pumps, valves and related support services. The Group may promise to provide distinct goods or services within a contract, for example when a contract covers multiple promises (e.g., supply of pumps, motors and spares), in which case the Group separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Group allocates the total transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:</p> <ul style="list-style-type: none"> (a) The customer simultaneously consumes the benefits as the Group performs, or (b) The customer controls the work-in-progress, or (c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date <p>If none of the criteria above are met, the Group recognizes revenue at a point-in-time. The point of recognition of revenue is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining whether the control has been transferred.</p> <p>In case of revenue to be recognized over time, the Group uses input method to measure the progress for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the input method measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.</p> <p>Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Due to the nature of the work required to be performed, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. It is common for project contracts to contain penalties, bonuses or other provisions that can either increase or decrease the transaction price. These variable amounts generally are awarded upon achievement of certain performance metrics, program milestones or cost targets and may be based upon customer discretion. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.</p> <p>The Group estimates variable consideration using expected value method of probability-weighted values at an amount to which it expects to be entitled. The Group includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur and the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.</p> <p>The Group does not expect material financing component adjustments to contracts where the period between the transfer of the promised goods or services to the customer and payment exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.</p> <p>Contracts are modified to account for changes in contract specifications and requirements. The Group considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.</p>
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Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>The Group recognizes Advances from customers as contractual liability.</p> <p>When estimates of total costs to be incurred exceed total estimates of revenue to be earned on a performance obligation related to a contract, a provision for the entire loss on the performance obligation is recognized in the period.</p> <p>(ii) Revenue from sale of services</p> <p>Group generate revenue from sale of pumps, valves and related support services. Revenue from services is recognised in the accounting period in which the services are rendered.</p> <p>(iii) Other operating revenue</p> <p>Revenue comprising of income from ancillary activities incidental to the operations of the Group is recognized when the right to receive the income is established as per the terms of the contract. Revenue from export incentives majorly comprises of Duty drawback, Merchandise Export Incentive Scheme (MEIS) and Remission of Duties and Taxes on Exported Products (RoDTEP) which are recognised on an accrual basis at specified rates. Refer note 20.</p> <p>(iv) Other income</p> <p>Interest income:</p> <p>Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in Other income in the Consolidated Statement of Profit and Loss.</p> <p>Dividends:</p> <p>Dividends are recognised in the Consolidated Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.</p>
g.	<p>Income tax</p> <p>The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.</p> <p>The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation.</p> <p>Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.</p> <p>Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.</p> <p>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 the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>Current and deferred tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.</p>
h.	<p>Leases</p> <p><i>As a lessee:</i></p> <p>Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to the Consolidated Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.</p> <p>Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable. Group does not have any variable lease payments.</p> <p>Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.</p> <p>Right-of-use assets are measured at cost comprising the following:</p> <ul style="list-style-type: none"> • the amount of the initial measurement of lease liability • any lease payments made at or before the commencement date less any lease incentives received • any initial direct costs, and • restoration costs. <p>Right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.</p> <p>Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Consolidated Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less.</p>
i.	<p>Impairment of assets</p> <p>The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. If an asset is impaired, the Group recognises an impairment loss as the excess of the carrying amount of the asset over the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.</p>
j.	<p>Cash and cash equivalents</p> <p>Cash and cash equivalents include cash on hand, balances with banks in current accounts and EEFC accounts, fixed deposits with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated balance sheet. Other bank balances include fixed deposits with original maturities of more than three months and earmarked accounts which includes unpaid dividend.</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

k.	<p>Trade receivables</p> <p>Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.</p>
l.	<p>Borrowing and Borrowing costs</p> <p>Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.</p> <p>Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the year in which they are incurred.</p>
m.	<p>Inventories</p> <p>Inventories are valued at the lower of cost and net realisable value.</p> <p>Cost of raw materials, components, stores, spares, loose tools and traded goods comprises cost of purchases. Cost of work-in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p>
n.	<p>Financial assets</p> <p>(i) Classification</p> <p>The Group classifies its financial assets in the following measurement categories:</p> <ul style="list-style-type: none"> those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those measured at amortised cost. <p>The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.</p> <p>For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.</p> <p>For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.</p> <p>The Group assesses whether the financial asset falls within the definition of equity basis the underlying contractual terms and whether the Group has residual interest in the assets of the entity (investee) after</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>deducting all of its liabilities. If the financial asset does not meet the definition of equity, the disclosure of same is assessed based on the substance of the transaction. During the year, the Group has subscribed shares in a power producer entity as per the regulatory requirement as set out in Electricity Rules, 2005. Based on the substance of transaction, the amount has been disclosed as security deposit.</p> <p>The Group reclassifies debt investments when and only when its business model for managing those assets changes.</p> <p>ii. Measurement</p> <p>At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Consolidated Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price</p> <p>Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.</p> <p>Debt instruments</p> <p>Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments at amortised cost as below:</p> <ul style="list-style-type: none"> • Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method. <p>Equity instruments</p> <p>The Group subsequently measures equity investment at fair value. The Group's Management elects to present fair value gains and losses on equity investments in other comprehensive income on an instrument by instrument basis.</p> <p>iii. Impairment of financial assets</p> <p>The Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer note 37(A) for details of credit risk.</p> <p>For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.</p> <p>iv. Derecognition of financial assets</p> <p>A financial asset is derecognised only when</p> <ul style="list-style-type: none"> • The Group has transferred the rights to receive cash flows from the financial asset or • retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients. <p>Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.</p>
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Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.</p>												
o.	<p>Offsetting financial instruments</p> <p>Financial assets and liabilities are offset, and the net amount is reported in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.</p>												
p.	<p>Property, plant and equipment</p> <p>Freehold land is stated at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.</p> <p>Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the reporting period in which they are incurred.</p> <p>Depreciation methods, estimated useful lives and residual value</p> <p>Depreciation is provided on the straight-line method/ written down value method over the useful lives of assets which has been assessed as under the technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, maintenance support, etc., which are different from those prescribed in Schedule II to the Companies Act, 2013 (Act) except for server and networking (SLM) and furniture and fixtures (WDV) which are same as prescribed in Schedule II to the Act. Estimated useful lives of assets are as follows:</p> <table> <tr> <th>Asset</th><th>Useful life and method of depreciation</th></tr> <tr> <td>Buildings</td><td>43 to 90 years (WDV)</td></tr> <tr> <td>Plant and equipment</td><td>09 to 21 years (SLM)</td></tr> <tr> <td>Vehicles</td><td>05 to 11 years (WDV)</td></tr> <tr> <td>Office equipment</td><td>10 years (SLM)</td></tr> <tr> <td>Computer equipment</td><td>06 years (SLM)</td></tr> </table> <p>The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period.</p> <p>An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.</p> <p>Net gains or net losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss under other income or other expenses respectively.</p>	Asset	Useful life and method of depreciation	Buildings	43 to 90 years (WDV)	Plant and equipment	09 to 21 years (SLM)	Vehicles	05 to 11 years (WDV)	Office equipment	10 years (SLM)	Computer equipment	06 years (SLM)
Asset	Useful life and method of depreciation												
Buildings	43 to 90 years (WDV)												
Plant and equipment	09 to 21 years (SLM)												
Vehicles	05 to 11 years (WDV)												
Office equipment	10 years (SLM)												
Computer equipment	06 years (SLM)												
q.	<p>Intangible assets</p> <p>Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortisation. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income</p>												

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>or expense in the Consolidated Statement of Profit and Loss. Intangible assets are amortized on the straight-line method as follows:</p> <table> <tr> <th>Asset</th><th>Useful life</th></tr> <tr> <td>Copyrights, patents, intellectual property rights and operating rights</td><td>7 to 15 years</td></tr> <tr> <td>Computer software</td><td>3 years</td></tr> </table>	Asset	Useful life	Copyrights, patents, intellectual property rights and operating rights	7 to 15 years	Computer software	3 years
Asset	Useful life						
Copyrights, patents, intellectual property rights and operating rights	7 to 15 years						
Computer software	3 years						
r.	<p>Trade and other payables</p> <p>These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Group after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.</p>						
s.	<p>Provisions and Contingent liabilities</p> <p>Provisions are recognised when the Group has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognised for future operating losses. Provision for warranty is computed as a percentage of sales based on the past trends observed.</p> <p>Contingent liabilities are disclosed by way of a note to the consolidated financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.</p>						
t.	<p>Employee benefits</p> <p>(i) Short-term obligations</p> <p>Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the consolidated balance sheet.</p> <p>(ii) Other long-term employee benefit obligations</p> <p>The liabilities for Other long-term employee benefits such as long service award, privileged leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss. The Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within twelve months and accordingly, amounts have been classified as current and non-current</p>						

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>(iii) Post-employment obligations</p> <p>The Group operates the following post-employment schemes:</p> <p>(a) Defined benefit plans - gratuity and superannuation</p> <p>(b) Defined contribution plans - provident fund</p> <p>(a) Defined benefit plans - gratuity and superannuation</p> <p>(i) Gratuity</p> <p>The Group provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972, as amended from time to time. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.</p> <p>The liability or asset recognised in the consolidated balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.</p> <p>The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.</p> <p>The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in finance cost in the Consolidated Statement of Profit and Loss.</p> <p>Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Consolidated Statement of Changes in Equity and in the Consolidated Balance Sheet.</p> <p>Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Consolidated Statement of Profit and Loss as past service cost.</p> <p>(ii) Superannuation</p> <p>Superannuation is a benefit to certain employees (depending on the grade / category of the employee and completed years of service) per month for each completed year of service. The accounting policy followed by the Group for Superannuation is consistent with accounting policy followed for Gratuity [Refer note 1(t)(iii)(a)(i)].</p> <p>(b) Defined Contribution Plans</p> <p>The Group pays provident fund contributions for all employees to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.</p>
u.	<p>Dividends</p> <p>The Group recognizes provision for Dividend and the tax thereupon, if any, once the Dividend is approved by the shareholders in the annual general meeting.</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

v.	<p>Contributed equity</p> <p>Equity shares are classified as equity.</p> <p>Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.</p>
w.	<p>Earnings per share</p> <p>i. Basic Earnings per share</p> <p>Basic earnings per share is calculated by dividing:</p> <ul style="list-style-type: none"> the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. <p>Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares or share split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.</p> <p>ii. Diluted Earnings per share</p> <p>Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:</p> <ul style="list-style-type: none"> the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares. <p>Other accounting policies</p> <p>a. Government grants</p> <p>Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants relating to income are recognised in the Consolidated Statement of Profit and Loss. Refer note 1(f)(iii) for accounting policy related to Duty drawback, Merchandise Export Incentive Scheme (MEIS) and Remission of Duties and Taxes on Exported Products (RoDTEP).</p> <p>When government or related institutions provide concession in interest on borrowings or loans availed by the Group from financial institutions, such interest concession is regarded as a government grant. The Group accounts for the interest paid at concessional rate on packing credit facility availed for export of goods.</p> <p>b. Derivatives</p> <p>The Group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss.</p> <p>c. Rounding of amounts:</p> <p>Amounts disclosed in the consolidated financial statements are presented in INR in million rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.</p>
2.	<p>Significant accounting judgements, estimates and assumptions</p> <p>The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. Estimates and assumptions are continuously evaluated and are based on historical</p>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

experience and other factors including expectations of future events that are believed to be reliable and relevant under the circumstances. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Management believes that the estimates are the most likely outcome of future events. Detailed information about each of these estimates and judgements is described below.

Judgements

In the process of applying the Group's accounting policies, Management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

i. Legal contingencies

The Group has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

ii. Revenue Recognition on Contracts with Customers

Group generate revenue from sale of Pumps, valves and related support services. Group uses judgement with respect to accounting of multiple contracts which need to be combined and considered as single contract. The Group exercises judgement with respect to identifying contracts for which revenue need to be recognised point in time or over time, depending upon when customer consumes the benefit, when the control is passed to customer, whether asset created has an alternative use and whether the Group has right to payment for performance completed till date, either contractually or legally.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Warranty

The Group generally offers an 18 months warranty for its products, except for certain projects where the warranty offered may be higher to meet specific project requirements. Warranty costs are determined as a percentage of sales based on the past trends of the costs required to be incurred for repairs, replacements, material costs and servicing cost. Management estimates the related closing provision as at Balance Sheet date for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past information may differ from future claims. The assumptions made in current period are consistent with those in the prior year. As the time value of money is not considered to be material, warranty provisions are not discounted. Refer note 18 for further information.

ii. Gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	<p>increases, attrition rate, mortality rates and expected return on planned assets. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the year end. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. For further details about gratuity obligations are given in note 31.</p> <p>iii. Recoverability of trade receivables</p> <p>Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment. Refer note 37(A) for further details.</p> <p>iv. Inventories</p> <p>An inventory provision is recognized for cases where the realizable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sale prices of inventory item and losses associated with obsolete / slow moving / redundant inventory items. The Company has, based on these assessments, made adequate provision in the books.</p>
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Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

3 Property, plant and equipment

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying amount as at							
January 1, 2023	3.01	2,299.16	5,053.07	144.54	70.68	210.39	7,780.85
Additions	-	327.88	420.24	52.87	23.55	147.72	972.26
Disposals	-	(1.67)	(131.88)	(1.83)	(3.79)	(16.13)	(155.30)
Balance as at December 31, 2023	3.01	2,625.37	5,341.43	195.58	90.44	341.98	8,597.81
Accumulated depreciation							
January 1, 2023	-	1,019.52	3,255.42	126.43	49.82	115.02	4,566.21
Charge for the year (Refer note 27)	-	130.72	288.78	11.39	19.71	19.78	470.38
Disposals	-	(1.50)	(126.30)	(1.76)	(3.71)	(15.91)	(149.18)
Balance as at December 31, 2023	-	1,148.74	3,417.90	136.06	65.82	118.89	4,887.41
Net carrying amount as at							
December 31, 2023	3.01	1,476.63	1,923.53	59.52	24.62	223.09	3,710.40
Gross carrying amount as at							
January 1, 2024	3.01	2,625.37	5,341.43	195.58	90.44	341.98	8,597.81
Additions	-	129.27	465.15	7.99	34.93	20.93	658.27
Disposals	-	(0.07)	(81.99)	(0.67)	(13.68)	(2.98)	(99.39)
Balance as at December 31, 2024	3.01	2,754.57	5,724.59	202.90	111.69	359.93	9,156.69
Accumulated depreciation as at							
January 1, 2024	-	1,148.74	3,417.90	136.06	65.82	118.89	4,887.41
Charge for the year (Refer note 27)	-	149.17	272.68	23.49	24.32	29.92	499.58
Disposals	-	(0.06)	(80.56)	(0.64)	(11.52)	(2.26)	(95.04)
Balance as at December 31, 2024	-	1,297.85	3,610.02	158.91	78.62	146.55	5,291.95
Net carrying amount as at							
December 31, 2024	3.01	1,456.72	2,114.57	43.99	33.07	213.38	3,864.74

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Notes:

- (i) Refer to note 30 (b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (ii) Capital work-in-progress mainly includes building under construction and plant and machinery in the process of installation.
- (iii) Gross additions to capital work-in-progress and transfers to property, plant and equipment are as follows:

Particulars	Capital work-in-progress	
	As at December 31, 2024	As at December 31, 2023
Opening carrying value	310.25	251.43
Additions	876.10	1,007.53
Transfers to property, plant and equipment	(658.27)	(948.71)
Closing carrying value	528.08	310.25

(a) Aging of Capital work-in-progress:

Particulars	As at December 31, 2023				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	281.04	23.72	5.49	-	310.25
(ii) Projects temporarily suspended	-	-	-	-	-
Total	281.04	23.72	5.49	-	310.25

Particulars	As at December 31, 2024				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	337.16	173.51	15.52	1.89	528.08
(ii) Projects temporarily suspended	-	-	-	-	-
Total	337.16	173.51	15.52	1.89	528.08

- (b) There are no assets under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

4 Right-of-use assets

Particulars	Leasehold land	Buildings	Total
Gross carrying amount as at January 1, 2023	265.09	50.38	315.47
Additions	-	13.71	13.71
Disposals	-	(12.21)	(12.21)
Balance as at December 31, 2023	265.09	51.88	316.97
Accumulated depreciation as at January 1, 2023	22.61	23.78	46.39
Charge for the year (Refer note 27)	2.81	10.73	13.54
Disposals	-	(12.21)	(12.21)
Balance as at December 31, 2023	25.42	22.30	47.72
Net carrying amount as at December 31, 2023	239.67	29.58	269.25

Particulars	Leasehold land	Buildings	Total
Gross carrying amount as at January 1, 2024	265.09	51.88	316.97
Additions	59.64	13.77	73.41
Disposals	-	(7.28)	(7.28)
Balance as at December 31, 2024	324.73	58.37	383.10
Accumulated depreciation as at January 1, 2024	25.42	22.30	47.72
Charge for the year (Refer note 27)	3.02	12.46	15.48
Disposals	-	(7.28)	(7.28)
Balance as at December 31, 2024	28.44	27.48	55.92
Net carrying amount as at December 31, 2024	296.29	30.89	327.18

Details of Leases : The Group's leasing arrangements include land and building for office premises and service stations. Leasehold land mainly pertains to manufacturing plant located at Shirwal. Rental contracts for office premises and service stations are typically made for fixed periods of 3 to 15 years, but have extension options.

(i) Amount recognised in the Statement of Profit and Loss

	Note	December 31, 2024	December 31, 2023
Interest expense on lease liabilities	26	3.30	2.98
Depreciation on right-of-use assets	27	15.48	13.54
Expenses related to short term leases (included in Miscellaneous expenses in Other expenses)	28	7.88	10.44

The total cash outflow for the year ended December 31, 2024 for leases is INR 22.95 million (December 31, 2023: INR 23.59 million).

(ii) Extension and Termination option :

Extension and termination options are included in a number of lease contracts. These terms are used to maximise operational flexibility in terms of managing contracts.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

5 Other Intangible assets

	Copyrights, patents, intellectual property rights and operating rights	Computer software	Total
Gross carrying amount as at January 1, 2023	-	118.97	118.97
Additions	181.81	24.25	206.06
Disposals	-	(3.42)	(3.42)
Balance as at December 31, 2023	181.81	139.80	321.61
Accumulated Amortisation			
Balance as at January 1, 2023	-	101.92	101.92
Charge for the year (Refer note 27)	1.25	11.61	12.86
Disposals	-	(3.41)	(3.41)
Balance as at December 31, 2023	1.25	110.12	111.37
Net carrying amount as at December 31, 2023	180.56	29.68	210.24
	Copyrights, patents, intellectual property rights and operating rights	Computer software	Total
Gross carrying amount as at January 1, 2024	181.81	139.80	321.61
Additions	-	10.66	10.66
Disposals	-	(0.88)	(0.88)
Balance as at December 31, 2024	181.81	149.58	331.39
Accumulated Amortisation			
Balance as at January 1, 2024	1.25	110.12	111.37
Charge for the year (Refer note 27)	12.60	15.58	28.18
Disposals	-	(0.88)	(0.88)
Balance as at December 31, 2024	13.85	124.82	138.67
Net carrying amount as at December 31, 2024	167.96	24.76	192.72

(a) Aging of Intangible assets under development:

	As at December 31, 2023				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	13.75	-	-	-	13.75
(ii) Projects temporarily suspended	-	-	-	-	-
Total	13.75	-	-	-	13.75
	As at December 31, 2024				
	Less than one year	1 – 2 year	2 – 3 year	More than 3 years	Total
(i) Projects in progress	9.49	8.99	-	-	18.48
(ii) Projects temporarily suspended	-	-	-	-	-
Total	9.49	8.99	-	-	18.48

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(b) There are no assets under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(c) **Intangible assets under development**

	As at December 31, 2024	As at December 31, 2023
Opening carrying value	13.75	-
Additions	15.39	219.81
Transfers to Intangible assets	(10.66)	(206.06)
Closing carrying value	18.48	13.75

6(a) **Investments**

	As at December 31, 2024	As at December 31, 2023
Investment in associate		
KSB MIL Controls Ltd. - 735,000 equity shares (December 31, 2023 - 735,000 equity shares) of INR 10 each fully paid	878.28	795.36
Investment in equity instruments of other entities Mula Pravara Electric Co - operative Society Ltd. - 15,995 equity shares (December 31, 2023 - 15,995 equity shares) of INR 25 each fully paid	0.40	0.40
Total (unquoted investments)	878.68	795.76
Less : Aggregate amount of provision for impairment in the value of investments	(0.40)	(0.40)
Total Investments	878.28	795.36

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

6(b) Loans

Non-current	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Loans to employees	80.24	73.91
Total	80.24	73.91

Current	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Loans and advances to employees	52.95	27.96
Total	52.95	27.96

7 Trade receivables

	As at December 31, 2024	As at December 31, 2023
Trade receivables	5,946.98	4,542.68
Trade receivables from related parties (Refer note 32)	795.39	569.56
	6,742.37	5,112.24
Less: Loss allowance*	(220.50)	(152.71)
Total	6,521.87	4,959.53
Current portion	6,502.73	4,917.19
Non-current portion	19.14	42.34

Break-up of security details

	As at December 31, 2024	As at December 31, 2023
Trade receivables considered good - Unsecured	6,521.87	4,959.53
Trade receivables - credit impaired	220.50	152.71
	6,742.37	5,112.24
Less: Loss allowance*	(220.50)	(152.71)
Total	6,521.87	4,959.53

*The net impact of change in loss allowance of INR 67.79 millions (December 31, 2023:- reversal of INR 56.29 millions) has been included in Miscellaneous expenses (refer note 28)

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Aging of trade receivables

	As at December 31, 2023						
	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- considered good	1,812.36	2,883.69	126.51	64.55	18.68	53.74	4,959.53
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	1.81	1.09	55.74	23.52	15.05	97.21
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	3.60	0.35	1.81	49.74	55.50
Total	1,812.36	2,885.50	131.20	120.64	44.01	118.53	5,112.24

	As at December 31, 2024						
	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
- considered good	1,613.36	4,127.71	424.27	275.38	30.50	50.65	6,521.87
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	1.00	67.14	40.06	45.70	153.90
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	1.10	-	16.33	4.97	44.20	66.60
Total	1,613.36	4,128.81	425.27	358.85	75.53	140.55	6,742.37

8 (a) Cash and cash equivalents

	As at December 31, 2024	As at December 31, 2023
Balances with banks		
In current accounts	345.80	191.78
In EEFC accounts	313.09	283.28
Deposits with original maturity of less than three months	300.00	720.00
Cash on hand	0.12	0.22
Total	959.01	1,195.28

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

8 (b) Bank balances other than 8 (a) above

	As at December 31, 2024	As at December 31, 2023
Balances with banks		
Fixed deposits*	2,268.00	1,542.96
In earmarked accounts		
Unpaid dividend accounts	7.67	7.44
Total	2,275.67	1,550.40

*Includes ₹ 500.70 million (December 31, 2023: ₹ 988.44 million) held as lien by bank against credit facilities.

9 Other financial assets

Non-current	As at December 31, 2024	As at December 31, 2023
Unsecured, considered good		
Security deposits	77.72	42.28
Balances with banks		
Fixed deposits with balance maturity more than one year*	0.26	-
Unsecured, considered doubtful		
Security deposits	5.30	5.30
	83.28	47.58
Less: Provision for doubtful security deposits	(5.30)	(5.30)
Total	77.98	42.28

*Includes ₹ 0.26 million (December 31, 2023: Nil) held as lien by bank against credit facilities.

Current	As at December 31, 2024	As at December 31, 2023
Interest accrued on deposits with banks	94.36	63.41
Derivative asset	-	0.54
Others*	22.33	50.80
Total	116.69	114.75

*Others include export incentives and GST rebate receivable

10 Inventories

	As at December 31, 2024	As at December 31, 2023
Raw materials (includes in transit INR 97.6 million; December 31, 2023: INR 104.2 million)	2,284.32	2,670.49
Work-in-progress	2,949.68	2,719.16
Finished goods (includes in transit INR 259.19 million; December 31, 2023: INR 192.15 million)	931.89	774.98
Stock-in-trade	177.34	184.83
Stores and spares	62.53	71.14
Loose tools	22.47	5.74
Total	6,428.23	6,426.34

The cost of inventories recognised as an expense during the year is disclosed in Note 22, 23 and 24. The cost of inventories recognised as an expense include write-down of inventories of ₹ 90.41 million (December 31, 2023: ₹ 124.76 million) and reversal of write-down of inventories of ₹ 92.59 million (December 31, 2023: ₹ 189.30 million).

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

11 Other non-current assets

	As at December 31, 2024	As at December 31, 2023
Capital advances	116.41	130.73
Advances other than capital advances		
Prepaid expenses	28.70	13.43
Balances with government authorities		
Considered good	199.07	199.07
Considered doubtful	-	-
	<u>199.07</u>	<u>199.07</u>
Less: Provision for doubtful balances	-	-
	<u>199.07</u>	<u>199.07</u>
Total	<u>344.18</u>	<u>343.23</u>

12 Other current assets

	As at December 31, 2024	As at December 31, 2023
Prepaid expenses	32.45	23.69
Balances with government authorities		
Considered good	68.74	45.50
Considered doubtful	28.65	28.65
	<u>97.39</u>	<u>74.15</u>
Less: Provision for doubtful balances	(28.65)	(28.65)
	<u>68.74</u>	<u>45.50</u>
Others*		
Considered good	600.62	360.24
Considered doubtful	11.59	11.59
	<u>612.21</u>	<u>371.83</u>
Less: Provision for doubtful balances	(11.59)	(11.59)
	<u>600.62</u>	<u>360.24</u>
Total	<u>701.81</u>	<u>429.43</u>

*Others mainly include advances paid to suppliers which would be subsequently settled against purchases.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

13 (a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

	As at December 31, 2024	As at December 31, 2023
Deferred tax assets		
Provision for compensated absences, gratuity, superannuation and long service award	129.75	112.51
Provision for loss allowance on trade and other receivables	67.06	50.00
Fair value loss on derivative instruments	0.31	-
Lease Liabilities	8.65	8.14
Others (including allowances on payment basis)	88.88	91.05
	<u>294.65</u>	<u>261.70</u>
Deferred tax liabilities		
Impact of difference between income tax depreciation and depreciation in financial reporting	95.59	76.27
Right of Use Assets	7.77	7.44
Fair value gain on derivative instruments	-	0.14
Unremitted earnings of associate	214.12	193.25
	<u>317.48</u>	<u>277.10</u>
Deferred tax assets / (liabilities) (net)	<u>(22.83)</u>	<u>(15.40)</u>

Changes in Deferred tax assets/ (liabilities) in Statement of Profit and Loss including Other Comprehensive Income [credited / (charged) during the year]

	Year Ended December 31, 2024	Year Ended December 31, 2023
Provision for compensated absences, gratuity, superannuation and long service award	17.24	6.14
Provision for loss allowance on trade and other receivables	17.06	(14.98)
Impact of difference between income tax depreciation and depreciation in financial reporting	(19.32)	(4.00)
Fair value of derivative instruments	0.45	(0.69)
Lease Liabilities	0.51	0.89
Right of Use Assets	(0.33)	0.75
Unremitted earnings of associate	(20.87)	(13.52)
Others	(2.17)	22.89
Total	<u>(7.43)</u>	<u>(2.52)</u>

13 (b) Income taxes

The major components of income tax expense for the year ended December 31, 2024 and December 31, 2023 are:

	Year ended December 31, 2024	Year ended December 31, 2023
Current income tax		
- Current tax on profit for the current year	825.48	713.15
- Adjustments for current tax of prior periods	(10.41)	8.47
	<u>815.07</u>	<u>721.62</u>
Deferred tax	16.68	(5.46)
Total tax expense reported in the Statement of Profit and Loss	<u>831.75</u>	<u>716.16</u>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

	Year ended December 31, 2024	Year ended December 31, 2023
Other comprehensive income		
Deferred tax relating to remeasurement of post employment benefit obligations	9.25	(7.98)
Deffered tax credit/ (charge) to Other comprehensive income	9.25	(7.98)
Movement in income tax liabilities / (assets) (net)		
	As at December 31, 2024	As at December 31, 2023
Opening balance [payable/ (receivable)]	(185.07)	(210.77)
Add : Current tax payable (including tax for prior period)	815.07	721.62
Less : Taxes paid (including tax paid for prior period, net of refunds)	(667.47)	(695.92)
Closing balance [payable/ (receivable)]	(37.47)	(185.07)
Income Tax assets (net)	(112.17)	(185.07)
Current tax liabilities (net)	74.70	-

Reconciliation of tax expense and accounting profit multiplied by statutory income tax rate :

	Year ended December 31, 2024	Year ended December 31, 2023
Accounting profit before tax	3,306.50	2,803.49
Tax at statutory income tax rate of 25.17% (2023: 25.17%)	832.18	705.58
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Dividend Income	(11.93)	(9.90)
- Donations	11.63	10.07
- Other items	10.28	1.94
Adjustments for current-tax of prior periods	(10.41)	8.47
Income tax expense	831.75	716.16

14 (a) Equity share capital

	As at December 31, 2024	As at December 31, 2023
Authorised equity share capital : 20,00,00,000 Equity shares of INR 2 each* (December 31, 2023 : 20,00,00,000 Equity shares of INR 2 each)	400.00	400.00
Total	400.00	400.00
Issued, subscribed and paid up : 17,40,39,220 Equity shares of INR 2 each* (December 31, 2023 : 17,40,39,220 Equity shares of INR 2 each)	348.08	348.08
Total	348.08	348.08

(i) Reconciliation of number of equity shares

	As at December 31, 2024	As at December 31, 2023
Shares outstanding at the beginning and at the end of the year	17,40,39,220	17,40,39,220

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

*The Board of Directors of the Company at its meeting held on April 26, 2024 recommended the sub-division/split of 1 (One) fully paid-up equity share having a face value of ₹ 10 each into 5 (Five) fully paid-up equity shares having a face value of ₹ 2 each by alteration of capital clause of the Memorandum of Association (MOA) subject to the approval of Members of the Company. Further, the Board of Directors approved the Record Date for Split/Sub-division of Equity Shares as April 1, 2024. The Members of the Company approved the sub-division/Split of 1 (One) fully paid up equity share of ₹ 10 each into 5 (Five) fully paid-up equity shares of ₹ 2 each through an ordinary resolution passed in the Annual General Meeting held on June 27, 2024 with the requisite majority. The voting results were declared on June 29, 2024.

Consequent to this, the authorised share capital comprises 20,00,00,000 equity shares having a face value of ₹ 2 each aggregating to 40,00,00,000, and the paid-up capital comprises 17,40,39,220 equity shares having a face value of ₹ 2 each aggregating to 34,80,78,440. The impact of this has been considered in the financial statement.

(ii) Rights, preferences and restrictions attached to equity shares

There is only one class of shares referred to as equity shares having a face value of ₹ 2 per share. Each equity shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Group, the equity shareholders will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Shares of the Company held by Ultimate Holding Company / Holding Company and/ or their Subsidiaries/ Associates

	As at December 31, 2024	As at December 31, 2023
Canadian Kay Pump Ltd. (Holding Company)	7,05,54,240	7,05,54,240

(iv) Details of equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company

Name of the shareholder	As at December 31, 2024		As at December 31, 2023	
	% holding	No. of shares	% holding	No. of shares
Canadian Kay Pump Ltd.	40.54%	7,05,54,240	40.54%	7,05,54,240
Industrial & Prudential Investment Co. Ltd.	21.55%	3,75,00,000	21.55%	3,75,00,000

(v) Details of shareholding of promoters:

Name of the shareholder	As at December 31, 2024			As at December 31, 2023		
	No. of shares	% holding	% change during the year	No. of shares	% holding	% change during the year
Canadian Kay Pump Ltd.	7,05,54,240	40.54%	-	7,05,54,240	40.54%	-
Vikram Swarup Family Trust	3,02,000	0.17%	-	3,02,000	0.17%	-
Vikram Swarup	2,00,000	0.11%	-	2,00,000	0.11%	-
Gaurav Swarup	1,70,000	0.10%	-	1,70,000	0.10%	-
Bindu Vikram Swarup	80,000	0.05%	-	80,000	0.05%	-
Parul Swarup	15,290	0.01%	-	15,290	0.01%	-
Paharpur Cooling Towers Limited	72,50,000	4.17%	-	72,50,000	4.17%	-
TKIL Industries Pvt Ltd*	54,00,000	3.10%	-	54,00,000	0.00%	-
Industrial & Prudential Investment Co. Ltd.	3,75,00,000	21.55%	-	3,75,00,000	21.55%	-

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

*During the reporting period, Paharpur Cooling Towers Limited acquired shares in TKIL Industries Private Limited (formerly known as ThyssenKrupp Industries India Private Limited), which has resulted in TKIL Industries Private Limited (formerly known as ThyssenKrupp Industries India Private Limited) becoming a promoter of the Company. It is pertinent to note that there has been no change in the number of shares held by either Paharpur Cooling Towers Limited or TKIL Industries Private Limited (formerly known as ThyssenKrupp Industries India Private Limited) in the Company, and the overall shareholding structure in the Company remains unchanged.

(vi) There were neither shares bought back nor allotted either as fully paid bonus shares or under any contract without payment being received in cash, during the five years immediately preceding December 31, 2024.

14(b) Other equity

(i) Retained earnings

	As at December 31, 2024	As at December 31, 2023
Opening balance	11,581.59	9,993.66
Profit for the year	2,474.75	2,087.33
	14,056.34	12,080.99
Less: Dividend paid	(609.14)	(522.12)
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post-employment benefit obligations (net of tax)	(31.20)	22.72
Closing Balance	13,416.00	11,581.59
Total Retained earnings	13,416.00	11,581.59

(ii) Other reserves

	As at December 31, 2024	As at December 31, 2023
Capital reserve [Refer note (i) below]	0.09	0.09
Capital redemption reserve [Refer note (i) below]	0.10	0.10
Securities premium [Refer note (i) below]	3.20	3.20
General reserve [Refer note (ii) below]	1,085.97	1,085.97
Amalgamation reserve [Refer note (i) below]	0.06	0.06
Total Other reserves	1,089.42	1,089.42
Total Other equity	14,505.42	12,671.01

Nature and purpose of Other reserves:

- These reserves pertain to reserve arising on amalgamations in the past, which is required to be statutorily maintained and cannot be distributed to the shareholders.
- This reserve represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956. The reserve is a free reserve.

15 Lease liabilities

	As at December 31, 2024	As at December 31, 2023
Non-current lease liabilities	21.67	21.02
Current lease liabilities	12.69	11.34
Total	34.36	32.36

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Movement in lease liabilities

	As at December 31, 2024	As at December 31, 2023
Opening balance	32.36	28.82
Add: Additions during the year (Refer note 4)	13.77	13.71
Add: Interest expense on lease liabilities (Refer note 26)	3.30	2.98
Less: Repayment of lease liabilities	(15.07)	(13.15)
Closing balance	34.36	32.36

16 Trade payables

	As at December 31, 2024	As at December 31, 2023
Total outstanding dues of micro enterprises and small enterprises	347.31	473.09
	347.31	473.09
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related parties (Refer note 32)	652.40	772.06
(ii) Others	2,753.68	2,187.40
	3,406.08	2,959.46
Total	3,753.39	3,432.55

Aging of trade payables

	As at December 31, 2023						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	256.78	216.31	-	-	-	473.09
Others	834.38	948.54	1,084.05	29.10	16.35	46.46	2,958.88
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	834.38	1,205.32	1,300.36	29.10	16.35	47.04	3,432.55
	As at December 31, 2024						
	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	266.01	81.30	-	-	-	347.31
Others	1,324.39	1,286.41	711.92	16.84	9.51	56.43	3,405.50
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	1,324.39	1,552.42	793.22	16.84	9.51	57.01	3,753.39

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The information as required to be disclosed under MSMED Act has been determined to the extent such parties have been identified on the basis of information available with the Group.

	December 31, 2024	December 31, 2023
a) i) The principal amount remaining unpaid to any supplier as at the year end	346.53	471.77
ii) The interest due remaining unpaid to any supplier as at the year end thereon	0.35	0.54
b) The amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	3.89	7.15
c) The amount of payment made to the supplier beyond the appointed day during the year.	330.72	656.22
d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.43	0.78
e) The amount of interest accrued and remaining unpaid as at the year end	0.78	1.32
f) The amount of further interest 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 of a deductible expenditure under Section 23 of the MSMED Act, 2006	0.78	1.32

17 Other financial liabilities-current

	As at December 31, 2024	As at December 31, 2023
Security deposits	133.85	119.74
Unclaimed dividend	7.67	7.44
Payable for purchase of property, plant and equipment	188.78	257.46
Derivative liability	0.86	-
Dealer incentive schemes	447.43	387.49
Payable to employees	176.85	152.89
Total	955.44	925.02

18 (a) Provisions - Non-current

	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits (Refer note 31)	444.00	339.13
Provision for warranty [Refer note (ii) below]	125.82	97.87
Total	569.82	437.00

(b) Provisions - Current

	As at December 31, 2024	As at December 31, 2023
Provision for employee benefits [Refer note (i) below]	367.10	349.60
Provision for warranty [Refer note (ii) below]	51.49	47.96
Provision for litigations / contingencies [Refer note (iii) below]	139.93	139.93
Total	558.52	537.49

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Notes :

- (i) Includes provision for employee bonus and incentives. For details of gratuity, superannuation, compensated absences and long service award, refer note 31.
- (ii) The Group offers warranty for its products. Provision for warranty is computed as a percentage of sales based on the past trends observed. The time value of money is considered to be not material and hence the provisions are not discounted. It is expected that this expenditure will be incurred over the contractual warranty period.
- (iii) Provision is towards contingencies in respect of disputed claims against the Group, the quantum of outflow and timing of which is presently unascertainable.

Movement in provisions

	Provision for warranty	Provision for litigations / contingencies
As at January 1, 2023		
Balance at the beginning	127.72	139.93
Charged to the Statement of Profit and Loss		
Provision recognised (net of reversal)	76.16	-
Amounts used during the year	(58.05)	-
As at December 31, 2023	145.83	139.93

	Provision for warranty	Provision for litigations / contingencies
As at January 1, 2024		
Balance at the beginning	145.83	139.93
Charged to the Statement of Profit and Loss		
Provision recognised (net of reversal)	100.95	-
Amounts used during the year	(69.47)	-
As at December 31, 2024	177.31	139.93

19 Other current liabilities

	As at December 31, 2024	As at December 31, 2023
Statutory dues payable	203.34	207.67
Advances from customers*	2,454.38	2,050.85
Total	2,657.72	2,258.52

*Notes:

- i) During the year ended December 31, 2024, the Group have recognised INR 394.85 million (December 31, 2023: INR 667.26 million) as revenue from the Advances from customer outstanding as at the beginning of the year.
- ii) Advances from customers have increased in current year mainly on account of advance received during the year ended December 31, 2024 as per the contractual terms with the customers.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

20 Revenue from operations

	Year ended December 31, 2024	Year ended December 31, 2023
Revenue from contracts with customers		
Sale of products	24,835.65	22,067.08
Sale of services	364.91	249.91
	<u>25,200.56</u>	<u>22,316.99</u>
Other operating revenue		
Sale of scrap	57.43	59.97
Export incentives	72.87	95.42
	<u>130.30</u>	<u>155.39</u>
Revenue from operations	<u>25,330.86</u>	<u>22,472.38</u>

Notes:

(i) Disaggregated revenue information

The table below presents disaggregated revenue from contracts with customers for the year ended December 31, 2024 and December 31, 2023. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Geographical location of customer	Year ended December 31, 2024	Year ended December 31, 2023
Within India	21,700.34	19,317.91
Outside India	3,500.22	2,999.08
Revenue from contracts with customers	<u>25,200.56</u>	<u>22,316.99</u>
Segment	Year ended December 31, 2024	Year ended December 31, 2023
Pumps	20,972.33	18,838.22
Valves	4,228.23	3,478.77
Revenue from contracts with customers	<u>25,200.56</u>	<u>22,316.99</u>

(ii) Reconciliation of revenue recognized with contract price :

	Year ended December 31, 2024	Year ended December 31, 2023
Contract price	25,831.45	22,876.33
Adjustments for discounts, incentives, liquidated damages	(630.89)	(559.34)
Revenue from contracts with customers	<u>25,200.56</u>	<u>22,316.99</u>

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

21 Other income

	Year ended December 31, 2024	Year ended December 31, 2023
Interest income		
- Interest income from financial assets measured at amortised cost	172.24	126.89
- Others	67.23	36.38
Sundry credit balances and provisions no longer required, written back	-	3.45
Net gain on disposal of property, plant and equipment and intangible assets	6.32	2.21
Net gain on foreign currency transactions and translations	63.62	58.81
Fair value gain in derivative financial instruments -	-	2.72
Miscellaneous income	58.10	92.91
Total	367.51	323.37

22 Cost of materials consumed

	Year ended December 31, 2024	Year ended December 31, 2023
Opening stock of raw materials	2,670.49	1,671.97
Add: Purchases	11,647.87	11,687.49
Less: Closing stock of raw materials	2,284.32	2,670.49
	12,034.04	10,688.97

23 Purchases of stock-in-trade

	Year ended December 31, 2024	Year ended December 31, 2023
Purchases of stock-in-trade	2,567.34	1,907.05
Total	2,567.34	1,907.05

24 Change in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended December 31, 2024	Year ended December 31, 2023
Opening inventory		
- Finished goods	774.98	867.69
- Work-in-progress	2,719.16	2,797.47
- Stock-in-trade	184.83	192.89
	3,678.97	3,858.05
Less: Closing inventory		
- Finished goods	931.89	774.98
- Work-in-progress	2,949.68	2,719.16
- Stock-in-trade	177.34	184.83
	4,058.91	3,678.97
Net change in inventories	(379.94)	179.08

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

25 Employee benefit expense

	Year ended December 31, 2024	Year ended December 31, 2023
Salaries and wages	2,715.01	2,328.66
Contributions to provident and other funds	185.72	170.28
Staff welfare expenses	234.46	197.89
Total	3,135.19	2,696.83

26 Finance costs

	Year ended December 31, 2024	Year ended December 31, 2023
Interest and other finance charges	12.79	41.33
Interest expense on lease liabilities (Refer note 4)	3.30	2.98
Net interest expense on defined benefit obligations (Refer note 31)	11.08	8.59
Total	27.17	52.90

27 Depreciation and amortisation expenses

	Year ended December 31, 2024	Year ended December 31, 2023
Depreciation of property, plant and equipment (Refer note 3)	499.58	470.38
Depreciation of right-of-use assets (Refer note 4)	15.48	13.54
Amortisation of intangible assets (Refer note 5)	28.18	12.86
Total	543.24	496.78

28 Other expenses

	Year ended December 31, 2024	Year ended December 31, 2023
Processing and machining charges	987.07	1,069.39
Stores consumed	418.93	483.66
Tools consumed	54.26	40.42
Water, power and fuel	227.39	246.06
Sitework Charges	382.02	-
Rates and taxes	15.18	14.22
Insurance	39.60	37.88
Repairs and maintenance		
- Buildings	40.43	48.71
- Machinery	57.34	60.14
- Others	55.41	59.34
Travelling and conveyance	171.92	177.97
Packing and forwarding charges	508.06	497.33
(Net of recoveries-INR 39.48 million; December 31, 2023-INR 43.65 million)		
Royalty charges	379.50	326.50
Trademark Charges	28.23	12.92
Expenditure on Corporate Social Responsibility [Refer note (i) below]	46.20	40.02
Fair value losses in derivative financial instruments	1.40	-
Legal and professional fees	84.34	72.46
IT Services	231.79	190.60
Advertisements and catalogues	122.26	58.94
Miscellaneous expenses	747.56	628.19
Total	4,598.89	4,064.75

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(i) Expenditure on Corporate Social Responsibility

	December 31, 2024	December 31, 2023
Contribution to KSB Care Charitable Trust	46.20	39.03
Expenditure towards other CSR activities	-	-
Administrative overheads	1.32	0.99
Total	47.52	40.02
Gross amount required to be spent by the Group during the year	47.43	40.02
Total	47.43	40.02
Amount spent during the year on :	In cash	
	December 31, 2024	December 31, 2023
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	47.52	40.02
Total	47.52	40.02

Nature of CSR activities - Education, Skill development, Healthcare, Destitute care, Environment, Sanitation.

(ii) Payment to auditors (included in legal and professional fees)

	Year ended December 31, 2024	Year ended December 31, 2023
As auditor		
Audit fee (Including limited review)	3.10	3.50
In Other Capacities		
Fees for other services	0.80	0.80
Reimbursement of expenses	0.35	0.53
Total	4.25	4.83

29 Earnings per equity share

	As at December 31, 2024	As at December 31, 2023
Profit for the year attributable to the equity shareholders of the Company	2,474.75	2,087.33
Weighted average number of equity shares	17,40,39,220	17,40,39,220
Basic and Diluted Earnings per share (in ₹)	14.22	11.99

*The basic and diluted earnings per share is retrospectively adjusted for the share split in accordance with Ind AS 33 –Earnings per Share (Refer note 14).

30 Contingencies and commitments

a) Contingent liabilities

	As at December 31, 2024	As at December 31, 2023
Claims against the Group not acknowledged as debts	125.30	110.65
Income tax	549.13	549.40
Goods and Services Tax, Excise and Service tax	1,242.44	1,207.27
Others	5.19	4.90
Total	1,922.06	1,872.22

b) Capital commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹ 381.42 million (December 31, 2023: ₹ 405.66 million)

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

31 Employee benefit obligations

	As at December 31, 2024	As at December 31, 2023
Compensated absences (Refer note B)	343.12	297.58
Non-current	279.93	242.19
Current	63.19	55.39
Long service award (Refer note C)	35.07	36.19
Non-current	24.60	12.41
Current	10.47	23.78
Gratuity (Refer note D)	177.60	127.12
Non-current	129.40	72.20
Current	48.20	54.92
Superannuation (Refer note E)	20.07	22.33
Non-current	10.07	12.33
Current	10.00	10.00

A Defined contribution plan

Contributions are made to provident fund at a fixed percentage of employee's salary as per the regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards contribution to provident fund is ₹ 119.71 million (December 31, 2023 - ₹ 107.46 million).

B Compensated absences

The leave obligations cover the Group's liability for privilege leave and sick leave. The amount of provision made during the year is ₹ 86.98 million (December 31, 2023 - ₹ 32.61 million). The Group does not have an unconditional right to defer settlement for any of these obligations. However, based on the past experience, the Group does not expect payment of the entire amount of accrued leaves or availment of the entire number of accrued leaves by employees within twelve months and accordingly, amounts have been classified as current and non-current.

C Long service award

The Group award all the employees who complete 25 years of service in the Group and the Workmen employees who complete 20 or more years of service in the Group but unable to complete 25 years due to superannuation. The amount of provision made during the year is ₹ 5.83 million (December 31, 2023 - ₹ 9.22 million).

Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2024	As at December 31, 2023
Discount rate	6.95%	7.40%
Gold Inflation rate	8.00%	8.00%
Attrition rate	8.00%	7.00%

D Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days to one month's salary multiplied for the number of years of service. The gratuity plan is a funded plan.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(I) The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2023	940.17	(839.80)	100.37
Current service cost	59.91	-	59.91
Interest expense/(income)	68.58	(61.26)	7.32
Total amount recognised in Statement of Profit and Loss	128.49	(61.26)	67.23
Return on plan assets	-	-	-
(Gain)/loss from experience changes	(29.41)	-	(29.41)
(Gain)/loss from change in financial assumptions	(5.16)	-	(5.16)
(Gain)/loss from change in demographic assumptions	0.81	-	0.81
Total amount recognised in Other Comprehensive Income	(33.76)	-	(33.76)
Employer contributions	-	(6.72)	(6.72)
Benefits paid	(62.81)	62.81	-
December 31, 2023	972.09	(844.97)	127.12

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2024	972.09	(844.97)	127.12
Current service cost	63.52	-	63.52
Interest expense/(income)	72.09	(62.66)	9.43
Total amount recognised in Statement of Profit and Loss	135.61	(62.66)	72.95
Return on plan assets	-	19.52	19.52
(Gain)/loss from experience changes	(30.70)	-	(30.70)
(Gain)/loss from change in financial assumptions	50.22	-	50.22
(Gain)/loss from change in demographic assumptions	(6.60)	-	(6.60)
Total amount recognised in Other Comprehensive Income	12.92	19.52	32.44
Employer contributions	-	(54.91)	(54.91)
Benefits paid	(82.49)	82.49	-
December 31, 2024	1,038.13	(860.53)	177.60

(II) The net liability disclosed above relates to funded plans are as follows:

Particulars	As at December 31, 2024	As at December 31, 2023
Present value of funded obligation	1,038.13	972.09
Fair value of plan assets	(860.53)	(844.97)
Deficit	177.60	127.12

(III) Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2024	As at December 31, 2023
Discount rate	6.95%	7.40%
Salary growth rate	8.00%	7.50%
Attrition rate	8.00%	7.00%

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(IV) Sensitivity of actuarial assumptions

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation [Increase / (Decrease)]	
	As at December 31, 2024	As at December 31, 2023
Discount rate		
1 % increase	(45.60)	(46.77)
1 % decrease	50.48	51.78
Salary growth rate		
1 % increase	52.77	54.44
1 % decrease	(49.88)	(51.24)
Attrition rate		
1 % increase	(4.01)	(2.01)
1 % decrease	5.59	2.67

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Projected benefits payable from the fund in future years from the date of reporting:

	As at December 31, 2024	As at December 31, 2023
Upto 1 year	206.83	164.14
Between 2 to 5 years	506.06	445.58
Between 6 to 10 years	435.53	483.11
More than 10 years	375.28	425.56
Total	<u>1,523.70</u>	<u>1,518.39</u>

The weighted average duration of the defined benefit obligation is 5 years. (December 31, 2023: 5 years)

(V) The major categories of plan assets are as follows:

Particulars	As at December 31, 2024	As at December 31, 2023
Funds managed by insurer	100%	100%

The Group expects to contribute INR 48.20 million towards plan assets in the next 12 months.

E Superannuation

The Group provides for superannuation for employees qualifying specified eligibility criteria. The amount of superannuation payable on retirement/termination is computed on the basis of employee's category and number of years of service. The superannuation plan is a funded plan.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(I) The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2023	28.72	(11.26)	17.46
Current service cost	1.57	-	1.57
Interest expense/(income)	2.09	(0.82)	1.27
Total amount recognised in Statement of Profit and Loss	3.66	(0.82)	2.84
Return on plan assets	-	2.46	2.46
(Gain)/loss from experience changes	(1.50)	-	(1.50)
(Gain)/loss from change in financial assumptions	(0.12)	-	(0.12)
(Gain)/loss from change in demographic assumptions	1.19	-	1.19
Total amount recognised in Other Comprehensive Income	(0.43)	2.46	2.03
Employer contributions	-	-	-
Benefits paid	(3.63)	3.63	-
December 31, 2023	28.32	(5.99)	22.33

Particulars	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2024	28.32	(5.99)	22.33
Current service cost	1.80	-	1.80
Interest expense/(income)	2.10	(0.45)	1.65
Total amount recognised in Statement of Profit and Loss	3.90	(0.45)	3.45
Return on plan assets	-	-	-
(Gain)/loss from experience changes	3.46	-	3.46
(Gain)/loss from change in financial assumptions	0.60	-	0.60
(Gain)/loss from change in demographic assumptions	0.23	-	0.23
Total amount recognised in Other Comprehensive Income	4.29	-	4.29
Employer contributions	-	(10.00)	(10.00)
Benefits paid	(4.63)	4.63	-
December 31, 2024	31.88	(11.81)	20.07

(II) The net liability disclosed above relates to funded plans are as follows:

Particulars	As at December 31, 2024	As at December 31, 2023
Present value of funded obligation	31.88	28.32
Fair value of plan assets	(11.81)	(5.99)
Deficit	20.07	22.33

(III) Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2024	As at December 31, 2023
Discount rate	6.95%	7.40%
Attrition rate	8.00%	7.00%

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(IV) Sensitivity of actuarial assumptions

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation [Increase / (Decrease)]	
	As at December 31, 2024	As at December 31, 2023
Discount rate		
1 % increase	(1.26)	(1.08)
1 % decrease	1.37	1.17
Attrition rate		
1 % increase	0.19	0.21
1 % decrease	(0.26)	(0.27)

The above sensitivity analysis have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method is used to calculate the liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Projected benefits payable from the fund in future years from the date of reporting:

	As at December 31, 2024	As at December 31, 2023
Upto 1 year	8.75	11.08
Between 2 to 5 years	18.27	11.33
Between 6 to 10 years	11.34	12.22
More than 10 years	6.02	5.34
Total	44.38	39.97

The weighted average duration of the defined benefit obligation is 4 years. (December 31, 2023: 4 years)

(V) The major categories of plan assets are as follows:

Particulars	As at December 31, 2024	As at December 31, 2023
Funds managed by insurer	100%	100%

The Group expects to contribute INR 10 million towards plan assets in the next 12 months.

Risk exposure for the above plans

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

(i) Asset-liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes asset - liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk averse markets).

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(ii) Asset volatility

All plan assets are maintained in a trust fund managed by a public sector insurer i.e., LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Group has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Group has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured.

(iii) Discount rate risk

The present value of the defined benefit obligation is calculated using discount rate based on Government bonds. The decrease in the bond yield will increase the defined benefit obligation, however the same will be partially offset by an increase in value of plan assets.

(iv) Future salary escalation risk

The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the defined benefit obligation.

32 Disclosure pursuant to Ind AS 24 'Related party transactions':

A Name of the related parties and nature of relationship

a.	Ultimate Parent Entity / Ultimate Controlling Party KSB Stiftung and Kuborth Stiftungs GmbH
b.	Parent Entities Canadian Kay Pump Ltd. (Direct parent) KSB SE & Co. KGaA (previously KSB AG) (next most senior parent that produces Consolidated Financials for public use)
c.	Associate KSB MIL Controls Limited
d.	Other Related Parties with whom transactions have taken place during the year: Fellow Subsidiaries: <ol style="list-style-type: none"> 1 KSB S.A.S France 2 KSB Inc., USA 3 KSB Pumps and Valves Pty Ltd South Africa 4 KSB Australia Pty Limited 5 KSB Chile S.A. 6 KSB Limited, Hongkong 7 KSB Pumps Co.Ltd., Thailand 8 P.T. KSB., Indonesia 9 KSB Taiwan Co. Ltd. 10 KSB Korea Limited 11 KSB de Mexico S.A. de C.V. 12 REEL s.r.l. 13 KSB Manufacturing B.V. (Earlier know as DP Industries B.V., Netherland) 14 KSB Pumps Arabia Ltd. 15 KSB Italia S.p.A., Italy 16 KSB Panama S.A.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 A Name of the related parties and nature of relationship (continued):

17	KSB Shanghai Pump Co. Ltd., China
18	KSB Finland Oy
19	KSB ITUR SPAIN SA
20	KSB Tech Pvt. Ltd., India
21	GIW Industries Inc., USA
22	KSB Middle East FZE, Dubai
23	KSB Service LLC, UAE
24	KSB Polska Sp. z o.o., Poland
25	KSB Singapore (Asia Pacific) PTE Ltd.
26	KSB Malaysia Pumps & Valves Sdn. Bhd.
27	KSB Service Egypt LLC
28	KSB Sverige AB
29	KSB Service GmbH, Germany
30	KSB New Zealand Limited
31	Shanghai Electric-KSB Nuclear
32	KSB Vietnam Company Ltd.
33	KSB Philippines
34	KSB Colombia SAS
35	KSB-Pompa, Armatür Sanayi
36	KSB Pumps and valves L.t.d.
37	PT. KSB Sales Indonesia
38	KSB Zambia Limited
39	KSB Pumps and Valves Limited, Kenya
40	KSB Peru S.A.
41	GIW Industries, Inc.
42	KSB Pumps and Valves Ltd.
43	KSB Cerpadla a
44	KSB Argentina S.A.
45	KSB Pumps Company Ltd.
46	KSB Pumps Inc.
47	KSB Valves (Changzhou) Co.,Ltd.
48	KSB Industries BV
49	SISTO Armaturen S.A.
50	KSB BRASIL LTDA.
51	KSB Ltd. Japan
52	OOO KSB Russia
53	KSB Pompes Et Robinetteries S.A.R.L
54	Pumpen-Service Bentz GmbH
55	KSB Belgium S.A.
56	KSB (Schweiz) AG
57	KSB-PUMPY+ARMATURY s.r.o., koncern
58	KSB Algérie Eurl

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 A Name of the related parties and nature of relationship (continued):

	59	KSB Pumpy Armatury s.r.o.,koncern
	60	KSB Pompa Armatur Sanayi ve Ticaret AS Turkey
	61	Dalian KSB AMRI Valves Co.Ltd
	62	KSB Bombas e Valvulas,SA
	63	Kagama Industrieausrestungen GmbH
e.		Key Management Personnel:
	1	Mr. Rajeev Jain (Managing Director)
	2	Mr. Gaurav Swarup
	3	Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)
	4	Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)
	5	Dr. Stephan Bross
	6	Mr. V. K. Vishwanathan
	7	Dr. Matthias Schmitz
	8	Ms. Sharmila Roychowdhury
	9	Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)
	10	Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)
f.		Individuals having significant influence over the enterprise
	1	Mr. Gaurav Swarup
g.		Relatives of individuals having significant influence over the enterprise
	1	Mrs. Gyan M Swarup
	2	Vikram Swarup Family Trust
	3	Mr. Vikram Swarup
	4	Mrs. Bindu Swarup
	5	Mrs. Parul Swarup
h.		Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence
	1	The Industrial & Prudential Investment Co. Ltd.
	2	Paharpur Cooling Towers Ltd.
	3	KSB Care Charitable Trust
	4	TKIL Industries Private Limited (Formerly known as Thyssenkrupp Industries India Private Limited) (w.e.f. 8th May 24)
i.		Post employment benefit Trusts
	1	KSB Pumps Employee's Gratuity Trust
	2	Grade-O-Castings Employee's Gratuity Trust
	3	KSB Pumps (Core Employee's) Superannuation Trust

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 B. Transactions with related parties:

Nature of transactions	Parent Entities	Associate Company	Fellow Subsidiaries	Key Management Personnel	Individuals having significant influence over the reporting enterprise	Relatives of individuals having significant influence over the enterprise	Enterprises over which individuals having significant influence exercise significant influence	Post employment benefit Trusts	Total
Purchase of goods	525.93 (753.75)	107.41 (111.85)	208.13 (253.74)	- (-)	- (-)	- (-)	- (-)	- (-)	841.47 (1,119.34)
Purchase of Property, plant and equipment	(0.16)	(1.58)	-	-	-	-	-	-	-
Sale of goods	286.96 (386.59)	15.06 (6.25)	1,845.83 (1,733.97)	- (-)	- (-)	- (-)	(0.53) 171.26 (17.18)	- (-)	(2.27) 2,319.11 (2,143.99)
Sale of services	3.04 (2.90)	5.10 (-)	23.27 (14.40)	- (-)	- (-)	- (-)	- (-)	- (-)	31.41 (17.30)
Site expenses	-	-	9.57	-	-	-	-	-	9.57
Commission income	(-)	(-)	(2.95)	-	-	-	-	-	(2.95)
Commission expenses	2.53 (18.16)	- (-)	8.96 (1.65)	- (-)	- (-)	- (-)	- (-)	- (-)	11.49 (19.81)
Dividend income	-	-	12.02 (1.07)	-	-	-	-	-	12.02 (1.07)
Liquidated damages	-	47.41 (39.32)	-	-	-	-	-	-	47.41 (39.32)
Liquidated damages income	-	-	1.35	-	-	-	(0.32)	-	1.35 (0.32)
Charges for technical / professional services	(6.80)	-	-	-	-	-	-	-	(6.80)
Royalty charges	214.89 (192.60)	- (-)	7.71 (7.36)	- (-)	- (-)	- (-)	- (-)	- (-)	222.60 (199.96)
Trademark fees	370.21 (311.07)	-	9.29 (13.20)	-	-	-	-	-	379.50 (324.27)
Warranty charges	28.23 (12.92)	-	-	-	-	-	-	-	28.23 (12.92)
Recovery of expenses	1.79 (0.81)	-	1.83 (4.51)	-	-	-	-	-	3.62 (5.32)
Reimbursement of expenses	7.70 (16.38)	5.37 (13.83)	4.85 (2.44)	-	-	-	0.01	-	17.93 (32.65)
	3.73 (0.76)	0.03	3.76 (2.08)	-	-	-	-	-	7.52 (2.84)

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 B. Transactions with related parties (Contd.):

Nature of transactions	Parent Entities	Associate Company	Fellow Subsidiaries	Key Management Personnel	Individuals having significant influence over the reporting enterprise	Relatives of individuals having significant influence over the enterprise	Enterprises over which individuals having significant influence exercise enterprise significant influence	Post employment benefit Trusts	Total
LD Charges written back	-	-	-	-	-	-	0.54	-	0.54
Remuneration	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Sitting fees paid	-	-	-	61.84	-	-	-	-	61.84
	(-)	(-)	(-)	(56.50)	(-)	(-)	(-)	(-)	(56.50)
	-	-	-	1.74	0.40	-	-	-	2.14
	-	-	-	(1.80)	(0.38)	-	-	-	(2.18)
Dividend paid	246.94	-	-	0.09	0.60	2.09	175.53	-	425.25
	(211.66)	(-)	(-)	(0.08)	(0.51)	(1.79)	(134.25)	(-)	(348.29)
Commission to Directors	-	-	-	10.80	3.60	-	-	-	14.40
	-	-	-	(9.60)	(3.19)	-	-	-	(12.79)
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	46.20	-	46.20
Contribution to post employment benefits	-	-	-	-	-	-	(39.03)	-	(39.03)
Outstanding balances arising from sales/purchases of goods and services	(-)	(-)	(-)	-	(-)	(-)	(-)	64.92	64.92
Trade receivables (Refer note 7)	81.11	18.52	607.75	-	-	-	88.01	-	795.39
	(80.37)	-	(481.47)	-	-	-	(7.72)	-	(569.56)
Trade payables (Refer note 16)	551.73	6.55	94.12	-	-	-	-	-	652.40
	(651.18)	(8.33)	(112.55)	(-)	(-)	(-)	(-)	(-)	(772.06)
Advances from related parties (Refer note 19)	45.79	-	68.64	-	-	-	-	0.75	115.18
	(41.81)	(-)	(39.29)	(-)	(-)	(-)	(4.00)	(-)	(85.10)
Advances to related parties (Refer note 12)	4.44	-	-	-	-	-	-	-	4.44
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-

Notes :

1. Previous year's figures are shown in brackets.
2. The Group enters into a variety of transactions with the related parties on arm's length basis. Terms and conditions for outstanding balances
3. All outstanding balances are unsecured and payable in cash.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 C. Transactions with related parties:

I Key management personnel compensation

	Year ended December 31, 2024	Year ended December 31, 2023
Short term employee benefits	55.46	52.47
Post-employment benefits	6.38	4.03
Total	61.84	56.50

II Material transactions with related parties

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2024	Year ended December 31, 2023
1	Purchase of goods	KSB SE & Co. KGaA KSB MIL Controls Limited KSB BV	525.93 107.41 85.89	753.75 111.85 97.89
2	Purchase of Property, plant and equipment	KSB MIL Controls Limited Paharpur Cooling Towers Limited	- -	1.58 0.53
3	Sale of goods	KSB SE & Co. KGaA KSB Middle East FZE, Dubai	286.96 482.09	386.59 326.33
4	Sale of services	KSB SE & Co. KGaA KSB Tech Private Limited KSB MIL Controls Limited	3.04 20.51 5.10	2.90 14.40 -
5	Site expenses	KSB Pumps and Valves Pty Ltd South Africa PT KSB INDONESIA KSB Brasil LTDA. KSB Algérie Eurl KSB Malaysia Pumps & Valves Sdn. Bhd.	1.62 1.08 6.62 - 0.18	- - - 0.61 1.94
6	Commission income	KSB SE & Co. KGaA KSB S.A.S, France KSB Shanghai Pump Co. Ltd., China KSB Sverige AB	2.53 3.92 2.36 1.22	18.16 1.65 - -
7	Commission expenses	KSB Polska Sp. z o.o. [PL] KSB Italia S.p.A. KSB Pompa Armatur Sanayi ve Ticaret	6.13 5.65 -	- - 0.99
8	Trademark fees	KSB SE & Co. KGaA	28.23	12.92

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 C. Transactions with related parties:

II Material transactions with related parties (continued)

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2024	Year ended December 31, 2023
9	Dividend income	KSB MIL Controls Limited	47.41	39.32
10	Liquidated damages	Paharpur Cooling Towers Limited	-	0.32
		KSB Shanghai Pump Co. Ltd., China	0.99	-
		KSB Valves (Changzhou) Co.,Ltd.	0.36	-
11	Liquidated damages income	KSB SE & Co. KGaA	-	6.80
12	Charges for technical / professional services	KSB SE & Co. KGaA	214.89	192.60
13	Royalty charges	KSB SE & Co. KGaA	370.21	311.07
14	Warranty charges	KSB SE & Co. KGaA	1.79	0.81
		KSB Vietnam Company Ltd.	-	1.80
		KSB Pumps Co. Ltd, Thailand	0.07	1.37
		KSB Pumps and Valves Pty Ltd South Africa	0.64	0.72
		KSB Singapore (Asia Pacific) PTE Ltd.	0.72	0.04
15	Recovery of expenses	KSB MIL Controls Limited	5.37	13.83
		KSB SE & Co. KGaA	7.70	16.38
		KSB Tech Pvt. Ltd., India	2.57	-
		KSB S.A.S France	1.97	-
16	Reimbursement of expenses	KSB SE & Co. KGaA	3.73	0.76
		KSB Valves (Changzhou) Co.,Ltd.	0.60	0.71
		KSB Service GmbH, Germany	0.87	1.14
		KSB Tech Pvt. Ltd., India	1.29	-
17	Expenses write off	TKIL Industries Private Limited(w.e.f. 8th May 24)	0.03	-
18	LD Charges written back	TKIL Industries Private Limited(w.e.f. 8th May 24)	0.54	-
19	Remuneration	Mr. Rajeev Jain	61.84	56.50

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

32 C. Transactions with related parties:

II Material transactions with related parties (continued)

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2024	Year ended December 31, 2023
20	Sitting fees paid	Mr. Gaurav Swarup	0.40	0.38
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	0.30	0.38
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	0.29	0.37
		Mr. V. K. Vishwanathan	0.31	0.28
		Dr. Matthias Schmitz	0.33	0.33
		Ms. Sharmila Roychowdhury	0.30	0.28
		Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)	0.07	-
		Dr. Stephan Bross	0.16	0.16
21	Dividend paid	Canadian Kay Pump Ltd.	246.94	211.66
		The Industrial & Prudential Investment Co. Ltd.	131.25	112.50
22	Commission to Directors	Mr. Gaurav Swarup	3.60	3.19
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	1.80	1.60
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	1.80	1.60
		Dr. Stephan Bross	1.80	1.60
		Mr. V. K. Vishwanathan	1.80	1.60
		Dr. Matthias Schmitz	1.80	1.60
		Ms. Sharmila Roychowdhury	1.80	1.60
23	Expenditure on Corporate Social Responsibility	KSB Care Charitable Trust	46.20	39.03
24	Contribution to post employment benefits	KSB Pumps Employee's Gratuity Trust	54.81	6.72
		KSB Pumps (Core Employee's) Superannuation Trust	10.00	-

Note:

1. "Material transactions with related parties" denote entities accounting for 10% or more of the aggregate for that category of balance during respective period.

33 Segment reporting

(A) Description of segments and principal activities

- 1 Pumps segment includes manufacturing / trading of all types of pumps like industrial pumps, submersible pumps, effluent treatment pumps, etc. and spares and services in respect thereof.
- 2 Valves segment consists basically manufacturing and trading of industrial valves and spares and services in respect thereof.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

33 Segment reporting

	Year ended December 31, 2024			Year ended December 31, 2023		
	Pumps	Valves	Total	Pumps	Valves	Total
(B) Segment revenue						
Total segment revenue	21,080.80	4,287.81	25,368.61	18,968.66	3,535.87	22,504.53
Inter segment revenue	-	(37.75)	(37.75)	-	(32.15)	(32.15)
Revenue from external customers	21,080.80	4,250.06	25,330.86	18,968.66	3,503.72	22,472.38
(C) Segment profit	2,312.72	647.47	2,960.19	2,147.56	451.51	2,599.07
Share of net profit of associate accounted for using the equity method			134.06			94.10
Unallocated corporate income / (expenses)			(0.05)			(0.06)
Finance cost			(27.17)			(52.90)
Interest income and Dividend Income			239.47			163.28
Profit before tax			3,306.50			2,803.49
Tax expense			(831.75)			(716.16)
Profit for the year			2,474.75			2,087.33
(D) Segment assets	17,446.29	1,714.22	19,160.51	15,342.66	1,525.23	16,867.89
Investment in associate			878.28			795.36
Unallocated corporate assets			3,441.49			2,994.18
Total assets			23,480.28			20,657.43
(E) Segment liabilities	7,661.80	859.67	8,521.47	6,664.74	950.70	7,615.44
Unallocated corporate liabilities			105.31			22.90
Total liabilities			8,626.78			7,638.34
(F) Cost incurred during the period to acquire segment property, plant and equipment	861.59	75.25	936.84	945.77	69.54	1,015.31
(G) Depreciation and amortisation	496.15	47.09	543.24	453.16	43.62	496.78
(H) Geographical Segments						
	Year ended December 31, 2024			Year ended December 31, 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment revenue by geographical area based on geographical location of customers	21,830.64	3,500.22	25,330.86	19,473.30	2,999.08	22,472.38

(I) The total of non-current assets other than financial instruments, investments and deferred tax assets broken down by location of the assets is as under:

	As at December 31, 2024	As at December 31, 2023
India	5,386.14	5,040.64
Other countries	1.41	1.55
Total	5,387.55	5,042.19

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

34 Interests in other entities

(a) Subsidiary

Name of the entity	Place of business/Country of incorporation	Ownership interest held by the Group		Principal activities
		As at December 31, 2024	As at December 31, 2023	
Pofran Sales and Agency Limited	India	100%	100%	Commission agency

(b) Interest in associate

Name of the entity	Place of business	Percentage of ownership interest held by Group	Accounting method	Principal activities
KSB MIL Controls Limited	India	49%	Equity method	Manufacturing of control valves and accessories

KSB MIL Controls Limited is an unlisted entity and no quoted price is available.

(c) Summarized financial information for associate

The summarized financial information for associate disclosed below, reflects the amounts presented in the financial statements of the relevant associate and not Group's share of those amounts.

(i) Summarized balance sheet

KSB MIL Controls Limited

	As at December 31, 2024	As at December 31, 2023
Total current assets	1,890.31	1,902.41
Total non-current assets	586.15	499.04
Total current liabilities	703.82	807.41
Total non-current liabilities	30.30	20.90
Net assets	1,742.34	1,573.14

(ii) Reconciliation of carrying amounts

KSB MIL Controls Limited

	As at December 31, 2024	As at December 31, 2023
Opening net assets	1,573.14	1,463.45
Profit for the year	273.55	192.04
Other comprehensive income	(7.60)	(2.10)
Dividends paid	(96.75)	(80.25)
Closing net assets	1,742.34	1,573.14
Group's share in %	49%	49%
Group's share in INR	853.76	770.84
Goodwill	24.52	24.52
Carrying amount	878.28	795.36

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(iii) Summarized Statement of Profit and Loss

	KSB MIL Controls Limited	
	Year ended December 31, 2024	Year ended December 31, 2023
Revenue	2,865.20	2,420.00
Profit for the period	273.55	192.04
Other comprehensive income	(7.60)	(2.10)
Total comprehensive income	265.95	189.94
Dividends received	-	-

(d) Commitments and contingent liabilities in respect of associates

	As at December 31, 2024	As at December 31, 2023
Share of contingent liabilities incurred jointly with other investors of the associate		
Excise and Service tax matters	-	-
Goods and Service Tax related matters	1.52	1.52
Income tax matters	1.08	1.08
Commitments of associate		
Commitment to provide funding for associate's capital commitments, if called	0.64	6.03
Total	3.24	8.63

35 Additional information required by Schedule III

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ Million)	As % of consolidated profit or loss	Amount (₹ Million)
Parent				
KSB Limited				
December 31, 2024	94.08%	13,973.58	94.58%	2,340.74
December 31, 2023	93.88%	12,222.04	95.49%	1,993.29
Subsidiary - Indian				
Pofran Sales and Agency Limited				
December 31, 2024	0.01%	1.64	0.00%	(0.05)
December 31, 2023	0.01%	1.69	0.00%	(0.06)
"Associate - Indian (Investment as per equity method)"				
KSB MIL Controls Limited				
December 31, 2024	5.91%	878.28	5.42%	134.06
December 31, 2023	6.10%	795.36	4.51%	94.10
Total - December 31, 2024	100%	14,853.50	100%	2,474.75
Total - December 31, 2023	100%	13,019.09	100%	2,087.33

All eliminations and adjustments are netted off against balances of the Parent Company for disclosure purpose.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

Particulars	Share in other comprehensive income total liabilities		Share in total comprehensive income	
	As % of consolidated other comprehensive income	Amount (₹ Million)	As % of total comprehensive income	Amount (₹ Million)
Parent				
KSB Limited				
December 31, 2024	88.08%	(27.48)	94.67%	2,313.26
December 31, 2023	104.53%	23.75	95.59%	2,017.04
Subsidiary - Indian				
Pofran Sales and Agency Limited				
December 31, 2024	0.00%	-	0.00%	(0.05)
December 31, 2023	0.00%	-	0.00%	(0.06)
"Associate - Indian (Investment as per equity method)"				
KSB MIL Controls Limited				
December 31, 2024	11.92%	(3.72)	5.33%	130.34
December 31, 2023	-4.53%	(1.03)	4.41%	93.07
Total - December 31, 2024	100%	(31.20)	100%	2,443.55
Total - December 31, 2023	100%	22.72	100%	2,110.05

All eliminations and adjustments are netted off against balances of the Parent Company for disclosure purpose.

36 Fair value measurements

Except derivative instruments, all financial assets and financial liabilities are measured at amortised cost. Derivative instruments are classified as fair value through profit or loss. The fair value is determined using forward exchange rates at the balance sheet date. The instruments fall under level 2 of the fair value hierarchy as per Ind AS 113 Fair Value Measurements. Level 2 fair value financial instruments are those which are not traded in an active market, which maximise the use of observable market data and rely as little as possible on entity specific estimates. Significant inputs required to measure a level 2 fair value are observable. The fair value of all the instruments measured at amortised cost is not significantly different from the carrying value of such instruments.

37 Financial risk management

The Group's activities exposes it to credit risk, liquidity risk and market risk. In order to minimise any adverse effects on the financial performance of the Group, derivative financial instruments, such as foreign exchange forward contracts are taken. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

The Group's risk management is carried out by the Group's treasury department under policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, loans given to employees, security deposits are subject to low credit risk and the risk of default is negligible or nil. The Group

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

has recognized provision based on assumptions about risk of default, expected loss rates based on payment profile and historic credit losses experienced.

I Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly. The Group has recognized the provision based on assumptions about risk of default, expected loss rates based on payment profile and historic credit losses experienced.

Expected credit loss for trade receivables under simplified approach

Trade receivables	Weighted average loss rate	Year ended December 31, 2023			Credit impaired
		Gross	Allowance	Net	
Outstanding for following periods from the due date	0%	1,812.36	-	1,812.36	No
Not due					
Less than 6 months	0%	2,885.50	(1.81)	2,883.69	No
6 months - 1 year	4%	131.20	(4.69)	126.51	No
1-2 years	46%	120.64	(56.09)	64.55	No
2-3 years	58%	44.01	(25.33)	18.68	No
More than 3 years	55%	118.53	(64.79)	53.74	No
Total		5,112.24	(152.71)	4,959.53	

Trade receivables	Weighted average loss rate	Year ended December 31, 2024			Credit impaired
		Gross	Allowance	Net	
Outstanding for following periods from the due date	0%	1,613.36	-	1,613.36	No
Not due					
Less than 6 months	0%	4,128.81	(1.10)	4,127.71	No
6 months - 1 year	0%	425.27	(1.00)	424.27	No
1-2 years	23%	358.85	(83.47)	275.38	No
2-3 years	60%	75.53	(45.03)	30.50	No
More than 3 years	64%	140.55	(89.90)	50.65	No
Total		6,742.37	(220.50)	6,521.87	

Movement of provision for loss allowance :

	Provision for Loss allowance
Provision as at January 1, 2023	209.00
Change during the year	(56.29)
Provision as at December 31, 2023	152.71
Change during the year	67.79
Provision as at December 31, 2024	220.50

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

II Other financial assets

The Group's exposure to investments, loans, security deposits and other financial assets are considered to be low risk.

The loss allowance as at year end reconciles to the opening loss allowance as follows:

Movement of provision for loss allowance :

	Provision for Loss allowance
Provision as at January 1, 2023	5.30
Change during the year	-
Provision as at December 31, 2023	5.30
Change during the year	-
Provision as at December 31, 2024	5.30

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying business, the Group's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

Maturity profile of financial liabilities based on undiscounted cash flows:

	December 31, 2024		December 31, 2023	
	Upto 1 year	Above 1 year	Upto 1 year	Above 1 year
Trade payables	3,753.39	-	3,432.55	-
Lease liabilities	13.89	26.86	12.42	26.73
Other financial liabilities	955.44	-	925.02	-

(C) Market risk

I) Foreign currency risk

The Group is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the EUR and USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The Group uses foreign exchange forward contracts to hedge its exposure in foreign currency risk.

i) Foreign currency risk exposure

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR million, are as follows :-

	December 31, 2024						December 31, 2023				
	EUR	USD	AUD	SGD	GBP	BDT	EUR	USD	AUD	GBP	BDT
Financial assets											
Trade receivables	217.37	895.08	-	-	0.24	0.25	153.94	653.68	-	-	0.20
Balances with banks											
- In current accounts	-	-	-	-	-	2.17	-	-	-	-	0.76
- In EEFC accounts	107.25	205.84	-	-	-	-	54.31	228.97	-	-	-
Derivative assets - Foreign exchange forward contracts (Sell Foreign Currency)	(61.44)	(101.37)	-	-	-	-	-	(37.49)	-	-	-
Net exposure to foreign currency risk (assets)	263.18	999.55	-	-	0.24	2.42	208.25	845.16	-	-	0.96
Financial liabilities											
Trade payables	250.94	112.29	0.11	0.06	0.99	0.59	351.94	110.11	0.11	1.10	1.36
Derivative liabilities - Foreign exchange forward contracts (Buy Foreign Currency)	-	-	-	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	250.94	112.29	0.11	0.06	0.99	0.59	351.94	110.11	0.11	1.10	1.36

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments:

	Impact on profit before tax	
	December 31, 2024	December 31, 2023
EUR sensitivity		
INR/EUR - Increase by 5% (December 31, 2023-5%)*	0.61	(7.18)
INR/EUR - Decrease by 5% (December 31, 2023-5%)*	(0.61)	7.18
USD sensitivity		
INR/USD - Increase by 5% (December 31, 2023-5%)*	44.36	36.75
INR/USD - Decrease by 5% (December 31, 2023-5%)*	(44.36)	(36.75)

* Holding all other variables constant

II) Interest rate risk

The Group's main interest rate risk arises from short term borrowings and deposits taken / placed over a period of time on frequent basis thereby exposing the Group to interest rate risk. The Group's policy is to have fixed interest rate at the time of deal execution.

38 Capital management

a) Risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

shareholders value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions. The Group is debt-free and has net cash and bank balance as at years ended December 31, 2024 and December 31, 2023.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2024 and December 31, 2023.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	Year ended December 31, 2024	Year ended December 31, 2023
Cash and bank balance		
Cash and cash equivalents [Refer note 8 (a)]	959.01	1,195.28
Other bank balance [Refer note 8 (b)]	2,268.00	1,542.96
Borrowings		
Current borrowings	-	-
Net cash and bank balance	3,227.01	2,738.24

The amount of net cash and bank balance considering the amount of lease liability of ₹ 34.36 million (December 31, 2023: ₹ 32.36 million) is ₹ 3,192.65 million (December 31, 2023: INR 2,705.88 million)

Net debt reconciliation - Current borrowings

	Year ended December 31, 2024	Year ended December 31, 2023
Net debt at the beginning of the year	-	-
Net cashflows [Inflow/(Outflow)]	-	-
Interest on borrowings	6.97	27.31
Interest paid on borrowings	(6.97)	(27.31)
Net debt at the end of the year	-	-

b) Dividends

	December 31, 2024	December 31, 2023
(i) Equity shares		
Final dividend paid for the year ended December 31, 2023 of ₹ 3.50* (December 31, 2022 of ₹ 3.00*) per fully paid share	609.14	522.12
(ii) Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a final dividend of ₹ 4.00 per fully paid equity share (December 31, 2023 - ₹ 3.50*). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	696.16	609.14

*Dividend per equity share disclosed in above note represents dividends declared previously, retrospectively adjusted for the share split (Refer note 14).

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

- 39 With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014 as per which backup of books of accounts and other books and papers maintained in electronic mode is required to be kept on servers physically located in India on a daily basis.

The Company and its associate have a process in place to take backup on a daily basis. During the year ended December 31, 2024, the Company has taken the backup of its ERP system used for maintaining books of accounts. However, due to a technical issue, daily backup of certain working files and papers maintained in electronic mode has not been maintained on certain occasions on servers physically located in India.

During the year ended December 31, 2024, the associate has taken the backup of its ERP system and the file server used for maintaining books of accounts except that the backup was not taken on Sundays till February 16, 2024. However, due to a technical issue, daily backup for certain books and other records could not be taken from October 7, 2024 to October 9, 2024 on servers physically located in India.

- 40 The Company and its associate have complied with the requirements of The Companies (Accounts) Rules, 2014 with respect to the usage of accounting software with a feature of recording audit trail as follows:

In case of the Company-

- a) Feature of recording audit trail (edit log) facility has operated throughout the year for all transactions in respect of the core accounting software which the company has used for maintaining its books of accounts, except that due to certain inherent and technical challenges, audit trail is not maintained for certain records and changes made.
- b) Further, for the purpose of payroll processing, the Company uses software of third-party service provider. Due to certain inherent and other technical challenges, the audit trail feature was not enabled at the database level to log any direct data changes.

In case of associate company-

- a) Feature of recording audit trail (edit log) facility has operated throughout the year for all transactions in respect of the core accounting software which the associate has used for maintaining its books of accounts, except that these logs did not capture the nature of changes and before/after value of the changes up to December 11, 2024 inherently. From December 12, 2024, due to certain inherent and technical challenges, audit trail is not maintained for certain records and changes made.
- b) Further, for the purpose of payroll processing, the Company uses software of third-party service provider. Due to certain inherent and other technical challenges, the audit trail feature was not enabled at the database level to log any direct data changes.
- c) The spreadsheets used by the Company does not have an audit trail (edit log) feature.

41 Additional regulatory information

- (a) Details of benami property held

No proceedings have been initiated on or are pending against the Group under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

- (b) Borrowing secured against current assets

The Group has placed fixed deposits of INR 500.96 million (December 31, 2023: INR 988.44 million) under lien with banks and has availed the overdraft facilities against the same. Thus, the Group is not required to file quarterly returns or statement of current assets with the banks.

- (c) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes forming part of the Consolidated financial statements (Contd.)

(All amounts in ₹ million, unless otherwise stated)

(d) Relationship with struck off companies

Below are the details of transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

Sr	Name of the struck off Company	Nature of transactions	Balance outstanding as at December 31, 2023	Relationship
1	Soares Engineers Private Limited	Payables	0.27	Non related party
2	Hi-Tech Engineering Corporation	Payables	3.27	Non related party
3	Airmech Engineers Private Limited	Payables	-*	Non related party

Sr	Name of the struck off Company	Nature of transactions	Balance outstanding as at December 31, 2024	Relationship
1	Soares Engineers Private Limited	Payables	0.14	Non related party
2	Resurgent Power Systems Private Limited	Payables	0.69	Non related party

* amount below rounding off norms of the Group

(e) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(f) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact in the year ended December 31, 2024 and December 31, 2023.

(g) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entity (Intermediary) with the understanding 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 Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any funds from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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

(h) Undisclosed income

There is no income surrendered or disclosed as income during the year ended December 31, 2024 and December 31, 2023 in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

I. Details of cryptocurrency or virtual currency

The Group has not traded or invested in cryptocurrency or virtual currency during the year ended December 31, 2024 and December 31, 2023.

(j) Valuation of Property, plant and equipment, Right-of-use assets and Other intangible assets

The Group has not revalued its property, plant and equipment or right-of-use assets or intangible assets during the year ended December 31, 2024 and December 31, 2023.

Notes forming part of the Consolidated financial statements (Contd.)

- 42 During the year ended December 31, 2023, the Company has filed for renewal application with Income Tax authorities for Unilateral Advance Pricing Agreement for the period from April 01, 2023 to March 31, 2028 and is awaiting the approval. The initial application for Unilateral Advance Pricing Agreement for the period from April 01, 2018 to March 31, 2023 was filed in the year ended December 31, 2018 and the same is under approval with the Income Tax authorities.
- 43 Events occurring after the reporting period
- Refer to note 38 (b) (ii) for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing general meeting.

In terms of our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Vivian Pillai
Partner
Membership No.: 127791

Place : Mumbai
Date : February 27, 2025

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Rajeev Jain
Managing Director
(DIN : 07475640)

Place : Mumbai
Date : February 27, 2025

Ulhas Yargop
Director
(DIN : 00054530)

Mahesh Bhav
Chief Financial Officer

Shraddha Kavathekar
Company Secretary

Open Access **Solar** Power Project Inauguration



Key milestone with the successful inauguration of our open access solar power project at the IPD facility..

Developed in partnership with M/s Sunsire, the project includes both rooftop and open access solar installations. With a capacity of 6.65 MWp, it is projected to generate approximately 10 million kilowatt-hours annually, meeting close to 50% of KSB India's current power requirements at the manufacturing plant.

**1,800 Tons Co₂ eq
GHG emissions
Reduced in FY 2024**



**24,76,330+
Units Saved of
Grid Electricity**

This development supports our alignment with Maharashtra's green open access regulations and significantly enhances our renewable energy usage raising it to 71% of our total energy mix. The initiative reflects our long-term commitment to environmental responsibility and contributes meaningfully to our carbon footprint reduction goals.

We extend our sincere appreciation to all team members and partners involved in bringing this project to life. It represents an important step in our sustainability journey.

It was inspiring to see our collective efforts in action, demonstrating our dedication to environmental responsibility and sustainable energy solutions.



Solar Rooftops: Driving Energy Savings 2024

The KSB limited have the total rooftop capacity of **4.227 MWp**. In CY 2024 KSB utilised **47,76,236 kWh** units of renewable energy and offset the Grid electricity. This impacted on reduction in GHG emissions about **3036 Tons of Co₂ eq**.

KSB and You...Partnership on the move



Follow us on:

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