

25th February, 2021

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

**Sub: Intimations pursuant to financial year ended 31st December, 2020
and results for the year ended 31st December, 2020**

Dear Sirs,

At the meeting of the Board of Directors of the Company held today, it has been decided as under:

1. Dividend:

Board of Directors have recommended INR 8.5 per share of Rs.10 each (8.5%) on 3,48,07,844 equity shares of INR 10 each fully paid up as dividend for the year ended 31st December, 2020.

2. Book Closure:

Register of Members and Share Transfer Books of the Company will remain closed from 17th April, 2021 to 29th April, 2021 for Annual General Meeting and payment of Dividend.

3. The dividend will be paid on or after 15th May, 2021.

4. Annual General Meeting:

It will be held on Thursday, 29th April, 2021 at 3.00 p.m. through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

The Board meeting concluded at 6.45 p.m.

Yours faithfully,
For KSB LIMITED

Mahesh Bhave
GM- Finance and Company Secretary

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report To the Board of Directors of KSB Limited Report on the audit of Standalone Financial Results

Opinion

1. We have audited the standalone annual financial results of KSB Limited (hereinafter referred to as the "Company") for the year ended December 31, 2020 and the standalone balance sheet and the standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended December 31, 2020 and the standalone balance sheet and the standalone statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Results' 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Standalone Financial Results

4. These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the standalone balance sheet and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 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 standalone

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-5901) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)



Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report To the Board of Directors of KSB Limited Report on the audit of Standalone Financial Results

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 standalone financial results by the Directors of the Company, as aforesaid.

5. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for the Audit of the Standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - (a) Identify and assess the risks of material misstatement of the standalone financial results, 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.
 - (b) 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. (Refer paragraph 11 below)
 - (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - (d) Conclude on the appropriateness of the Board of Directors 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial results 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



Price Waterhouse Chartered Accountants LLP

**Independent Auditors' Report
To the Board of Directors of KSB Limited
Report on the audit of Standalone Financial Results**

- (e) Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company 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. 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.

Other Matters

10. The Financial Results include the results for the quarter ended December 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
11. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended December 31, 2020 on which we issued an unmodified audit opinion vide our report dated February 25, 2021.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 21108391AAAAABG2114

Pune
February 25, 2021

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report To the Board of Directors of KSB Limited Report on the audit of Standalone Financial Results

Opinion

1. We have audited the standalone annual financial results of KSB Limited (hereinafter referred to as the "Company") for the year ended December 31, 2020 and the standalone balance sheet and the standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended December 31, 2020 and the standalone balance sheet and the standalone statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Results' 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Standalone Financial Results

4. These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the standalone balance sheet and the standalone statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 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 standalone

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Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report To the Board of Directors of KSB Limited Report on the audit of Standalone Financial Results

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 standalone financial results by the Directors of the Company, as aforesaid.

5. In preparing the standalone financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for the Audit of the Standalone Financial Results

7. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 results.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - (a) Identify and assess the risks of material misstatement of the standalone financial results, 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.
 - (b) 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. (Refer paragraph 11 below)
 - (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - (d) Conclude on the appropriateness of the Board of Directors 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 Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial results 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



Price Waterhouse Chartered Accountants LLP

**Independent Auditors' Report
To the Board of Directors of KSB Limited
Report on the audit of Standalone Financial Results**

- (e) Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance of the Company 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. 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.

Other Matters

10. The Financial Results include the results for the quarter ended December 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
11. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filing with Stock Exchanges. These results are based on and should be read with the audited standalone financial statements of the Company for the year ended December 31, 2020 on which we issued an unmodified audit opinion vide our report dated February 25, 2021.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Neeraj Sharma
Partner
Membership Number: 108391
UDIN: 21108391AAAAABG2114

Pune
February 25, 2021

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2020

(INR in million)

Particulars	Quarter ended			Year ended	
	December 31, 2020 (Unaudited) (Refer Note-1)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited) (Refer Note-1)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
1 Income					
a) Revenue from operations	3,699	3,623	3,370	12,081	12,939
b) Other income	27	99	86	323	241
Total Income	3,726	3,722	3,456	12,404	13,180
2 Expenses					
a) Cost of materials consumed	1,616	1,583	1,388	5,513	6,016
b) Purchase of stock-in-trade	303	346	309	971	1,062
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(216)	13	44	(278)	(95)
d) Employee benefits expense	460	477	468	1,862	1,772
e) Finance costs	7	10	22	34	53
f) Depreciation and amortisation expense	117	103	147	418	457
g) Other expenses	783	595	684	2,335	2,666
Total Expenses	3,070	3,127	3,062	10,855	11,931
3 Profit before exceptional item and tax (1-2)	656	595	394	1,549	1,249
4 Exceptional item	-	-	-	-	127
5 Profit before tax (3+4)	656	595	394	1,549	1,376
6 Tax expense					
a) Current tax	382	159	103	612	338
b) Deferred tax	(27)	(3)	(14)	(36)	60
Total Tax expense	355	156	89	576	398
7 Profit for the period (5-6)	301	439	305	973	978
8 Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of post-employment benefit obligations	(12)	(13)	(69)	(50)	(70)
Income tax relating to items that will not be reclassified to profit or loss	3	3	18	13	18
9 Total comprehensive income for the period, net of tax (7+8)	292	429	254	936	926
10 Paid up equity share capital (face value of INR 10/- each)	348	348	348	348	348
11 Other equity (excluding Revaluation Reserve) as shown in the Audited Balance Sheet				8,116	7,459
12 Earnings per equity share (EPS) (face value of INR 10/- each) (not annualised except for the year ended figure)					
Basic and Diluted (INR)	8.65	12.61	8.76	27.96	28.10

Notes:

- Figures of the quarter ended December 31, 2020 and December 31, 2019 are the balancing figures between audited figures in respect of the relevant full financial year and the published year to date figures upto the third quarter of the respective financial year.
- The standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 25, 2021.
- The Statutory Auditors have carried out the audit for the year ended December 31, 2020 and have issued an Unmodified Opinion.
- Balance Sheet as at December 31, 2020 is enclosed. (Presented in Annexure-1)
- As per Ind AS 108 'Operating Segments', when financial results contains both consolidated and standalone financial results for parent, segment information needs to be presented only in case of consolidated financial results. Accordingly, segment information has been provided only in the consolidated financial results. (Presented in Annexure-2)
- Statement of Cash Flows for the year ended December 31, 2020 is annexed. (Presented in Annexure-3)
- The Board of Directors have recommended dividend of INR 8.5/- per share (85)% for the year ended December 31, 2020 on 34,807,844 equity shares of INR 10 each.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under section 133 of the Companies Act, 2013 and the other recognised accounting practices and policies to the extent applicable.
- The Novel Coronavirus (COVID-19) is a Global Pandemic and is rapidly spreading throughout the world. With effect from March 23, 2020, the Company had shutdown all plants and offices in adherence to nationwide lockdown, as declared by Government of India to prevent and contain the spread of Coronavirus outbreak. The Company resumed its operations across India in a phased manner as the Government of India progressively relaxed the lockdown. The Management has made an assessment of liquidity, recoverable values of its financial and non-financial assets and has concluded that there are no material adjustments required in the standalone financial results. However, the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.
- Effective January 1, 2020, the Company has adopted Ind AS 116 - Leases, using the 'Modified Retrospective Approach' for transition from Ind AS 17 - Leases, with no impact to the retained earnings as at January 1, 2020. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 116 does not have a material impact on the results for the year ended December 31, 2020.
- Exceptional item for the year ended December 31, 2019 represents a gain of INR 127 million arising from sale of office property located at Mumbai.
- Pursuant to the announcement made by the Finance Ministry of the Government of India on September 20, 2019, the Company opted for a lower tax rate as per section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2019-20 onwards. Accordingly, the Company recognised provision for income tax and remeasured the deferred tax assets basis the revised lower tax rate and the impact of the same was recognised in the year ended December 31, 2019.
- The Government of India has introduced 'Direct Tax Vivad Se Vishwas Act, 2020' which allows the assesses to settle the ongoing Income-tax litigations at various Adjudicating authorities. In this regard, the Management has decided to exercise the option as given under the said Act and to settle all the ongoing Income-tax litigations at various Adjudicating authorities pertaining to Assessment years from 2009-10 to 2016-17. Pursuant to this, complete waiver of interest liability and immunity from penalty will be achieved for the abovementioned assessment years. Accordingly, the Company has filed an application with the Income-tax authorities for exercising this option. Based on the Management assessment, it is estimated that the Company will need to pay the Income-tax of INR 114.40 million towards the settlement of disputed Income-tax liability of INR 198.89 million, after adjusting of the refunds due to the extent of INR 84.49 million. The Company has recognized provision of INR 190.38 million in the quarter and year ended December 31, 2020, in this regard.
- The Company had previously reported a matter related to fraud, whereby an employee was confirmed of accepting kickbacks/money from a vendor amounting to INR 11.40 million. The entire amount was recovered from the concerned employee, his employment was terminated and the said matter was closed in the year ended December 31, 2020.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.
- The standalone financial results are presented in Indian Rupee (INR) rounded off to the nearest million.

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2020

(INR in million)

Particulars	Quarter ended			Year ended	
	December 31, 2020 (Unaudited) (Refer Note-1)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited) (Refer Note-1)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
1 Income					
a) Revenue from operations	3,699	3,623	3,370	12,081	12,939
b) Other income	28	66	86	291	216
Total Income	3,727	3,689	3,456	12,372	13,155
2 Expenses					
a) Cost of materials consumed	1,616	1,583	1,388	5,513	6,016
b) Purchase of stock-in-trade	303	346	309	971	1,062
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(216)	13	44	(278)	(95)
d) Employee benefits expense	460	477	468	1,862	1,772
e) Finance costs	7	10	22	34	53
f) Depreciation and amortisation expense	117	103	147	418	457
g) Other expenses	783	595	684	2,335	2,666
Total Expenses	3,070	3,127	3,062	10,855	11,931
3 Profit before share of net profit of associate, exceptional item and tax (1-2)	657	562	394	1,517	1,224
4 Share of net profit of associate	24	17	21	53	54
5 Profit before exceptional item and tax (3+4)	681	579	415	1,570	1,278
6 Exceptional item	-	-	-	-	127
7 Profit before tax (5+6)	681	579	415	1,570	1,405
8 Tax expense					
a) Current tax	382	159	103	612	338
b) Deferred tax	(21)	(7)	(14)	20	60
Total Tax expense	361	152	89	632	398
9 Profit for the period (7-8)	320	427	326	938	1,007
10 Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement of post-employment benefit obligations	(12)	(13)	(69)	(50)	(70)
Income tax relating to items that will not be reclassified to profit or loss	3	3	18	13	18
Share of Other comprehensive income of associate	(3)	*	(2)	(3)	(2)
11 Total comprehensive income for the period, net of tax (9+10)	308	417	273	898	953
12 Paid up equity share capital (face value of INR10/- each)	348	348	348	348	348
13 Other equity (excluding Revaluation Reserve) as shown in the Audited Balance Sheet				8,558	7,939
14 Earnings per equity share (EPS) (face value of INR 10/- each) (not annualised except for the year ended figure) Basic and Diluted (INR)	9.20	12.27	9.37	26.94	28.94

* Amount below rounding off norm adopted by the Group

Notes:

- Figures of the quarter ended December 31, 2020 and December 31, 2019 are the balancing figures between audited figures in respect of the relevant full financial year and the published year to date figures upto the third quarter of the respective financial year.
- The consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 25, 2021.
- The Statutory Auditors have carried out the audit for the year ended December 31, 2020 and have issued an Unmodified Opinion.
- Balance Sheet as at December 31, 2020 is enclosed. (Presented in Annexure-1)
- Segment Information is annexed. (Presented in Annexure-2)
- Statement of Cash Flows for the year ended December 31, 2020 is annexed. (Presented in Annexure-3)
- The consolidated financial results include the results of KSB Limited, its subsidiary Pofran Sales and Agency Limited and its associate KSB MIL Controls Limited.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under section 133 of the Companies Act, 2013 and the other recognised accounting practices and policies to the extent applicable.
- The Novel Coronavirus (COVID-19) is a Global Pandemic and is rapidly spreading throughout the world. With effect from March 23, 2020, the Group had shutdown all plants and offices in adherence to nationwide lockdown, as declared by Government of India to prevent and contain the spread of Coronavirus outbreak. The Group resumed its operations across India in a phased manner as the Government of India progressively relaxed the lockdown. The Management has made an assessment of liquidity, recoverable values of its financial and non-financial assets and has concluded that there are no material adjustments required in the consolidated financial results. However, the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial statements. The Group will continue to closely monitor any material changes to future economic conditions.
- Effective January 1, 2020, the Group has adopted Ind AS 116 - Leases, using the 'Modified Retrospective Approach' for transition from Ind AS 17 - Leases, with no impact to the retained earnings as at January 1, 2020. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 116 does not have a material impact on the results for the year ended December 31, 2020.
- In accordance with the recent amendments in sections 10(34) and 115-O of the Income-tax Act, 1961, Dividend Distribution Tax (DDT) would not be payable by companies in respect of dividends declared, distributed or paid after March 31, 2020 and similarly tax exemption under section 10(34) to recipient has been withdrawn with effect from April 1, 2020. Accordingly, the Group remeasured the deferred tax liability on Unremitted earnings of associate considering tax rate applicable to Group and the impact of INR 50.66 million was recognised as a tax expense for the year ended December 31, 2020
- Exceptional item for the year ended December 31, 2019 represents a gain of INR 127 million arising from sale of office property located at Mumbai.
- Pursuant to the announcement made by the Finance Ministry of the Government of India on September 20, 2019, the Group opted for a lower tax rate as per section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2019-20 onwards. Accordingly, the Group recognised provision for income tax and remeasured the deferred tax assets basis the revised lower tax rate and the impact of the same was recognised in the year ended December 31, 2019.
- The Government of India has introduced 'Direct Tax Vivad Se Vishwas Act, 2020' which allows the assessee to settle the ongoing Income-tax litigations at various Adjudicating authorities. In this regard, the Management has decided to exercise the option as given under the said Act and to settle all the ongoing Income-tax litigations at various Adjudicating authorities pertaining to Assessment years from 2009-10 to 2016-17. Pursuant to this, complete waiver of interest liability and immunity from penalty will be achieved for the abovementioned assessment years. Accordingly, the Company has filed an application with the Income-tax authorities for exercising this option. Based on the Management assessment, it is estimated that the Company will need to pay the Income-tax of INR 114.40 million towards the settlement of disputed Income-tax liability of INR 198.89 million, after adjusting of the refunds due to the extent of INR 84.49 million. The Company has recognized provision of INR 190.38 million in the current year in this regard.
- The Company had previously reported a matter related to fraud, whereby an employee was confirmed of accepting kickbacks/money from a vendor amounting to INR 11.40 million. The entire amount was recovered from the concerned employee, his employment was terminated and the said matter was closed in the year ended December 31, 2020.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.
- The consolidated financial results are presented in Indian Rupee (INR) rounded off to the nearest million.
- Results of KSB Limited on a standalone basis are hosted at the Company's website www.ksbindia.co.in

Particulars	Quarter ended			Year ended	
	December 31, 2020 (Unaudited)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
Revenue from operations and Other income	3,726	3,722	3,456	12,404	13,180
Profit before tax	656	595	394	1,549	1,376
Profit for the period	301	439	305	973	978

(INR in million)

Particulars	STANDALONE		CONSOLIDATED	
	As at December 31, 2020 (Audited)	As at December 31, 2019 (Audited)	As at December 31, 2020 (Audited)	As at December 31, 2019 (Audited)
A ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	2,908	3,057	2,908	3,057
(b) Capital work-in-progress	251	345	251	345
(c) Right-of-use assets	263	-	263	-
(d) Intangible assets	14	16	14	16
(e) Financial assets				
(i) Investments	63	63	662	644
(ii) Loans	81	81	81	81
(iii) Trade receivables	166	131	166	131
(f) Assets for current tax (net)	126	155	127	157
(g) Deferred tax assets (net)	168	119	9	16
(h) Other non-current assets	8	41	8	41
Total: Non-current assets	4,048	4,008	4,489	4,488
2 Current assets				
(a) Inventories	3,609	3,248	3,609	3,248
(b) Financial assets				
(i) Trade receivables	2,667	2,962	2,667	2,962
(ii) Cash and cash equivalents	870	484	871	484
(iii) Bank balances other than (ii) above	3,163	2,417	3,163	2,417
(iv) Loans	19	21	19	21
(v) Other financial assets	103	105	103	105
(c) Other current assets	481	633	481	633
Total: Current assets	10,912	9,870	10,913	9,870
Total Assets	14,960	13,878	15,402	14,358
B EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	348	348	348	348
(b) Other equity	8,116	7,459	8,558	7,939
Total: Equity	8,464	7,807	8,906	8,287
2 Non-current liabilities				
(a) Lease liabilities	9	-	9	-
(b) Provisions	454	424	454	424
Total: Non-current liabilities	463	424	463	424
3 Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	600	600	600	600
(ii) Lease liabilities	7	-	7	-
(iii) Trade payables				
-Total outstanding dues of micro enterprises and small enterprises	25	12	25	12
-Total outstanding dues of creditors other than micro enterprises and small enterprises	2,603	2,411	2,603	2,411
(iv) Other financial liabilities	667	712	667	712
(b) Other current liabilities	1,454	1,432	1,454	1,432
(c) Provisions	493	467	493	467
(d) Current tax liabilities (net)	184	13	184	13
Total: Current liabilities	6,033	5,647	6,033	5,647
Total Equity and Liabilities	14,960	13,878	15,402	14,358

Note:

1 Previous year's figures have been regrouped / reclassified wherever considered necessary to conform to current year's classification / disclosure.

CONSOLIDATED AUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE YEAR ENDED DECEMBER 31, 2020

(INR in million)

Particulars	Quarter ended			Year ended	
	December 31, 2020 (Unaudited) (Refer Note-1)	September 30, 2020 (Unaudited)	December 31, 2019 (Unaudited) (Refer Note-1)	December 31, 2020 (Audited)	December 31, 2019 (Audited)
1 Segment Revenue					
(a) Pumps	3,005	3,018	2,816	10,082	10,882
(b) Valves	696	607	559	2,010	2,082
Total	3,701	3,625	3,375	12,092	12,964
Less: Inter Segment Revenue	2	2	5	11	25
Revenue From Operations	3,699	3,623	3,370	12,081	12,939
2 Segment Results					
(a) Pumps	550	456	351	1,243	1,041
(b) Valves	67	59	27	115	107
Total	617	515	378	1,358	1,148
Less: Finance costs	7	10	22	34	53
Add: Other unallocable income / (expense) net	47	57	38	193	256
Add: Share of net profit of associate	24	17	21	53	54
Profit Before Tax	681	579	415	1,570	1,405
3 Segment Assets					
(a) Pumps	9,126	9,145	9,190	9,126	9,190
(b) Valves	1,348	1,397	1,345	1,348	1,345
(c) Unallocable Assets	4,928	4,457	3,823	4,928	3,823
Total	15,402	14,999	14,358	15,402	14,358
4 Segment Liabilities					
(a) Pumps	4,973	4,760	4,698	4,973	4,698
(b) Valves	734	728	756	734	756
(c) Unallocable Liabilities	789	912	617	789	617
Total	6,496	6,400	6,071	6,496	6,071

Notes:

- Figures of the quarter ended December 31, 2020 and December 31, 2019 are the balancing figures between audited figures in respect of the relevant full financial year and the published year to date figures upto the third quarter of the respective financial year.
- In line with the changes in the internal structure for reporting financial information to the Company's chief operating decision maker (CODM), the Group has changed its Segment disclosures in the consolidated financial statements / results as per Ind AS 108 'Operating Segments', from previously reported segments being 'Pumps', 'Valves' and 'Others' to revised segments being 'Pumps' and 'Valves', and changed the method of allocation of corporate expenses. The corresponding segment information of the previous year have been restated accordingly.
- 'Other unallocable income / (expense) net' for the year ended December 31, 2019 represents gain of INR 127 million arising from the sale of office property located at Mumbai.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.

(INR in million)

Particulars	STANDALONE		CONSOLIDATED	
	Year ended December 31, 2020 (Audited)	Year ended December 31, 2019 (Audited)	Year ended December 31, 2020 (Audited)	Year ended December 31, 2019 (Audited)
A Cash flows from operating activities				
Profit before tax	1,549	1,376	1,570	1,405
Adjustments for :				
Depreciation and amortisation expense	418	457	418	457
Net loss / (gain) on disposal of property, plant and equipment [Refer Note-2]	8	(128)	8	(128)
Interest expense (including interest expense on lease liabilities)	34	53	34	53
Interest income	(193)	(128)	(193)	(128)
Dividend from investment in associate	(33)	(22)	-	-
Dividend from investment in subsidiary	-	(3)	-	-
Fair value (gain) / loss in derivative financial instruments	(8)	10	(8)	10
Sundry credit balances and provisions no longer required, written back	(21)	(15)	(21)	(15)
Unrealised foreign exchange (gain) / loss	4	(22)	4	(22)
Allowance for doubtful receivables	92	(7)	92	(7)
Share of net profit of associate	-	-	(53)	(54)
	301	195	281	166
Operating profit before working capital changes	1,850	1,571	1,851	1,571
Adjustment for changes in working capital: (Increase) / decrease in operating assets:				
Inventories	(360)	(218)	(360)	(218)
Trade receivables	178	(57)	178	(57)
Loans	2	(23)	2	(23)
Other assets	160	226	160	226
Increase / (decrease) in operating liabilities:				
Trade payables	215	257	215	257
Other financial liabilities	53	115	53	115
Other liabilities	22	461	22	461
Provisions	6	43	6	43
	276	804	276	804
Cash generated from operations	2,126	2,375	2,127	2,375
Income taxes paid	(411)	(354)	(411)	(354)
Net cash flows generated from operating activities (A)	1,715	2,021	1,716	2,021
B Cash flows from investing activities				
Purchase of property, plant and equipment and intangible assets	(498)	(586)	(498)	(586)
Proceeds from disposal of property, plant and equipment	3	131	3	131
Investment in fixed deposits	(3,833)	(2,206)	(3,833)	(2,206)
Redemption of fixed deposits	3,087	1,052	3,087	1,052
Interest received	202	63	202	63
Dividend from investment in associate	33	22	-	-
Dividend from investment in subsidiary	-	3	-	-
Income from trade investments (non-current)	-	-	33	22
Net cash flows used in investing activities (B)	(1,006)	(1,521)	(1,006)	(1,524)
C Cash flows from financing activities				
Proceeds from current borrowings	1,200	1,270	1,200	1,270
Repayment of current borrowings	(1,200)	(1,004)	(1,200)	(1,004)
Interest paid	(32)	(53)	(32)	(53)
Repayment of lease liabilities	(8)	-	(8)	-
Dividends paid	(278)	(209)	(278)	(209)
Tax on dividend	-	(42)	-	(43)
Net cash flows used in financing activities (C)	(318)	(38)	(318)	(39)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	391	462	392	458
Cash and cash equivalents at the beginning of the year	484	20	484	24
Effects of exchange rate changes on cash and cash equivalents	(5)	2	(5)	2
Cash and cash equivalents at the end of the year	870	484	871	484

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, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
(a) Cash and cash equivalents	870	484	871	484
Cash and cash equivalents at the end of the year	870	484	871	484

Notes:

- Statement of Cash Flows has been prepared under the 'Indirect Method' in accordance with 'Ind AS 7 : Statement of Cash Flows'.
- 'Net loss / (gain) on disposal of property, plant and equipment' for the year ended December 31, 2019 includes gain of INR 127 million arising from sale of office property located at Mumbai.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.