Date: 28th April, 2026

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 2025 and Notice convening Sixty Sixth 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, Audited Standalone Financial Statements, Audited Consolidated Financial Statements and Auditor's Report thereon, for the Financial Year ended 31st December, 2025, and the Notice convening Sixty Sixth Annual General Meeting of the Company scheduled to be held on Wednesday, 20th May, 2026 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, 2025 and Notice of Sixty Sixth 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 SHAM KAVATHEKAR
Digitally signed by SHRADDHA SHAM KAVATHEKAR
Date: 2026.04.28 23:02:05 +05'30'

Shraddha Kavathekar
Company Secretary

Encl.: Annual Report

KSB

Solutions. For Life.

Engineering Every Flow. Enabling Every Sector.

Pumps, valves and services for every application

66th Annual Report, 2025

www.ksbindia.co.in

Engineering Every Flow.
Enabling Every Sector.

Pumps, valves and services for every application

At KSB Limited, every solution we deliver reflects a commitment to advancing industries and strengthening essential infrastructure. The strength of our business lies in its integration bringing together a broad product portfolio, localisation initiatives, an expanding distribution network and comprehensive lifecycle support to consistently deliver high-quality pumping solutions with reliability and purpose.

Our ability to serve multiple sectors is driven by deep domain expertise and a clear understanding of evolving operational requirements. With strong capabilities across pumps, valves and systems, we provide application-specific engineering solutions that ensure dependable performance in complex environments. This approach enables us to support critical processes while maintaining consistency and precision across operations.

Customer-centricity remains at the core of our operations. From initial consultancy to installation, operation and maintenance, we ensure a continuous presence across the entire lifecycle of every system we support. Through our extensive SupremeServ and spare parts portfolio for pumps, valves and other rotating equipment, we deliver comprehensive after-market solutions both on-site and through our global service network. Backed by over 150 years of manufacturing expertise, these capabilities reinforce our commitment to delivering solutions for life.

A robust foundation, supported by technological expertise in hydraulics, materials and automation, allows us to operate with efficiency and agility. Our manufacturing capabilities, combined with close customer engagement, ensure responsive services and reliable delivery. Through an integrated range of offerings, we help optimise performance, reduce operational disruptions and strengthen system dependability.

Looking ahead, our focus is on building a future-ready organisation that is equipped for sustained growth. By embedding data-led decision-making, responsibly leveraging the optimal use of AI, advancing manufacturing capabilities, and nurturing a collaborative culture, we are reinforcing a strong and adaptable business model. In parallel, our commitment to sustainability guides how we innovate, operate, and allocate resources ensuring long-term value creation while reducing our environmental footprint. This holistic approach positions us to navigate change with confidence and continue delivering meaningful and lasting impact across the sectors we serve.

Contents

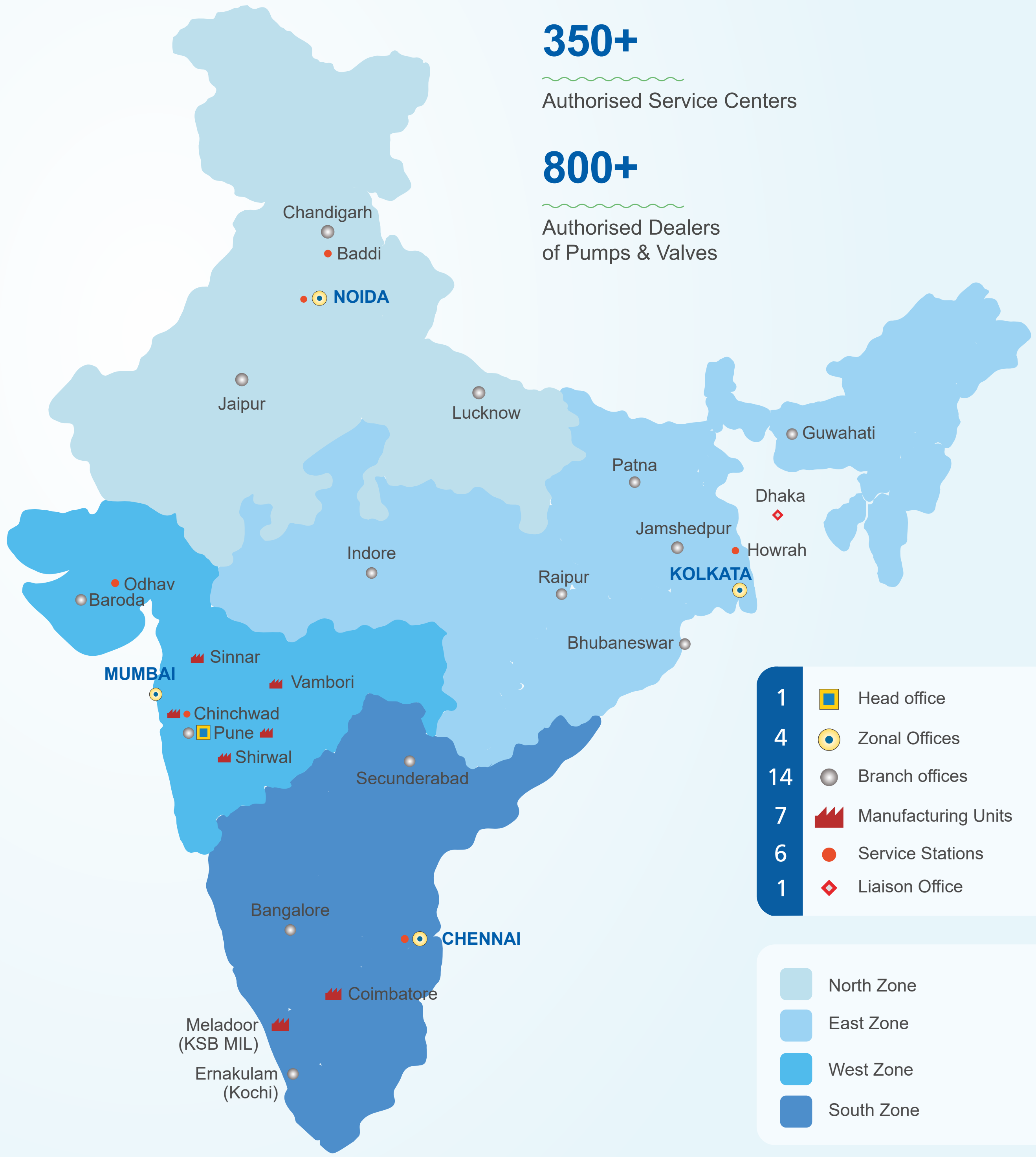
Scan the QR Code to visit our website

Geographical Presence

Building a Pan-India Footprint

350+
Authorised Service Centers

800+
Authorised Dealers of Pumps & Valves



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

North Zone
East Zone
West Zone
South Zone

Message from The Managing Director

> **During the year, we secured a landmark order to supply boiler feed pump packages for a power generation company's supercritical power projects, marking a meaningful advancement in our thermal energy journey.**

Dear Members,

It gives me immense pleasure to present KSB Limited's performance for the calendar year ended December 31, 2025. This has been a year of consistent progress, attributable to disciplined execution, product innovation and strategic investments.

The global environment in 2025 remained complex, with tariffs and armed conflicts in key regions continuing to disrupt supply chains and challenge energy stability. These persistent uncertainties assessed resilience across industries, demanding agility and foresight.

India's macroeconomic landscape remains resilient, with GDP growth outpacing major economies and capital expenditure at record levels. The energy transition, infrastructure drive, and manufacturing revival are fuelling sustained demand across the sectors we serve. While the prolonged monsoon in 2025 weighed on agriculture and domestic markets, KSB's integral role in power, water, and industry positions us to seize the opportunities ahead with confidence.

Disciplined Execution, Strong Outcomes

I am pleased to report that KSB delivered consistent and healthy performance in FY25. Revenue from operations rose to INR 26,957 million from INR 25,331 million in the prior year, with EBITDA improving to

INR 26,957 Mn
Revenue

INR 3,873 Mn
EBITDA

INR 29,920 Mn
Order Intake

17%
Exports

INR 3,873 million at a margin of around 14 percent. Profit after tax stood at INR 2,645 million, marking a 22 percent CAGR over the past five years. Our net financial position remains strong at INR 2,834 million, and the Board has recommended a dividend of 220 percent, underscoring our confidence in the business and commitment to shareholder value. Order intake reached INR 29,920 million, driven by energy, exports, water and wastewater, building services, and our aftermarket business, SupremeServ.

Energy — Our Defining Growth Lever

India's aggressive investments in energy infrastructure, aimed at achieving 500 GW of non fossil capacity by 2030, are opening new avenues for KSB. During the year, we secured a landmark order for boiler feed pump packages in a supercritical power project, marking a significant step in our thermal energy journey. We also received an export order worth INR 555 million from KSB Inc., USA, underscoring the global strength of our engineering and manufacturing capabilities. India's nuclear ambitions 22 GW by 2031 and 100 GW by 2047, further position KSB as a long term partner in this mission, with a strong order book and revenue momentum expected from FY26.

Strengthening Foundations, Enabling Futures

Our water and wastewater business registered strong order intake growth, facilitated by new product introductions, such as the B Pump, Sewatec and Vertical Turbine Pumps, alongside breakthrough orders from municipal corporations across India. In addition, the Jal Jeevan Mission's expanded allocation augurs well for sustained demand.

General industry, agriculture and domestic markets remain core focus areas, supported by strengthening our 800+ dealer network to improve accessibility across India. Valves remain the fastest-growing segment, with preparations underway to meet global qualification standards and certifications to expand presence in the oil and gas sector.

Unlocking Growth in New Frontiers

Our Solar segment delivered revenues of INR 2,450 million in FY25 and is on track to cross INR 3,000 million in FY26, supported by in house manufacturing of solar controllers and stronger execution of orders. The firefighting business has gained momentum, with FM/UL certifications for key products and orders from major residential and commercial projects, firmly establishing it as a growth driver. At the same time, we are expanding our presence in mining, marine, green hydrogen, data centres, and railways to capture opportunities from continued investments in these sectors.

Scaling Capabilities Worldwide

Exports reached a new high in FY25, contributing 17 percent of total order intake and underscoring KSB's quality and positioning as a global manufacturing hub within the Group. A key milestone was the first export of submersible borehole pumps from India to Sub Saharan Africa. We continue to strengthen our quality systems, enhance on time delivery, and deepen customer relationships to sustain and grow this share.

Amplifying Value across Lifecycles

SupremeServ, our aftermarket business, now constitutes approximately 15 percent of revenues and continues to scale steadily. With an expanding service footprint, mechanical seal manufacturing and a growing installed base, this segment offers a resilient, high-margin and recurring revenue stream and remains a strategic priority.

Engineering Resilience at the Foundry

We strengthened our captive foundry at Vambori with enhanced capacity and NORSOK certification, underscoring our commitment to safety and quality for the oil and gas industry. New capabilities in white iron casting now serve the mining sector with high wear resistance, while nickel aluminium bronze castings provide superior corrosion resistance for marine applications. In FY25, we invested INR 1,150 million towards capacity expansion, factory modernization, and digitisation, and we remain committed to building future ready manufacturing capabilities.

Digitization

We continued to advance our digital and AI-led initiatives, driving smart operations, enhancing efficiency, and strengthening data-led decision-making across the organisation. These efforts are contributing to greater agility, improved responsiveness, and more consistent execution across functions.

Efficiency with Purpose

Our focus on responsible growth continues to deliver results, with increased use of

65%
of total energy consumption from green energy

59%
reduction in GHG emissions vs 2022 baseline

Zero
Waste to Landfill achieved across plants

green energy, lower emissions, and Zero Waste to Landfill achieved across multiple plants. These efforts were recognised with the MCCIA Sustainability Award.

On the CSR front, we advanced initiatives in education, skill development, infrastructure, community welfare, and environmental sustainability across Pune, Coimbatore, Kerala, Karad, and Sinnar, extending our impact to diverse communities.

We continued to prioritise employee engagement through transparent communication, leadership connect forums and structured initiatives.

Great Place To Work® Certified OCT 2025-OCT 2026 INDIA

Among the Top 50 – India's Best Workplaces™ in Large Manufacturing Companies for 2026.

Ready for Next Growth Altitude

The Company stands on a well-established foundation. Our portfolio spans multiple end-use sectors and manufacturing infrastructure remains robust. Our team brings experience and depth while our strategic priorities remain clearly defined. We enter FY26 with a healthy order book, providing meaningful visibility across crucial segments, such as energy, water, nuclear and exports.

In closing, I would like to express my sincere gratitude to our customers, employees, partners, and stakeholders for their continued confidence in KSB. Your continued trust remains the bedrock of our business performance and value creation.

We remain focused on sustained growth and long-term value creation.

Warm regards,

Mr. Rajeev Jain
Managing Director
KSB Limited

About Us

KSB Limited is one of India's leading manufacturers of pumps, valves, and related systems, serving critical sectors such as energy, water, industry and infrastructure.

As part of the global KSB Group, we combine strong engineering expertise with advanced manufacturing and a robust service network to deliver reliable and efficient fluid control solutions

We deliver Integrated Solutions

Advanced Pumping & Valve Solutions
Comprehensive range of pumps, valves, and systems designed for diverse industrial and infrastructure applications

Energy-Efficient & Sustainable Products
High-efficiency solutions that optimise energy consumption and support sustainable operations

Lifecycle & Service Solutions
End-to-end support from installation to maintenance, ensuring reliability and long-term performance

Fields of applications for our products

ENERGY

BUILDING SERVICES

GENERAL INDUSTRY

PETROCHEMICALS / CHEMICALS

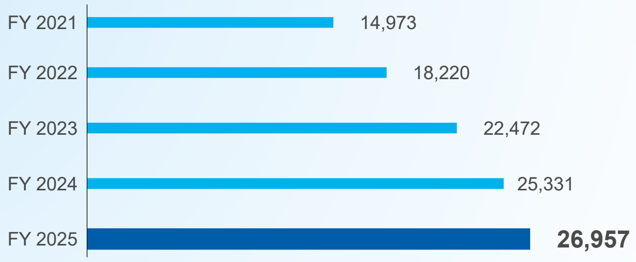
MINING

WATER

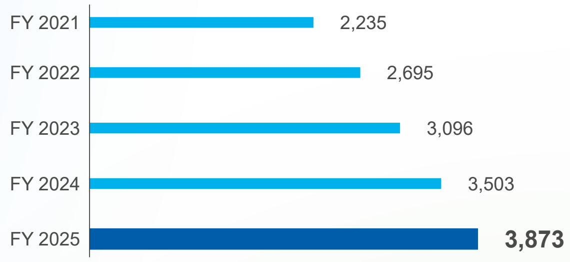
Financial Performance

Creating value for stakeholders

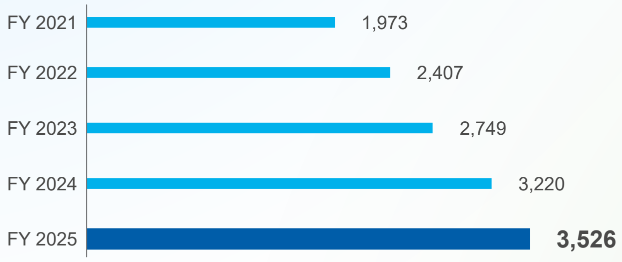
Revenue from Operations
(MINR)



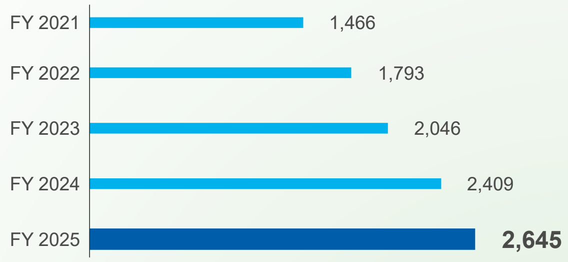
EBITDA
(MINR)



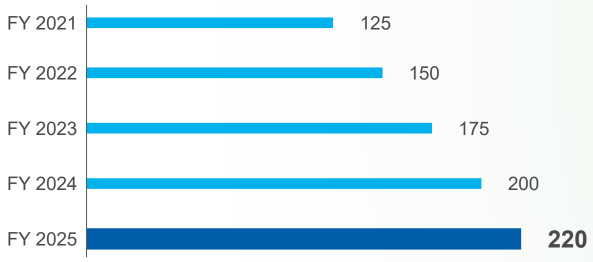
Profit before Tax
(MINR)



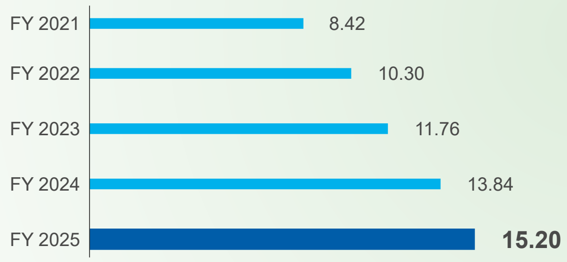
Profit after Tax
(MINR)



Dividend per Share
(%)



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



Major Highlights of 2025

SupremeServ – Aftermarket & Customer Support Solutions

KSB delivers high-precision pumps and systems for nuclear power applications, designed to meet stringent safety and performance requirements. These solutions are built for reliable and consistent operation in critical environments.

Successfully Tests First-Ever Reciprocating Pumps for GAIL PATA Project

We're proud to share a historic milestone at KSB India—our first-ever reciprocating pumps, engineered for the prestigious GAIL PATA project, have successfully completed testing! This marks a monumental leap in our manufacturing legacy, as these models were designed, built, and tested for the very first time in KSB's history

K-D323 Model

K-A324H Model

"Achieved EMD-03 certification for high-tension motor rewinding, reinforcing expertise in servicing critical power plant applications."

This milestone strengthens capability in refurbishment and overhaul of boiler circulation pump motors.

Vendor Development Cell
NTPC Limited
NTPC
Certificate of Enlistment
Ref No : VDC/4501/EMD-03/4330963 Application Date : 07-08-2023
This is to certify that
KSB Limited
has been enlisted for the services as per the details given below:
EMD-03 (REWINDING OF HT MOTORS)
This Certificate will remain valid unless overridden otherwise, Subject to Terms and Condition attached with this certificate.We look forward to have a fair, transparent and mutually beneficial long term relationship with you and contribute towards growth of our nation.
For and on behalf of NTPC Limited
NTPC Enlisted Vendor

Inaugurated a Mazak 5-axis CNC machine, enabling high-precision machining of complex components. The addition enhances productivity, accuracy, and in-house manufacturing capability.

Refurbishment & Reverse Engineering – Tata Kalinganagar

KSB secured an order from Tata Steel for the refurbishment of Hitachi Japan BGM-GH descaling pumps, involving repair and testing at its India facility. The project included dismantling, reverse engineering of critical components, assembly and testing and was completed within a record turnaround time of 25 days.

The successful execution strengthened customer confidence, leading to repeat orders for cartridge assemblies and additional repair projects, further reinforcing capability in refurbishment and reverse engineering services.

Before → After

Offshore Pump Replacement Project

KSB successfully executed an offshore pump replacement project for ONGC on a LSTK(Lump Sum Turnkey) basis, encompassing engineering, procurement, installation and commissioning of the main oil pump and associated systems at the Neelam platform.

This execution highlights capability in managing complex offshore projects, strengthening technical expertise and positioning KSB for further opportunities in specialised service applications.

Before → After

Valves & Flow Control Solutions

Strategic Execution: SICCA Valves for Płock Chemical Park Expansion

KSB successfully completed the supply of SICCA valves for the Chemical Park Expansion Project in Płock, Poland, for PKN Orlen S.A., one of Europe's leading petrochemical companies. Executed in collaboration with Hyundai Engineering Company and Técnicas Reunidas Polska Sp. z o.o., this project stands out as the highest-value order ever executed by KSB Coimbatore, reinforcing its position as a trusted partner in the European market.

Stringent material performance requirements were met in full compliance with ASTM standards, ensuring reliable operation under low-temperature and demanding conditions.

This successful on-time delivery highlights KSB's engineering expertise, manufacturing excellence, and unwavering commitment to meeting complex customer requirements on a global scale.

SICCA - New Developments

SICCA 32" (DN 800) Class 600# Gate Valve

SICCA 34" (DN 850) Class 300# Gate Valve

SICCA 26" (DN 650) Class 150# Swing Check Valve

SICCA 28" (DN 700) Class 150# Swing Check Valve

Valves Learning Centre

The Valves Learning Centre transformed product learning into a competitive advantage through immersive hands-on and digital training, directly improving workforce effectiveness and customer confidence.

20+
Batches trained

70+
Delivered man-days of training

Enhancing Manufacturing Efficiency through Implementation of Latest Technology

Hybrid Assembly Line

A flexible hybrid assembly line was introduced to accommodate both low pressure and high pressure SICCA valves, ensuring efficient production across a diverse product portfolio. The semi automatic assembly process & streamlined workflow, has enhanced operational flexibility and enabled faster responses to dynamic product mix requirements. This innovation strengthened our manufacturing capabilities and supported consistent delivery of high quality products to meet evolving customer needs.

- Systematic Approach with DMAIC and Lean Methodology
- Cellular Manufacturing and Streamlined Flow Combined Assembly Line
- Helps to accommodate demand fluctuations in SICCA cast low pressure and high-pressure gate, globe, and check valves
- Level Loaded Production with Man–Machine Balancing
- Agility in managing product mix variations
- Tangible and Intangible Benefits across capacity, lead time, safety, productivity, and workforce morale

Robotic Laser Cladding

A cutting edge robotic laser cladding system was introduced to meet our demanding Complexity in Size, variety and throughput consistently. This innovation has significantly enhanced product quality, consistency, and process efficiency, while reducing dependence on manual operations. By integrating automation into critical processes, the system strengthens manufacturing excellence and supports the delivery of superior, reliable SICCA valves to customers worldwide.

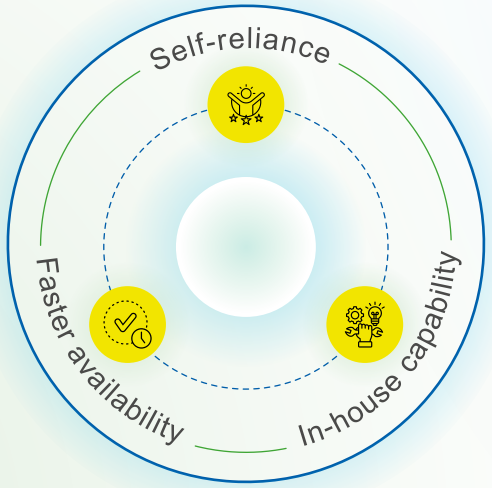
- Robotic Diode Laser Cladding – the most cost-effective, productive, and "future-ready" replacement for PTAW
- Capacity increased more than threefold compared to the semi-automatic process
- Lead time reduced by 20% for machined components
- Skill-independent, program-controlled safe operation ensuring consistency and reliability
- Capability to handle the current manufacturing range with enhanced efficiency and flexibility

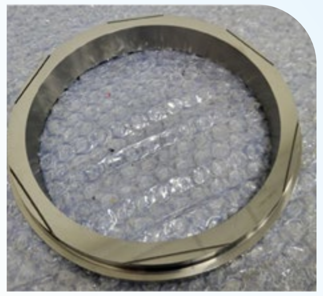
Delivering precision and reliability for critical Nuclear applications

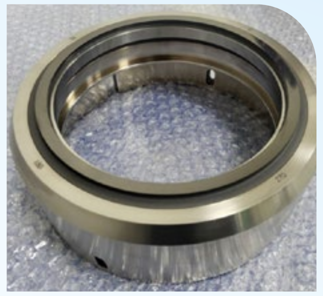
KSB delivers high-precision pumps and systems for nuclear power applications, designed to meet stringent safety and performance requirements. These solutions are built for reliable and consistent operation in critical environments.

Development of Mechanical Seals for Nuclear Applications

KSB developed mechanical seals RSR 350 for 220MWe for primary coolant pumps used in nuclear applications, designed to operate under high pressure and temperature conditions. This development supports reliable performance in critical environments while reducing dependence on imported components.





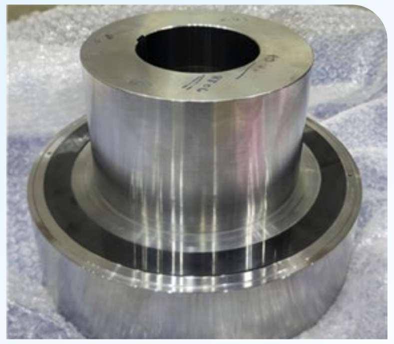


Mechanical seal dynamic testing facility

A dedicated mechanical seal testing facility was established and inaugurated by Dr. Stephan Bross. The facility enables in-house validation under operating conditions, supporting reliable performance in nuclear applications.

Water-Lubricated Bearing Designed, Developed, manufactured and tested by KSB India

Water-lubricated bearing solutions were developed in-house for specialised applications requiring reliable performance under demanding conditions. This initiative supports indigenous capability development under the **Atmanirbhar Bharat** initiative while reducing dependence on external sources and strengthening long-term supply reliability.



- **Supports Atmanirbhar Bharat**
- **Reduced Import Dependency**
- **Stronger Domestic Capability**
- **Enhanced lifecycle support**

Strengthening Quality Systems with ISO 19443 Certification

KSB is among the first in India's pump industry to achieve ISO 19443 certification, a globally recognised standard for quality management in the nuclear sector. This milestone strengthens quality systems aligned with nuclear safety requirements and reinforces a consistent focus on reliability, compliance, and high standards in critical applications.


DNV

MANAGEMENT SYSTEM CERTIFICATE

This is to certify that the management system of
KSB LIMITED
Shirwal (NPD) Nuclear Projects Division, Plot No.A1, Phase II, Kesurdi, Shirwal, Khandala, MIDC, Satara - 412802, Maharashtra, India

ISO 19443:2018

This certificate is valid for the following scope:
Development, Production, Marketing and Services of Pumps, Auxiliary components and System in the Nuclear field for the products & systems classified as ITNS (Important to Nuclear Safety)

Further Solar Irrigation Across India

KSB Ltd accelerated its solar irrigation journey in 2025, scaling deployment and strengthening its presence in both established and emerging agricultural regions. KSB Ltd is helping transform agriculture by delivering dependable solar-powered irrigation solutions across the country.

9,494 +

Solar pumping systems installed

7+ States

Including expansion into newer regions…

Core: Maharashtra | Gujarat | Rajasthan | Haryana

New: Assam | Tripura | Madhya Pradesh

Pan-India Growth

From western and northern hubs to the northeast and central India

Our key growth drivers

Strong Installer Network

A well-established and expanding network ensures seamless execution and last-mile connectivity.

Operational Excellence

Implementation of Robotic Process Automation (RPA) has improved efficiency, reduced turnaround times, and enhanced service delivery.

Enhanced Product Portfolio

Continuous innovation has strengthened offerings tailored to diverse agricultural needs.

Service Capability Expansion

Improved after-sales support ensures reliability and long-term customer satisfaction.

During the year Company Secured a major solar pumps order for delivering solar pumping systems to Maharashtra (MSEDCL) and Tripura (TREDA) under government initiatives.

Empowering farms with the power of sun

Feature Insight: Backward Integration Milestone

KSB India has taken a strategic step towards **backward integration** with the development of its **in-house solar controller.** This initiative is supported by a **state-of-the-art manufacturing facility**, enabling:

Greater control over product quality

Improved supply chain efficiency

Enhanced reliability and performance

This milestone reinforces the company's commitment to **self-reliance, innovation, and future-ready agricultural solutions.**

Impact Snapshot

Expanded
access to solar irrigation in remote regions

Reduced
dependency on conventional energy sources

Strengthened
foundation for long-term sustainable agriculture

State-of-the-art manufacturing facility

KSB uses SOLOTRAN solar pumps controllers for solar pump. These systems are designed to comply with MNRE standards.

New Product Development/Updates

Expanding capabilities through focused innovation

Water & Desalination – RPH RO Pumps

Localization of RPH RO pumps for desalination applications commenced in 2024, with first order executed in 2025. Additional sizes are under development. Electropolishing capability established at KSB Foundry to ensure high surface quality.

General Industry – KNCPP

Developed additional sizes of KNCPP for Pulp, Paper and other applications thereby consolidating the product portfolio and catering to the evolving market requirements

Water & Wastewater – B Pumps

Localization of vertical turbine pumps initiated with first order dispatched in 2025. Additional sizes under development with strong market response.

Water & Waste Water – Amarex KRT CMHC

Continued the development of additional sizes of the Amarex KRT type series in both cast iron and steel material variants to cater to the growing requirements of domestic as well as export market.

Water Applications – Gamma, Omega

The expansion of the horizontal split case pump portfolio continued at a rapid pace with development of new hydraulics as well as material variants in the Gamma and Omega type series. The availability of these variants helps to strengthen our market presence.

Gamma

Omega

Chemical Applications – Estigia

The Estigia type series is strengthened with the introduction new sizes, hydraulics and material variants to cater to various applications.

Slurry & Sewage Applications – KWP

Six additional sizes of KWP type series were developed in 2025 thereby strengthening the offering of pumps for slurry, sewage, mining and other such applications.

Digital – KSB India Select Software

Enhanced pump selection software with additional products and variants. Supports sales teams and dealers and will integrate with E2E system to improve digital sales.

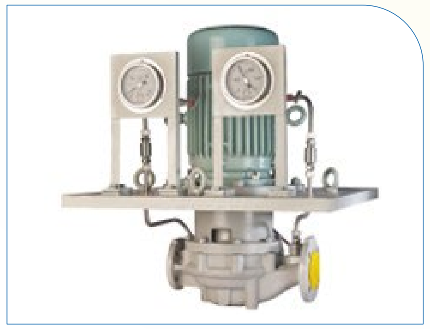
Strategic Impact

- Expanded presence across key sectors
- Strengthened localization
- Enabled domestic & export growth
- Enhanced digital capabilities

Marine Applications – ILNC and AU Pumps

Multiple sizes of ILNC type series were developed in 2025. A mid-mount configuration was also developed to cater to specific application requirements. A total of 10 sizes are nearing completion. Also, 2 sizes of the AU / AUM type series were also released and 3 more sizes are in advanced development stage.

ILNC



ILNC Mid-mount

AU/AUM

Mechanical Seals

Localization of new sizes and variants enabling wider application coverage and supporting aftermarket growth

Industrial & HVAC Applications – Movitec 15C & 90B

The Movitec 15C and 90B sizes were launched in 2025 enhancing market competitiveness, and reducing lead times. These pump sizes supported the enhancement of the vertical inline multi-stage pump segment targeting medium to high flow applications.

Mining Applications – VMD, LCC Pumps

Developed vertical pumps for mining. KSB Ltd. is designated as sole manufacturing entity within the Group for VMD pumps, enabling domestic and export supply.

VMD

LCC

Fire Safety – Etanorm FXM

Completed localization, prototype manufacturing and testing. Achieved FM and UL listing, strengthening presence in fire protection segment. Also introduced GAMMA FXF and Vertical MFMO to cater to the non-listed market requirements for horizontal split-case and vertical multi-outlet pumps for fire-fighting applications

Etanorm FXM

Gamma FXF

Vertical MFMO

Oil & Gas – BB1, BB2 & OH2 Pumps

Developed new sizes to address product gaps in refinery and petrochemical applications, enabling complete API pump offerings.

KI-KSMK (BB2)

RPHb / RPHd (BB2)

Mobile Flood Pumps

The mobile flood pump was launched in 2025 as an effective and reliable solution to cater to the increasing challenges in water management arising from frequent incidents of flooding in both urban and rural areas.

General Industry – KNCP10

Developed the 10 bar variant of the KNCPP type series with optimized weight and design to cater to the distillery and other Industrial applications requiring low pressure End suction pumps with open impellers.

Scan to explore our complete product portfolio and detailed specifications or please visit our website - www.ksbindia.co.in

Building Resilient Manufacturing Capabilities

Key Highlights of FY 2025 of our Manufacturing Excellence

During FY 2025, we continued to enhance our manufacturing capabilities through process improvements, product range expansion, execution of complex orders, and capability-building initiatives, ensuring that efficiency, reliability, and performance excels.

Irrigation & Process Division

Pimpri - Pune | **Established in 1960**

- Introduced Virtual Reality – **VR enabled training** to build workforce skills
- Deployed a **digital twin of testing** and manufacturing systems for real-time monitoring and remote testing of critical equipments
- Set up a dedicated **export cell** to support global customer operations

Power Projects Division (SupremeServ)

Chinchwad – Pune | **Established in 1978**

- **Warehouse efficiency** initiatives to streamline inventory and order fulfilment
- Commissioning of a 5-axis **CNC machine** for high-precision, in-house manufacturing
- Development of in-house **mechanical seal assembly** and testing capabilities

Water Pump Division (WPD)

Sinnar – Nashik | **Established in 1994**

- Deployment of a digitally enabled, **automated assembly line** to increase production speed and accuracy
- Development of a **rainwater harvesting system** to support sustainable operations and reduce dependence on external water sources

Energy Pump Division (EPD)

Shirwal – Satara | **Established in 2017**

- **QR-based quality** system for traceability and faster issue resolution
- Dedicated **testing setup** for RSR 350 seals
- **In-house machining** of heavy components
- Launch of the **Safety Excellence Center** for safety and learning

Foundry Division

Vambori | **Established in 1974**

- Capability development for **large and complex wear-resistant castings** for mining applications
- In-house production of **marine-grade castings** to support quality and delivery requirements
- Achievement of **NORSOK-certified casting** and welding capability for offshore and oil & gas applications

Valves Division

Coimbatore | **Established in 1987**

- Introduction of **robotic laser cladding** for consistent quality and efficient material use
- Adoption of a **hybrid learning platform** for workforce and customer training
- Streamlined **assembly processes** to enhance flexibility, capacity, and lead time reduction

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

Mr. Vishal Kampani
Non Executive -Independent Director

Mr. U. C. Muktibodh
Non Executive -Independent Director

Corporate Information

CHIEF FINANCIAL OFFICER
Mr. Mahesh Bhave

COMPANY SECRETARY
Ms. Shraddha Kavathekar

REGISTERED OFFICE
Office No. 601, Runwal R-Square,
L.B.S. Marg, Mulund (West),
Mumbai - 400 080.
CIN : L29120MH1960PLC011635

FACTORIES
Maharashtra -
Pimpri -Pune
Chinchwad -Pune
Vambori - Ahilyanagar
Sinnar- Nashik
Kesurdi- Shirwal

Tamil Nadu -
NSN Palayam, Coimbatore

BANKERS
Deutsche Bank AG
Bank of Baroda
Standard Chartered Bank
ICICI Bank
Axis Bank
HSBC Bank

COLLABORATORS
KSB SE & Co. KGaA, Germany

REGISTRAR & TRANSFER AGENT
MUFG In time India Private Limited
(Formerly known as Link In time India Pvt. Ltd.)

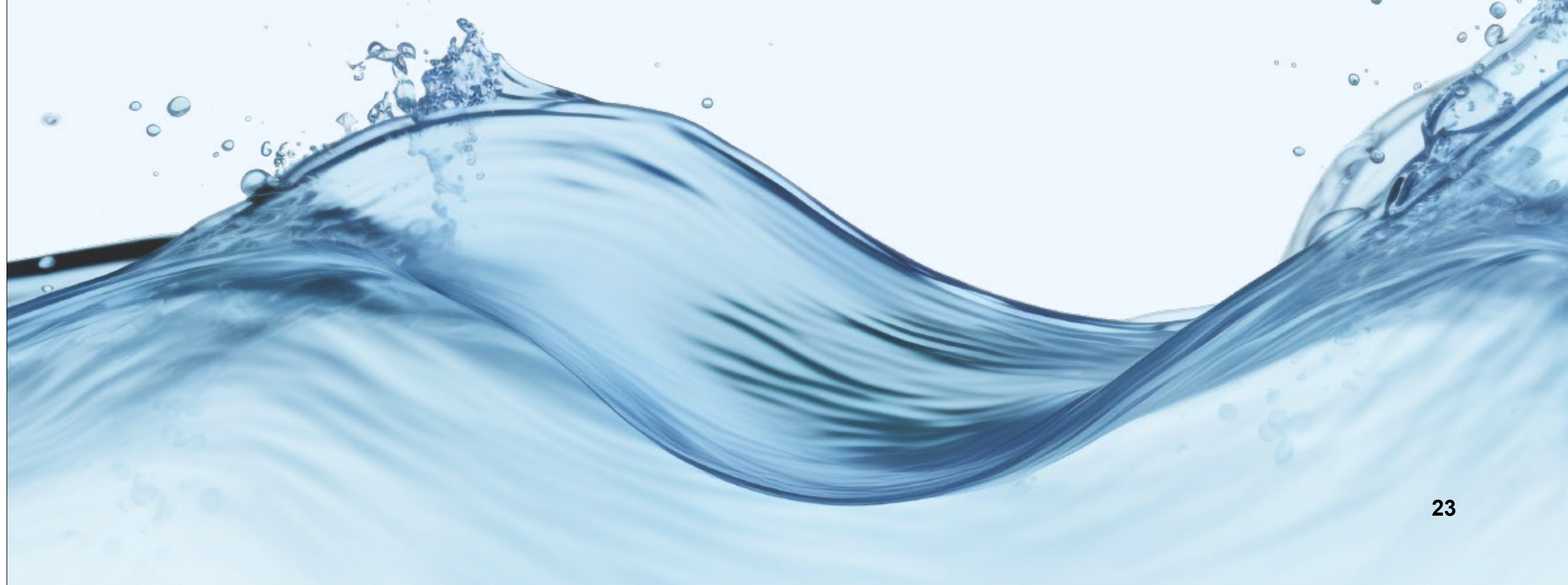
STATUTORY AUDITORS
Price Waterhouse Chartered Accountants LLP

COST AUDITORS
Dhananjay V. Joshi & Associates

SECRETARIAL AUDITORS
Mehta & Mehta, Company Secretaries

ANNUAL GENERAL MEETING
Date:	20th May, 2026
Day:	Wednesday
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



NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixty Sixth Annual General Meeting ("AGM") of the Members of KSB LIMITED will be held on Wednesday, 20th May, 2026 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, 2025, 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, 2025, together with the Reports of the Board of Directors and the Auditors thereon.

2. To declare dividend on equity shares for the Financial Year 2025.

3. To appoint a Director in place of Mr. Gaurav Swarup (DIN: 00374298), 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, 2026 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 INR 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 a SPECIAL RESOLUTION:

   "RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, and Rules thereunder, read with Schedule V to the Act (including any amendment or re-enactment thereof, for the time being in force), the Articles of Association of the Company, based on the recommendation of Nomination and Remuneration Committee and subject to such other approvals as may be necessary, the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Rajeev Jain (DIN: 07475640) as the Managing Director and Key Managerial Personnel of the Company for a term of 5 years commencing from 1st July, 2026, not liable to retire by rotation, including the remuneration which in any financial year(s) during the said tenure may exceed 5% of the net profits of the Company subject to the overall limits for all managerial persons specified in Section 197(1) read with other relevant provisions of the Act, in the event of loss or inadequacy of profits in any financial year during his said tenure the remuneration be paid within the overall limits of Section 197 of the Act, with an authority to the Board of Directors to pay to Mr. Rajeev Jain remuneration and perquisites within the maximum limits specified below:

   (A) Fixed Gross Compensation

   The fixed gross compensation at present is INR 30,162,068 per annum which shall include Basic salary, Commission, supplementary allowance and Leave Travel Assistance [refer A (i), (ii), (iii) and (iv)], Provident Fund and Gratuity [refer E (i) & (ii)]. Annual increment will be decided by the Board on the recommendation of the Nomination and Remuneration Committee

   (i) Basic Salary:

   Basic salary at present is INR 1,172,371 per month. This is subject to revision with the annual increment in the range of INR 1,100,000 to INR 2,000,000.

   (ii) Commission:

   50% of Basic salary.

NOTICE (Contd.)

(iii) Supplementary allowance:

As may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

(iv) Leave Travel Assistance:

For self and family, once in a year accordance with Rules of the Company.

(B) Bonus:

Performance linked bonus not exceeding one year's Fixed gross compensation stated in (A) above payable annually, as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee. For this purpose, yearly fixed gross compensation would be the amount payable after considering annual increments from time to time and effective for the year for which the bonus is payable.

(C) Special Allowance:

As may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee.

(D) Perquisites :

Perquisites, will be in addition to Fixed gross compensation, Bonus and Special allowance and the same shall be computed as hereinafter provided.

(i) Housing:
Furnished residential accommodation with free fuel, gas, electricity, telephone, water and furnishings or reimbursement of charges including applicable income tax. Reimbursement of costs for Housekeeping / cook not exceeding INR 48,360 per month.

(ii) Car:
A suitable car with driver shall be provided for both - official and personal use. Fuel costs, repairs and maintenance and costs of the driver including applicable income tax, shall be borne by the Company.

(iii) Club membership:
All costs including entrance fees/ membership fees or any other charges for membership of a club.

(iv) Insurance:
(a) Personal Accident Insurance for self and spouse in case of death by accident/ invalidity by accident.

(b) Health Insurance for self and spouse.

The annual premium of (a) and (b) above shall not exceed Rs. 1,000,000 per annum.

(v) Medical examination expenses:
Expenses for a preventive medical examination for Mr. Rajeev Jain shall be borne by the Company. Routine medical expenses not exceeding INR 60,000 per annum, for Mr. Rajeev Jain and his spouse in total, shall be borne by the Company.

(vi) Leave:

Annual Leave as per the Rules of the Company.

(vii) Continuation of Salary payments in case of Sickness or Death:

In the case of temporary casual disablement because of illness, the Company shall continue to pay monthly remuneration of not more than 9 months from the beginning of such temporary disablement. In the event of death, the Company shall pay to widow and/ or dependent children of Mr. Rajeev Jain currently applicable monthly remuneration including the Bonus for a period of 9 months.

(E) Retirement benefits:

(i) Provident Fund:

Benefit of the Company's contribution to Provident Fund @12% of basic salary.

(ii) Gratuity:

Benefit under the Company's Gratuity scheme.

NOTICE (Contd.)

(iii) Superannuation Fund:

Benefit under Company's superannuation scheme.

(iv) Applicability:

For computation of benefit under Company's Gratuity scheme and Superannuation scheme [E (ii) & (iii)], total length of service of Mr. Rajeev Jain shall be considered from his original date of joining KSB Limited i.e. from 16th September, 1985.

(F) Perquisites shall be evaluated as per Income-tax Rules wherever applicable or at actual cost.

(G) Pursuant to implementation of New Labour Code in India with effect from 21st November, 2025, the Nomination and Remuneration Committee is authorized to recommend the modification/s in the above terms of remuneration, within the overall approved limits, as may be statutorily required and applicable to all employees of the Company.

(H) Overall remuneration:

The aggregate of the fixed gross compensation, bonus, special allowance, retirement benefits, perquisites, etc. as mentioned above, in any one financial year shall not exceed the limits prescribed under Section 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any modifications or re-enactment for the time being in force.

(I) Minimum Remuneration

Notwithstanding anything to the contrary herein contained, in the event of no profits or inadequacy of profits in any financial year, the Company will pay remuneration by way of salary, allowances, bonus and perquisites as specified above, subject to requisite approvals including Central Government, if any, as may be required in that behalf.

(J) Mr. Rajeev Jain, so long as he functions as a Managing Director, shall not be entitled to receive any fees for attending meetings of the Board of Directors and/ or any committees thereof and shall not be liable to retire by rotation."

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, 25th February, 2026

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, Circular No. 09/2024 dated 19th September, 2024 and Circular No. 03/2025 dated 22nd September, 2025 ("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 66th 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, 8th May, 2026 as the "Record Date" for determining entitlement of Members to the dividend for the financial year ended 31st December, 2025, subject to approval of Members.

f. Dividend as recommended by the Board of Directors, if declared at the AGM, will be paid on or after 8th June, 2026 to those members whose names appear in the Register of Members at the close of the business hours on 8th May, 2026 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 8th May, 2026 in respect of shares held by them in dematerialised form.

Unclaimed Final Dividend for the financial year ended 31st December, 2017 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:

Dividend	For the Financial Year ended	Date of Payment	Tentative Date of Transfer
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
Final	31st Dec'24	30th May'25	29th May'32

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.mca.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.

NOTICE (Contd.)

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.mufg.com/KYC-downloads.html

Details of the relevant forms are provided herein below:

Form	Particulars
Form ISR-1	Request for Registering PAN, KYC details OR Changes/updations there of (only for securities held in physical)
Form ISR-2	Confirmation of Signature of securities holder by Banker
Form ISR-3	Declaration for Opting-out of Nomination by holders of physical securities in Listed Companies
Form SH-13	Nomination Form
Form SH-14	Cancellation OR Variation of Nomination

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).

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 66th AGM of the Company along with the Annual Report for the year 2025 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 2025 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 66th 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 at the Registered Office of the Company and electronically for inspection for Members without any fee during normal business hours i.e. from 9:00 A.M. to 5:00 P.M. (IST) on all working days up to and including the date of the 66th AGM of the Company. Members seeking to inspect such documents can send email at: compsec.india@ksb.com and the same will be made available upon request.

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.

NOTICE (Contd.)

The remote e-voting period commences on **Sunday, 17th May, 2026 at 9.00 a.m. IST and ends on Tuesday, 19th May, 2026 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 **Thursday, 14th May, 2026 (the cut-off date)** may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.

The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Thursday, 14th May, 2026.

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. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. ii. 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’ Login 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. iii. 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. iv. 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. 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

III. 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.
   - Shareholders, holding shares in CDSL, shall provide ‘C’ or ‘D’ above.
   - 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).

NOTICE (Contd.)

3. Click on 'Login' under 'SHAREHOLDER' tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

IV. Cast your vote electronically:

1. After successful login, you will be able to see the "notification for e-voting".
2. Select 'View' icon. 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'.
5. 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.

V. 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".

VI. 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.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

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.

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

NOTICE (Contd.)

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.

i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ii. For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

iii. 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

i. 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.

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 66th 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 : Investor.helpdesk@in.mpms.mufg.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, Chairpersons 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.mufg.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

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).

NOTICE (Contd.)

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 10th May 2026, 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.

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 10th May, 2026 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.mufg.com or contact on Tel: 022 – 4918 6000 / 4918 6175.

NOTICE (Contd.)

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

The forms/documents (duly completed and signed) for claiming tax exemption are required to be uploaded on the url: https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html

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

ii. The forms for tax exemption can be downloaded from MUFG Intime's website. The URL for the same is: https://web.in.mpms.mufg.com/client-downloads.html

– On this page select the General tab. All the forms are available under the head "Form 15G/15H/10F"

iii. 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 10th May, 2026 to enable the Company to determine and deduct appropriate TDS / Withholding Tax.

iv. 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 10th May, 2026.

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, 2026. 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 INR 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 upon recommendation of the Nomination and Remuneration Committee, at its meeting held on 25th February, 2026, re-appointed Mr. Rajeev Jain as the Managing Director and Key Managerial Personnel of the Company for a term of 5 years effective from 1st July, 2026, subject to approval of members of the Company and such other approvals as may be necessary.

Considering Mr. Rajeev Jain's experience, able leadership and association with the Company, the Board of Directors is of the opinion that it will be in the interest of the Company to re-appoint Mr. Rajeev Jain as the Managing Director of the Company for a term of 5 years from 1st July, 2026.

The Company has received from Mr. Rajeev Jain, (i) consent in writing to act as Managing Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013, confirming his eligibility for such appointment.

The terms of re-appointment of Mr. Rajeev Jain including the terms of remuneration are as per the Resolution set out at Business No. 5.

In the event of conditions beyond control, other adverse factors affecting the business of Company and despite the best efforts of the Management if the financial performance of the Company suffers resulting in inadequate profits in any financial year during the tenure of said appointment, the Managing Director shall be paid remuneration by way of salary and perquisites as set out in the Resolution, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Act, from time to time.

This resolution is being proposed as a special resolution in view of the relevant provisions of Schedule V to the Act requiring a special resolution for payment of minimum remuneration in the event of loss or inadequacy of Profit and payment of remuneration exceeding 5% of the net profits of the Company subject to the overall limits for all managerial person specified in Section 197(1) read with other relevant provisions of the Act.

The Company has received a notice in writing from a Member under Section 160 of the Act, proposing candidature of Mr. Rajeev Jain for re-appointment as Managing Director of the Company.

Nature of industry, Financial performance, Foreign investments and collaboration etc. and other required details of the Company as required under Schedule V are included in the Annexures to the Board's Report and audited Financial Statements herewith.

The Directors recommend the resolution as Special Resolution for approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Rajeev Jain to whom the resolution relates, are in any way, concerned or interested, financially or otherwise, in the said resolution.

NOTICE (Contd.)

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	Mr. Gaurav Swarup	Mr. Rajeev Jain
Director Identification Number	00374298	07475640
Date of Birth/Age	21st November, 1956	7th March, 1964
Date of appointment	24th January, 2000	1st July, 2016
Qualifications	BE, MBA (Harvard)	BE (Mechanical) and Masters in management science
Experience (including expertise in specific functional area)	Vast experience in the engineering industry	Vast experience in the engineering industry
Directorships held in other Companies in India excluding Directorship in Private and Section 8 companies	1. Swadeshi Polytex Limited 2. Industrial And Prudential Investment Company Limited 3. Paharpur Cooling Towers Limited 4. Avadh Sugar & Energy Limited 5. IFGL Refractories Limited	1. KSB MIL Controls Limited 2. KSB Tech Private Limited 3. Pofran Sales and Agency Limited
Chairmanship / Membership of Committees held in other Companies in India excluding Private and Section 8 companies	1. Avadh Sugar & Energy Limited- Member of Stakeholder Relationship Committee	1. KSB MIL Controls Limited – Chairman of Audit Committee
Listed entities from which the person has resigned in the past three years	1. Graphite India Limited	Nil
Relationship with other Directors and Key Managerial Personnel	Nil	Nil
No. of Equity shares held in the Company, including shareholding as a beneficial owner	1,70,000	5,000
No. of Board meetings attended during last Financial Year	4 (Four)	4 (Four)
Details of Remuneration Sitting fees and commission paid/ sought to be paid	Sitting fees and commission	As set out in the resolution/ explanatory statement to the Notice.
Terms and Conditions of appointment	Non-Executive Director (Non-Independent), liable to retire by rotation.	Executive Director (Non-Independent), not 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	Not Applicable

BOARD'S REPORT

To
The Members,

The Board of Directors has pleasure to submit the report and audited financial statements of the Company for the year ended 31st December, 2025.

1. Financial Performance (Standalone):

(INR Million)

For the Period Ended	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from operations and Other Income	27,615.94	25,745.78
Profit before tax	3,525.52	3,219.90
Income tax expense		
Current	1,007.49	815.07
Deferred tax	(126.82)	(4.19)
Total tax expense	880.67	810.88
Profit for the year	2,644.85	2,409.02
Other comprehensive income	(71.37)	(27.48)
Total comprehensive income	**2,573.48**	**2,381.54**
Appropriations:		
Opening balance of retained earnings	12,814.23	11,041.83
Profit for the year	2,644.85	2,409.02
Dividend paid (including tax thereon)	(696.16)	(609.14)
Other comprehensive income recognised directly in retained earnings	(71.37)	(27.48)
Total retained earnings	**14,691.55**	**12,814.23**
EPS	15.20	13.84

2. Dividend

The Board of Directors propose a dividend of INR 4.40 per share of INR 2.00 each (220%). 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.

The Paid-up Equity Share Capital of the Company as on 31st December, 2025 was INR 348.08 Million comprising of 17,40,39,220 equity shares of INR 2/- each. The Company does not have any shares with differential voting rights or sweat equity.

4. Transfer to reserves

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

5. General review and performance

The Financial Year 2025 has been another year of strong performance, driven by strategic growth initiatives, operational excellence and technological advancements. Despite industry challenges, the Company successfully achieved operational synergy and financial growth, reinforcing its position in key market segments.

A significant milestone this year has been securing of major orders across critical sectors, including an order to supply specialized boiler feed pump packages for NTPC's supercritical power plants. Our association with India's first supercritical plants further reinforces our leadership in core market segments. The Solar and Firefighting segments continue to expand, supported by an enhanced product portfolio and new technology-driven offerings.

Our digital transformation journey continues, with new automation and AI 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. Exports increased by INR 1,165.51 million, rising from INR 3,500.22 million last year to INR 4,665.73 million during the current year. The Company continues its dedicated efforts to maintain growth momentum, even amidst ongoing global challenges.

BOARD'S REPORT (Contd.)

6. 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 2025. 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:

(INR Million)

Year	Amount	Rating
2025	25,000.00	Long Term AA+, Short Term A1+
2024	25,000.00	Long Term AA+, Short Term A1+
2023	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.

7. Fixed Deposits

The Company has not accepted any fixed deposits.

8. 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 501,696 being unclaimed dividends up to the year 31st December, 2017, 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 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 17,570 equity shares to the IEPF. The details of equity shares transferred are available on the Company's website at: www.ksbindia.co.in

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

There are 20 shares lying in the Suspense Escrow Demat Account as on 31st December, 2025. There are no shares in the Unclaimed Suspense Account.

10. 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, 2025.

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, 2026 will be 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.

11. Management Discussion and Analysis Report

Annexed to this report as Annexure II.

12. Report on Corporate Governance Report

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

BOARD'S REPORT (Contd.)

13. Business Responsibility and Sustainability Report

Annexed to this report as Annexure V.

14. Annual Return

In accordance with the provisions of the Act, the Annual Return of the Company for the year ended 2025 is hosted on website of the Company at : www.ksbindia.co.in

15. 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.

16. 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.

17. 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.

18. 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.

19. 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.

20. 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.

21. 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.

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

The Company has complied with the 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 complaints with allegations of sexual harassment were received by the Company. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, temporary, trainee etc.) are covered under this Policy.

Details of Complaints Received by the ICC During the Year:

Sr. No.	Particulars	Number of Complaints
1	Number of complaints of sexual harassment received in the year	NIL
2	Number of complaints disposed during the year	NIL
3	Number of cases pending for more than ninety days	NIL

BOARD'S REPORT (Contd.)

23. Directors and Key Managerial Personnel

Mr. Gaurav Swarup (DIN: 00374298) retires by rotation and is eligible for re-appointment. The Board recommends the re-appointment.

During the year, Mr. V. K. Viswanathan (DIN: 01782934) , Non-Executive and Independent Director 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. U. C. Muktibodh (DIN: 06558392) as Non-Executive and Independent Director with effect from 16th January, 2025 for a term of 5 years respectively.

The Board of Directors, at its meeting held on 25th February 2026, based on the recommendation of the Nomination & Remuneration Committee, has approved the re-appointment of Mr. Rajeev Jain (DIN: 07475640) as Managing Director of the Company for a period of five years from 1st July 2026 to 30th June 2031, subject to the approval of the Members of the Company. The Board recommends the resolution for approval of the Members of the Company.

Brief resume and other details of the Director/(s) being appointed/re-appointed at the ensuing AGM as stipulated under Secretarial Standard-2 issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI Listing Regulations, are separately disclosed in the Notice of ensuing AGM.

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

24. 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.

25. Board Meetings

During the year ended 31st December, 2025, 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.

26. 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

27. 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.

28. 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

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.

BOARD'S REPORT (Contd.)

29. Board Committees

The Company has five Committees of the Board,

Audit Committee

Stakeholders' Relationship Committee

Nomination and Remuneration Committee

Corporate Social Responsibility Committee

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. 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 at the Registered Office of the Company and electronically for inspection by members on all working days (Monday to Friday) between 09.00 a.m. and 11.00 a.m. upto Wedensday, 20th May, 2026, being the date of the 66th AGM. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished electronically on such request.

31. 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 2025 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 2025.

32. 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 2026 at a remuneration as mentioned in the Notice convening the 66th Annual General Meeting and the same is recommended for your consideration and ratification. The Cost Audit Report for the financial year 2024 has been duly filed within the due date during 2025 with the Ministry of Corporate Affairs and does not contain any qualification, reservation, adverse remark or disclaimer.

33. Secretarial Auditors

The Shareholders of the Company in their 65th AGM held on 15th May, 2025 appointed M/s Mehta and Mehta Associates (Firm Reg. No. P1996MH007500) as the Secretarial Auditors of the Company for a term of 5 years commencing from the 65th Annual

BOARD'S REPORT (Contd.)

General Meeting to the 70th Annual General Meeting. They have also confirmed that they are not disqualified from continuing as Secretarial Auditors of the Company in terms of provisions of the Act & Rules made thereunder and SEBI (LODR) Regulations.

Pursuant to provisions of Section 204 of the Act and Rules thereunder, the Secretarial Audit Report for financial year 2025 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.

34. 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.

35. 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.

36. 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.

37. 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.

38. 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.

39. Confirmation under the Maternity Benefit Act 1961

The Company has duly complied with all the material compliances required under the Maternity Benefit Act 1961. Further details are available in the Report on Corporate Governance annexed herewith.

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, 25th February, 2026

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

(INR 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, 2025 to 31st March, 2026*
Reporting currency and Exchange rate	INR
Share capital	0.50
Reserves & Surplus	1.11
Total Assets	1.67
Total Liabilities	0.06
Investments	-
Turnover	NIL
Profit / (Loss) before taxation	(0.03)
Provision for taxation	0.00
Profit / (Loss) after taxation	(0.03)
Proposed Dividend	-
% of shareholding	100

*The consolidation is based on the unaudited financial information for the period ended as on 31st December, 2025 of the subsidiary.

Part “B”: Associate

(INR 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, 2025
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	929.30
Profit / Loss for the year	298.73
i. Considered in consolidation	146.38
ii. Not Considered in consolidation	152.35

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

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : 25th February, 2026

Shraddha Kavathekar
Company Secretary

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ANNEXURE II TO BOARD'S REPORT

Economic Overview

Global Economy[1]

The global economy demonstrated notable resilience in FY 2025, maintaining a steady growth rate of 3.3% despite persistent trade frictions and geopolitical uncertainties. This performance was supported by strong trade activity in the early part of the year, sustained investments in Artificial Intelligence (AI), semiconductors and digital infrastructure, along with continued fiscal support across major economies. For the industrial sector, the stabilization of global manufacturing PMI (Purchasing Managers' Index) in the latter half of the year provided a conducive environment for capital goods demand.

Growth in advanced economies remained moderate at 1.7%, with the United States leading at 2.1%. Europe registered a comparatively slower expansion of 1.4%, reflecting the impact of trade-related challenges and subdued industrial activity. Emerging and developing economies continued to outperform, registering growth of 4.4%, driven in part by China's expansion of 5.0%. However, several smaller economies remained vulnerable to elevated debt levels and currency volatility.

While policy support and technological advancements contributed to economic stability, rising geopolitical tensions in West Asia and the Red Sea corridor present potential risks to global energy supply chains and maritime logistics. These developments have the potential to fluctuate crude oil prices, which is a key driver for the Oil & Gas segment that will directly increase freight costs and extend lead times for critical imported components.

Outlook

Global economic growth is projected to remain stable at 3.3% in FY 2026, before easing marginally to 3.2% in FY 2027. This trend reflects the normalisation of inventory cycles, the impact of tariffs, persistent geopolitical risks and moderating consumption in primary markets such as China.

Inflation is projected to ease gradually, supported by stabilising commodity prices, cooling labour market conditions and lower cost pressures. Fiscal and monetary policies are likely to remain supportive of economic activity. Additionally, expansion in bilateral trade agreements and a global focus on the Energy Transition including Green Hydrogen and Nuclear power are anticipated to create new avenues for high-end engineering applications.

Going forward, sustained global growth will depend on stability of supply chains, enhanced trade integration and stronger investment momentum, particularly within emerging markets.

Indian Economy[2]

India continues to distinguish itself as one of the fastest-growing major economies globally, with real GDP estimated to expand by 7.3% in FY 2025, compared with 6.5% in FY 2024. This momentum is supported by resilient rural demand, stable agricultural and industrial output and strong performance in the services sector.

Policy support remains a key enabler, with initiatives such as the Production Linked Incentive (PLI) schemes, which have now crossed ₹2.16 lakh crore in committed investments and continued public investment in infrastructure, reinforcing economic activity and boosting overall growth prospects.

Inflation has remained well contained, with CPI at 2.75%[3] on the revised 2024 base, supporting real incomes and consumption across both urban and rural segments. At the same time, India is strengthening its integration into global value chains through trade engagements with the United States and the European Union, while also diversifying crude oil sourcing to enhance energy security amid evolving geopolitical dynamics.

Outlook

India is expected to retain its position as the fastest-growing major economy in the near term, with GDP projected to grow by 6.4% in FY 2026 and 6.4% in FY 2027. The Union Budget 2026-27 has further bolstered this by increasing public capital expenditure to ₹12.2 lakh crore, with a strategic focus on improving logistics efficiency and building dedicated economic corridors.

Growth is likely to be supported by sustained public capital expenditure and a gradual recovery in private consumption, with private consumption expenditure expected to expand by approximately 7.0% over the reported period. The restructuring of the Jal Jeevan Mission into 'JJM 2.0' with an enhanced outlay of ₹8.69 lakh crore signals a long-term commitment to water infrastructure, which is expected to sustain demand for pumping solutions.

[1]https://www.imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026

[2]https://www.imf.org/en/publications/weo/issues/2026/01/19/world-economic-outlook-update-january-2026

[2]https://www.mospi.gov.in/uploads/latestReleases/latest_release_1770891893893_6b458c0a-c327-4fef-a554-41131ea67273_Press_Relase_of CPI_for_Jan26.pdf

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Ongoing structural reforms, including rationalisation of the Goods and Services Tax, new trade agreements and continued improvements in ease of doing business, are anticipated to provide a strong foundation for long-term growth. Furthermore, India's push toward "Atmanirbhar" in strategic sectors like Nuclear Power and Green Hydrogen presents opportunities for domestic manufacturers. With inflation projected to remain moderate, the Reserve Bank of India (RBI) is likely to retain a supportive monetary policy stance, enabling investment and credit expansion despite global uncertainties.

Industry Overview

Indian Pumps Industry[4]

The Indian pumps industry is witnessing steady growth, driven by sustained demand across agriculture, infrastructure, industrial and municipal applications. The market was valued at approximately USD 2.9 billion in FY 2024 and is projected to reach USD 4.14 billion by FY 2030, growing at a CAGR of around 6.11%.

The industry remains highly fragmented, comprising established organised players alongside a large base of regional manufacturers catering to diverse end-use sectors such as irrigation, water supply, wastewater treatment and industrial processes. Growth is supported by increased infrastructure spending, a sharper policy focus on water resource management and the adoption of energy-efficient and digitally enabled pumping solutions. However, the sector faces headwinds from elevated raw material costs, intermittent supply chain constraints and competitive pricing pressures.

Key Growth Drivers

Infrastructure and water management investments

Government initiatives such as Jal Jeevan Mission, AMRUT and Smart Cities are generating significant demand for pumps in water distribution, sanitation and sewage treatment projects.

Nuclear Energy

The enactment of the SHANTI Act has revolutionized the sector by permitting private participation This legislative de-risking, combined with the Nuclear Energy Mission and the push for Bharat Small Reactors (BSRs), creates an exclusive, high-entry-barrier frontier for specialized pumping and safety-critical valve solutions.

Thermal Expansion

To meet soaring peak demand, the Government has mandated an additional minimum 80 GW of coal-based capacity by 2031-32. This expansion, focused on Supercritical and Ultra-supercritical units, alongside the large-scale Renovation & Modernization (R&M) of the existing fleet, ensures a robust and recurring market for pumps and fluid-handling systems.

Agricultural demand and irrigation expansion

Greater emphasis on irrigation coverage, rural electrification and farm productivity is supporting demand for agricultural pumps, including borewell and solar-powered variants.

Industrial and construction activity

Growth in manufacturing, construction and industrial sectors is boosting demand for pumps across applications such as HVAC systems, utilities and material handling.

Shift towards energy-efficient and smart pumps

Adoption of IoT-enabled, automated and energy-efficient pumps is increasing, driven by the need to optimise operative costs, enable predictive maintenance and improve system reliability.

Rising adoption of solar-powered pumps

Government support for renewable energy, coupled with rising grid power costs, is accelerating the deployment of solar pump solutions, particularly in rural and agricultural applications.

Export opportunities under China+1 strategy

Global supply chain diversification is opening avenues for Indian manufacturers to expand exports to regions such as GCC, ASEAN and Africa.

[4]https://www.researchandmarkets.com/report/india-pumps-market?srsltid=AfmBOoq1aRFtLRJp10kHDSazN2GTjWoopd1voLm8Z2qc6NaYQPynTR6D

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Outlook

The outlook for the Indian pumps industry remains favourable, supported by sustained infrastructure spending, increasing emphasis on efficient water management, nation's ambitious energy transition goals, and continued industrial development. The transition towards smart, energy-efficient and solar-powered pumping systems is expected to enhance operational efficiency and support long-term demand.

Near term margin pressures may persist due to raw material cost volatility and supply chain constraints. However, ongoing localisation efforts and diversification of sourcing are likely to provide resilience. Additionally, expanding export opportunities arising from global supply chain realignment, along with continued policy support, are anticipated to reinforce medium term growth prospects and support steady, sustainable expansion.

Indian Valves Industry[5]

The Indian industrial valves market is witnessing healthy growth, supported by rising investments across oil and gas, water infrastructure, power generation and process industries. The market is estimated at around USD 1.56 billion in FY 2025 and is projected to reach USD 2.34 billion by FY 2031, reflecting a CAGR of nearly 7.00%. Demand is being driven by increasing industrial activity, expansion in pipeline and utility networks and the growing need for flow control systems across critical applications. The industry is progressing towards higher-value, automated and digitally integrated valve solutions. However, pricing pressures and raw material cost volatility continue to pose challenges to margin stability.

Key Growth Drivers

Oil and gas demand

Expansion of pipeline networks, refining capacity and city gas distribution is driving sustained requirement for valves in hydrocarbon applications

Industrial capex

Increasing investments across chemicals, petrochemicals, power generation and manufacturing are contributing to higher demand for process control equipment

Automation adoption –

Growing deployment of smart, actuator-based and IIoT-enabled valve systems is improving process efficiency, monitoring and operational control

Energy transition

Emerging opportunities in renewable energy, LNG infrastructure and related segments are expanding the application scope for advanced valve solutions

Product upgrades

The shift towards higher-specification, corrosion-resistant and performance-oriented valves is supporting value realisation and product differentiation

Outlook

The Indian valves market is expected to maintain a positive growth trajectory, supported by sustained infrastructure development, industrial investment and growing demand for reliable flow control solutions. The gradual transition towards automation, enhanced process efficiency measures and digital monitoring is likely to accelerate adoption of technologically advanced valve systems.

In the near-term, material pressures may arise from raw material price volatility, import competition and cost inflation. Over the longer term, strong domestic demand, expanding application areas and rising preference for quality-compliant and energy-efficient solutions are expected to support steady growth.

[5] https://www.mordorintelligence.com/industry-reports/india-industrial-valves-market

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Company Overview

KSB Limited is an established manufacturer of pumps, valves and related systems in India, with a well-entrenched presence across core industrial and infrastructure segments. Incorporated in 1960 and headquartered in Pune, the Company operates as part of the global KSB Group and serves a broad spectrum of industries, including energy, water and wastewater, building services, petrochemicals, mining and general industry.

The Company operates an integrated operating model, supported by six manufacturing facilities and an extensive service and distribution network across the country.

KSB India has established a strong competitive position in the domestic market, supported by a diversified product portfolio, advanced technological capabilities and a growing presence in high-potential segments such as energy and water infrastructure. The Company continues to prioritise localisation, product innovation and service-led offerings to drive sustainable growth.

Business Segment

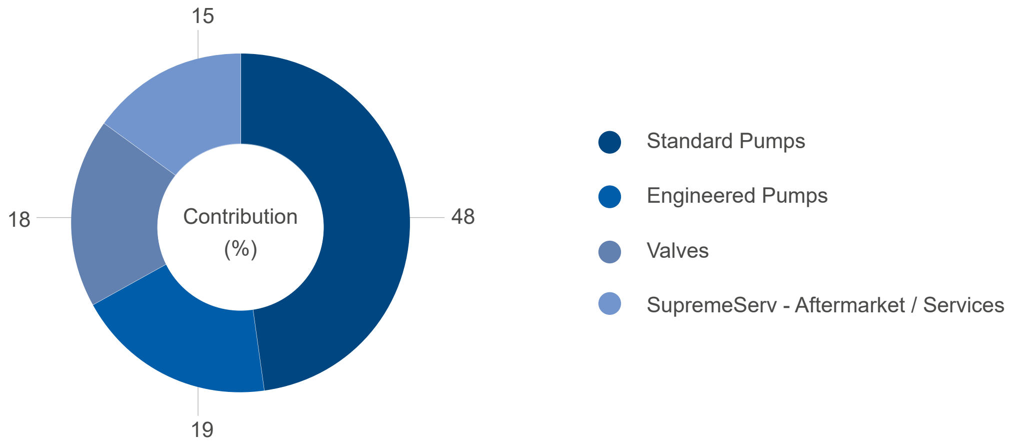
KSB Limited operates across a diversified portfolio of products and services, catering to a broad spectrum of industrial and infrastructure applications. The Company's offerings are categorised into pumps (standard and engineered), valves and aftermarket services, enabling it to address both project-driven and recurring demand streams.

The standard pumps segment constitutes a significant share of the business, driven by demand from building services, water management and general industrial applications. The engineered pumps segment addresses complex and large-scale applications across energy, nuclear and process industries, typically characterised by longer execution cycles and significant value addition.

The valves segment, encompassing isolation, caters to critical industries such as oil and gas, power and chemicals. The aftermarket and service business (SupremeServ) delivers end-to-end lifecycle solutions, including maintenance, spares and retrofits, ensuring stable and recurring revenue streams.

KSB Limited is strategically focused on increasing high-growth segments including water and wastewater, energy and industrial applications, while expanding its service portfolio to enhance margins, improve retention and strengthen long-term customer relationships.

Order Intake Contribution by Segment



KSB Limited remains strategically positioned to leverage its technological expertise and diversified portfolio to capitalise on emerging opportunities, while mitigating risks through operational efficiencies, localisation and a balanced business mix.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Financial Overview

Distribution Of Income (Standalone)

(INR Million)

Particulars	Year Ended 31st December, 2025		Year Ended 31st December, 2024	
	INR	%	INR	%
Raw Materials / Bought-out Components Consumed	14,563	52.73	14,221	55.24
Excise Duty (till 30th June, 2017)	0	-	0	-
Employee benefits expense	3,898	14.12	3,136	12.18
Other Expenses	5,016	18.15	4,599	17.87
Finance cost	30	0.11	27	0.10
Depreciation	583	2.11	543	2.11
Taxation				
– Current	1,007	3.65	815	3.17
– Tax settlement relating to previous years	-	-	-	-
– Deferred	(125)	(0.45)	(4)	(0.02)
Other Comprehensive (Income)/Expense	71	0.26	27	0.10
Dividend (including tax thereon)	696	2.52	609	2.37
Retained Earnings	1,877	6.80	1,772	6.88
TOTAL	**27,616**	**100.00**	**25,745**	**100.00**

Financial Position at a Glance (Standalone)

(INR Million)

Particulars	2025	2024
Year Ended	**31st December, 2025**	**31st December, 2024**
ASSETS OWNED		
Non-Current Assets		
Property, Plant and Equipment (including CWIP & RoU assets)	5,313	4,720
Intangible Assets	221	211
Investments	74	63
Other Non-Current Assets/(Liabilities) (net)	(325)	41
Deferred Tax Assets (net)	342	191
Current Assets (Net) excluding borrowings	10,503	9,025
TOTAL ASSETS	**16,128**	**14,251**
FINANCED BY		
Borrowings	-	-
Net Worth	16,128	14,251
TOTAL FINANCING	**16,128**	**14,251**
Represented by		
Equity Share Capital	348	348
Other Equity	15,780	13,903
TOTAL NET WORTH	**16,128**	**14,251**
INCOME EARNED		
Revenue from operations	26,957	25,331
Other Income	659	415
TOTAL INCOME	**27,616**	**25,746**
INCOME DISTRIBUTED		
Materials consumed	14,563	14,221
Excise Duty (till 30th June, 2017)	0	-
Employee benefits expense	3,898	3,136
Other expenses	5,016	4,599

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Particulars	2025	2024
Year Ended	31st December, 2025	31st December, 2024
Finance cost	30	27
Depreciation	583	543
Taxation – Current	1,007	815
Taxation – Deferred	(125)	(4)
Other Comprehensive Income/(Expense)	71	27
Dividend (including tax thereon)	696	609
Retained Income	1,877	1,772
TOTAL DISTRIBUTION	**27,616**	**25,745**

Financial Summary (Standalone)

(INR Million)

Particulars	2025	2024	2023	2022	2021
CAPITAL ACCOUNTS					
Liabilities					
Equity Share Capital	348	348	348	348	348
Other Equity	15,780	13,903	12,130	10,583	9,293
Non-Current Liabilities	893	591	458	453	537
Assets					
Non-Current Assets					
Gross Block	11,485	10,418	9,547	8,467	7,805
Net Block	5,535	4,931	4,514	3,752	3,498
Investments	74	63	63	63	63
Other Non-Current Assets	567	632	685	1,015	643
Deferred Tax Assets (net)	342	191	178	167	220
Current Assets (Net)	10,503	9,025	7,496	6,386	5,754
REVENUE ACCOUNTS					
Revenue from operations and Other Income	27,616	25,746	22,835	18,674	15,337
Gross Profit before finance cost and depreciation	4,139	3,790	3,299	2,921	2,459
Finance cost	30	27	53	61	50
Depreciation	583	543	497	453	436
Profit before tax	3,526	3,220	2,749	2,407	1,973
Profit after tax	2,645	2,409	2,046	1,793	1,466
Dividend amount (including tax thereon)	696	609	522	435	296
Retained earnings	1,877	1,772	1,548	1,290	1,176
SELECTED INDICATORS					
Return on Capital Employed (%)	22.85	23.45	23.17	22.58	20.98
Current Ratio	2.02	2.13	2.05	2.01	2.06
Earnings per share	15.2	13.84	58.78	51.5	42.12
Debt Equity Ratio	0	0	0	0	0
Book value per share	92.67	81.88	358.5	314.05	276.99
Dividend (%)	200	175	150	125	85
Fixed Assets Turnover	4.99	5.22	5.06	4.98	4.38

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

Key Financial Ratios

Ratios (Standalone)	Year Ended 31st December, 2025	Year Ended 31st December, 2024
1. Debtors Turnover (Days)	103.00	83.00
2. Inventory Turnover (Days)	179.00	165.00
3. Operating Profit Margin (%)	12.28	11.75
4. Net Profit Margin (%)	9.84	9.54
5. Return on Net Worth (%)	17.41	18.03
6. Interest Coverage Ratio (Times)	118.53	120.26

Material Developments in Human Resources, Industrial Relations

At KSB India, the Human Resources function continued to drive strategic value creation, enabling sustainable growth, operational excellence and long-term organisational strength. As the Company expanded its manufacturing and operational footprint, HR focused on talent development, workforce adaptability, leadership continuity and building a high-performance culture.

The people strategy is anchored on four key pillars-

1. **Capability Building**
2. **Inclusive Growth**
3. **Employee Experience**
4. **Industrial Harmony**

Ensuring strong alignment between business priorities and workforce readiness, the Company continues to reinforce a values-driven and governance-led organisational culture.

During the year, KSB India implemented structured learning and development initiatives aimed at enhancing technical, functional and leadership capabilities across all employee levels. These interventions contributed to improved shop-floor productivity, strengthened managerial effectiveness, robust succession planning and enhanced organisational resilience.

The Company further strengthen employee engagement through transparent communication leadership connect forums and structured engagement programmes. As part of its focus on organisational health and employee experience, KSB India participated in the Great Place to Work® (GPTW) assessment and achieved a Trust Index score of 89%. The Company was also recognised among the Top 50 – India’s Best Workplaces™ in Large Manufacturing Companies for 2026, reflecting the effectiveness of its people practices.

During the year, HR policies were comprehensively reviewed and strengthened, with a clear focus on compliance, governance and employee well-being. The introduction of the Higher Education Policy and the Extended Maternity Leave Policy further reinforced the Company’s progressive and employee-centric approach.

The Company continued to maintain rigorous compliance with applicable labour laws, certified standing orders and internal governance frameworks, while advancing employee well-being through targeted and structured wellness initiatives. In parallel, the Reward and Recognition framework was further institutionalised to systematically recognise and incentivise performance excellence across the organisation.

Industrial relations across all manufacturing locations remained stable and constructive, supported by proactive stakeholder engagement, transparent communication and sustained dialogue with employee representatives.

Going forward, the Company will continue to sharpen its focus on leadership development, diversity and inclusion, digital enablement, employee well-being and compliance excellence, while building a resilient future-ready and engaged workforce.

Risk Management

While the business outlook remains positive, the Company continues to operate in a dynamic environment influenced by both global and domestic factors. Volatility in raw material prices, particularly metals and castings, continues to exert pressure on margins, especially under fixed-price contracts. In addition, evolving geopolitical developments and supply chain disruptions, including logistics constraints and freight volatility, may impact input availability and cost structures. Currency fluctuations also remain a key consideration, affecting import costs and export competitiveness.

On the domestic front, while strong government-led investments in infrastructure, water management and energy transition are creating growth opportunities, delays in project execution, elongated tendering cycles and working capital intensity in project-driven businesses may impact revenue visibility. Further, increasing competitive intensity and pricing pressures across the pumps and valves industry remain areas of focus.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (Contd.)

To mitigate these risks, the Company continues to adopt a balanced business approach, with increased emphasis on standard products and aftermarket services to enhance revenue stability and margin resilience. Strategic sourcing, supplier diversification and localisation initiatives are being strengthened to improve supply chain reliability. The Company also maintains disciplined project execution through robust governance frameworks and milestone-based delivery, alongside focused receivables management to optimise working capital. Continued investments in technology, operational efficiency and emerging segments such as energy transition are expected to enhance competitiveness and support sustainable growth over the medium term.

Outlook

KSB Limited is well-positioned to capitalise on the sustained growth momentum in India's infrastructure and industrial sectors. The Company expects continued demand traction across its core segments, driven by increasing investments in energy, water and wastewater infrastructure and domestic manufacturing.

The expansion of thermal and nuclear power capacity, alongside the ongoing transition towards renewable energy, is expected to support long-term demand for engineered pumps and associated systems. In addition, the water and wastewater segment is anticipated to remain a key growth driver, endorsed by government initiatives such as Jal Jeevan Mission, AMRUT, as well as large-scale river linking infrastructure projects. Rapid urbanisation and infrastructure development are expected to further stimulate demand in building services, including commercial real estate, metros, airports and data centres, thereby supporting growth in the standard pumps segment.

The Company is also intensifying its focus on expanding its presence in emerging segments such as solar pumps, firefighting systems and green hydrogen, while continuing to scale its aftermarket and service business to enhance margin profiles and ensure stable revenue streams. Continued investments in localisation, technology and supply chain resilience are expected to strengthen competitiveness and drive operational efficiency.

Notwithstanding these growth drivers, the outlook remains subject to certain risks, including volatility in raw material prices, execution delays in large-scale projects- particularly within the nuclear projects and potential supply chain disruptions arising from geopolitical developments.

However, supported by a strong order book, a diversified portfolio and demonstrated execution capabilities, KSB Limited remains well-positioned to sustain growth momentum and deliver long-term value.

Internal Control Systems and Their Adequacy

The Company has in place an adequate internal control system designed to safeguard assets, ensure operational efficiency, maintain financial accuracy and support compliance with applicable laws and regulations. These controls are periodically reviewed and strengthened in line with changes in the business environment, regulatory requirements and industry practices.

Protection of Assets and Optimisation of Controls

The Company remains committed to maintaining effective internal controls to protect its assets, optimise costs and support reliable financial and operational reporting.

Monitoring of Core Control Areas

The Company has established controls across key operational areas to ensure effective oversight and risk mitigation.

- Asset Safeguarding: Appropriate physical and electronic security measures, including inventory verification, access controls and data protection protocols, are in place to prevent loss or misuse of assets.
- Cost Management: Expenditure is monitored through budgetary controls, variance analysis, approval mechanisms and procurement checks to ensure efficient utilisation of resources.

Financial Integrity and Reporting

The Company follows sound financial control practices to ensure the accuracy, completeness and reliability of its financial reporting. These include segregation of duties, system-based reconciliations, approval hierarchies and regular monitoring of financial transactions.

Continuous Review and Improvement

The Company's in-house Internal Audit function periodically reviews the effectiveness of internal controls, identifies gaps and recommends corrective actions. Management takes necessary steps to address observations and strengthen the control environment on an ongoing basis.

Cautionary Statement

This report is based on the experience and information available to the Company in the pumps and valves business and assumptions on domestic and global economic conditions, government and regulation policies and others. 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.

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 (15th May, 2025)
Mr. Gaurav Swarup	00374298	Chairman - NED	4	Yes
Mr. V. K. Viswanathan (Upto 15th January, 2025)	01782934	NED - I	NA	NA
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	00054530	NED - I	4	Yes
Mr. Vishal Kampani	00009079	NED - I	3	No
Mr. U. C. Muktibodh (From 16th January, 2025)	06558392	NED - I	4	Yes

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, 2025

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	5	1	0
Mr. V. K. Viswanathan (Upto 15th January, 2025)	NA	NA	NA
Ms. Sharmila Barua Roychowdhury	1	1	0
Dr. Stephan Bross	1	0	0
Dr. Matthias Schmitz	0	0	0
Mr. Rajeev Jain	2	0	1
Mr. Ulhas Yargop	0	0	0
Mr. Vishal Kampani	7	1	0
Mr. U. C. Muktibodh (From 16th January, 2025)	1	0	0

@ 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

* Retired during the year FY 2025 on completion of second term

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of Director	Name of other Listed Company	Category
Mr. V. K. Viswanathan	NA	NA
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)	MTAR Technologies Ltd	NED-I

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 2025, four Meetings were held on 27th February, 2025, 30th April, 2025, 7th August, 2025, and 11th November, 2025.

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	Dividend paid (INR)
Mr. Gaurav Swarup	1,70,000	6,80,000

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

(h) Independent Directors' Familiarization : An appropriate induction and ongoing training programme helps maintain high standards of corporate governance in the Company. Directors are provided with necessary information and updates from time to time, either at Board meetings or through separate sessions, as required. Details of the familiarisation programmes for Independent Directors are available on the Company's website : 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.

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 Board of Directors brings extensive experience, ensuring robust strategic oversight and sound business leadership.
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.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(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. Ulhas Yargop (Chairperson)	4	4	Appointed as Chairperson from 16th January, 2025.
Mr. Gaurav Swarup	4	4	–
Mr. V. K. Viswanathan	NA	NA	Ceased to be the Chairperson and Committee member from 15th January, 2025 pursuant to his cessation from the Board.
Ms. Sharmila Barua Roychowdhury	4	4	–
Dr. Matthias Schmitz	4	4	–
Mr. Vishal Kampani	4	3	–
Mr. U. C. Muktibodh	4	4	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 27th February, 2025, 30th April, 2025, 7th August, 2025 and 11th November, 2025.

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. Ulhas Yargop (Chairperson)	3	3	Appointed as the Chairperson from 16th January, 2025.
Mr. Gaurav Swarup	3	3	–
Mr. V. K. Viswanathan	NA	NA	Ceased to be the Chairperson and Committee member from 15th January, 2025 pursuant to his cessation from the Board.
Mr. Vishal Kampani	3	2	

REPORT ON CORPORATE GOVERNANCE (Contd.)

iii. Details of Nomination and Remuneration Committee Meetings held during the year under review

Three Meetings were held on 27th February, 2025, 30th April, 2025 and 11th November, 2025.

iv. Nomination and 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).

A structured questionnaire approved by the Nomination and Remuneration Committee, covering various aspects of the functioning of Board and Committees was circulated to the Directors. The consolidated Evaluation Report of the Board/Committees, based on inputs received from the Directors was discussed at the meeting of the Board held on 11th November, 2025.

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, 2025, 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 Bhave	Chief Financial Officer & Vice President Finance, Procurement and DTC
3	Mr. Nitin Patil	Vice President IPD & EPD Operations and Chief Operating Officer – Nuclear Business for Pumps
4	Mr. Mohan Patil	Vice President, Human Resources
5	Mr. Prashant Kumar	Vice President, Sales & Marketing
6	Mr. Sunil Bapat	Vice President WPD Operations & Foundry and Chief Operating Officer – Solar Business for Pumps
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- Project Contract Management
10	Mr. Rajesh Kulkarni	General Manager - SupermeServ - PPD 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

REPORT ON CORPORATE GOVERNANCE (Contd.)

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
Ms. Sharmila Barua Roychowdhury (Chairperson)	3	3
Mr. Gaurav Swarup	3	3
Mr. Rajeev Jain	3	3

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

Three Meetings were held on 27th February, 2025, 30th April, 2025 and 11th November, 2025.

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
Mr. Ulhas Yargop (Chairperson)	1	1
Mr. Gaurav Swarup	1	1
Mr. Rajeev Jain	1	1

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

Meeting was held on 7th August, 2025.

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

v. During the year under review four 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.

Details of shareholders' complaints received during the Financial Year 2025 is given below:

Number of shareholders' complaints received during the Financial Year 2025	4
Number of complaints solved to the satisfaction of the shareholder	4
Number of pending complaints as on 31st December, 2025	0

There are no pending complaints as at the year end.

REPORT ON CORPORATE GOVERNANCE (Contd.)

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. U. C. Muktibodh (Chairperson)	3	3	Appointed as the Chairperson and a Committee member from 16th January, 2025.
Dr. Matthias Schmitz	3	3	–
Mr. Rajeev Jain	3	3	–
Mr. V. K. Viswanathan	NA	NA	Ceased to be the Chairperson and a Committee member from 15th January, 2025 pursuant to cessation from the Board.

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

Three Meetings were held on 27th February, 2025, 30th April, 2025 and 11th November, 2025.

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 determines the performance linked bonus from year to year.

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

INR '000s

Name of the Director	Salary	Commission	Performance linked bonus	Perquisites & Contribution to Provident Fund	Total	Terms of appointment
Mr. Rajeev Jain	13,871	6,936	18,712	17,901	57,420	For a term of 5 years effective from 1st July, 2021.

Notes:

i. 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.

ii. The Company does not have a stock option scheme.

iii. 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.

The details of remuneration payable to Mr. Rajeev Jain, as set out in the Notice pursuant to his proposed re-appointment, are subject to the approval of the Members of the Company.

REPORT ON CORPORATE GOVERNANCE (Contd.)

(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, 2025 to 31st December, 2025 are as under:

INR '000s

Name of the Directors	Directors' Fees (Sitting fees)	Commission (to be proposed)
Mr. Gaurav Swarup	420	4,200
Ms. Sharmila Barua Roychowdhury	365	2,100
Dr. Stephan Bross	200	2,100
Dr. Matthias Schmitz	365	2,100
Mr. Vishal Kampani	270	2,100
Mr. Ulhas Yargop	375	2,100
Mr. U. C Muktibodh	365	2,100
Mr. V. K. Viswanathan	NA	175
Total	**2,360**	**16,975**

5. GENERAL BODY MEETINGS

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

Financial Year	Date	Time	Venue
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")
2024	15th May, 2025	1:30 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
2022	Yes
2023	Yes
2024	No

(iii) Postal Ballot:

Details of Postal Ballot conducted during the year: NIL.

During the year, postal ballot result was announced on 11th January, 2025 for appointment of Mr. U. C. Muktibodh.

(iv) Whether any special resolution is proposed to be conducted through postal ballot?

As on the date of this report, there is no proposal for passing any special resolution by postal ballot.

6. MEANS OF COMMUNICATION

i. Quarterly Results	Published in the newspaper every quarter along with QR Code.
ii. Newspapers wherein results are normally published	Economic Times, Sakal, Navashakti and Financial Express
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

REPORT ON CORPORATE GOVERNANCE (Contd.)

7. GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time and Venue	Wednesday, 20th May, 2026 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, 2025 to 31st December, 2025.
Date of Book Closure/ Record date	Record date for the purpose of payment of dividend is Friday, 8th May, 2026
Dividend Payment date	08th June, 2026 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, 2025 to 31st March, 2026
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, 2025	Please see Annexure ‘A’
Dematerialisation of shares and liquidity	99.49 % of the Paid-up Capital has been dematerialised as on 31st December, 2025.
Outstanding GDRs/ADRs/Warrants or any Convertible instruments conversion date and likely impact on equity	Not issued.
Disclosure of commodity price risks and commodity hedging activities:	The details are provided in financial statements forming part of this report.
Plant Locations	The Company’s plants are located at **Maharashtra-** 1. Pimpri, Pune 2. Chinchwad, Pune 3. Vambori, Ahilyanagar 4. Sinnar, Nashik 5. Kesurdi, Shirwal, Dist. Satara **Tamil Nadu-** 6. 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.mufg.com/helpd esk/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	1,70,000	6,80,000

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:

i. number of complaints filed during the financial year: Nil

ii. number of complaints disposed of during the financial year: Nil

iii. 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.

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 certain types of agreements binding listed entities : NA during the year under review.

REPORT ON CORPORATE GOVERNANCE (Contd.)

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, 2025 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, 25th February, 2026

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 2025.

RAJEEV JAIN
Managing Director

Mumbai, 25th February, 2026

REPORT ON CORPORATE GOVERNANCE (Contd.)

CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of conditions of Corporate Governance by KSB LIMITED (hereinafter referred as "Company") for the Financial year ended December 31, 2025 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 an 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)

Dipti Mehta,
Partner FCS No: F3667, CP No.: 23905
UDIN: F003667G003991233

Mumbai, 25th February, 2026

REPORT ON CORPORATE GOVERNANCE (Contd.)

ANNEXURE A

Distribution of shareholding as on 31st December, 2025

Number of shares held	Members		Shares	
	Number	%	Number	%
1-500	46,007	89.51	33,99,737	1.95
501 - 1,000	2,111	4.11	16,77,635	0.96
1,001 - 2,000	1,264	2.46	18,97,110	1.09
2,001 - 3,000	541	1.05	13,59,001	0.78
3,001 - 4,000	288	0.56	10,29,392	0.60
4,001 - 5,000	246	0.48	11,47,355	0.66
5,001 - 10,000	536	1.04	39,28,009	2.26
10,001 and above	405	0.79	15,96,00,981	91.70
Total	**51,398**	**100.00**	**17,40,39,220**	**100.00**

Categories of shareholders as on 31st December, 2025

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	1,78,27,150	10.24
Government	15,631	0.01
Banks, Financial Institutions, NBFC and Insurance Companies	29,47,570	1.69
Private Corporate Bodies	7,77,795	0.45
Indian Public	2,04,01,681	11.72
Foreign Nationals/NRIs/FPIs	91,49,102	5.26
Escrow and IEPF	2,79,410	0.16
Directors	5,000	0.00
Trusts, HUF, Clearing Members and LLP	11,64,351	0.67
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, Maharashtra-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, 2025 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.	Stephen Bross	00423114	11-02-2014
3.	Rajeev Jayantiprasad Jain	07475640	01-07-2016
4.	Sharmila Barua Roychowdhury	08242998	30-09-2018
5.	Matthias Gunter Schmitz	07884418	25-07-2017
6.	Ulhas Narayan Yargop	00054530	01-10-2024
7.	Vishal Nimesh Kampani	00009079	01-10-2024
8.	Vegulaparanan Kasi Viswanathan (Ceased w.e.f from 15th January, 2025)	01782934	16-01-2015
9.	Udaymitra Chandrakant Muktibodh (Appointed w.e.f from 16th January, 2025)	06558392	16-01-2025

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)

Dipti Mehta,
Partner FCS No: F3667, CP No.: 23905
UDIN: F003667G003991222

Mumbai, 25th February, 2026

ANNEXURE TO BOARD'S REPORT

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 2025, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial year 2025.

No.	Name of the Director / KMP	Designation	Ratio of remuneration of each Director to the median remuneration of employees	% Increase in remuneration during FY 2025
1.	Mr. Rajeev Jain	Managing Director	48:1	3.54%
2.	Mr. Mahesh Bhave	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 15.52% in median remuneration of employees in Financial Year 2025 as compared to Financial Year 2024.

III. The number of permanent employees on the rolls of the Company: There were 2,228 employees on the rolls of the Company as on 31st December, 2025.

IV. Average percentile increase already made in the salaries of employees other than the key managerial personnel in Financial Year 2025 and its comparison with the percentile increase in the managerial remuneration: The aggregate remuneration of employees other than managerial personnel has increased by 10.5% and that of managerial personnel has also increased by 8.8%.

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 & SUSTAINABILITY REPORT

ANNEXURE V TO THE BOARD'S REPORT

Awards & Recognitions:

The MCCIA Award for Sustainability 2025, instituted by KPIT Technologies Ltd., recognizes companies that have demonstrated leadership in Sustainability through impactful, employee driven initiatives. The award honours organizations where active employee engagement has led to meaningful outcomes such as waste elimination, adoption of sustainable practices and development of environmentally responsible products and technologies. It also acknowledges companies that integrate Sustainability into their core business strategies, contributing to long term economic and environmental values.

Interplant Sustainability Challenger Award:

The Company promotes sustainability excellence across its manufacturing plants through internal initiatives such as the Interplant Sustainability Challenger Award, which recognizes plants demonstrating outstanding performance in areas such as energy efficiency, emissions reduction, water conservation and training man-days. This initiative fosters innovation, cross-learning, and continuous improvement in ESG performance across operations.

Criteria:

1. Promptly ESG data updating on Monthly Basis
2. Absolute reduction in Environmental parameters in Year 2025 compare with Year 2024
3. GHG emissions intensity in terms of physical output
4. Air leakage in the Year 2025 is compared against the baseline value of 5%.
5. Training man-days per employee in Year 2025

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Environment Day Celebration 2025

KSB Limited celebrated World Environment Day 2025 with great commitment, reaffirming its focus on sustainability and responsible manufacturing.

Embracing the theme **"#BeatPlasticPollution"**, KSB drove impactful awareness and engagement initiatives to inspire employees to reduce plastic use, adopt circular practices, and contribute collectively towards a cleaner, greener future.

A vibrant rangoli and Posters was created on Environment Day to promote environmental awareness and sustainable practices. Reflecting the theme **"#BeatPlasticPollution"**, the artwork inspired employees to reduce plastic use, conserve resources, and adopt eco-friendly habits.

An Environment Protection Pledge Ceremony was conducted, where employees reaffirmed their commitment to sustainable practices, resource conservation, waste reduction, and collective environmental responsibility.

Beauty of Biodiversity – Tree Plantation & Photography Competition:

A tree plantation drive was conducted within and around the plant premises to enhance green cover and support biodiversity. Alongside, a photography competition on the theme "Beauty of Biodiversity" inspired employees to capture and appreciate nature, fostering greater ecological awareness where we got magnificent images of biodiversity within KSB premises

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)






Dark Hour Initiative:

Employees participated in the "Dark Hour" initiative by switching off lights and non-essential equipment for a designated period, promoting energy conservation and reducing carbon footprint.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Zero Food Waste Initiative:

A “Zero Food Waste” campaign was conducted to promote responsible consumption and minimize food wastage. Employees were encouraged to take only what they need and adopt mindful consumption practices.

Strengthening our commitment to Workplace Safety:

KSB Limited is steadfast in its commitment to workplace safety, driven by a robust Occupational Health & Safety Management System aligned with ISO 45001:2018. All EHS systems and processes are fully integrated with applicable statutory requirements to ensure a safe, healthy, and secure working environment.

With dedicated safety officers at each plant, KSB actively promotes a strong “Zero Harm” culture across all operations. A structured and proactive approach is adopted to continuously identify, assess, and mitigate workplace risks and hazards.

Safety is reinforced through regular training sessions, toolbox talks, hands-on workshops, and emergency preparedness drills. Engaging initiatives such as firefighting demonstrations, mock drills, health and wellness programs, and interactive activities like safety games and street plays further enhance awareness and employee participation.

Through these sustained efforts, KSB Limited continues to strengthen a proactive, resilient, and safety-first culture, ensuring the well-being of its employees, contractors, and stakeholders.





BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

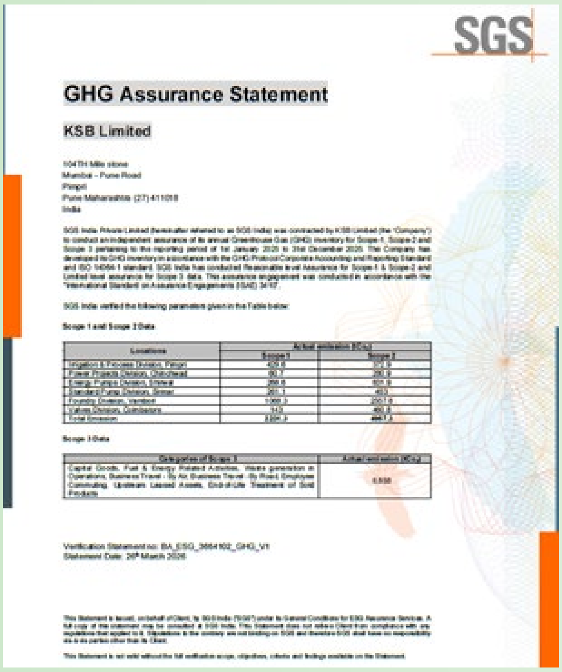
KSB Obtained:

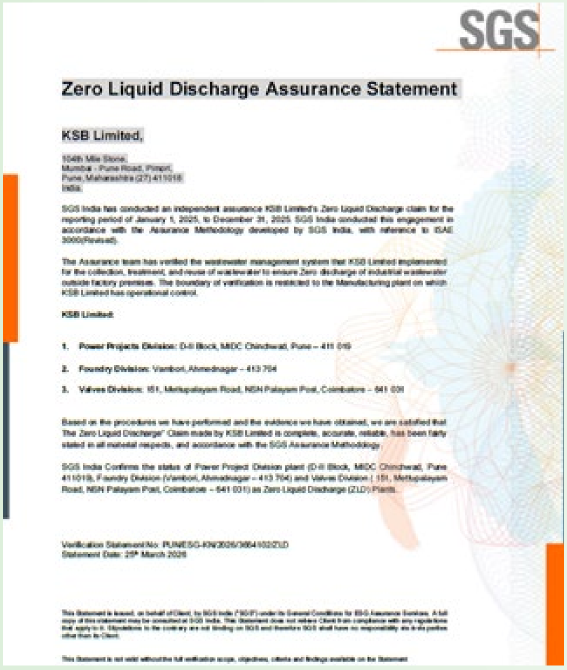
1. Reasonable level assurance for Scope 1 and Scope 2 emissions
2. Limited level assurance for Scope 3 emissions

"Zero Liquid Discharge" Certification Achieved:

1. Chinchwad Plant
2. Foundry Plant
3. Coimbatore Plant

*Foundry plant has been newly included in 2025 under the ZLD certification.

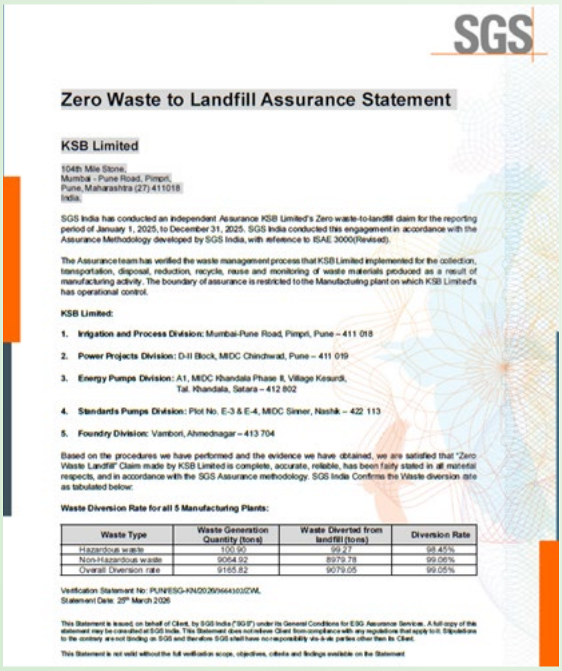




"Zero Waste to Landfill" Certification Achieved:

- Pimpri Plant
- Chinchwad Plant
- Shirwal Plant
- Sinner Plant
- Foundry Plant

*Tow plant Pimpri and Foundry Plants are newly included in 2025 under the ZWL Certification.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

ESG GOALS

Environmental

30%	Absolute reduction in GHG Emissions by 2025 over base line of 2022	13 Climate Action
80%	Preferred suppliers' (critical Tier 1) assessment for their sustainability performance by 2025	12 Responsible Consumption and Production
40%	Green Energy generation by 2025	13 Climate Action
80%	ESG awareness training completion for Employees, workmen & Suppliers by 2025.	12 Responsible Consumption and Production
6%	Reduction in fresh water consumption in facilities by 2025 from 2022 level	6 Clean Water and Sanitation
	Zero waste to landfill 3rd party assurance by 2025	15 Life on Land
IGBC	Sinnar Plant Platinum certification by 2025	11 Sustainable Cities and Communities
	Eco friendly packaging particularly cardboard sheet boxes by 2025	12 Responsible Consumption and Production

Social

By 2025	3 Training Man Days per employee	8 Decent Work and Economic Growth
By 2025	8.5% of Female Employees	5 Gender Equality
By 2025	Differently abled employee/s at one of the plants	5 Gender Equality
By 2025	Complete Comprehensive training on Human Rights for all the employees and workmen	10 Reduced Inequalities
By 2025	Complete Human Rights Due Diligence audit through external party.	8 Decent Work and Economic Growth

Governance

From 2025	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 identfied employees.	8 Decent Work and Economic Growth
2024 to 2025	Year wise full implementation of the measures for issues identified during Comprehensive Cyber security assessment conducted in FY 2023, as approved by the Board	9 Industry, Innovation and Infrastructure

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1. Corporate Identity Number (CIN) of the Listed 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, Old 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 reporting is being done	1st January, 2025 to 31st December, 2025
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited (NSE)
11. Paid-up Capital	INR 34,80,78,440
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Shraddha Kavathekar Company Secretary Email: compsec.india@ksb.com Telephone: 020-27101024
13. Reporting boundary (Standalone or Consolidated basis)	Standalone Basis
14. Whether the company has undertaken reasonable assurance of the BRSR CORE	Yes
15. Name of assurance provider	SGS India Private Limited
16. Type of assurance obtained	- Achieved reasonable level BRSR Core assurance, - Obtained reasonable assurance for Scope 1 and Scope 2 emissions, and limited assurance for Scope 3 emissions - Zero Waste to Landfill and Zero Liquid Discharge certifications at selected manufacturing plants.

Note for the report: Few numbers for previous year/s are revised as may be required, pursuant to adoption of more accurate calculation methods during the Year 2025.

II. Products and services:

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

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

18. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total turnover contributed
1	**Pumps and Valves** Manufacturer of fluid power equipment, Manufacturer of other pumps and valves	2812 and 2813	100%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

III. Operations:

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

Location	Number of plants	Number of offices	Total
National	**6 Plants** **Maharashtra:** • Pimpri, District – Pune • Chinchwad, District – Pune • Vambori, District – Ahilyanagar • Sinnar, District – Nashik • Kesurdi, Shirwal District – Satara **Tamil Nadu:** • NSN Palayam, District – Coimbatore	**14 Branch Offices and 4 Zonal Offices** **North – Noida** Chandigarh, Jaipur, Lucknow & Noida **East – Kolkata** Bhubaneshwar, Jamshedpur, Raipur, Kolkata, Indore, Guwahati & Patna **West – Mumbai** Mumbai, Baroda & Pune **South – Chennai** Bengaluru, Secunderabad, Chennai & Kochi	**24**
International	**NIL**	**1 Liaison office in Bangladesh**	**1**

20. Markets served by the entity:

a. Number of locations

Locations	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 17% 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

21. Details as at the end of Year 2025:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			Number (B)	% (B/A)	Number (B)	% (B/A)
			EMPLOYEES			
1	Permanent (D)	1,476	1,362	92.28%	114	7.72%
2	Other than Permanent (E)	235	175	74.47%	60	25.53%
3	Total employees (D + E)	**1,711**	**1,537**	**89.83%**	**174**	**10.17%**
			WORKERS			
4	Permanent (F)	718	717	99.86%	1	0.14%
5	Other than Permanent (G)	2058	1943	94.41%	115	5.59%
6	Total workers (F + G)	**2776**	**2660**	**95.82%**	**116**	**4.18%**

Note: In 2025, the category of 'other than permanent workers' includes contractor workers through third-party.

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 & SUSTAINABILITY REPORT (Contd.)

22. Participation/Inclusion/Representation of women for year 2025

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	3	1	33.33%

23. Turnover rate for permanent employees and workers: (Trends for the past 3 years)

Particulars	Year 2025			Year 2024			Year 2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10.82%	18.68%	**29.50%**	10.44%	14.75%	**25.20%**	4.97%	20.16%	**25.13%**
Permanent Workers	9.93%	66.67%	**76.60%**	5.11%	0.00%	**5.11%**	16.08%	40.00%	**56.08%**

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

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

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed 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

25.	(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
	(ii) Turnover (in Rs.)	26,957.28 million
	(iii) Net worth (in Rs.)	16,128.16 million

VII. Transparency and Disclosures Compliances

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

Stakeholder group	Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy)	Year 2025			Year 2024		
		Number of complaints filed	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at close of the 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	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Stakeholder group	Grievance Redressal Mechanism in Place (Yes/ No) (If yes, then provide web-link for grievance redress policy)	Year 2025			Year 2024		
		Number of complaints filed	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes	25,852*	0	All complaints are recorded in the SAP system for tracking. Monthly meetings are held to review and resolve complaints and to decide further action plan to avoid recurrence.	20,466*	0	
Value Chain Partners	Yes	0	0	-	0	0	-
Communities	Yes	0	0	-	0	0	-
Implementation on Partners	Yes	0	0	-	0	0	-

*: The figure includes Customer Claims registered in SAP as well as Toll free registration.

27. 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

Sr. 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 its value chain are exposed to acute and chronic physical risks associated with climate change. These include event-driven risks such as extreme weather events, as well as long-term shifts in climate patterns that may impact operations, assets, and supply chains. To strengthen preparedness and resilience against potential emergency situations, climate change has been identified as a material risk.	Using the specific GPS data (geographic coordinates) of our facilities, our insurance broker provided the parent organization with detailed climate risk assessment data. This enabled more precise identification of location-specific climate hazards across our manufacturing sites. Based on these insights, emergency response plans have been updated, and relevant locations have conducted simulated drills to enhance preparedness for such scenarios.	Inadequate preparedness for unforeseen circumstances may result in significant adverse impacts on the organization and its value chain. These may include employee health and safety risks, damage to physical assets, disruption of supply chain operations, regulatory and compliance challenges, financial losses, and a decline in overall operational productivity. Such risks may also affect business continuity and long-term resilience.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Sr. 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)
2	Energy Management	Opportunity	Key opportunities include reducing greenhouse gas emissions and supporting global climate goals through the adoption of renewable energy solutions. Decentralized renewable energy systems, such as rooftop solar and Power Purchase agreement (PPA), improve energy access and reliability by enabling localized power generation without dependence on centralized grid infrastructure. This approach enhances energy resilience, reduces transmission losses, and supports sustainable development.	The Company is focused on enhancing energy efficiency by upgrading equipment and optimizing operational processes to reduce overall energy consumption and carbon emissions. As part of its decarbonization strategy, KSB has adopted renewable energy solutions, including solar and wind-based technologies. The Company has installed a rooftop solar capacity of 4.6 MWp. Additionally, in FY 2024, a Power Purchase Agreement (PPA) was implemented for renewable energy generation and procurement with a capacity of 6.65 MWp. Through these initiatives, KSB achieved a renewable energy share of 65% in its total electricity consumption of year 2025, contributing significantly to the reduction of greenhouse gas emissions and dependence on fossil fuels.	The adoption of energy-efficient practices results in multiple positive implications for the organization. Improved energy efficiency contributes to reduced operational costs and enhanced resource optimization. Lower dependence on non-renewable energy sources leads to a reduction in greenhouse gas (GHG) emissions and associated environmental pollution. Furthermore, the promotion and integration of renewable energy sources support the transition towards a low-carbon economy by reducing reliance on fossil fuels and enhancing long-term sustainability.
3	Water Management	Risk & Opportunity	Water scarcity is a significant and growing risk in India, exacerbated by erratic monsoon patterns, declining groundwater levels, and increasing industrial demand. Manufacturing companies are particularly vulnerable due to their high dependence on freshwater for production processes as well as domestic usage. Inadequate water management practices may result in regulatory non-compliance, operational disruptions, and reduced business continuity due to water shortages. Therefore, effective water stewardship is critical to ensure sustainable operations and compliance with environmental regulations.	We have established advanced wastewater filtration and treatment plants to facilitate the recycling and reuse of water within our operations, thereby reducing dependence on freshwater resources. In Year 2025, KSB recycled and reused 40.7 million liters of wastewater. The Company ensures strict compliance with applicable environmental regulations related to industrial effluents and continuously enhances wastewater management and disposal practices. Preventive infrastructure measures, including the replacement of aging pipelines, have been implemented to mitigate risks of leakage and contamination. Furthermore, rainwater harvesting systems and farm pond of capacity 10 Mio litters have been installed to collect and store rainwater for both industrial and domestic use, supporting sustainable water management and operational resilience.	Water shortages pose a significant risk to operational continuity, potentially leading to production disruptions and increased costs. Additionally, non-compliance with applicable water regulations and discharge standards may result in financial penalties, legal action, and reputational damage. Effective water management and regulatory compliance are therefore critical to ensure business continuity and risk mitigation.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Sr. 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)
4	Waste Management	Risk & Opportunity	Management of both hazardous and non-hazardous waste is a critical component of our sustainability framework. Ineffective waste handling, storage, or disposal can result in significant environmental impacts, including air, water, and soil pollution, as well as risks to human health and safety. It may also lead to regulatory non-compliance, resulting in legal liabilities and reputational risks. Therefore, robust waste management practices are essential to ensure environmental protection, operational safety, and compliance with applicable regulations.	The Company has implemented comprehensive waste management initiatives, including environmentally responsible disposal methods and efficient waste handling practices. As part of its sustainability strategy, the Company is working towards achieving zero waste to landfill by diverting waste through recycling, reuse, and recovery processes. Several locations have already achieved 'Zero Waste to Landfill' certification, demonstrating the Company's commitment to sustainable waste management and circular economy practices.	Effective waste management contributes to cost optimization by reducing waste generation and promoting the reuse and recycling of materials. It also supports the development of associated industries such as recycling, composting, resource recovery, and waste-to-energy.
5	Supply Chain Sustainability	Risk	The Company is committed to developing a sustainable and responsible supply chain by integrating ESG principles and creating awareness among its business partners on sustainability-related topics. Suppliers are expected to adhere to defined ESG standards and practices. Any non-compliance with these standards may result in adverse impacts on the Company, including operational disruptions, regulatory challenges, and reputational risks, while also affecting the supplier's business continuity and long-term viability.	The Company has prioritized high-spend suppliers for sustainability assessment and training to strengthen supply chain sustainability performance. As part of this initiative, structured sustainability assessments and capacity-building programs have been conducted. To date, sustainability assessments and training have been completed for 83% of the selected suppliers in Year 2025, demonstrating progress toward integrating ESG principles across the value chain.	Strong supply chain governance and adherence to regulatory requirements significantly reduce the risk of financial losses associated with supply chain disruptions. Non-compliance with applicable laws and regulations by suppliers or partners can lead to interruptions in material flow, contractual breaches, and penalties.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Sr. 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 & Safety	Risk & Opportunity	Failure to comply with established safe working practices under the Occupational Health and Safety Management System (OHSMS), aligned with ISO 45001:2018 and applicable legal requirements, may result in workplace incidents, employee health and safety risks, and regulatory non-compliance. Such non-conformities defined as the failure to meet prescribed standards, procedures, or legal obligations can adversely impact workforce well-being, operational continuity, and organizational reputation.	All manufacturing facilities of KSB are certified in accordance with ISO 45001:2018. Each facility has designated safety officers to promote a strong safety culture and enhance awareness across the organization. Emergency preparedness and contingency plans are established to address various risk scenarios. Continuous emphasis is placed on safety fundamentals, training, and awareness at all levels. Structured procedures are in place for incident reporting, investigation, and implementation of engineering controls and corrective actions.	Ineffective safety management practices can lead to workplace incidents, resulting in lost man-days and reduced operational productivity. Such incidents may also negatively impact employee morale and lead to reputational damage for the organization.
7	IT Security, data protection and system availability	Risk & 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. 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.	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 & SUSTAINABILITY REPORT (Contd.)

Sr. 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)
8	Governance and Ethics	Risk & 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 & 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 adopted by your entity and mapped to each principle.	• ISO 9001:2015 – Quality Management System • ISO 14001:2015 – Environmental Management System • ISO 45001:2018 – Occupational, Health & Safety Management System • ISO 14064:(2018/20219) – Quantify, Monitor, report & Verify GHG Emissions & Removals • ISO 14067: 2018 – Quantifying & Reporting of Product Carbon Footprint • ISAE 3000 (Revised) & ISAE 3410 – Assurance Engagement on ESG data • PED 2014/68/EU - safety standards for manufacturing, designing, and testing pressure equipment • ISO 19443: 2018 - a quality management standard that applies the principles of the international standard for quality, ISO 9001, to the nuclear sector • ISO/IEC 17025:2017 - Testing and Calibration laboratories • TSG Certification • ISO 9906 – NABL Accrediation • ISI 8034 – Borehole Submersible Pumps • ISI 9079 – Surface Monoblock Pump • ISI 14220 – Openwell Submersible Pump								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	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. **Environmental goals include:** • 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 • Zero waste to land fill 3rd party assurance for all locations by 2025, • Ecofriendly packaging, particularly cardboard sheet boxes by 2025.								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Social goals include: • 3 training man days per employee by 2025 • 8.5% of female employees by 2025 • Differently abled employees one of the plants by 2025 • Complete comprehensive trainings on Human Rights for all the employees and workmen by 2025 • Complete Human Right Due Diligence audit through external party by 2025 **Governance goals include:** • 100% coverage for detailed Risk Management training for new Managers & above employees, and other employees identified by HODs, annually. • Refresher training, once in 2 years, for existing Managers & above employees, & other identified employees and Year wise full implementation of the measures for issues identified during Comprehensive Cyber security assessment conducted in FY 2023, as approved by the Board.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The organization invests in specific initiatives and programs that aim to improve waste management, lower greenhouse gas emissions, conserve energy, manage water effectively, and improve environmental procedures. Point 5 mentions the targets and goals that are set by KSB. These goals and objectives are in effective up to FY 2025. The following represents the accomplishment of the goals and targets in Year 2025 – **Environmental Goals Achievement:** • KSB achieved 59% reduction in GHG emissions (Scope 1 & Scope 2) over the base line of Year 2022. • KSB achieved 31% reduction in GHG emissions (Scope 1 & Scope 2) compare with Year 2024 • KSB achieved 65% of its total electricity consumption from green energy sources in year 2025 • KSB completed sustainability assessments for 83% of its top-spend (key) suppliers against the selected supplier base in year 2025. • 83% suppliers are benefited by the ESG awareness training given by the KSB against the selected supplier base in year 2025. • KSB achieved “Zero Waste to Landfill” certification for its manufacturing sites located at Pimpri, Chinchwad, Shirwal, Sinner, and Vambori. In 2025, the company expanded the certification scope by including two additional manufacturing sites compared to 2024. • KSB developed a rainwater harvesting farm pond with a capacity of 1 crore litres for storing rainwater. The project completed in 2025 and is currently in use, contributing to water conservation and sustainable water management. • KSB Limited implemented the Zero Liquid Discharge (ZLD) mechanism across three manufacturing locations in year 2025 as part of its commitment to sustainable water management. An additional plant was brought under ZLD certification during the current year, expanding the coverage to three facilities: Chinchwad, Vambori, and Coimbatore. • Sinnar plant platinum certification is under progress. • In Year 2025, KSB Limited implemented the use of ecofriendly corrugated packaging boxes for selected pumps as a sustainable alternative to conventional wooden packaging. This transition has reduced dependency on wood-based materials and contributed to lowering the associated carbon footprint. **Social Goals Achievement:** • 4.0 Training Man days per employee in FY 2025 • Total 7.62% Female employees in FY 2025 • Training on Human Rights: POSH Training, Business Code of Conduct, 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.								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

At KSB Limited, we view sustainability not merely as a responsibility, but as a defining pillar of our long-term growth and resilience. As we navigate an increasingly complex environmental, social and governance (ESG) landscape, we remain committed to creating enduring value for all our stakeholders.

The urgency of global challenges such as climate change and resource scarcity calls for decisive and responsible action. At KSB, we are proactively transforming our operations to reduce environmental impact, enhance resource efficiency, and accelerate our transition towards a low carbon future. Our continued focus on innovation enables us to deliver solutions that are not only technologically advanced but also environmentally sustainable.

Over the past year, we have made meaningful progress in advancing our sustainability agenda. Our world class manufacturing and engineering capabilities in India empower us to design, test, and deliver high performance solutions while upholding the highest standards of environmental and occupational health and safety practices.

Sustainability at KSB extends beyond our organizational boundaries. We actively engage with our partners and stakeholders to promote responsible practices across the value chain, ensuring that our collective efforts contribute to a more sustainable ecosystem.

Our journey has been recognized through prestigious accolades, including the MCCIA Award for Sustainability instituted by KPIT Technologies Limited and the Interplant Sustainability Champion Award. These recognitions reaffirm our commitment to excellence and continuous improvement.

We remain focused on advancing key ESG priorities such as energy and emissions management, water stewardship, waste reduction, occupational health and safety, digital transformation, data protection, and human rights.

A significant milestone in our sustainability journey is the achievement of nearly 65% renewable energy generation & utilisation in 2025. This transition marks a critical step in reducing our carbon footprint and advancing our climate commitments.

We are equally committed to fostering an inclusive and diverse workplace, where every individual is empowered to contribute meaningfully and perform at their full potential.

As we look ahead, we are guided by a clear vision to build a future that is sustainable, responsible, and resilient. While we take pride in our achievements, we remain mindful that the journey towards sustainability is continuous. There is always an opportunity to improve, innovate, and lead with purpose.

Together, we will shape a better and more sustainable tomorrow.

Policy and Management Process

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: 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.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	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.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	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 Directors, regarding regulation requirements and compliances.								

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
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 internally 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 & 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.

1 PRINCIPLE

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

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Key Highlights:

25

Awareness Programs conducted for ESG related issues for value chain partners

83%

Value chain partners assessed for ESG performance in 2025

248

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 the training and its impact	%age of persons in respective categories covered by the awareness programs
Board of Directors	4	The Board of Directors participates in familiarization and awareness programs, including plant visits. Key topics covered in these programs include: • 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. • Internal Controls: internal processes to ensure operational integrity. Additionally, the Board receives frequent updates on developments in the company, key regulatory changes, risks, and compliance, which helps ensure they are well-equipped to make informed decisions and maintain strong oversight. • Risk Management: business risks and mitigation strategies.	100% (As per applicability to retired/newly appointed Directors)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	%age of persons in respective categories covered by the awareness programs
Key Managerial Personnel	4	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.	100%
Employees other than BoD and KMPs	224	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.	100%
Workers	24	Safety Training Sessions	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**

Particulars	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	No penalties/fines were levied to the company during the period.				
Settlement					
Compounding fee					

Particulars	Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment	No non-monetary implications during the period.				
Punishment					

BUSINESS RESPONSIBILITY & 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	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.

KSB Limited has adopted the Anti-Corruption and Anti-Bribery Policy of KSB Germany. The company maintains a zero-tolerance approach towards bribery and corruption and is committed to upholding the highest standards of integrity, ethics, and transparency in all its business operations. This policy forms an integral part of the Code of Conduct of KSB Germany for the KSB Group and is publicly available on the company's website: www.ksbindia.co.in.

5. Number of Directors/KMPs/employees/workers against whom enforcement agency for the charges of bribery/ corruption:

Particulars	Year 2025	Year 2024
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	Year 2025		Year 2024	
	Number	Remarks	Number	Remarks
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:

	Year 2025	Year 2024
Number of days of accounts payables	70	71

9. Open-ness of business

Provide details of concentration of purchases and sales with related parties in the following format:

Parameter	Metrics	Year 2025	Year 2024
Concentration of Purchases	a. Purchases from trading houses	7%	6%
	b. Number of trading houses where purchases are made	346	312
	c. Purchases from top 10 trading houses	54%	57%
Concentration of Sales	a. Sales to dealer / distributors	47.80%	46.66%
	b. Number of dealers / distributors to whom sales are made	1167	931
	c. Sales to top 10 dealers / distributors	10.09%	9.97%
Share of RPT's in	a. Purchases (Purchases with related parties)	6.22%	5.92%
	b. Sales (Sales to related parties as % of Total Sales)	12.50%	9.33%
	c. Loans & advances given to related parties as % of Total loans & advances	-	-
	d. Investments in related parties as % of Total Investments made	-	-

Due to change in calculation methodology, 2024 figures are updated.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Leadership Indicators

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

Total number of awareness programs held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programs
The top 30 suppliers are selected for awareness training in 2025. Out of 30 suppliers we have given the training to 25 suppliers	Environmental Topics, Social Topics and Governance topics.	83%

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.

As part of its Corporate Governance framework, the Company has adopted best practices for the review and management of conflicts of interest of Directors. Directors' disclosures are placed before the Board, and any conflict of interest identified is discussed and reviewed in detail. The Board collectively takes decisions on matters where a Director may have an interest, ensuring that such Director does not participate in the concerned decision-making process. The Board strictly upholds ethical conduct and transparency, and there have been no reported instances of conflict of interest impacting business decisions.

2 PRINCIPLE

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

6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Key Highlights:

51%
R&D investment towards environmental and Social impact

4
Product Carbon Footprint" of Top 4 Selling Pump Series

48%
Recycled or reused input 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.

Particulars	Year 2025	Year 2024	Details of improvements in environmental and social impacts
R&D	51%	37%	• Development of pump and valve patterns contributing to environmental and social benefits. • Implementation of technological solutions led to energy savings. • Energy efficiency is considered while replacing old machines/equipment.
Capex	23%	19%	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) If yes, what percentage of inputs were sourced sustainably?**

   Yes, KSB Limited has established formal procedures governing supplier diversification, outsourcing, and procurement to ensure responsible and sustainable sourcing practices. Suppliers are selected through a structured evaluation and assessment process that incorporates Environmental, Social, and Governance (ESG) considerations. Internal and external audits are conducted either through on-site visits to supplier facilities or via remote assessments to verify compliance and performance. As part of the selection criteria, suppliers are required to meet the minimum standards prescribed by the Central Pollution Control Board and relevant State Pollution Control Boards, including adherence to applicable environmental regulations and demonstration of environmental impact awareness. Preference is given to suppliers certified to internationally recognized management systems such as ISO 14001 (Environmental Management) and ISO 45001 (Occupational Health & Safety), reinforcing the Company's commitment to partnering with organizations that uphold strong sustainability and safety practices.

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 (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 number 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 centers 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 to recycle E- Waste.

   Other Waste (Steel/Special Steel)

   As products are majorly made up of steel, at the end life of product, steel waste is being recycled. In our foundry division we are using metal scrap, runners & risers as 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.

Leadership Indicators

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

   A comprehensive Life Cycle Assessment (LCA) has not yet been conducted for the Company's products. However, KSB has initiated actions to evaluate the climate impact of its key products. In accordance with ISO 14067:2018, the Company internally assessed the Product Carbon Footprint (PCF) for its three top-selling pumps. ISO 14067:2018 provides internationally recognized guidelines for quantifying greenhouse gas emissions associated with products.

   The assessment was carried out using a "Cradle-to-Gate" operational boundary, which includes emissions from raw material extraction, processing, and manufacturing up to the factory gate, while excluding the product use phase and end-of-life stages.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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 the web-link.
2812	CPK SO C 40-200	0.39%	Product Carbon Footprint - Cradle to Gate	No	Internally Communicated
2812	GAMMA 125-365	0.84%	Product Carbon Footprint - Cradle to Gate (Including Transport up to Client Gate)	No	Internally Communicated
2812	HDA 65/14	1.78%	Cradle to Gate	No	Internally Communicated
2812	WL 50/10	0.82%	Cradle to Gate	No	Internally Communicated

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.

Name of Product / Service	Description of the risk / concern	Action Taken
No Such Product is Manufactured	Not Applicable	Not Applicable

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

Indicate input material	Recycled or re-used input material to total material	
	Year 2025	Year 2024
Steel and Cast Iron Non-Ferrous (Runners & Riser)	48%	46%

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

Particulars	Year 2025			Year 2024		
	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 Percentage of total products sold in respective category
In Year 2025, there are no reclaimed products available.	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

3 PRINCIPLE

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

1 NO POVERTY | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 11 SUSTAINABLE CITIES AND COMMUNITIES | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Key Highlights:

Zero

Complaints on Working conditions and Health & Safety conditions

100%

Employees/workers Covered under the training on Health & Safety

"Great Place to Work"

Certification

Great Place To Work. Certified

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1362	1362	100%	1362	100%	0	0%	0	0%	0	0%
Female	114	114	100%	114	100%	114	100%	0	0%	114	100%
Others	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	1476	1476	100%	1476	100%	114	100%	0	0%	114	100%
Other than Permanent employees											
Male	175	0	0%	175	100%	0	0%	0	0%	0	0%
Female	60	0	0%	60	100%	0	0%	0	0%	0	0%
Others	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	235	0	0%	235	100%	0	0%	0	0%	0	0%

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	717	717	100%	717	100%	0	0%	0	0%	0	0%
Female	1	1	100%	1	100%	1	100%	0	0%	1	100%
Others	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	718	718	100%	718	100%	1	100%	0	0%	1	100%
Other than Permanent workers											
Male	2058	0	0%	68	3.30%	0	0%	0	0%	0	0%
Female	115	0	0%	4	3.47%	0	0%	0	0%	0	0%
Others	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	2776	0	0%	72	2.59%	0	0%	0	0%	0	0%

Note: Trade apprentices, company trainees/workmen, and temporary bargainable workers are covered under the KSB accident insurance policy. Third-party contractor workers are not covered under KSB's policy; however, KSB verifies and ensures that contractors meet all statutory requirements, including provision of adequate insurance coverage for their workforce.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

	Year 2025	Year 2024
Cost incurred on well-being measures as a % of total revenue of the company	0.15%	0.03%

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

Benefits	Year 2025			Year 2024		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	NA	28.5%	Yes	NA	68%	Yes
Others	100%	100%	Yes	100%	100%	Yes

Note: Trade apprentices, company trainees/workmen, and temporary bargainable workers are covered under the KSB ESI policy. Third-party contractor workers are not covered under KSB's ESI policy; however, KSB verifies and ensures that contractors meet all statutory requirements, including provision of adequate ESI coverage for their workforce.

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 continuous efforts to ensure that its facilities and future opportunities are universally accessible. One of KSB Limited's administrative offices is fully accessible to employees with disabilities, reflecting the Company's commitment to creating an inclusive and barrier-free workplace.

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.

The Company's Code of Conduct, available on its website at www.ksbindia.co.in reflects its commitment to providing equitable opportunities for all and fostering a culture of fairness, respect, and non-discrimination across the organization.

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	0.0	0.0	0.0	0.0
Female	16.67	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0
Total	16.67	0.0	0.0	0.0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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. Yes/No (If Yes, then give details of the mechanism in brief)

Permanent Workers	The Company has established mechanisms to address and resolve workforce-related issues and concerns through continuous engagement and structured deliberations with recognized workforce associations and unions.
Other than Permanent Workers	The Company addresses and resolves workforce-related issues and concerns through structured dialogue and deliberations with recognized workforce associations and unions.
Permanent Employees	The Company has established a Grievance Redressal Cell through which employees can raise complaints without fear of retaliation. All concerns are addressed in an effective and timely manner. Various forums such as communication meetings and functional meetings are conducted at periodic intervals across locations to identify and address day-to-day issues and concerns. In addition, the Company conducts an employee satisfaction survey (KSB Voice) at defined frequencies to assess employee feedback and improve workplace practices.
Other than Permanent Employees	Workforce-related issues and concerns are addressed and resolved by the concerned operational heads and HR coordinators at respective locations.

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

Category	Year 2025			Year 2024		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Others	N/A	N/A	N/A	N/A	N/A	N/A
Total Permanent Workers	718	718	100%	726	726	100%
Male	717	717	100%	724	724	100%
Female	1	1	100%	2	2	100%
Others	N/A	N/A	N/A	N/A	N/A	N/A

8. Details of training given to employees and workers:

Category	Year 2025					Year 2024				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No(E)	%(E/D)	No.(F)	%(F/D)
Employees										
Male	1362	1362	100%	0	0%	1532	1532	100%	0	0%
Female	114	114	100%	0	0%	122	122	100%	0	0%
Others	0	0	100%	0	0%	0	0	0%	0	0%
Total	1476	1476	100%	0	0%	1654	1654	100%	0	0%
Workers										
Male	717	717	100%	0	0%	724	724	100%	0	0%
Female	1	1	100%	0	0%	2	2	100%	0	0%
Others	0	0	100%	0	0%	0	0	0%	0	0%
Total	718	718	100%	0	0%	726	726	100%	0	0%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

9. Details of performance and career development reviews of employees and worker:

Category	Year 2025			Year 2024		
	Total (A)	No.(B)	%(B/A)	Total (D)	No.(C)	%(C/D)
Employees						
Male	1239	1239	100%	1532	1532	100%
Female	101	101	100%	122	122	100%
Others	0	0	0%	0	0	0%
Total	1340	1340	100%	1654	1654	100%
Workers						
Male	717	0	0%	724	0	0%
Female	1	0	0%	2	0	0%
Others	0	0	0%	0	0	0%
Total	718	0	0%	726	0	0%

Note:

- The career development figures are only for the Permanent employees, excluding other than permanent employee's /workers category.
- Time to time, career development feedback 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/ NA). If yes, the coverage such system?	KSB Limited has implemented an Occupational Health & Safety Management System in accordance with ISO 45001:2018. The certification is currently valid until July 2028. All Environment, Health, and Safety (EHS) systems and procedures are designed in alignment with applicable local health and safety laws and regulatory requirements. These frameworks are aimed at ensuring a safe, healthy, and comfortable working environment for all employees, while promoting a proactive safety culture across operations.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	KSB follows a structured approach to identify, evaluate, and mitigate work-related risks and hazards on both a routine and need-based basis to ensure a safe working environment. The following systems and procedures are implemented: • Hazard Identification & Risk Assessment (HIRA) studies to systematically identify workplace hazards and define control measures. • Job Safety Analysis (JSA) to evaluate task-level risks and establish safe operating procedures.
	• Internal and External Safety Audits to assess compliance with safety standards and drive continual improvement. • Incident Investigation processes to analyze root causes and prevent recurrence. • Permit-to-Work System to regulate high-risk activities through defined authorization and safety controls. • Hazard and Operability (HAZOP) Studies to evaluate process safety risks and operational deviations. • Fire Safety Audits to ensure preparedness, adequacy of fire protection systems, and emergency response capability. These measures collectively strengthen the Company's proactive risk management framework and reinforce its commitment to maintaining a safe and healthy workplace.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks?	KSB India has implemented an Occupational Health & Safety Management System in accordance with ISO 45001:2018, with the certification currently valid until July 2028. In addition, all Environment, Health, and Safety (EHS) systems and procedures are developed in alignment with applicable local health and safety regulations and statutory requirements to ensure a safe, healthy, and conducive working environment for all workers. To further strengthen proactive risk management, the Company has introduced a QR code–based system that enables employees/workers to report safety risks and observations instantly. This digital mechanism facilitates timely identification, tracking, and corrective action on reported hazards, thereby enhancing workplace safety and employee/worker participation in risk prevention.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?	Yes, employees and workers of KSB have access to non-occupational medical and healthcare services. The Company facilitates access to general healthcare support beyond workplace-related medical needs through available medical facilities, health awareness initiatives, and periodic health check-ups. Employees are also guided to appropriate external healthcare services, wherever required, to support their overall well-being. These initiatives form part of the Company's commitment to promoting holistic health, preventive care, and an improved quality of life for its workforce.

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

Safety Incident/Number	Category*	Year 2025	Year 2024
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.22	0.22
	Workers	0.0	0.00
Total recordable work-related injuries	Employees	1	1
	Workers	1	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequences for work-related injury or ill health (excluding fatalities)	Employees	0	1
	Workers	0	0

*Including in the contract workforce

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

To ensure a safe working environment, KSB has appointed designated Safety Officers at each location. This practice strengthens the safety culture across operations with an objective of achieving zero harm and zero incidents through timely risk assessment and implementation of mitigation measures, with strong emphasis on EHS compliance and audits.

The Company has established and implemented the following safety practices across all locations:

- **Safety Walks and Observations:** Regular identification of unsafe conditions, followed by immediate corrective actions to close identified gaps.
- **Structured Hazard Identification System:** A defined mechanism for hazard identification and risk control, periodically reviewed to address emerging risks.
- **Mandatory Safety Induction Training:** Provided to all new employees and contract labor at the time of joining.
- **Continuous EHS Training and Awareness Programs:** Ongoing education initiatives to strengthen safety awareness among employees and workers.
- **Incident Investigation Framework:** All EHS-related incidents are systematically investigated to identify root causes and prevent recurrence through corrective and preventive actions.
- **Periodic Risk Assessments and EHS Audits:** Regular inspections of equipment, machinery, cranes, and lifting tools to ensure operational safety and regulatory compliance.
- **Emergency Preparedness Plans:** Developed for high-risk areas to enable swift and effective emergency response.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

- **Machine Safety Controls:** All machines are equipped with adequate guarding and safety interlocks to minimize exposure to moving parts and operational hazards.
- **Emergency Response Infrastructure:** Facilities include 24X7 ambulance availability and an integrated emergency alarm system comprising smoke detectors, beam detectors, manual call points, and hooters.

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

Category	Year 2025			Year 2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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 employees and the extended workforce remains a top priority. During the year, the Company continued to monitor both leading and lagging health and safety indicators through detailed audits, inspections, and performance assessments to sustain a safe and conducive working environment. Based on audit observations and recommendations, several improvement initiatives were implemented, including structured training programs, dissemination of safety manuals, and the use of visual communication aids to enhance awareness among employees and workers regarding safe work practices. These initiatives demonstrate the Company's ongoing commitment to strengthening its safety culture and promoting the health, safety, and well-being of all stakeholders across its operations.

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.

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 no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	Year 2025	Year 2024	Year 2025	Year 2024
Employees	0	1	0	0
Workers	0	0	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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/ NA)

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:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices Working Conditions	This year we have assessed 83% of preferred suppliers for their sustainability performance, which include Health and Safety practices, and verification of 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 through supplier assessments conducted by KSB. The Company has established a comprehensive vendor evaluation framework that includes verification of applicable certifications issued by local statutory authorities, review of relevant management system certifications, and assessment of Environment, Health, and Safety (EHS) practices during the supplier onboarding process. In addition, suppliers provide necessary declarations through registration forms to confirm compliance with applicable requirements. This structured approach enables the Company to ensure responsible sourcing, regulatory compliance, and alignment with its sustainability and operational standards across the supply chain.

PRINCIPLE 4

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

Key Highlights:

83%

Value Chain Partners trained on ESG Disclosures

Stakeholder's feedback

considering into business decisions and considering their perspectives where 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 Consider 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.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such 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.
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, huma n resource enhancement, skill development, career advancement, safety education, ESG and CSR endeavours 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.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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.[AG37.1]**

   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 appraised of the important issues.

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 Company ensures that CSR projects are formulated and implemented through stakeholder consultations and are aligned with the needs identified by the communities and the implementation partners.

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 vulnerable and marginalized communities in its local operational areas and actively engages with them to design and implement suitable development interventions. During FY 2025, CSR projects were undertaken based on community needs assessments and in consultation with implementation partners, with a strong focus on environmental sustainability, education, and skill development. All beneficiaries under these CSR initiatives belong to vulnerable and marginalized sections of society. These projects reflect the Company's commitment to inclusive growth, community empowerment, and sustainable development in alignment with its CSR policy and long-term social responsibility objectives.

5 PRINCIPLE

Businesses should respect and promote human rights

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	Year 2025			Year 2024		
	Total (A)	No. of employees/ workers covered(B)	% (B/A)	Total (C)	No. of employees/ workers covered(D)	% (D/C)
Employees						
Permanent	1476	1476	100%	1532	1532	100%
Other than permanent	235	235	100%	122	122	100%
Total Employees	1711	1711	100%	1654	1654	100%
Workers						
Permanent	718	718	100%	726	726	100%
Other than permanent	2058	2058	100%	117	117	100%
Total Workers	2776	2776	100%	843	843	100%

Note: In year 2024, contractor workers were not considered within the reporting scope. In year 2025, Contractor workers are included.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Category	Year 2025					Year 2024				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	%(B/A)	No.(C)	%(C/A)		No(E)	%(E/D)	No.(F)	%(F/D)
Permanent Employees										
Male	1362	0	0	1362	100	1302	0	0%	1302	100%
Female	114	0	0	114	100	98	0	0%	109	100%
Other than Permanent										
Male	175	0	0%	175	100%	183	0	0%	183	100%
Female	60	0	0%	60	100%	55	0	0%	55	100%
Permanent Workers										
Male	717	0	0	717	100%	682	0	0%	682	100%
Female	1	0	0	1	100%	2	0	0%	2	100%
Other than Permanent										
Male	1943	0	0%	1943	100%	1603	0	0%	1603	100%
Female	115	0	0%	115	100%	80	0	0%	80	100%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	Details are mentioned in Annexure V of the Board's Report			
Key Managerial Personnel				
Employees other than BoD and KMP	1362	36880	114	37085
Workers	2660	38131	116	61436

b. Gross wages paid to females:

	Year 2025	Year 2024
Gross wages paid to females as % of total wages paid by the entity	4.47%	3.94%

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, The Human Resource(HR) Head of the company is responsible for ensuring ethical behaviour 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 strong deterrent against misconduct and promotes equal opportunities for all employees. The Company has established comprehensive policies and mechanisms to address grievances and ensure ethical conduct, including the POSH Policy through the Internal Complaints Committee, a Code of Conduct supported by an Ombudsman framework, and a Whistle Blower mechanism through a designated email ID and drop-box system. These policies clearly define procedures for reporting, reviewing, and resolving concerns in a fair and confidential manner.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Particulars	Year 2025			Year 2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
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:

Particulars	Year 2025	Year 2024
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

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 an effective Whistle Blower mechanism. In addition, an Internal Complaints Committee (ICC) has been constituted to address and redress any instances of sexual harassment in the workplace. The Company actively encourages employees to report any cases of harassment, discrimination, or inappropriate conduct without fear of retaliation. All complaints are handled with confidentiality, and investigations and corrective actions are undertaken in a fair and timely manner, as deemed appropriate. Regular training and awareness programs, including mandatory learning modules, are conducted periodically to ensure that employees are well-informed and equipped to uphold these standards.

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

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 your 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	
Others – please specify	

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 upholds robust human rights standards and has reported no cases of child labor, forced or involuntary labor, sexual harassment, or discrimination of any kind across its employees and extended workforce. With respect to its value chain partners, any deviations from the principles outlined in the Code of Conduct and human rights framework are identified and addressed proactively. The Company works closely with suppliers to define and implement lasting corrective actions within a reasonable timeframe and undertakes appropriate remedial measures to ensure continued compliance.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Leadership Indicators

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

   The Company endeavors to uphold fundamental human rights principles in all its operations through established codes and policies. Employees are periodically sensitized on ethical conduct through the Code of Conduct.

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

   The Company undertakes regular internal audits that include human rights parameters as part of the audit scope to ensure compliance and identify areas for corrective action. No formal or standalone 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.

4. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	No such assessments were carried out during the reporting period.
Discrimination at workplace	
Child Labor	
Forced Labor/Involuntary Labor	
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.**

   The Company has established strong human rights standards and mechanisms, and there were no reported instances of child labor, forced or involuntary labor, sexual harassment, or discrimination against employees or the extended workforce during the reporting period.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

6 PRINCIPLE

Businesses should respect and make efforts to protect and restore the environment

Key Highlights:

59%
GHG Emission Reduction

65%
Renewable Electricity Share

40,609 KL
Recycled water

3
Sites that are Zero Liquid Discharge Certified

99%
Waste diverted from Landfill (5 Sites)

25
Value chain - Environmental Impact Assessment done

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Year 2025	Year 2024
From renewable sources		
Total electricity consumption (A)	4,61,42,560.1	2,39,49,270
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**4,61,42,560.1**	**2,39,49,270**
From non-renewable sources		
Total electricity consumption (D)	2,51,35,359.5	4,04,08,289
Total fuel consumption (E)	2,88,34,363.1	2,53,54,198
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**5,39,69,722.6**	**6,57,62,487**
Total energy consumed (A+B+C+D+E+F)	**10,01,12,282.7**	**8,97,11,575**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.003713738	0.003541599
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (Total energy consumed / Revenue from operations adjusted for PPP)	0.075240338	0.079331825
Energy intensity in terms of physical output	161.545#	153.82#
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Independent reasonable level assurance taken on Electricity and Fuel Consumption by SGS India.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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? (Y/N) 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. Provide details of the following disclosures related to water, in the following format:

Parameter	Year 2025	Year 2024
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	19,159	19,764
(iii) Third party water	2,07,747	1,86,178
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	2,26,906	2,05,942
Total volume of water consumption (in kiloliters)	2,26,906	2,04,620
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000008417	0.000008078
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (Total water consumption / Revenue from operations adjusted for PPP)	0.000170534	0.000180945
Water intensity in terms of physical output Water intensity (optional) – the relevant metric may be selected by the entity	0.366144#	0.350860#

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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, , KSB Limited has obtained BRSR core assurance and also ZLD certification by third party SGS India.

4. Provide the following details related to water discharged:

Parameter	Year 2025	Year 2024
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(iv) Sent to third parties	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(v) Others	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
Total water discharged (in kiloliters)	40,609	39,360

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KSB Limited has obtained BRSR core assurance and also ZLD certification by third party SGS India.

BUSINESS RESPONSIBILITY & 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 has implemented the Zero Liquid Discharge (ZLD) mechanism across three manufacturing locations in FY 2025 as part of its commitment to sustainable water management. While two plants were ZLD-certified in 2024, an additional plant was brought under ZLD certification during the current year, expanding the coverage to three facilities namely Chinchwad, Vambori and Coimbatore. The certifications have been independently verified by SGS India. Under this framework, no wastewater is discharged outside the premises. All treated water is reclaimed and reused exclusively for internal applications. The Company follows a structured methodology for effluent management, incorporating primary, secondary, and tertiary treatment technologies to ensure effective treatment, recycling, and reduction in overall water consumption. This initiative reflects the Company's continued focus on resource conservation, regulatory compliance, and alignment with BRSR principles on environmental stewardship.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Year 2025	Year 2024
NOx	Tons	0.008	Nill
SOx	Tons	0.056	0.051
Particulate matter (PM)	Tons	8.947	8.705

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, However KSB Limited monitors and manages air emissions from its operations in accordance with applicable environmental regulations and internal environmental management practices. The emissions data reported are based on 3rd party monitoring (By NABL Lab), statutory records, and compliance assessments.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	Year 2025	Year 2024
Total Scope 1 emissions (GHG into CO_2)	Metric tons of CO_2 equivalent	2232	2219
Total Scope 2 emissions (GHG into CO_2)	Metric tons of CO_2 equivalent	4957	8160
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 + Scope 2 GHG emissions / Revenue from operations)	Ratio	0.0000002667	0.0000004097
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (Total Scope 1 + Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Ratio	0.0000054030	0.00000917817
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Ratio	0.011600#	0.017796#
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	Ratio	-	-

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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KSB Limited has obtained Independent Reasonable Assurance on BRSR core and its reported Scope 1 and Scope 2 greenhouse gas (GHG) emissions by third-party assurance provided, SGS India.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

- In 2025, KSB Limited has initiated decarbonization efforts by optimizing direct fuel use, increasing renewable energy, and implementing energy-efficient projects.
- The company achieved a 59% reduction in Scope 1 & Scope 2 GHG emissions compared to the 2022 baseline.
- In 2025, KSB tracked the sources of Scope 3 GHG emissions throughout the corporate value chain. The company reported Scope 3 categories: Category 2: Capital Goods, Category 3: Fuel & Energy related activities, Category 5: Waste generation in operations, Category 6: Business Travel, Category 7: Employee Commuting, Category, Category 8: Upstream Leased Assets 12: Product End-of-Life and Category

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

- KSB has already generated green energy from 3.27 MWp rooftop solar capacity, with an additional 1.1 MWp added in 2024 at Coimbatore and Chinchwad plants. A Power Purchase Agreement for 6.65 MWp renewable energy commenced in August 2024, resulting in 65% renewable energy share in total electricity consumption of Year 2025.
- In 2025, KSB Sold around 12,847 Solar pumps which contributing 9.18% of business of its total revenue.
- The KSB team carried out energy saving initiatives, such as:
  - Installation of Magnetic Resonators at Furnaces to reduce LPG fuel consumption
  - Replacement of BLDC energy efficient fans with conventional wall mounted fans
  - Replacement of IE3 motors with conventional IE2 & IE1 Motors
  - Power Factor monitoring and improvement up to Unity
  - Separate solar panel installation for existing electrical motors

9. Provide details related to waste management by the entity, in the following format:

Parameter	Year 2025	Year 2024
Total Waste generated (in metric tons)		
Plastic waste (A)	61.5	29.10
E-waste (B)	5.5	101.10
Bio-medical waste (C)	0.1	0.01
Construction and demolition waste (D)	39.7	103.19
Battery waste (E)	4.7	5.22
Radioactive waste (F)	0.0	0.28
Other Hazardous waste. Please specify, if any. (G)	112.4	111.42
Other Non-hazardous waste generated (H). Please specify, if any, and provide details regarding the composition i.e. by materials relevant to the sector	9617	7265.86
Total (A+B + C + D + E + F + G + H)	**9840.9**	**7616.18**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000003651	0.0000003007
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (Total waste generated / Revenue from operations adjusted for PPP)	0.000007396	0.0000006735
Waste intensity in terms of physical output	0.015880#	0.013059#
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
(i) Recycled	2435.9	1858
(ii) Re-used	7048.7	5673
(iii) Other recovery operations	226.2	15
Total	**9710.8**	**7546**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
(i) Incineration	36.5	56
(ii) Landfilling	93.5	14
(iii) Other disposal operations	0.1	0
Total	**130.1**	**70**

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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

KSB Limited has obtained Independent Reasonable Assurance on BRSR Core and its waste generation and disposal data from SGS India, a third-party assurance provider. The assurance validates the accuracy and reliability of waste-related disclosures in line with BRSR Core requirements. Further strengthening its circular economy approach, five manufacturing plants located at Pimpri, Chinchwad, Shirwal, Vambori, and Sinnar—have been awarded the “Zero Waste to Landfill” certification.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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.

KSB Limited has implemented a robust waste management system across its manufacturing operations, aligned with regulatory requirements and circular economy principles. In 2024, three manufacturing plants located at Chinchwad, Shirwal, and Sinnar achieved “Zero Waste to Landfill” verification and certification.

During FY 2025, the Company expanded the scope by including two additional sites at Pimpri and Vambori, with waste diversion rates exceeding 99%. Waste generated at the facilities comprises both hazardous and non-hazardous streams.

Hazardous waste includes spent oil, used paint, oil-soaked cotton, discarded barrels/containers, dry varnish, e-waste, battery waste, biomedical waste, and radioactive waste. Non-hazardous waste includes metal scrap, wooden scrap, plastics, corrugated boxes, thermocol, and construction & demolition waste. Waste is segregated at source and stored in designated areas/scrap yards in accordance with guidelines of the Central Pollution Control Board (CPCB). Disposal is carried out on a monthly or quarterly basis through authorized State Pollution Control Board (PCB)–approved recyclers and handlers, who collect and transport the waste to approved processing facilities.

Treatment and disposal methods include recycling, composting, waste incineration, mechanical-biological treatment, solidification, and scientific landfilling, as applicable. Hazardous waste is managed through systematic categorization, storage, collection, transportation, and treatment using authorized agencies and appropriate technologies, ensuring full regulatory compliance. Through these initiatives, the Company aims to minimize environmental impact, conserve natural resources, reduce energy consumption, and transform waste into value-added resources, reinforcing its commitment to sustainable operations under the BRSR framework.

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:

Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
KSB Limited confirms that none of its manufacturing or production facilities are located within or in proximity to ecologically sensitive areas, protected zones, or environmentally critical habitats. All operations are situated in designated industrial areas and function in compliance with applicable environmental regulations and land-use norms.	Not Applicable	Not Applicable

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 2025, 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.

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.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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:

Vambori, Ahillyanagar, Maharashtra - Foundry Division

Narasimmanaickenpalayam, Coimbatore, Tamilnadu - Valve Division

(ii) Nature of operations:

At Vambori, foundry operations are undertaken for the manufacturing of steel and cast iron pump castings. These activities include melting, molding, and casting processes to produce critical components used in pump manufacturing. At Coimbatore, the facility is engaged in valve assembly operations, where components are assembled and tested.

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

Parameter	Year 2025	Year 2024
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	19,159	17,185
(iii) Third party water	19,174	14,952
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters)	**38,333**	**32,137**
Total volume of water consumption (in kiloliters)	**38,333**	**32,137**
Water intensity per rupee of turnover (Water consumed / turnover)	0.000001422	0.000001269
Water intensity (optional) - the relevant metric may be selected by the entity	0.00002881	0.00002842
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
(v) Others	0	0
- No treatment	0	0
- With treatment - please specify level of treatment	Primary, Secondary and Tertiary	Primary, Secondary and Tertiary
Total water discharged (in kiloliters)	**14,349**	**14,519**

Note: KSB Manufacturing plants have Effluent treatment plant and/or Sewage treatment plant with primary, Secondary and tertiary treatment. The wastewater is treated and reused for internal purposes only like flushing and gardening, etc

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, ZLD certification done for Chinchwad, Coimbatore and Foundry Plant, through an independent third-party verification by SGS India.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	Year 2025	Year 2024
Total Scope 3 emissions (GHG into CO2)	Metric tons of CO_2 equivalent	8,858	4,754
Total Scope 3 emissions per rupee of turnover	Metric tons of CO_2 equivalent	0.00000032859	0.00000018768
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Metric tons of CO_2 equivalent	0.014294#	0.008152#

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

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

KSB Limited has obtained Independent Limited Assurance on its reported Scope 3 GHG emissions for the selected categories from SGS India, a third-party assurance provider. The limited assurance engagement was conducted to review the methodologies, data collection processes, and calculations adopted for Scope 3 emissions reporting.

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.

KSB Limited confirms that the aspect of operations within ecologically sensitive areas is Not Applicable. None of the Company's manufacturing or operational facilities are located in or adjacent to notified eco-sensitive zones, protected areas, or regions of ecological significance.

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:

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
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 standard fans. In 2025 KSB installed total 205 no of BLDC fans for 4 locations (Pimpri, Chinchwad, Sinner and Coimbatore)	Potential energy saving per year is 1,29,780 kWh. GHG emission reduction by 92.14 Tons Co2 eq.
Replacement of existing STP Air Blower motors and Paint booth Blower motors with energy efficient motors - 3 Nos	This upgrade enhances motor efficiency, lowers electricity usage, and minimizes maintenance requirements. The initiative contributes to reduced greenhouse gas emissions	Potential energy saving per year is 9350 kWh. GHG emission reduction by 6.63 Tons Co2 eq.
Power Factor Precisely Monitoring and Improvement Up to Unity	This initiative reduces electrical losses, improves energy efficiency, avoids utility penalties, and enhances the overall performance and reliability of electrical systems. Maintaining a near-unity power factor also contributes to reduced energy consumption	Potential savings are reflected in terms of financials.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
Installation of Magnetic Resonators on Induction Furnaces.	Polarization of Hydrocarbon fuel due to Magnetic Resonators. Polarized fuel at burner tip, during atomization mixes with air more rapidly, Specific are of contact between air and fuel improves during combustion, It improves the combustion and saves the fuel	Potential energy saving (LPG) per year is 40,644 Kg. GHG emission reduction by 119 Tons Co2 eq.
Optimum size booster pump for HDA Pump Testing	The pump capacity was carefully selected based on required flow and pressure conditions, eliminating oversizing and reducing unnecessary power usage. This initiative improves testing accuracy, enhances system reliability, and leads to energy savings	Potential energy saving per year is 24,750 kWh. GHG emission reduction by 17.57 Tons Co2 eq.
Installation of solar panels for existing pump operations	Solar panels are installed for pump operation, and it get reduced the grid electricity consumption in use phase. The grid electricity consumption gets zero.	Potential energy saving per year is 10,560 kWh. GHG emission reduction by 7.49 Tons Co2 eq.

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

   KSB Limited has integrated an emergency and disaster management procedure into its management system to effectively respond to potential incidents and minimize risks to the environment, employees, and surrounding communities. The Company has identified potential emergency scenarios and established defined roles and responsibilities for concerned personnel to ensure prompt and coordinated response. Regular training and awareness programs are conducted to prepare employees and designated emergency response teams for real-life situations. Dedicated firefighting and first-aid teams have been constituted across all plants, and relevant emergency information and response protocols are prominently displayed to ensure preparedness and quick action during emergencies.

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, KSB Limited selected the top 30 suppliers in 2025. They performed a remote audit and site visit for the top 25 suppliers in FY 2025 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.**

   KSB Limited has identified its top 30 suppliers for evaluating their sustainability performance across Environmental, Social, and Governance (ESG) parameters. In 2025, the Company completed sustainability assessments for approximately 83% of the identified suppliers, with site visits and/or remote audits conducted for 25 out of the 30 key suppliers.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

7 PRINCIPLE

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

Key Highlights:

9

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.**

Sr no.	Name the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industries (CII)	National
2	Maharashtra Chamber of Commerce Industries and Agriculture (MCCIA)	State
3	German Machinery and Plant Manufacturer's Association (VDMA)	National*
4	Indian Pumps Manufacturers' Association (IPMA)	National
5	Indo-German Chamber of Commerce (IGCC)	National*
6	Indian Plumbing Association (IPA)	National
7	Indian Society of Heating, Refrigerating and Air Conditioning Engineers (ISHRAE)	National
8	Fire & Security Association of India (FSAI)	National
9	Indian Valve and Actuator Manufacturers Association (IVAMA)	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
	NIL	

Leadership Indicators

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

Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
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.				

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

8 PRINCIPLE

Businesses should promote inclusive growth and equitable development

Key Highlights:

5000+
Persons benefited from CSR Projects

63%
Maximum Job Creations in Metropolitan

81%
Input Material Directly sourced from within India

Essential Indicators

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

Name and brief details 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
Not Available	Not Available	Not Available	Not Available	Not Available	Not Available

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

Name of 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)
Not Available	Not Available	Not Available	0	0	0

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.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Particulars	Year 2025	Year 2024
Directly sourced from MSMEs/ small producers	14%	Not Reported
Directly from within India	81%	Not Reported

Note: Procurement quantities are calculated based on data from six manufacturing locations within the defined reporting boundary.

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:

Particulars	Year 2025	Year 2024
1. Rural		
iii) % of Job creation in Rural areas	0.03%	6.37%
2. Semi-urban		
iii) % of Job creation in Semi-Urban areas	35.56%	0%
3. Urban		
iii) % of Job creation in Urban areas	1.38%	72.85%
4. Metropolitan		
iii) % of Job creation in Metropolitan area	63.04%	20.80%

(Place to be categorized as RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

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	Number of complaints filed
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:

State	Aspirational District	Number of complaints filed
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.		

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:

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

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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 the Case	Corrective action taken
Nil	Nil	Nil

6. Details of beneficiaries of CSR Projects:

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
Skill Development under PCB Assembly Operator	312	100%
KSB Scholarship	175	100%
Skill development for Industrial Readiness	120	100%
Yuva Mitra - Beautician and Fashion Designing	160	160
ZP School Ramoshiwadi	110	100%
ZP School Vambori (Phase III)	220	100%
Primary School - NSN Palayam	175	100%
AMC for already planted saplings under Miyawaki Afforestation	100	100%
MEM Lab Infrastructure	175	100%
Classroom Construction at Wayanad, Kerala	650	100%
Workshop setup in Blind School, Sinnar	25	100%
Setup Water Coolers	1500	100%
Advance Fitter Training in Don Bosco, ITI	120	100%
Digital Lab with Interactive Board in ZP School, Pimpri.	150	100%
Setup Water Coolers in Vambori Tahasildar Office	1000	100%
Automation Fitter Lab & tools at ITI college at Khed	200	100%
Total persons benefited from CSR Projects	**5192**	

9 PRINCIPLE

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

2 ZERO HUNGER | 4 QUALITY EDUCATION | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Key Highlights:

Zero

Product Recalls on Safety Issues

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.

The Company has established a structured customer grievance redressal mechanism to ensure timely resolution of consumer complaints. Complaints can be registered through an active toll-free helpline, where they are logged and managed through the S3 (Portal) AM Module.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

The Regional Service Coordinator monitors the end-to-end resolution process to ensure accountability and adherence to defined timelines. Complaints received through the official website of KSB India and social media platforms such as Facebook, Instagram, LinkedIn, and Twitter (X) are centrally tracked by the Digital Media Team.

Process Flow:

The Digital Media Team reviews the complaint and forwards the details to the authorized service representative based on product and location.

The authorized representative contacts the customer and resolves the complaint within the committed timeframe. Upon resolution, confirmation is shared with the customer and the Digital Media Team for closure tracking.

The Digital Media Team responds to the customer on the respective platform and records feedback.

In cases where contact or location details are not available, the Digital Media Team requests the required information from the complainant, after which the standard resolution workflow is followed.

This mechanism enables transparent tracking, prompt response, and effective resolution of customer grievances in alignment with the Company's commitment to customer satisfaction and responsible business conduct.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following

	Year 2025			Year 2024		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	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	25,852*	0	-	20,466*	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

	Number	Reasons for recall
Voluntary recalls	Nill	During the repositing period, there have been no instance of product recalls on account of safety concerns.
Forced recalls	Nill	

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? 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 undertaken several initiatives at both global and local levels to strengthen its cyber security posture and safeguard information assets across the Group. Key measures implemented include: Introduction of Two-Factor Authentication (2FA) across critical applications to enhance access security. Implementation of EDR/MDR (Endpoint Detection & Response / Managed Detection

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

& Response) solutions across the Group to enable continuous monitoring, threat detection, and rapid incident response. Conducting regular IT security audits to assess system robustness and compliance with internal security standards. Periodic Vulnerability Assessment and Penetration Testing (VAPT) across Group entities to identify and mitigate potential risks. These initiatives form part of an ongoing program aimed at continuously improving the overall cyber security framework and resilience against evolving threats.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact	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 Indicators

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 information required to be displayed on product labels is provided in accordance with applicable laws, rules, and regulatory requirements.

Product labelling is reviewed to ensure accuracy, transparency, and compliance with statutory standards. In addition, the Company's dealer management portal is equipped with comprehensive product-related information to support dealers and channel partners in effectively addressing customer requirements.

Detailed product information, specifications, and customer support resources are also made available on the official website of KSB India (www.ksbindia.co.in).

For customer assistance and grievance support, the Company provides a dedicated toll-free helpline: 1800 233 1299. This multi-channel approach ensures easy access to authentic product information and strengthens customer awareness and service support.

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

KSB undertakes continuous efforts to educate customers on the proper and safe use of its products. Each product is supplied with detailed instruction and troubleshooting manuals that include essential guidance such as product do's and don'ts, electrical circuit diagrams for pump connections, and standard operating procedures. Additionally, the Company organizes training programs and awareness workshops to educate customers and users on the safe, efficient, and responsible usage of its products and services. These initiatives are aimed at enhancing operational reliability, minimizing misuse-related risks, and promoting long-term product performance.

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

KSB ensures timely and transparent communication with customers regarding any product discontinuation, modification, or new product introduction. Necessary email notifications and updated product information circulars are shared with applicable customers to keep them informed of such changes. This structured communication process enables customers to plan transitions effectively, ensures continuity in operations, and supports informed decision-making.

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)

KSB ensures that relevant product information is clearly displayed on the product to facilitate proper identification and usage. This includes nameplates detailing product specifications, troubleshooting guides, and MRP stickers/barcodes for warranty tracking, wherever applicable. QR codes are also provided to enable easy access to operating manuals and related documentation. The Company conducts periodic Customer Satisfaction Surveys to capture user feedback and assess service effectiveness. Insights gathered from these surveys are used to enhance product quality, customer experience, and after-sales support.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

SGS India Private Limited

INDEPENDENT REASONABLE ASSURANCE STATEMENT

Independent Assurance Statement to KSB Limited on its BRSR Core Report for the Year 2025

The Board of Directors,

KSB Limited,
104th Mile Stone, Irrigation & Process Division
Mumbai-Pune-Road Pimpri,
Pune 411018, Maharashtra, India.

Nature of the Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by KSB Limited (the 'Company') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Core Report') for the reporting period of January 1, 2025, to December 31, 2025. SGS India has conducted a Reasonable level of Assurance for the BRSR core indicators. This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410.

Reporting Framework

The Report has been prepared following

1. BRSR Core and Non-Core Framework for Assurance and ESG Disclosures for Value Chain (Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated 30 January 2026 circular.
2. Greenhouse Gas Protocol Standard.
3. ISO 14064-1:2018 Standard.

Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all KSB Limited internal and external Stakeholders.

Responsibilities

The information in the report and its presentation is the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

Assurance Standard

SGS has conducted a Reasonable level of Assurance for BRSR core parameters under 9 ESG Attributes, including all essential indicators as specified under BRSR standards and amendments made as on date. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (revised) and ISAE 3410 (Assurance Engagements other than Audits or Reviews of Historical Financial Information).

Our evidence-gathering procedures were designed to obtain a 'Reasonable' level of assurance, which is a high level of assurance in accordance with ISAE 3000(revised) standard, but is not absolute certainty. It involves obtaining sufficient appropriate evidence

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing, and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing and training; and environmental, social, and sustainability report assurance. SGS India affirms our independence from KSB Limited, being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification, and GHG Validation Lead Auditors, and experience on the SRA Assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators, including all KPI’s within the report for the period January 1, 2025, to December 31, 2025.

The scope of verification covers the following aspects:

The reporting boundary includes the Company’s operational controls of 6 manufacturing plants located in Maharashtra and Tamil Nadu locations and this is aligned with the GHG inventory consolidation approach.

1. Irrigation & Process Division, Pimpri
2. Power Projects Division, Chinchwad
3. Energy Pumps Division, Shirwal
4. Standard Pump Division, Sinnar
5. Foundry Division, Vambori, Ahmednagar
6. Valves Division, Coimbatore.

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core and essential indicators, and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

Limitations

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.

Page no.2

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

- Validation of any data and information other than those presented in "Findings and Conclusions."
- The assurance engagement considers an uncertainty of ±5% based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

Findings and Conclusions

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report (as per the table below) is complete, accurate, reliable, fairly stated in all material respects, and is prepared in line with the BRSR requirements.

The list of BRSR Core Indicators that were verified within this assurance engagement is given below:

Sr.No.	BRSR Core Attribute	BRSR Core Indicator
1	Greenhouse gas (GHG) footprint	≈ Total scope 1 emissions ≈ Total scope 2 emissions ≈ GHG emission intensity (scope 1 +2)
2	Water footprint	≈ Total water consumption ≈ Water consumption intensity ≈ Water discharge by destination and levels of treatment
3	Energy footprint	≈ Total energy consumed ≈ % of energy consumed from renewable sources ≈ Energy intensity
4	Embracing circularity	≈ Plastic waste ≈ E-waste ≈ Bio medical waste ≈ Construction and demolition waste ≈ Battery waste ≈ Radioactive waste ≈ Other hazardous waste ≈ Other non-hazardous waste ≈ Total waste generated ≈ Waste intensity ≈ Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations. ≈ For each category of waste generated, the total waste disposed of by the nature of the disposal method
5	Employee well-being and safety	≈ Spending on measures towards the well-being of employees as a % of the total revenue of the Company ≈ Details of safety-related incidents for employees
6	Enabling gender diversity in business	≈ Gross wages paid to females as % of wages paid. ≈ Complaints on POSH
7	Enabling inclusive development	≈ Input material sourced from MSMES/ small producers as % of total purchases. ≈ Job creation in smaller towns: Wages paid to people employed in smaller towns as % of total wage cost
8	Fairness in engaging with customers and suppliers	≈ Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events. ≈ Number of days of accounts payable
9	Openness of business	≈ Concentration of purchases & sales done with trading houses, dealers, and related parties

Sr.No.	BRSR Core Attribute	BRSR Core Indicator
		≈ Loans and advances & investments with related parties

Kalpesh Thombare Technical Reviewer and National Manager – ESG & Sustainability Services, SGS India. 26th March,2026.	**Chirag Bafna** Lead Verifier – ESG & Sustainability Services, SGS India 26th March,2026.

ANNEXURE TO BOARD'S REPORT

ANNEXURE VI TO THE 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. Various improvements in castings processes for End Suction Pumps are under implementation to improve the casting quality thereby improving the final product performance. This effort will also reduce the wastage and minimize environmental impacts. Company is also focussing on developing new materials like CB7Cu2 and 1.4475 at our foundry for slurry handling applications involving abrasive media.

Considering the increase in demand in the Desalination market, Company has continued to focus on developing the End Suction Pumps in Super Duplex Stainless Steel material for this application. Critical processes like electropolishing have been established at our foundry to ensure strict control on casting surface quality critical for this application. The development and supply of the first size has been completed and development of two additional sizes is in progress.

The Refinery and Petrochemical market calls for latest technology and engineered products. Company has completed the development of 2 sizes each from the BB1 and OH2 pump types from the BP&CL range as per latest API standard and these sizes are now available for sale. Company also continues to focus on expanding the range of these products to meet customer specific requirements. Company has also completed the localization of multiple sizes of VS4 and BB2 pumps which are a key to compete in this Market Segment.

Company regards the water and wastewater segment to be one of the sunrise segments. With focussed efforts, the development of the first size of the Vertical turbine pump has been completed and work on six additional sizes is in progress. The Company has also given impetus on improving its portfolio in the submersible pump segment by localizing the Consistent Motor Hydraulic Concept (CMHC) range. The localization of horizontal dry installed pumps for this segment have further strengthened our product offerings. Also, the Company shall be commencing work on the localization of the propeller type axial flow pumps extensively used for wastewater and storm water pumping applications.

In the water transportation segment, the Company continues to aggressively expand its Horizontal Split Case pump range by launching improved hydraulics and Stainless-Steel material variant. The focus on further expanding this range will continue in the coming year as well.

General industry continues to be an expanding market and company has specifically targeted to develop suitable products for the Pulp & Paper and Distillery applications. Company has focussed on enhancing the End Suction Pump range for this market releasing several new sizes in multiple pressure ratings. Further, the localisation for cost effective magnetic drive pumps are in an advance stage with the first prototype under testing. The Company has consolidated its portfolio of vertical sump pumps by introducing additional sizes and materials as per the market requirement.

Mining sector is a target area for increase of business. For this market, the development of new vertical pump with guidance from our parent company is in advance stages with the testing of prototype already in progress.

The Company's expansion in the Fire Fighting segment continues. The localization of End Suction pumps along with their FM and UL listing as an Alternate Manufacturer was completed. This has now made listed market like airports, malls and high-rise buildings accessible for the Company.

Defence, Navy and marine is another sunrise segment for the Company. The development of NAB material at our foundry has been a major contributor to cater to this market. The localization of multiple pump series for catering to this segment is in progress with special focus on in-line pumps portfolio.

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.

ANNEXURE TO BOARD'S REPORT (Contd.)

Company continues to work on localisation and import substitution in a big way. This really adds to our efforts to meet Make in India requirements of the Indian government. Reduction in import content and saving foreign exchange has long term benefits to the company and the nation. Company also continues to target 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 Industrial application there by 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. Company also introduced several adaptions of submersible Agriculture and Domestic products.

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

B. FOREIGN EXCHANGE EARNINGS AND OUTGO

Exports during the year were INR 4665.73 Million. Total foreign exchange used during the year was INR 1,500.02 Million and total foreign exchange earned was INR 4,403.70 Million.

On behalf of the Board of Directors

GAURAV SWARUP
Chairman

Mumbai, 25th February, 2026

ANNEXURE TO BOARD'S REPORT

ANNEXURE VII TO BOARD'S REPORT

FORM MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2025
[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,
(CIN: L29120MH1960PLC011635)
Office No. 601, Runwal R-Square,
L.B.S. Marg, Mulund (West), Mumbai

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, 2025, 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, 2025 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 (during the period under review not applicable to the Company);

(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);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (during the period under review not applicable to the Company);

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (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, 2025 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, 2021 (during the period under review not applicable to the Company); and

ANNEXURE TO BOARD'S REPORT (Contd.)

(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 least seven days in advance, 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 there were no instances where dissenting views of any member of the Board of Directors were required to be captured and recorded in the minutes, during the year 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)

Dipti Mehta,
Partner FCS No: F3667, CP No.: 23905
UDIN: F003667G003991244

Mumbai, 25th February, 2026

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 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)

Dipti Mehta,
Partner FCS No: F3667, CP No.: 23905
UDIN: F003667G003991244

Mumbai, 25th February, 2026

Creating impact beyond Business: CSR initiatives

The CSR initiatives undertaken during the period reflect a strong commitment towards **education, skill development, infrastructure development, woman empowerment, community welfare, and environmental sustainability**. These projects were implemented across multiple locations including Pune, Coimbatore, Kerala, Karad, Shirwal and Sinnar, ensuring outreach to diverse and underserved communities.

Reviving Learning Spaces for Future Engineers

Mechanical Engineering Material Lab Infrastructure Support at Government Polytechnic Karad

Transforming an underutilized lab into a modern skill development centre for 175 students.

The Need : The existing mechanical lab lacked modern infrastructure, limiting hands-on learning opportunities for students.

Our Intervention: The space was completely refurbished into a well-equipped laboratory with upgraded infrastructure and advanced machinery.

Before

175 Students benefited

Key Improvements

- Fully refurbished lab infrastructure
- Installation of advanced equipment (slitting machine, furnace, hardness tester, etc.)
- Improved safety and operational setup

After

Empowering Rural Women Through Skill-Based Employment

Skill training in PCB Assembly enabling sustainable livelihoods for tribal and rural girls

The Need: Many young women from tribal and rural communities lack access to technical skills and employment opportunities, limiting their financial independence.

Our Initiative: A focused skill development program in PCB Assembly was implemented to equip girls with industry-relevant technical skills and prepare them for employment.

Program Coverage:

- Training delivered to 312 female candidates
- Focus on job-readiness and industry exposure
- Structured residential training approach

312 Girls Upskilled

918+ Indirect Beneficiaries

Impact Created

The program has enabled young women to acquire technical skills aligned with industry requirements, improving their access to employment opportunities and financial independence.

Creating pathways to employment by turning skills into sustainable livelihoods

Rebuilding Classrooms, Restoring Futures

Supporting education continuity for students affected by the Wayanad landslide

The Need: The landslide in Wayanad severely impacted school infrastructure, disrupting the learning environment for hundreds of students.

Our Initiative: In collaboration with KSB MIL, the project focuses on rebuilding essential classroom infrastructure at Meppadi Higher Secondary School to ensure a safe and conducive learning space.

Program Scope:

- Construction of 4 fully equipped classrooms
- Safe, durable, and student-friendly infrastructure
- Joint implementation with KSB MIL

Before

650+ Students Benefited

Impact Created

The project restores access to safe and structured learning spaces, enabling students to continue their education without disruption and supporting long-term academic development.

“Rebuilding not just classrooms, but the future of young learners.“

After

Empowering Women Through Skills & Livelihoods

Women Skill Development- Fashion Designing and Beautician skills

A focused initiative to enable tribal and rural women to build sustainable livelihoods through skill development.

The program provides hands-on training and prepares participants for real-world employment and entrepreneurship opportunities.

It aims to strengthen financial independence and improve quality of life at both individual and community levels.

160+ Women Trained

Employment + Entrepreneurship Focus

3 Skill Domains

Building Industry-Ready Skills for Young Technicians

Advance Fitter Training in Don Bosco, ITI, Chinchwad, Pune

An advanced fitter training program is being implemented at Don Bosco ITI to equip students with industry-relevant technical skills.

The initiative focuses on hands-on learning in fitting, assembly, and CNC basics to enhance employability.

During the year, the project was reviewed by Mr. Ulhas Yargop - Independent Director reinforcing the organization's commitment to impactful skill development.

The program aims to create a skilled workforce ready for industry opportunities and sustainable livelihoods.

120 students

Mr. Ulhas Yargop - Independent Director interacting with institute staff during project visit.

Leadership Visit – Strengthening Partnerships

Ms. Sharmila Barua Roychowdhury – Independent Director and Chairperson of the CSR Committee, visited the Y4D Foundation to the Skill-to-Employability initiative.

During the visit, she interacted with beneficiaries and gained insights into the program's impact in enabling employment and financial independence among tribal women.

The visit reinforced the organization's commitment to strengthening partnerships and driving sustainable livelihood opportunities.

Ms. Sharmila Barua Roychowdhury interacting with beneficiaries during the project visit.

Inauguration of Welding Facility at Government ITI, Coimbatore

During the year, an advanced welding laboratory at Government ITI, Coimbatore was inaugurated under the CSR initiative.

The facility, equipped with MIG and TIG welding systems along with a welding simulator, supports practical skill development for students.

The laboratory was inaugurated by Dr. Stephan Bross-Non Executive Director, marking the operationalization of the facility.

Location: Government ITI, Coimbatore

MIG & TIG Welding + Simulator

Dr. Stephan Bross and Mr. Rajeev Jain inaugurating the welding facility at Government ITI, Coimbatore

Welding laboratory at Government ITI, Coimbatore

Awards and Recognition

Awarded by Pimpri Chinchwad Municipal Corporation CSR Cell

for initiatives taken under Education & Skill Development

Facilitation for KSB Limited's contribution towards societal impact - Y4D Foundation for PCB Assembly training Project

Facilitation by Government of Maharashtra skill employment entrepreneurship and innovation department - Government ITI, Satara

ANNEXURE TO BOARD'S REPORT (Contd.)

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

ANNEXURE VIII TO THE BOARD'S REPORT

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:

Sr 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	3	3
2	Mr. Gaurav Swarup	Member	3	3
3	Mr. Rajeev Jain	Member	3	3

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): INR 2,798.91 Million

   b. Two percent of average net profit of the company as per section 135(5): INR 55.98 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 : **INR 55.98 Million**

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

   Mode of implementation - During the financial year, the Company has implemented its CSR projects directly and/or in collaboration with eligible implementing partners such as NGOs, specialized agencies, trusts, institutions, foundations, societies, and Government bodies, in compliance with the applicable provisions of the Companies Act, 2013 and the CSR Rules framed thereunder.

(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 (INR Million)
1.	Women Sill Development : Training to Tribal/Rural Girls in PCB Assembly (Youth for Development - Y4D)	Skill development and Women Empowerment	Yes	Pimpri and Shirwal, Maharashtra	6.15
2.	KSB Scholarship for girl students: KSB scholarship and mentorship program for Engineering Diploma Girls from all over Maharashtra (Buddy4Study)	Education	Yes	Pimpri, Maharashtra	5.32

(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 (INR Million)**
3.	Women Skill Development: Beautician and Fashion Designing training for women from Sinnar (Yuva Mitra)	Skill development and Women Empowerment	Yes	Sinnar, Maharashtra	2.53
4.	School Infrastructure: Solar, Roof, Toilets, Playground Equipment (Zilla Parishad (ZP) School, Ramoshiwadi)	Education	Yes	Nashik, Maharashtra	2.20
5.	School Infrastructure: Improve Security – CCTV, Wall Compound Fencing and solar (Zilla Parishad (ZP)School)	Education	Yes	Vambori, Maharashtra	3.59
6.	Skill development: Skilling of students in industry fundamentals along with CNC and Hydraulic-Pneumatic for industrial employability (Skill Sonic)	Skill development	Yes	Shirwal, Maharashtra	3.22
7.	School Infrastructure: Smart Classrooms & dining hall (Primary School - NSN Palayam)	Education	Yes	Palayam, Coimbatore, Tamil Nadu	2.68
8.	Tree plantation: Miyawaki Afforestation (SayTrees)	Environment	Yes	Pimpri Chinchwad and Vambori, Maharashtra	0.89
9.	Tree plantation: Miyawaki Afforestation project (SayTrees) Maintenance project	Environment	Yes	Pune, Maharashtra	0.97
10.	Skill development: Mechanical Engineering Material Lab Infrastructure Support (Government Polytechnic, Karad)	Skill development	Yes	Karad, Maharashtra	3.10
11.	School Infrastructure under disaster emergency : Rebuilding School which was affected in Wayanad Landslide disaster (Meppadi Higher Secondary School)	Disaster Management	Yes	Wayanad, Kerala	4.00
12.	Employability of Blind people: Setting-up of white cane manufacturing workshop at Blind School (Happy Homes Blind School, Blind School)	Skill Development & livelihood	Yes	Sinnar, Maharashtra	5.35
13.	Basic necessities - Water: Setup Water Coolers (RO) to provide access to Clean drinking water	Sanitisation	Yes	Sinnar, Maharashtra	0.32
14.	Skill Development: Advance Training for students in ‘Fitter’ stream to Provide job-ready skills [Don Bosco, Industrial Training Institute (ITI)]	Skill Development	Yes	Pimpri- Chinchwad, Maharashtra	1.00
15.	Education: Enhance quality of education on all academic topics by donating ‘audio-visual animated content and infrastructure’ to support underprivileged students in rural schools. (Sumconcepts Technologies)	Education	Yes	Pimpri, Maharashtra	1.38
16.	Basic necessities - Water: Setup Water Coolers (RO)to provide access to Clean drinking water	Sanitisation	Yes	Vambori, Maharashtra	0.06

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 (INR Million)**
17.	Skill Development: Provide automation tools and skills in hydraulics, pneumatics aligned with Industry needs [Industrial Training Institute (ITI) college, Khed]	Skill development	Yes	Pune, Maharashtra	4.35
18.	Skill Development: Construct new labs for CNC, Hydraulic-Pneumatic Lab and renovate Washrooms [Government Industrial Training Institute (ITI) College, Satara]	Skill development and sanitisation	Yes	Satara, Maharashtra	0.85
19.	School Infrastructure: Construction of Class Rooms, benches, Electronic boards, provide Sports & other stationery (Zilla Parishad (ZP) Girls' School, Vambori)	Education	Yes	Vambori, Maharashtra	0.34
20.	School Infrastructure: Construction of toilets and refurbishment of classrooms (School Infrastructure Development, NSN Palayam)	Education	Yes	Palayam, Coimbatore, Tamil Nadu	2.81
21.	Skill Development: MIG and TIG Welding facilities -Machineries, equipment's and Welding Simulator (Skill Development -ITI Kavundampalayam)	Skill development	Yes	Kavundampalayam, Coimbatrore , Tamil Nadu	2.21
22.	School Infrastructure (ITI Kavundampalayam)	Skill development	Yes	Kavundampalayam, Coimbatrore	0.47
23.	School Infrastructure: (ZP girls primary school)	Education	Yes	Vambori, Maharashtra	0.46
	Amount spent on CSR Projects				54.25
6(b)	Amount spent in Administrative Overheads				1.74
6(c)	Amount spent on Impact Assessment, if applicable				NIL
6(d)	Total amount spent for the Financial Year (b+c+d)				55.99

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

Total Amount Spent for the Financial Year. (INR)	**Amount Unspent (INR 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.**
INR 55.99 Million	NA	NA	NA	NA	NA

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

Sl. No.	Particular	Amount (INR Million)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	55.98
(ii)	Total amount spent for the Financial Year	55.99
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02
(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)]	0.01

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 INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)	Amount Spent in the Financial Year (in INR)	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 INR)	Deficiency, if any
					Amount (in INR)	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

Date : 25th February, 2026

Rajeev Jain
Managing Director

Ms. Sharmila Barua Roychowdhury
Chairperson, CSR Committee

Independent Auditor's 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 Standalone Balance Sheet as at December 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone 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, 2025, 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**
Appropriateness of Revenue Recognition (Refer to Note 1 (e), 2 (ii) and 20 to the standalone financial statements) 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: • 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 Company based on technical analysis as well as legal assessment of right to payment.	Our audit procedures included the following: • 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. • Evaluation of the Company's in-house legal counsel's views regarding the Company's right to payment for performance to date;

Key audit matter	How our audit addressed the key audit matter
Considering the above mentioned factors, appropriateness of revenue recognition has been considered as a Key Audit Matter.	• 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.

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 Indian 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.

7. In preparing the standalone financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

8. 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

9. 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.

10. 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.

11. 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.

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 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

14. 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.

15. As required by Section 143(3) of the Act, we report 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.

    (b) 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 audit trail (edit log) maintained in electronic mode has not been maintained on servers physically located in India during the year and the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on December 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2025, 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 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) 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".

(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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. 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.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. Except as referred to in Note 30(c) to the standalone financial statements, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 40(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 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 40(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 by the Company during the year 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 for certain information or data recorded in the software. Further, at database layer, the audit trail feature has not been enabled to log any direct data changes for one user and audit log of modification done does not contain the pre-modified values;

(ii) in respect of the second accounting software which is hosted by third party service providers, the audit trail feature has not been enabled at the database level to log any direct data changes upto May 29, 2025 and from May 30, 2025 the audit log of modification does not contain pre-modified values;

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. Further, the audit trail, to the extent maintained in the prior year, has been preserved as per the statutory requirements for record retention.

16. 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: 26127791QPWNVL6356

Place: Mumbai
Date: February 25, 2026

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of KSB Limited on the standalone financial statements as of and for the year ended December 31, 2025

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, 2025 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 specified 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 financial statements

6. A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to 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, 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, 2025, 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: 26127791QPWNVL6356

Place: Mumbai
Date: February 25, 2026

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 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, 2025

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 of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(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 Notes 3 and 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) 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 standalone 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 INR 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 made investment in 2 mutual funds and granted unsecured loans to 1,060 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:

	Loans (Amount in INR Millions)
Aggregate amount granted/ provided to employees during the year	88.91
Balance outstanding as at balance sheet date in respect of the above case	116.60

(Also, refer Note 6(b) to the standalone financial statements)

The Company has not granted secured loans/advances in nature of loans, or stood guarantee, or provided security to any parties.

(b) In respect of the aforesaid investments and loans, the terms and conditions under which such loans were granted and investments were made are not prejudicial to the Company's interest.

(c) In respect of the 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) The loans granted during the year had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. The Company has not granted any loans during the year 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. Further, the Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order to that extent 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 regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, professional tax, cess, and other 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 other statutory dues referred to in sub-clause (a) as at December 31, 2025, which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Gross amount (INR in millions)	Amount paid under protest (INR in million)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty (including interest and penalty)	24.07	7.87	August 2013 to June 2017	The Commissioner of CGST & Central Excise, Nashik, Maharashtra
	Excise Duty (including interest and penalty)	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)	1.92	0.12	March 2002	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), New Delhi
Finance Act, 1994	Service Tax (including interest and penalty)	588.54	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 Services Tax Act (including interest and penalty)	5.59	1.85	July 2017	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Coimbatore
	Goods and Services Tax Act (including interest and penalty)	14.47	0.55	June 2017	Commissioner (Appeal), Maharashtra
	Goods and Services Tax Act (including interest and penalty)	56.63	2.36	FY 2017-18	Commissioner (Appeal) Coimbatore, Tamil Nadu
	Goods and Services Tax Act (including interest and penalty)	1.58	0.06	FY 2017-18	Additional Commissioner (Appeals) Bhubaneswar, Odisha

Name of the statute	Nature of dues	Gross amount (INR in millions)	Amount paid under protest (INR in million)	Period to which the amount relates	Forum where the dispute is pending
	Goods and Services Tax Act (including interest and penalty)	38.69	-	FY 2018-19 to FY 2020-21	Commissioner (Appeal), Pune Maharashtra
Income Tax Act, 1961	Income Tax	85.97	29.70	AY 2017 – 18	Income Tax Appellate Tribunal (ITAT), Mumbai
	Income Tax	3.80	-	AY 2020-21	Commissioner of Income Tax CIT (A), Faceless appeal
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund (including interest and penalty)	5.49	1.84	October 2007 to February 2021	Regional Provident Fund Commissioner-II, Nashik, Maharashtra

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) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(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 standalone financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the standalone 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 any 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 any 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 standalone 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.

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) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. 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 standalone 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: 26127791QPWNVL6356

Place: Mumbai
Date: February 25, 2026

Standalone Balance Sheet

As at December 31, 2025

(All amounts in INR million, unless otherwise stated)

	Notes	As at December 31, 2025	As at December 31, 2024
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	4,084.21	3,864.74
Right-of-use assets	4	340.26	327.18
Capital work-in-progress	3	888.91	528.08
Other Intangible assets	5	191.62	192.72
Intangible assets under development	5	29.71	18.48
Financial assets			
(a) Investments	6 (a)	74.36	63.15
(b) Trade receivables	7	25.66	19.14
(c) Loans	6 (b)	83.17	80.24
(d) Other financial assets	9	62.62	77.98
Deferred tax assets (net)	13 (a)	342.11	191.29
Income Tax assets (net)	13 (b)	130.16	110.59
Other non-current assets	11	265.09	344.18
Total non-current assets		**6,517.88**	**5,817.77**
II. Current assets			
Inventories	10	7,860.56	6,428.23
Financial assets			
(a) Trade receivables	7	8,691.88	6,502.73
(b) Cash and cash equivalents	8 (a)	1,668.27	958.87
(c) Bank balances other than (b) above	8 (b)	1,165.56	2,275.67
(d) Loans	6 (b)	48.72	52.95
(e) Other financial assets	9	199.89	116.69
Other current assets	12	1,113.53	701.78
Total current assets		**20,748.41**	**17,036.92**
Total Assets		**27,266.29**	**22,854.69**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14 (a)	348.08	348.08
Other equity	14 (b)	15,780.08	13,902.76
Total Equity		**16,128.16**	**14,250.84**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	15	37.31	21.67
Provisions	18 (a)	856.16	569.82
Total non-current liabilities		**893.47**	**591.49**
II. Current liabilities			
Financial liabilities			
(a) Lease liabilities	15	14.72	12.69
(b) Trade payables	16		
- Total outstanding dues of micro enterprises and small enterprises		491.75	347.31
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,922.45	3,371.84
(c) Other financial liabilities	17	696.74	508.01
Other current liabilities	19	4,241.74	3,105.15
Provisions	18 (b)	838.52	592.66
Current tax liabilities (net)	13 (b)	38.74	74.70
Total current liabilities		**10,244.66**	**8,012.36**
Total Liabilities		**11,138.13**	**8,603.85**
Total Equity and Liabilities		**27,266.29**	**22,854.69**

The accompanying notes are an integral part of these standalone financial statements.

This is the Standalone Balance Sheet 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 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Standalone Statement of Profit and Loss

For the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

	Notes	Year ended December 31, 2025	Year ended December 31, 2024
Income			
Revenue from operations	20	26,957.28	25,330.86
Other income	21	658.66	414.92
Total Income		**27,615.94**	**25,745.78**
Expenses			
Cost of materials consumed	22	12,745.93	12,034.04
Purchases of stock-in-trade	23	2,748.95	2,567.34
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(932.24)	(379.94)
Employee benefits expense	25	3,642.28	3,135.19
Finance costs	26	30.28	27.17
Depreciation and amortisation expense	27	583.36	543.24
Other expenses	28	5,016.38	4,598.84
Total Expenses		**23,834.94**	**22,525.88**
Profit before exceptional item and tax		**3,781.00**	**3,219.90**
Exceptional item			
Impact of new labour codes	37	255.48	-
Profit before tax		**3,525.52**	**3,219.90**
Tax expense			
Current tax	13 (b)	1,007.49	815.07
Deferred tax	13 (a), (b)	(126.82)	(4.19)
Total tax expense		**880.67**	**810.88**
Profit for the year		**2,644.85**	**2,409.02**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations	31	(95.37)	(36.73)
Income tax relating to items that will not be reclassified to profit or loss	13 (a), (b)	24.00	9.25
Total other comprehensive income for the year, net of tax		**(71.37)**	**(27.48)**
Total comprehensive income for the year		**2,573.48**	**2,381.54**
Earnings per equity share			
Basic and Diluted (face value of INR 2/- each)	29	15.20	13.84

The accompanying notes are an integral part of these Standalone financial statements.

This is the Standalone Statement of Profit and Loss 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 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Standalone Statement of Cash Flows

For the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

	Year ended December 31, 2025		Year ended December 31, 2024	
A. Cash flows from operating activities				
Profit before tax		3,525.52		3,219.90
Adjustments for :				
Depreciation and amortisation expense	583.36		543.24	
Net gain on disposal of property, plant and equipment and intangible assets	(2.43)		(6.32)	
Finance costs	30.28		27.17	
Interest income	(198.97)		(239.47)	
Dividend from investment in associate	(67.25)		(47.41)	
Fair value (gain)/loss in financial instruments	(0.76)		1.40	
Government grant	(104.57)			
Sundry credit balances and provisions no longer required, written back	(0.61)		-	
Unrealised foreign exchange (gain)/loss	(87.51)		4.78	
Allowance for doubtful trade and other receivables	4.24		71.89	
		155.78		355.28
Operating profit before working capital changes		**3,681.30**		**3,575.18**
Adjustment for changes in working capital:				
(Increase) / decrease in operating assets:				
Inventories	(1,432.33)		(1.89)	
Trade receivables	(2,117.49)		(1,642.30)	
Loans	1.30		(31.32)	
Other financial assets	(17.32)		(6.97)	
Other assets	(405.85)		(287.64)	
Increase / (decrease) in operating liabilities:				
Trade payables	693.50		319.56	
Other financial liabilities	27.65		98.01	
Other liabilities	1,136.59		399.20	
Provisions	421.53		117.12	
		(1,692.42)		(1,036.23)
Cash generated from operations		1,988.88		2,538.95
Income taxes paid (net of refunds)		(1,063.02)		(667.47)
Net cash flows generated from operating activities (A)		**925.86**		**1,871.48**
B. Cash flows from investing activities				
Purchase of property, plant and equipment, right of use assets and intangible assets	(935.18)		(1,005.50)	
Proceeds from disposal of property, plant and equipment and intangible assets	7.77		10.67	
Investment in mutual funds	(9.30)		-	
Investment in fixed deposits	(1,603.37)		(2,589.20)	
Redemption of fixed deposits	2,717.19		1,863.91	
Interest received	253.02		208.52	
Dividend from investment in associate	67.25		47.41	
Net cash flows generated/(used in)from investing activities (B)		**497.38**		**(1,464.19)**

Standalone Statement of Cash Flows

For the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

	Year ended December 31, 2025		Year ended December 31, 2024	
C. Cash flows from financing activities				
Proceeds from current borrowings	-		500.00	
Repayment of current borrowings	-		(500.00)	
Interest paid	(10.86)		(23.87)	
Repayment of lease liabilities (including interest)	(14.09)		(15.07)	
Dividend paid	(696.16)		(609.14)	
Net cash flows used in financing activities (C)		**(721.11)**		**(648.08)**
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		**702.13**		**(240.79)**
Cash and cash equivalents at the beginning of the year		958.87		1,195.13
Effects of exchange rate changes on cash and cash equivalents		7.27		4.53
Cash and cash equivalents at the end of the year		**1,668.27**		**958.87**

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, 2025	As at December 31, 2024
Cash and cash equivalents [Refer note 8 (a)]	1,668.27	958.87
Balances as per Statement of Cash Flows	**1,668.27**	**958.87**

Notes:

(i) Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' in accordance with 'Ind AS 7 : Statement of Cash Flows'.

(ii) Refer note 36 (a) for Net debt reconciliation.

The accompanying notes are an integral part of these standalone financial statements.

This is the Standalone 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 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Standalone Statement of Changes in Equity

For the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

A. Equity share capital

	Notes	
As at January 1, 2024		**348.08**
Change in equity share capital	14 (a)	-
As at December 31, 2024		**348.08**
Change in equity share capital	14 (a)	-
As at December 31, 2025		**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, 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**

	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Amalgamation reserve	Retained earnings	Total
As at January 1, 2025	0.09	0.10	3.20	1,085.08	0.06	12,814.23	13,902.76
Profit for the year	-	-	-	-	-	2,644.85	2,644.85
Other Comprehensive Income							
Remeasurement of post-employment benefit obligations (net of tax)	-	-	-	-	-	(71.37)	(71.37)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**2,573.48**	**2,573.48**
Transactions with owners in their capacity as owners:							
Dividend paid	-	-	-	-	-	(696.16)	(696.16)
As at December 31, 2025	**0.09**	**0.10**	**3.20**	**1,085.08**	**0.06**	**14,691.55**	**15,780.08**

The accompanying notes are an integral part of these standalone financial statements.

This is the Standalone Statement of Changes in Equity 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 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

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 standalone financial statements have been authorized for issue by the Board of Directors on February 25, 2026.

1. Summary of material accounting policies:

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

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.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Derivative instruments that are measured at fair value
- Defined benefit plans - plan assets measured at fair value.
- Mutual funds measured at fair value.

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 long term contracts for which operating cycle has been ascertained based on duration of contract for the purpose of current and non-current classification of assets and liabilities.

(b) Recent Accounting Pronouncements

I) New and Amended Standards

The Ministry of Corporate Affairs vide notification dated September 09, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2024:.

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(c) Segment reporting

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.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

(ii) Transactions and balances

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.

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.

(e) Revenue recognition

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.

The five-step process is applied for recognition of revenue:

(i) identify contracts with customers

(ii) identify the separate performance obligation

(iii) determine the transaction price of the contract

(iv) allocate the transaction price to each of the separate performance obligations, and

(v) recognise the revenue as each performance obligation is satisfied.

(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. There are no contracts, where the revenue is recognised over time.

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, subject to many variables and requires significant judgment. It is common for project contracts to contain penalties or other provisions that can either increase or decrease the transaction price. 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.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

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 are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

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.

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.

The Company recognizes Advances from customers as contractual liability.

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.

(ii) Revenue from sale of services

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.

(iii) Other operating revenue

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.

(iv) Other income

Interest income:

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.

Dividends:

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.

(f) Income tax

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.

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.

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 standalone 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

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

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.

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.

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.

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.

(g) Leases

As a lessee:

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.

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.

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.

Right-of-use assets are measured at cost comprising the following:

- 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.

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.

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.

(h) Impairment of assets

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 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.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

(i) Cash and cash equivalents

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.

(j) Trade receivables

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.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value.

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.

(l) Financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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.

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.

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. 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.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

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:

- **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.

Equity instruments

The Company subsequently measures equity investment and investment in mutual funds at fair value. The Company's Management elects to present fair value gains and losses on equity investments in either at fair value through profit and loss or at fair value through other comprehensive income on an instrument by instrument basis.

The Company has elected to present all investments in equity investments and mutual funds, other than investment in subsisdiaries and associates, at fair value through profit or loss (FVTPL).

Investment in subsidiaries and associates

The investments in subsidiaries and associates are carried in the standalone 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.

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 comparing its recoverable amount with its carrying amount, any impairment loss recognised reduces the carrying amount of the investment.

(iii) Impairment of financial assets

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.

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.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- 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.

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.

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.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

(m) Offsetting financial instruments

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.

(n) Property, plant and equipment

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.

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.

Depreciation methods, estimated useful lives and residual value

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:

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)

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period.

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.

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.

(o) Intangible assets

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:

Asset	Useful life
Copyrights, patents, intellectual property rights and operating rights	7 to 15 years
Computer software	3 years

(p) Trade and other payables

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.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

(q) Provisions and Contingent liabilities

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.

Contingent liabilities are disclosed by way of a note to the standalone 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.

(r) Employee benefits

(i) Short-term obligations

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.

(ii) Other long-term employee benefit obligations

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.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

(a) Defined benefit plans - gratuity and superannuation

(b) Defined contribution plans - provident fund

(a) Defined benefit plans - gratuity and superannuation

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides benefits such as gratuity and superannuation to its employees which are treated as defined benefit plans.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

(i) Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to wages payable of certain number of days as per company policy for each completed year of service. Vesting occurs upon completion of five continuous years of service.

The Company has considered the impact of four labour codes on the standalone financial statements, refer note 37 to the financial statements.

(ii) Superannuation

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(r)(iii)(a)(i)].

(b) Defined Contribution Plans

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.

(s) Dividends

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.

(t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(u) Earnings per share

(i) Basic Earnings per share

Basic earnings per share is calculated by dividing:

- the net profit for the period attributable to equity shareholders
- by the weighted average number of equity shares outstanding during the financial year.

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.

(ii) Diluted Earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- 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.

(v) Exceptional items

When the items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items are disclosed separately as exceptional item by the Company.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

2. Other accounting policies

(a) Government grants

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).

Government grants relating to the purchase of property, plant and equipment are capital in nature and are recognised in books on a systematic basis over the periods to which it pertains.

(b) Derivatives

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.

(c) Borrowing and Borrowing costs

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 Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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.

(d) Rounding of amounts:

Amounts disclosed in the standalone 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.

2. Significant accounting judgements, estimates and assumptions

The preparation of standalone 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.

Judgements

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 standalone financial statements:

i. Legal contingencies

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. 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.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

ii. Revenue Recognition on Contracts with Customers

The Company generate revenue from sale of Pumps, valves and related support services. The 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.

Judgement is also required to determine the variable component of the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as liquidated damages, discounts and penalties. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

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 Company based its assumptions and estimates on parameters available when the standalone 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.

i. Warranty

The Company generally offers an 18 months to 60 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 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 and judgements are reviewed at the year end. The one important parameter is salary considered while assessing the definition of “wages” as given in The Code on Social Security, 2020. In determining the salary, the management has considered proposed restructuring plan and capability to implement it. The another parameter 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 high quality corporate bonds. 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.

iii. Recoverability of trade receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a specifc 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.

iv. Inventories

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.

Notes to the Standalone Financial Statements

(All amounts in INR 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, 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 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**

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying amount as at January 1, 2025	**3.01**	**2,754.57**	**5,724.59**	**202.90**	**111.69**	**359.93**	**9,156.69**
Additions	-	154.11	512.85	24.93	25.86	44.02	761.77
Disposals	-	(3.10)	(63.18)	(16.08)	(17.25)	(9.30)	(108.91)
Balance as at December 31, 2025	**3.01**	**2,905.58**	**6,174.26**	**211.75**	**120.30**	**394.65**	**9,809.55**
Accumulated depreciation as at January 1, 2025	**-**	**1,297.85**	**3,610.02**	**158.91**	**78.62**	**146.55**	**5,291.95**
Charge for the year (Refer note 27)	-	152.30	297.53	21.89	32.60	32.64	536.96
Disposals	-	(1.87)	(61.71)	(15.58)	(16.45)	(7.96)	(103.57)
Balance as at December 31, 2025	**-**	**1,448.28**	**3,845.84**	**165.22**	**94.77**	**171.23**	**5,725.34**
Net carrying amount as at December 31, 2025	**3.01**	**1,457.30**	**2,328.42**	**46.53**	**25.53**	**223.42**	**4,084.21**

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:

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

3 Property, plant and equipment (Contd..)

	Capital work-in-progress	
	As at December 31, 2025	As at December 31, 2024
Opening carrying value	528.08	310.25
Additions	1,122.60	876.10
Transfers to property, plant and equipment	(761.77)	(658.27)
Closing carrying value	888.91	528.08

(a) Aging of Capital work-in-progress:

	As at December 31, 2024				
	Less than one year	1 – 2 years	2 – 3 years	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

	As at December 31, 2025				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	621.04	137.25	117.12	13.50	888.91
(ii) Projects temporarily suspended	-	-	-	-	-
Total	621.04	137.25	117.12	13.50	888.91

(b) There are no assets under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

4 Right-of-use assets

	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

	Leasehold land	Buildings	Total
Gross carrying amount as at January 1, 2025	324.73	58.37	383.10
Additions	-	32.81	32.81
Disposals	-	(16.76)	(16.76)
Balance as at December 31, 2025	324.73	74.42	399.15
Accumulated depreciation as at January 1, 2025	28.44	27.48	55.92
Charge for the year (Refer note 27)	3.44	11.10	14.54
Disposals	-	(11.57)	(11.57)
Balance as at December 31, 2025	31.88	27.01	58.89
Net carrying amount as at December 31, 2025	292.85	47.41	340.26

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

4 Right-of-use assets (Contd..)

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 1 to 15 years, but have extension options.

(i) Amount recognised in the Statement of Profit and Loss

	Note	December 31, 2025	December 31, 2024
Net gain on disposal of right-of-use assets	21	0.36	-
Interest expense on lease liabilities	26	4.12	3.30
Depreciation on right-of-use assets	27	14.54	15.48
Expenses related to short term leases (included in Miscellaneous expenses in Other expenses)	28	4.02	7.88

The total cash outflow for the year ended December 31, 2025 for leases is INR 18.11 million (December 31, 2024: INR 22.95 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.

5 Other Intangible assets

	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**

	Copyrights, patents, intellectual property rights and operating rights	Computer software	Total
Gross carrying amount as at January 1, 2025	**181.81**	**149.58**	**331.39**
Additions	2.02	28.74	30.76
Disposals	-	(4.52)	(4.52)
Balance as at December 31, 2025	**183.83**	**173.80**	**357.63**
Accumulated Amortisation			
Balance as at January 1, 2025	13.85	124.82	138.67
Charge for the year (Refer note 27)	13.16	18.70	31.86
Disposals	-	(4.52)	(4.52)
Balance as at December 31, 2025	**27.01**	**139.00**	**166.01**
Net carrying amount as at December 31, 2025	**156.82**	**34.80**	**191.62**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

5 Other Intangible assets (Contd..)

(a) Aging of Intangible assets under development:

	As at December 31, 2024				
	Less than one year	1 – 2 years	2 – 3 years	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**

	As at December 31, 2025				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	16.79	5.53	7.39	-	29.71
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**16.79**	**5.53**	**7.39**	**-**	**29.71**

(b) There are no intantgible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

(c) Intangible assets under development

	As at December 31, 2025	As at December 31, 2024
Opening carrying value	**18.48**	**13.75**
Additions	41.99	15.39
Transfers to Intangible assets	(30.76)	(10.66)
Closing carrying value	**29.71**	**18.48**

6(a) Investments

	As at December 31, 2025	As at December 31, 2024
Investment in subsidiary (measured at amoritised cost)		
Pofran Sales & Agency Ltd. - 5,000 equity shares (December 31, 2024 - 5,000 equity shares) of INR 100 each fully paid	0.50	0.50
Investment in associate (measured at amoritised cost)		
KSB MIL Controls Ltd. - 7,35,000 equity shares (December 31, 2024 - 7,35,000 equity shares) of INR 10 each fully paid	62.65	62.65
Investment in equity instruments of other entities (measured at amoritised cost)		
Mula Pravara Electric Co - operative Society Ltd. - 15,995 equity shares (December 31, 2024 - 15,995 equity shares) of INR 25 each fully paid	0.40	0.40
Investment in mutual funds (measured at FVTPL)		
HDFC Gold ETF FOF Regular Plan Growth- 1,41,438.23 Units (December 31, 2024 - 0 Units)	5.61	-
Nippon India Gold Savings Fund – Growth Plan – Growth Option - 1,10,427.69 Units (December 31, 2024 - 0 Units)	5.60	-
Total unquoted investments	**74.76**	**63.55**
Less : Aggregate amount of provision for impairment in the value of investments	(0.40)	(0.40)
Total	**74.36**	**63.15**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

6(b) Loans

Non-current	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Loans to employees	83.17	80.24
Total	**83.17**	**80.24**

Current	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Loans and advances to employees	48.72	52.95
Total	**48.72**	**52.95**

*There are no loans granted to the promoters, directors and Key management personnels any other related parties as defined under the Companies Act, 2013 which are repayable on demand or payment terms or period of repayment is not defined.

7 Trade receivables

	As at December 31, 2025	As at December 31, 2024
Trade receivables	7,655.97	5,946.98
Trade receivables from related parties (Refer note 32)	1,285.36	795.39
	8,941.33	**6,742.37**
Less: Loss allowance*	(223.79)	(220.50)
Total	**8,717.54**	**6,521.87**
Current portion	8,691.88	6,502.73
Non-current portion	25.66	19.14

Break-up of security details

	As at December 31, 2025	As at December 31, 2024
Trade receivables considered good - Unsecured	8,866.14	6,675.77
Trade receivables - credit impaired	75.19	66.60
	8,941.33	**6,742.37**
Less: Loss allowance*	(223.79)	(220.50)
Total	**8,717.54**	**6,521.87**

*The net impact of change in loss allowance of INR 3.29 millions (December 31, 2024:- INR 67.79 millions) has been included in Miscellaneous expenses (refer note 28)

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

7 Trade receivables (Contd..)

Aging of trade receivables

	As at December 31, 2024						
		Outstanding for following periods from the due date					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
- considered good	1,613.36	4,127.71	425.27	342.52	70.56	96.35	6,675.77
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	1.10	-	16.33	4.97	44.20	66.60
Loss Allowance	-	(1.10)	(13.68)	(72.44)	(29.72)	(103.57)	(220.50)
Total	**1,613.36**	**4,127.71**	**411.59**	**286.41**	**45.82**	**36.99**	**6,521.87**

	As at December 31, 2025						
		Outstanding for following periods from the due date					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
- considered good	2,150.16	4,854.86	857.99	757.70	136.78	108.65	8,866.14
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	3.56	0.94	70.69	75.19
Loss Allowance	-	-	(49.12)	(27.96)	(24.66)	(122.06)	(223.79)
Total	**2,150.16**	**4,854.86**	**808.87**	**733.30**	**113.06**	**57.28**	**8,717.54**

8(a) Cash and cash equivalents

	As at December 31, 2025	As at December 31, 2024
Balances with banks		
In current accounts	336.53	345.66
In EEFC accounts	431.67	313.09
Deposits with original maturity of less than three months	900.00	300.00
Cash on hand	0.07	0.12
Total	**1,668.27**	**958.87**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

8(b) Bank balances other than 8 (a) above

	As at December 31, 2025	As at December 31, 2024
Balances with banks		
Fixed deposits*	1,154.18	2,268.00
In earmarked accounts		
Unpaid dividend accounts	11.38	7.67
Total	**1,165.56**	**2,275.67**

*Includes INR 250.64 million (December 31, 2024: INR 500.70 million) held as lien by bank against credit facilities.

9 Other financial assets

Non-current	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Security deposits	62.36	77.72
Balances with banks		
Fixed deposits with balance maturity more than one year*	0.26	0.26
Unsecured, considered doubtful		
Security deposits	5.30	5.30
	67.92	**83.28**
Less: Provision for doubtful security deposits	(5.30)	(5.30)
Total	**62.62**	**77.98**

*Includes INR 0.26 million (December 31, 2024: INR 0.26 million) held as lien by bank against credit facilities.

Current	As at December 31, 2025	As at December 31, 2024
Interest accrued on deposits with banks	40.31	94.36
Others*	159.58	22.33
Total	**199.89**	**116.69**

*Others include government grant, insurance claims, export incentives and GST rebate receivable.

10 Inventories

Current	As at December 31, 2025	As at December 31, 2024
Raw materials (includes in transit INR 111.59 million; December 31, 2024: INR 97.6 million)	2,730.32	2,284.32
Work-in-progress	4,276.33	2,949.68
Finished goods (includes in transit INR 213.40 million; December 31, 2024: INR 259.19 million)	550.38	931.89
Stock-in-trade	164.44	177.34
Stores and spares	107.28	62.53
Loose tools	31.81	22.47
Total	**7,860.56**	**6,428.23**

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 209.13 million (December 31, 2024: INR 90.41 million) and reversal of write-down of inventories of INR 170. 31 million (December 31, 2024: INR 92.59 million).

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

11 Other non-current assets

	As at December 31, 2025	As at December 31, 2024
Capital advances	43.22	116.41
Prepaid expenses	22.80	28.70
Balances with government authorities		
Considered good	199.07	199.07
Considered doubtful	-	-
	199.07	199.07
Less: Provision for doubtful balances	-	-
	199.07	199.07
Total	**265.09**	**344.18**

12 Other current assets

	As at December 31, 2025	As at December 31, 2024
Prepaid expenses	41.12	32.45
Balances with government authorities - current		
Considered good	274.44	68.72
Considered doubtful	28.65	28.65
	303.09	97.37
Less: Provision for doubtful balances	(28.65)	(28.65)
	274.44	68.72
Others*		
Considered good	797.97	600.61
Considered doubtful	11.59	11.59
	809.56	612.20
Less: Provision for doubtful balances	(11.59)	(11.59)
	797.97	600.61
Total	**1,113.53**	**701.78**

*Others mainly include advances paid to suppliers which would be subsequently settled against purchases.

13(a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

	As at December 31, 2025	As at December 31, 2024
Deferred tax assets		
Provision for compensated absences, gratuity, superannuation and long service award	254.41	129.75
Provision for loss allowance on trade and other receivables	67.89	67.06
Fair value loss on derivative instruments	0.51	0.31
Lease liabilities	13.10	8.65
Others (including allowances on payment basis)	124.43	88.88
	460.34	**294.65**
Deferred tax liabilities		
Impact of difference between income tax depreciation and depreciation in financial reporting	106.30	95.59
Right-of-use assets	11.93	7.77
	118.23	**103.36**
Deferred tax assets (net)	**342.11**	**191.29**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

13(a) Deferred tax assets (net) (Contd..)

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, 2025	Year ended December 31, 2024
Provision for compensated absences, gratuity, superannuation and long service award	124.66	17.24
Provision for loss allowance on trade and other receivables	0.83	17.06
Impact of difference between income tax depreciation and depreciation in financial reporting	(10.71)	(19.32)
Fair value of derivative instruments	0.20	0.45
Lease liabilities	4.45	0.51
Right-of-use assets	(4.16)	(0.33)
Others (including allowances on payment basis)	35.55	(2.17)
Total	**150.82**	**13.44**

13(b) Income taxes

The major components of income tax expense for the year ended December 31, 2025 and December 31, 2024 are:

Statement of Profit and Loss

	Year ended December 31, 2025	Year ended December 31, 2024
Current income tax		
- Current tax on profit for the current year	1,007.49	825.48
- Adjustments for current tax of prior periods	-	(10.41)
	1,007.49	**815.07**
Deferred tax	(126.82)	(4.19)
Total tax expense reported in the Statement of Profit and Loss	**880.67**	**810.88**

Other comprehensive income

	Year ended December 31, 2025	Year ended December 31, 2024
Deferred tax relating to remeasurement of post employment benefit obligations	24.00	9.25
Defferred tax credit/ (charge) to Other comprehensive income	24.00	9.25

Movement in income tax liabilities / (assets) (net)

	As at December 31, 2025	As at December 31, 2024
Opening balance [payable/ (receivable)]	(35.89)	(183.49)
Add : Current tax payable (including tax for prior period)	1,007.49	815.07
Less : Taxes paid (including tax paid for prior period, net of refunds)	(1,063.02)	(667.47)
Closing balance [payable/ (receivable)]	**(91.42)**	**(35.89)**
Income Tax assets (net)	(130.16)	(110.59)
Current tax liabilities (net)	**38.74**	**74.70**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

13(b) Income taxes (Contd..)

Reconciliation of tax expense and accounting profit multiplied by statutory income tax rate :

	Year ended December 31, 2025	Year ended December 31, 2024
Accounting profit before tax	3,525.52	3,219.90
Tax at statutory income tax rate of 25.17% (2024: 25.17%)	887.30	810.38
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Dividend Income	(16.93)	(11.93)
- Donations	13.65	11.63
- Other items	(3.35)	11.21
Adjustments for current-tax of prior periods	-	(10.41)
Income tax expense	**880.67**	**810.88**

14(a) Equity share capital

	As at December 31, 2025	As at December 31, 2024
Authorised equity share capital :		
20,00,00,000 Equity shares of INR 2 each* (December 31, 2024 : 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, 2024 : 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, 2025	As at December 31, 2024
Shares outstanding at the beginning and at the end of the year	17,40,39,220	17,40,39,220

*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 INR 10 each into 5 (Five) fully paid-up equity shares having a face value of INR 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 INR 10 each into 5 (Five) fully paid-up equity shares of INR 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 INR 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 INR 2 each aggregating to 34,80,78,440. The impact of this has been considered in the financial statements.

(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 INR 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.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

14(a) Equity share capital (Contd..)

(iii) Shares of the Company held by Ultimate Holding Company / Holding Company and/ or their Subsidiaries/ Associates

	As at December 31, 2025	As at December 31, 2024
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

	As at December 31, 2025		As at December 31, 2024	
	% 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:

	As at December 31, 2025			As at December 31, 2024		
	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 Private Limited*	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 previous year, 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, 2025.

14(b) Other equity

(i) Retained earnings

	As at December 31, 2025	As at December 31, 2024
Opening balance	12,814.23	11,041.83
Profit for the year	2,644.85	2,409.02
	15,459.08	**13,450.85**
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post-employment benefit obligations (net of tax)	(71.37)	(27.48)
Less: Dividend paid	(696.16)	(609.14)
Closing Balance	**14,691.55**	**12,814.23**
Total Retained earnings	**14,691.55**	**12,814.23**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

14(b) Other equity (Contd..)

(ii) Other reserves

	As at December 31, 2025	As at December 31, 2024
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	1,088.53	1,088.53
Total Other equity (i) + (ii)	**15,780.08**	**13,902.76**

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, 2025	As at December 31, 2024
Non-current lease liabilities	37.31	21.67
Current lease liabilities	14.72	12.69
Total	**52.03**	**34.36**

Movement in lease liabilities

	As at December 31, 2025	As at December 31, 2024
Opening balance	34.36	32.36
Add: Additions during the year (Refer note 4)	32.81	13.77
Add: Interest expense on lease liabilities (Refer note 26)	4.12	3.30
Less: Termination of leases	(5.17)	-
Less: Repayment of lease liabilities	(14.09)	(15.07)
Closing balance	**52.03**	**34.36**

16 Trade payables

	As at December 31, 2025	As at December 31, 2024
Total outstanding dues of micro enterprises and small enterprises	491.75	347.31
	491.75	**347.31**
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related parties (Refer note 32)	902.69	652.40
(ii) Others	3,019.76	2,719.44
	3,922.45	**3,371.84**
Total	**4,414.20**	**3,719.15**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

16 Trade payables (Contd..)

Aging of trade payables

	As at December 31, 2024						
			Outstanding for following periods from the due date				
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	266.01	81.30	-	-	-	347.31
Others	1,290.15	1,286.41	711.92	16.84	9.51	56.43	3,371.26
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	**1,290.15**	**1,552.42**	**793.22**	**16.84**	**9.51**	**57.01**	**3,719.15**

	As at December 31, 2025						
			Outstanding for following periods from the due date				
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	251.99	239.76	-	-	-	491.75
Others	1,195.43	1,592.18	1,068.16	15.21	3.44	47.45	3,921.87
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	**1,195.43**	**1,844.17**	**1,307.92**	**15.21**	**3.44**	**48.03**	**4,414.20**

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, 2025	December 31, 2024
a) i) The principal amount remaining unpaid to any supplier as at the year end	490.89	346.53
ii) The interest due remaining unpaid to any supplier as at the year end thereon	0.17	0.35
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	2.41	3.89
c) The amount of payment made to the supplier beyond the appointed day during the year.	261.24	330.72
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	0.69	0.43
e) The amount of interest accrued and remaining unpaid as at the year end	0.86	0.78
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	0.86	0.78

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

17 Other financial liabilities-current

	As at December 31, 2025	As at December 31, 2024
Security deposits	140.25	133.85
Unclaimed dividend	11.38	7.67
Payable for purchase of property, plant and equipment	345.00	188.78
Derivative liability	2.01	0.86
Payable to employees	198.10	176.85
Total	**696.74**	**508.01**

18(a) Provisions - Non-current

	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits (Refer note 31)	757.42	444.00
Provision for warranty [Refer note (ii) below]	98.74	125.82
Total	**856.16**	**569.82**

18(b) Provisions - Current

	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits [Refer note (i) below]	577.13	367.10
Provision for warranty [Refer note (ii) below]	73.55	51.49
Provision for litigations / contingencies [Refer note (iii) below]	187.84	174.07
Total	**838.52**	**592.66**

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, 2024		
Balance at the beginning	145.83	174.07
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**	**174.07**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

18(b) Provisions - Current (Contd..)

	Provision for warranty	Provision for litigations / contingencies
As at January 1, 2025		
Balance at the beginning	177.31	174.07
Charged to the Statement of Profit and Loss		
Provision recognised (net of reversal)	87.47	13.77
Amounts used during the year	(92.49)	-
As at December 31, 2025	**172.29**	**187.84**

19 Other current liabilities

	As at December 31, 2025	As at December 31, 2024
Statutory dues payable	115.78	203.34
Dealer incentive schemes	435.03	447.43
Advances from customers*	3,690.93	2,454.38
Total	**4,241.74**	**3,105.15**

*Notes:

i) During the year ended December 31, 2025, the Company have recognised INR 458.38 million (December 31, 2024: INR 394.85 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, 2025 as per the contractual terms with the customers.

20 Revenue from operations

	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from contracts with customers		
Sale of products	26,344.75	24,835.65
Sale of services	451.56	364.91
	26,796.31	**25,200.56**
Other operating revenue		
Sale of scrap	71.22	57.43
Export incentives	89.75	72.87
	160.97	**130.30**
Revenue from operations	**26,957.28**	**25,330.86**

Notes:

(i) Disaggregated revenue information

The table below presents disaggregated revenue from contracts with customers for the year ended December 31, 2025 and December 31, 2024. 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, 2025	Year ended December 31, 2024
Within India	22,130.58	21,700.34
Outside India	4,665.73	3,500.22
Revenue from contracts with customers	**26,796.31**	**25,200.56**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

20 Revenue from operations (Contd..)

(ii) Segment

	Year ended December 31, 2025	Year ended December 31, 2024
Pumps	22,011.35	20,972.33
Valves	4,784.96	4,228.23
Revenue from contracts with customers	**26,796.31**	**25,200.56**

(iii) Reconciliation of revenue recognized with contract price :

	Year ended December 31, 2025	Year ended December 31, 2024
Contract price	27,369.28	25,831.45
Adjustments for discounts, incentives, liquidated damages	(572.97)	(630.89)
Revenue from contracts with customers	**26,796.31**	**25,200.56**

21 Other income

	Year ended December 31, 2025	Year ended December 31, 2024
Interest income		
- Interest income from financials assets measured at amortised cost	144.73	172.24
- Others	54.24	67.23
Dividend from investment in associate	67.25	47.41
Sundry credit balances and provisions no longer required, written back	0.61	-
Net gain on disposal of property, plant and equipment and intangible assets	2.43	6.32
Net gain on foreign currency transactions and translations	177.02	63.62
Fair value gain in financial instruments	0.76	-
Government grant	104.57	-
Miscellaneous income	107.05	58.10
Total	**658.66**	**414.92**

22 Cost of materials consumed

	Year ended December 31, 2025	Year ended December 31, 2024
Opening stock of raw materials	2,284.32	2,670.49
Add: Purchases	13,191.93	11,647.87
Less: Closing stock of raw materials	2,730.32	2,284.32
	12,745.93	**12,034.04**

23 Purchases of stock-in-trade

	Year ended December 31, 2025	Year ended December 31, 2024
Purchases of stock-in-trade	2,748.95	2,567.34
Total	**2,748.95**	**2,567.34**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

24 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended December 31, 2025	Year ended December 31, 2024
Opening 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**
Less: Closing inventory		
- Finished goods	550.38	931.89
- Work-in-progress	4,276.33	2,949.68
- Stock-in-trade	164.44	177.34
	4,991.15	**4,058.91**
Net change in inventories	**(932.24)**	**(379.94)**

25 Employee benefits expense

	Year ended December 31, 2025	Year ended December 31, 2024
Salaries and wages	3,179.97	2,715.69
Contributions to provident and other funds (Refer note 31)	209.55	185.04
Staff welfare expenses	252.76	234.46
Total	**3,642.28**	**3,135.19**

26 Finance costs

	Year ended December 31, 2025	Year ended December 31, 2024
Interest and other finance charges	10.86	12.79
Interest expense on lease liabilities (Refer note 4)	4.12	3.30
Net interest expense on defined benefit obligations (Refer note 31)	15.30	11.08
Total	**30.28**	**27.17**

27 Depreciation and amortisation expense

	Year ended December 31, 2025	Year ended December 31, 2024
Depreciation of property, plant and equipment (Refer note 3)	536.96	499.58
Depreciation of right-of-use assets (Refer note 4)	14.54	15.48
Amortisation of intangible assets (Refer note 5)	31.86	28.18
Total	**583.36**	**543.24**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

28 Other expenses

	Year ended December 31, 2025	Year ended December 31, 2024
Processing and machining charges	1,042.91	987.07
Stores consumed	489.58	418.93
Tools consumed	52.20	54.26
Water, power and fuel	220.19	227.39
Sitework Charges	376.15	382.02
Rates and taxes	24.15	15.18
Insurance	35.95	39.60
Repairs and maintenance		
- Buildings	49.67	40.43
- Machinery	63.43	57.34
- Others	62.28	55.41
Travelling and conveyance	242.11	171.92
Packing and forwarding charges	555.81	508.06
(Net of recoveries - INR 41.98 million; December 31, 2024 INR 39.48 million)		
Royalty charges	342.61	379.50
Trademark Charges	30.63	28.23
Expenditure on Corporate Social Responsibility [Refer note (i) below]	54.25	46.20
Fair value losses in financial instruments	-	1.40
Legal and professional fees	93.35	84.34
IT Services	277.19	231.79
Advertisements and catalogues	172.15	122.26
Miscellaneous expenses	831.77	747.51
Total	**5,016.38**	**4,598.84**

(i) Expenditure on Corporate Social Responsibility

	December 31, 2025	December 31, 2024
Contribution to KSB Care Charitable Trust	-	46.20
Expenditure towards other CSR activities	54.25	-
Administrative overheads	1.75	1.32
Total	**56.00**	**47.52**
Gross amount required to be spent by the Company during the year	55.98	47.43
Total	**55.98**	**47.43**

	In cash	
	December 31, 2025	December 31, 2024
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	56.00	47.52
Total	**56.00**	**47.52**

Nature of CSR activites - Education, Skill development, Healthcare, Destitute care, Environment, Sanitation.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

28 Other expenses (Contd..)

(ii) Payment to auditors (included in legal and professional fees)

	Year ended December 31, 2025	Year ended December 31, 2024
As auditor		
Audit fee (Including limited review)	3.70	3.10
In Other Capacities		
Fees for other services	0.80	0.80
Reimbursement of expenses	0.37	0.35
Total	**4.87**	**4.25**

29 Earnings per equity share

	Year ended December 31, 2025	Year ended December 31, 2024
Profit for the year attributable to the equity shareholders of the Company	2,644.85	2,409.02
Weighted average number of equity shares	17,40,39,220	17,40,39,220
Basic and Diluted Earnings per share (in INR)	15.20	13.84

30 Contingencies and commitments

a) Contingent liabilities

	As at December 31, 2025	As at December 31, 2024
Claims against the Company not acknowledged as debts		
i) Income tax*	549.30	549.13
ii) Goods and Services Tax, Excise and Service tax**	1,306.75	1,242.44
iii) Others***	263.84	130.49
Total	**2,119.89**	**1,922.06**

*The Company has ongoing disputes with income tax authorities that are pending before various judicial forums in relation to tax treatment of certain expenses claimed as deduction and relating to certain addition done to income.

**The Company has ongoing disputes with Excise Tax, Service Tax and GST authorities majorly relating to distribution and utilization of input tax credits and classification of certain product etc.

***The Company has some ongoing disputes for certain labour and other matters that are pending before various forums in relation to various claims.

The management evaluated the inquiries/ notices/ orders received for the matters under dispute and concluded that he Company's position will be upheld and there will not be adverse effect on the Company's financial position and its results on ultimate resolution of these matters.

It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above matters, pending resolution of the respective proceedings.

b) Capital commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is INR 395.97 million (December 31, 2024: INR 381.42 million)

c) Others

In accordance with the Companies Act, 2013 and Rules thereunder, during the financial year ended 31 December 2025, the following was transferred to the Investor Education and Protection Fund (IEPF) upon completion of seven years:

a. the unclaimed final dividend for the financial year 2017 amounting to INR 5,01,696;

b. 17,570 equity shares in respect of which dividend remained unclaimed for seven consecutive years.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

30 Contingencies and commitments (Contd..)

The transfer process experienced delays due to technical glitches and system related issues on the MCA portal. The Company, in coordination with its Registrar and Transfer Agent, actively sought the guidance from concerned authorities and took necessary steps to ensure the transfers and meet the compliance requirements.

31 Employee benefit obligations

	Year ended December 31, 2025	Year ended December 31, 2024
Compensated absences (Refer note B)	**418.70**	**343.12**
Non-current	280.76	279.93
Current	137.94	63.19
Long service award (Refer note C)	**51.10**	**35.07**
Non-current	44.49	24.60
Current	6.61	10.47
Gratuity (Refer note D)	**566.97**	**177.60**
Non-current	414.97	129.40
Current	152.00	48.20
Superannuation (Refer note E)	**25.20**	**20.07**
Non-current	17.20	10.07
Current	8.00	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 INR 133.01 million (December 31, 2024 - INR 119.72 million).

B Compensated absences

The leave obligations cover the Company's liability for privilege leave and sick leave in accordance with the provisions of the Code on Social Security, 2020 and the applicable rules notified thereunder. The amount of provision made during the year is INR 115.88 million (December 31, 2024 – INR 86.98 million). The Company does not have an unconditional right to defer settlement for any of these obligations. Pursuant to the requirement under the Code that leave in excess of 30 days is to be encashed for the applicable class of employees, the Company has reassessed and classified the related provision into current and non-current in compliance with the same.

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 INR 26.86 million (December 31, 2024 - INR 5.83 million).

Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2025	As at December 31, 2024
Discount rate	6.55%	6.95%
Gold Inflation rate	9.00%	8.00%
Attrition rate	8.50%	8.00%

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

D Gratuity

The Company provides for gratuity for employees in India in accordance with the provisions of the Code on Social Security, 2020, which subsumes the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity in line with the provisions of the Code. The amount of gratuity payable on retirement or termination is the employee's last drawn wages per month (as defined under the Code), computed at the rate of 15 days' wages for each completed year of service. The gratuity plan is a funded plan.

I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

	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**

	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2025	**1,038.13**	**(860.53)**	**177.60**
Current service cost	74.31	-	74.31
Past service cost	255.48	-	255.48
Interest expense/(income)	73.67	(59.76)	13.91
Total amount recognised in Statement of Profit and Loss	**403.46**	**(59.76)**	**343.70**
Return on plan assets	-	26.31	26.31
(Gain)/loss from experience changes	2.29	-	2.29
(Gain)/loss from change in financial assumptions	69.48	-	69.48
(Gain)/loss from change in demographic assumptions	(4.22)	-	(4.22)
Total amount recognised in Other Comprehensive Income	**67.55**	**26.31**	**93.86**
Employer contributions	-	(48.19)	(48.19)
Benefits paid	(83.88)	83.88	-
December 31, 2025	**1,425.26**	**(858.29)**	**566.97**

II The net liability disclosed above relates to funded plans are as follows :

	As at December 31, 2025	As at December 31, 2024
Present value of funded obligation	1,425.26	1,038.13
Fair value of plan assets	(858.29)	(860.53)
Deficit	**566.97**	**177.60**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

III Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2025	As at December 31, 2024
Discount rate	6.55%	6.95%
Salary growth rate	9.00%	8.00%
Attrition rate	8.50%	8.00%

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, 2025	As at December 31, 2024
Discount rate		
1 % increase	(67.58)	(45.60)
1 % decrease	75.19	50.48
Salary growth rate		
1 % increase	69.99	52.77
1 % decrease	(67.99)	(49.88)
Attrition rate		
1 % increase	(9.14)	(4.01)
1 % decrease	13.06	5.59

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, 2025	As at December 31, 2024
Upto 1 year	261.17	206.83
Between 2 to 5 years	693.81	506.06
Between 6 to 10 years	593.87	435.53
More than 10 years	582.51	375.28
Total	**2,131.36**	**1,523.70**

The weighted average duration of the defined benefit obligation is 5 years. (December 31, 2024: 5 years)

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

V The major categories of plan assets are as follows:

	As at December 31, 2025	As at December 31, 2024
Funds managed by insurer	100%	100%

The Company expects to contribute INR 152.00 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.

I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

	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**

	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2025	**31.88**	**(11.81)**	**20.07**
Current service cost	2.23	-	2.23
Interest expense/(income)	2.21	(0.82)	1.39
Total amount recognised in Statement of Profit and Loss	**4.44**	**(0.82)**	**3.62**
Return on plan assets	-	-	-
(Gain)/loss from experience changes	0.78	-	0.78
(Gain)/loss from change in financial assumptions	0.62	-	0.62
(Gain)/loss from change in demographic assumptions	0.11	-	0.11
Total amount recognised in Other Comprehensive Income	**1.51**	**-**	**1.51**
Employer contributions	-	-	-
Benefits paid	-	-	-
December 31, 2025	**37.83**	**(12.63)**	**25.20**

Notes to the Standalone Financial Statements
(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

II The net liability disclosed above relates to funded plans are as follows :

	As at December 31, 2025	As at December 31, 2024
Present value of funded obligation	37.83	31.88
Fair value of plan assets	(12.63)	(11.81)
Deficit	**25.20**	**20.07**

III Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2025	As at December 31, 2024
Discount rate	6.55%	6.95%
Attrition rate	8.50%	8.00%

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, 2025	As at December 31, 2024
Discount rate		
1 % increase	(1.49)	(1.26)
1 % decrease	1.61	1.37
Attrition rate		
1 % increase	0.18	0.19
1 % decrease	(0.26)	(0.26)

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, 2025	As at December 31, 2024
Upto 1 year	11.41	8.75
Between 2 to 5 years	20.60	18.27
Between 6 to 10 years	13.09	11.34
More than 10 years	6.27	6.02
Total	**51.37**	**44.38**

The weighted average duration of the defined benefit obligation is 4 years. (December 31, 2024: 4 years)

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

V The major categories of plan assets are as follows:

	As at December 31, 2025	As at December 31, 2024
Funds managed by insurer	100%	100%

The Company expects to contribute INR 8 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).

(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 high quality corporate 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 Disclosures':

A Name of the related parties and nature of relationship

a. Ultimate Parent Entity / Ultimate Controlling Party / Entity having significant influence

KSB Stiftung (Ultimate Controlling Party)

Kuborth Stiftungs GmbH (Entity having Significant Influence)

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:

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

1 KSB Argentina S.A.
2 KSB Australia Pty Limited
3 KSB Bombas e Válvulas, SA
4 KSB BRASIL LTDA.
5 KSB Chile S.A.
6 KSB Colombia SAS
7 KSB de Mexico S.A. de C.V.
8 KSB Finland Oy
9 GIW Industries Inc., USA
10 KSB Inc., USA
11 KSB Italia S.p.A., Italy
12 KSB ITUR SPAIN SA
13 KSB KAGEMA GmbH
14 KSB Korea Limited
15 KSB Limited, Hongkong
16 KSB Ltd. Japan
17 KSB Malaysia Pumps & Valves Sdn. Bhd.
18 KSB Manufacturing B.V.
19 KSB Middle East FZE, Dubai
20 KSB New Zealand Limited
21 KSB Panama S.A.
22 KSB Philippines
23 KSB Polska Sp. z o.o, Poland
24 KSB Pompes Et Robinetteries S.A.R.L
25 KSB PUMPS AND VALVES (NAMIBIA)
26 KSB Pumps and Valves Pty Ltd South Africa
27 KSB Pumps and valves L.t.d.
28 KSB Pumps and Valves Ltd.
29 KSB Pumps and Valves Limited, Kenya
30 KSB Pumps and Valves Nigeria Ltd.
31 KSB Pumps Arabia Ltd.
32 KSB Pumps Company Ltd.
33 KSB Pumps Co.Ltd., Thailand
34 KSB Pumps Inc.
35 KSB REEL s.r.l.
36 KSB S.A.S France

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

37 KSB Belgium S.A.

38 KSB Service Egypt LLC

39 KSB Service GmbH, Germany

40 KSB Service LLC, UAE

41 KSB Shanghai Pump Co. Ltd., China

42 KSB Singapore (Asia Pacific) PTE Ltd.

43 KSB Sverige AB

44 KSB Taiwan Co. Ltd.

45 KSB Tech Private Limited,India

46 KSB Valves (Changzhou) Co.,Ltd.

47 KSB Vietnam Company Ltd.

48 KSB Zambia Limited

49 KSB-Pompa, Armatür Sanayi

50 KSB-PUMPY+ARMATURY s.r.o., koncern

51 P.T. KSB., Indonesia

52 PT. KSB Sales Indonesia

53 Shanghai Electric-KSB Nuclear

54 TOO "KSB Kazakhstan"

55 KSB Limited, United Kingdom

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 Roy Chowdhury

9 Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)

10 Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)

11 Mr. U. C. Muktibodh (Appointed w.e.f. 16th Jan 25)

g. Individuals having significant influence over the enterprise

1 Mr. Gaurav Swarup

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

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

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

32B. 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 key management personnel exercise significant influence	Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence	Post employment benefit Trusts	Total
Purchase of goods	554.52	-	173.25	264.01	-	-	-	-	-	-	991.78
	(525.93)	(-)	(107.41)	(208.13)	(-)	(-)	(-)	(-)	(-)	(-)	(841.47)
Sale of goods	382.32	-	10.18	2,696.50	-	-	-	-	228.19	-	3,317.19
	(286.96)	(-)	(15.06)	(1,845.83)	(-)	(-)	(-)	(-)	(171.26)	(-)	(2,319.11)
Income from services	3.71	-	5.82	24.00	-	-	-	-	-	-	33.53
	(3.04)	(-)	(5.10)	(23.27)	(-)	(-)	(-)	(-)	(-)	(-)	(31.41)
Site income	-	-	-	0.42	-	-	-	-	-	-	0.42
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
Site expenses	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(9.57)	(-)	(-)	(-)	(-)	(-)	(-)	(9.57)
Commission income	4.40	-	-	4.94	-	-	-	-	-	-	9.34
	(2.53)	(-)	(-)	(8.96)	(-)	(-)	(-)	(-)	(-)	(-)	(11.49)
Commission expenses	-	-	-	1.90	-	-	-	-	-	-	1.90
	(-)	(-)	(-)	(12.02)	(-)	(-)	(-)	(-)	(-)	(-)	(12.02)
Dividend income	-	-	67.25	-	-	-	-	-	-	-	67.25
	(-)	(-)	(47.41)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(47.41)
Liquidated damages	-	-	-	(0.02)	-	-	-	-	-	-	(0.02)
	(-)	(-)	(-)	(1.35)	(-)	(-)	(-)	(-)	(-)	(-)	(1.35)
Charges for technical / professional services	232.05	-	-	14.57	-	-	-	-	-	-	246.62
	(214.89)	(-)	(-)	(7.71)	(-)	(-)	(-)	(-)	(-)	(-)	(222.60)
Royalty charges	310.66	-	-	31.96	-	-	-	-	-	-	342.62
	(370.21)	(-)	(-)	(9.29)	(-)	(-)	(-)	(-)	(-)	(-)	(379.50)
Trademark fees	30.63	-	-	-	-	-	-	-	-	-	30.63
	(28.23)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(28.23)
Warranty charges / (Reversal)	(3.74)	-	-	2.46	-	-	-	-	-	-	(1.28)
	(1.79)	(-)	(-)	(1.83)	(-)	(-)	(-)	(-)	(-)	(-)	(3.62)
Recovery of expenses	19.32	-	10.59	0.56	-	-	-	-		-	30.47
	(7.70)	(-)	(5.37)	(4.85)	-	-	-	-	(0.01)	-	(17.93)
Reimbursement of expenses	0.05	-	0.01	3.77	-	-	-	-	-	-	3.83
	(3.73)	(-)	(0.03)	(3.76)	(-)	(-)	(-)	(-)	(-)	(-)	(7.52)
LD Charges written back	-	-	-	0.22	-	-	-	-	-	-	0.22
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(0.54)	(-)	(0.54)

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (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 key management personnel exercise significant influence	Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence	Post employment benefit Trusts	Total
Remuneration	-	-	-	-	76.39	-	-	-	-	-	76.39
	(-)	(-)	(-)	(-)	(61.84)	(-)	(-)	(-)	(-)	(-)	(61.84)
Sitting fees paid	-	-	-	-	1.94	0.42	-	-	-	-	2.36
	(-)	(-)	(-)	(-)	(1.74)	(0.40)	(-)	(-)	(-)	(-)	(2.14)
Dividend paid	282.22	-	-	-	0.02	0.68	2.39	-	200.60	-	485.91
	(246.94)	(-)	(-)	(-)	(0.09)	(0.60)	(2.09)	(-)	(175.53)	(-)	(425.25)
Commission to Directors	-	-	-	-	11.70	3.90	-	-	-	-	15.60
	(-)	(-)	(-)	(-)	(10.80)	(3.60)	(-)	(-)	(-)	(-)	(14.40)
Expenditure on Corporate	-	-	-	-	-	-	-	-	-	-	-
Social Responsibility	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(46.20)	(-)	(-)	(46.20)
Contribution to post	-	-	-	-	-	-	-	-	-	48.20	48.20
employment benefits	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(64.92)	(64.92)
Outstanding balances arising from sales/ purchases of goods and services											
Trade receivables	101.53	-	13.15	1,128.00	-	-	-	-	42.68	-	1,285.36
(Refer note 7)	(81.11)	(-)	(18.52)	(607.75)	(-)	(-)	(-)	(-)	(88.01)	(-)	(795.39)
Trade payables	723.77	-	34.18	144.74	-	-	-	-	-	-	902.69
(Refer note 16)	(551.73)	(-)	(6.55)	(94.12)	(-)	(-)	(-)	(-)	(-)	(-)	(652.40)
Advances from related	41.98	-	-	263.61	-	-	-	-	-	1.04	306.63
parties (Refer note 19)	(45.79)	(-)	(-)	(68.64)	(-)	(-)	(-)	(-)	(-)	(0.75)	(115.18)
Advances to related parties	9.90	-	-	-	-	-	-	-	-	-	9.90
(Refer note 12)	(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 to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

32 C. Transactions with related parties:

I Key management personnel compensation

Sr. No.	Particulars	Year ended December 31, 2025	Year ended December 31, 2024
1	Short term employee benefits	57.42	55.46
2	Post-employment benefits	18.97	6.38
	Total	**76.39**	**61.84**

II Material transactions with related parties

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2025	Year ended December 31, 2024
1	Purchase of goods	KSB SE & Co. KGaA	554.52	525.93
		KSB MIL Controls Limited	173.25	107.41
		KSB BV	140.44	85.89
2	Sale of goods	KSB SE & Co. KGaA	382.32	286.96
		KSB Middle East FZE, Dubai	679.57	482.09
3	Income from services	KSB SE & Co. KGaA	3.71	3.04
		KSB Tech Private Limited	17.09	20.51
		KSB MIL Controls Limited	5.82	5.10
		KSB Service GmbH	6.92	2.76
4	Site income	KSB S.A.S	0.42	-
5	Site Expense	KSB Pumps and Valves Pty Ltd South Africa	-	1.62
		PT KSB Indonesia	-	1.08
		KSB Brasil LTDA.	-	6.62
		KSB Malaysia Pumps & Valves Sdn. Bhd.	-	0.18
6	Commission income	KSB S.A.S, France	3.51	3.92
		KSB Service GmbH	1.18	0.07
		KSB SE & Co. KGaA	4.40	2.53
		KSB Shanghai Pump Co. Ltd., China	-	2.36
		KSB Sverige AB	0.25	1.22
7	Commission expenses	KSB Pumps and Valves Nigeria Ltd.	1.90	-
		KSB Polaska Sp. Z o.o. (PL)	-	6.13
		KSB Italia S.p.A.	-	5.65
8	Trademark fees	KSB SE & Co. KGaA	30.63	28.23
9	Dividend income	KSB MIL Controls Limited	67.25	47.41
10	Liquidated damages	KSB Shanghai Pump Co. Ltd., China	-	0.99
		KSB Valves (Changzhou) Co.,Ltd.	-	0.36
		PT KSB SALES INDONESIA	0.03	-
		KSB Finland Oy (Reversal during the year)	0.05	-
11	Charges for technical / professional services	KSB SE & Co. KGaA	232.05	214.89
12	Royalty charges	KSB SE & Co. KGaA	310.66	370.21
13	Warranty charges	KSB SE & Co. KGaA (Reversal during the year)	(3.74)	1.79
		KSB Australia Pty Ltd	0.60	-
		KSB Malaysia Pumps & Valves Sdn. Bhd.	0.29	0.20
		KSB KOREA LTD	0.34	-
		KSB Pumps and Valves Pty Ltd South Africa	0.65	0.64
		KSB Singapore (Asia Pacific) PTE Ltd.	0.36	0.72
		KSB Itur Spain (Reversal during the year)	(0.18)	-
		KSB Limited, Hong Kong	0.17	-
		KSB Pumps Co Ltd. Thailand	0.17	0.07

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

32 C. Transactions with related parties: (Contd..)

Sr. No.	Nature of transactions	Name of the party	Year ended December 31, 2025	Year ended December 31, 2024
14	Recovery of expenses	KSB SE & Co. KGaA	19.32	7.70
		KSB MIL Controls Limited	10.59	5.37
		KSB Tech Pvt. Ltd. India	0.26	2.57
		KSB SAS France	0.13	1.97
15	Reimbursement of expenses	KSB Malaysia Pumps & Valves Sdn Bhd	1.49	0.03
		KSB Service GmbH	1.25	0.87
		KSB ITUR SPAIN SA	0.77	-
		KSB SE & Co. KGaA	0.05	3.73
		KSB Valves (Changzhou) Co. Ltd.	0.01	0.60
		KSB Tech Pvt. Ltd., India	0.05	1.29
16	Expenses write off	TKIL INDUSTRIES PRIVATE LIMITED(w.e.f. 8th May 24)	-	0.03
17	LD Charges written back	KSB Service LLC	0.22	-
		TKIL INDUSTRIES PRIVATE LIMITED(w.e.f. 8th May 24)	-	0.54
18	Remuneration	Mr. Rajeev Jain	76.39	61.84
19	Sitting fees paid	Mr. Gaurav Swarup	0.42	0.40
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	-	0.30
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	-	0.29
		Mr. U. C. Muktibodh	0.37	-
		Mr. V. K. Vishwanathan	-	0.31
		Dr. Matthias Schmitz	0.37	0.33
		Ms. Sharmila Roy Chowdhury	0.37	0.30
		Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)	0.27	0.07
		Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)	0.38	-
		Dr. Stephan Bross	0.20	0.16
20	Dividend paid	Canadian Kay Pump Ltd.	282.22	246.94
		The Industrial & Prudential Investment Co. Ltd.	150.00	131.25
21	Commission to Directors	Mr. Gaurav Swarup	3.90	3.60
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	1.46	1.80
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	1.46	1.80
		Dr. Stephan Bross	1.95	1.80
		Mr. V. K. Vishwanathan	1.95	1.80
		Dr. Matthias Schmitz	1.95	1.80
		Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)	0.49	-
		Mr. U. C. Muktibodh (Appointed w.e.f. 16th Jan 25)	-	-
		Ms. Sharmila Roy Chowdhury	1.95	1.80
		Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)	0.49	-
22	Expenditure on Corporate Social Responsibility	KSB Care Charitable Trust	-	46.20
23	Contribution to post employment benefits	KSB Pumps Employee's Gratuity Trust	48.20	54.81
		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 to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

34 Fair value measurements

Except derivative instruments and investment in mutual funds, all financial assets and financial liabilities are measured at amortised cost. Derivative instruments and Investment in mutual funds are classified as fair value through profit or loss. The fair value of derivatives instruments is determined using forward exchange rates at the balance sheet date. The fair value of investments in Mutual fund is based on the NAV at the reporting date obtained from the asset management companies. These 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, price 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), investing activities and 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 based on payment profile and historic credit losses experienced.

I Trade receivables

The Company uses the Expected Credit Loss (ECL) model to assess the impairment loss on trade receivables. As per ECL simplified approach, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Company 's customers' financial condition; aging of trade receivable; the Company 's historical loss experience; and adjustment based on forward looking information. The Company defines default as an event when there is no reasonable expectation of recovery. The credit default risk on receivables with government or public sector customers is considered to be remote. The following disclosure is without the balance of governement or public sector customers.

Expected credit loss for trade receivables under simplified approach

Trade receivables	December 31, 2024				
	Trade receivable	**Credit Impaired**	**Expected loss rate**	**Expected credit Allowance**	**Net Trade receivables**
Outstanding for following periods from the due date					
Less than 1 year	4,217.30	1.10	0%	19.45	4,196.75
1-2 years	370.19	16.33	16%	56.12	297.74
2-3 years	70.23	4.97	38%	24.74	40.52
More than 3 years	157.25	44.20	47%	53.59	59.46
Total	**4,814.97**	**66.60**		**153.90**	**4,594.47**

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

35 Financial risk management (Contd..)

Trade receivables	December 31, 2025				
	Trade receivable	Credit Impaired	Expected loss rate	Expected credit Allowance	Net Trade receivables
Outstanding for following periods from the due date					
Less than 1 year	5,235.53	-	1%	67.95	5,167.59
1-2 years	235.79	3.56	15%	35.17	197.06
2-3 years	111.66	0.94	23%	25.41	85.31
More than 3 years	116.65	70.69	44%	20.07	25.89
Total	**5,699.64**	**75.19**		**148.60**	**5,475.85**

Movement of provision for loss allowance:

	Provision for Loss allowance
Provision as at January 1, 2024	**152.71**
Change during the year	67.79
Provision as at December 31, 2024	**220.50**
Change during the year	3.29
Provision as at December 31, 2025	**223.79**

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, 2024	**5.30**
Change during the year	-
Provision as at December 31, 2024	**5.30**
Change during the year	-
Provision as at December 31, 2025	**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, 2025		December 31, 2024	
	Upto 1 year	Above 1 year	Upto 1 year	Above 1 year
Trade payables	4,414.20	-	3,719.15	-
Lease liabilities	14.72	54.46	13.89	26.86
Other financial liabilities	696.74	-	508.01	-

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

35 Financial risk management (Contd..)

(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, 2025						December 31, 2024					
	EUR	USD	AUD	SGD	GBP	BDT	EUR	USD	AUD	SGD	GBP	BDT
Financial assets												
Trade receivables	497.12	1,094.36	-	-	6.89	0.24	217.37	895.08	-	-	0.24	0.25
Balances with banks												
- In current accounts	-	-	-	-	-	2.78	-	-	-	-	-	2.17
- In EEFC accounts	227.64	204.03	-	-	-	-	107.25	205.84	-	-	-	-
Derivative assets - Foreign exchange forward contracts (Sell Foreign Currency)	-	(106.46)	-	-	-	-	(61.44)	(101.37)	-	-	-	-
Net exposure to foreign currency risk (assets)	**724.76**	**1,191.93**	**-**	**-**	**6.89**	**3.02**	**263.18**	**999.55**	**-**	**-**	**0.24**	**2.42**
Financial liabilities												
Trade payables	263.79	339.15	0.13	0.06	0.14	0.69	250.94	112.29	0.11	0.06	0.99	0.59
Net exposure to foreign currency risk (liabilities)	**263.79**	**339.15**	**0.13**	**0.06**	**0.14**	**0.69**	**250.94**	**112.29**	**0.11**	**0.06**	**0.99**	**0.59**

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments in USD and EUR. The Company's exposure to other foreign currencies is not material.

	Impact on profit before tax [Increase / (Decrease)]	
	December 31, 2025	December 31, 2024
EUR sensitivity		
INR/EUR - Increase by 5% (December 31, 2024 -5%)*	23.05	0.61
INR/EUR - Decrease by 5% (December 31, 2024-5%)*	(23.05)	(0.61)
USD sensitivity		
INR/USD - Increase by 5% (December 31, 2024-5%)*	42.64	44.36
INR/USD - Decrease by 5% (December 31, 2024-5%)*	(42.64)	(44.36)

* Holding all other variables constant

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

35 Financial risk management (Contd..)

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. There is no material exposure to interest rate risk as at financial year end.

III) Other price risk

The company is exposed to price risk for investments that are classified as Fair Value Through Profit and Loss statement. Currently, the Company's exposure to price risk is not material.

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, 2025 and December 31, 2024.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2025 and December 31, 2024.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	As at December 31, 2025	As at December 31, 2024
Cash and bank balance		
Cash and cash equivalents [Refer note 8 (a)]	1,668.27	958.87
Other bank balance [Refer note 8 (b)]	1,154.18	2,268.00
Borrowings		
Current borrowings	-	-
Net cash and bank balance	**2,822.45**	**3,226.87**

The amount of net cash and bank balance considering the amount of lease liabilities of INR 52.03 million (December 31, 2024: INR 34.36 million) is INR 2,770.42 million (December 31, 2024: INR 3,192.51 million)

Net debt reconciliation - Current borrowings

	As at December 31, 2025	As at December 31, 2024
Net debt at the beginning of the year	-	-
Net cashflows [Inflow/(Outflow)]	-	-
Interest on borrowings	-	6.97
Interest paid on borrowings	-	(6.97)
Net debt at the end of the year	-	-

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

36 Capital management (Contd..)

b) Dividends

	December 31, 2025	December 31, 2024
(i) Equity shares		
Final dividend paid for the year ended December 31, 2024 of INR 4.00 (December 31, 2023 of INR 3.50) per fully paid share.	696.16	609.14
(ii) Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a final dividend of INR 4.40 per fully paid equity share (December 31, 2024 - INR 4.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	765.77	696.16

37 Statutory impact of New Labour Codes

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Impact of new labour codes" under Exceptional Item in the Standalone Statement of profit and loss for the year ended December 31, 2025. The incremental impact consisting of gratuity of INR 255.48 million primarily arises due to change in wage definition. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

38 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, 2025, the Company has taken the backup of its ERP system used for maintaining books of accounts. However due to technical challenges backup of audit trail maintained in electronic mode has not been maintained on servers physically located in India.

39 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 as follows:

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. Further, at database layer, the audit trail feature has not been enabled to log any direct data changes for an admin user and audit log of modification done does not contain the pre-modified values.

b) Further, for the purpose of payroll processing, the Company uses software of third-party service provider. Audit trail for at the database level has been enabled from May 31, 2025. Further, due to technical challenges the audit log of modification done at database level does not contain the pre-modified values.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

40 Additional regulatory information

(a) Analytical ratios

Sr. No.	Ratio	Numerator	Denominator	December 31, 2025	December 31, 2024	Change %
(i)	Current ratio	Current assets	Current liabilities	2.03	2.13	-4.69%
(ii)	Return on equity ratio	Net profit after tax	Average* share holders equity	17.41%	18.03%	-3.40%
(iii)	Inventory turnover ratio	Cost of goods sold	Average* inventory	2.04	2.21	-7.69%
(iv)	Trade receivables turnover ratio	Total Sales	Average* Trade receivables	3.53	4.40	-19.77%
(v)	Trade payables turnover ratio	Purchases	Average* Trade payables	5.19	5.27	-1.52%
(vi)	Net capital turnover ratio	Total Sales	Working capital	2.56	2.80	-8.57%
(vii)	Net profit ratio	Net profit after tax	Total Sales	9.84%	9.54%	3.14%
(viii)	Return on capital employed	Earnings before interest and tax	Capital employed	22.85%	23.45%	-2.56%
(ix)	Return on investment	Income from FD, Mutual funds and Equity shares	Average outside investments	9.62%	9.11%	5.60%

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.

(c) Borrowing secured against current assets

The Company has placed fixed deposits of INR 250.64 million (December 31, 2024: INR 500.96 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. No.	Name of the struck off Company	Nature of transactions	Balance outstanding as at December 31, 2024	Relationship
1	Soares Engineers Private Limited	Payables	0.27	Non related party
2	Resurgent Power Systems Private Limited	Payables	0.69	Non related party

Sr. No.	Name of the struck off Company	Nature of transactions	Balance outstanding as at December 31, 2025	Relationship
1	Soares Engineers Private Limited	Payables	0.27	Non related party
2	Resurgent Power Systems Private Limited	Payables	0.69	Non related party

(f) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Notes to the Standalone Financial Statements

(All amounts in INR million, unless otherwise stated)

40 Additional regulatory information (Contd..)

(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, 2025 and December 31, 2024.

(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:

i. 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

ii. 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:

i. 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

ii. 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, 2025 and December 31, 2024 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, 2025 and December 31, 2024.

(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, 2025 and December 31, 2024.

41 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.

42 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

Vivian Pillai
Partner
Membership No.: 127791

Place : Mumbai
Date : February 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Independent Auditor's 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, 2025, 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, including 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, 2025, 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 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
Appropriateness of Revenue Recognition (Refer to Note 1 (e), 2 (ii) and 20 to the consolidated financial statements) 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: • 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 Group based on technical analysis as well as legal assessment of right to payment.	Our audit procedures included the following: • 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 Group;

Key audit matter	How our audit addressed the key audit matter
Considering the above-mentioned factors, appropriateness of revenue recognition has been considered as a Key Audit Matter.	• 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.

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 Indian 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 its associate company 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 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 the Board of Directors 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, 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 Matter

14. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of INR 1.67 million and net assets of INR 1.61 million as at December 31, 2025, total revenue of INR Nil, total comprehensive income (comprising of loss and other comprehensive income) of INR (0.03) million and net cash flows amounting to INR (0.07) million for the year ended on that date, as considered in the consolidated financial statements. The financial statements of this subsidiary 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 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 by the respective auditors 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 been kept by the Group and its associate company so far as it appears from our examination of those books, except, in case of the Holding Company, the backup of audit trail (edit log) maintained in electronic mode has not been maintained on servers physically located in India during the year and the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (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 Indian 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, 2025 taken on record by the Board of Directors of the Holding Company and its associate company respectively, none of the directors of the Group companies and its associate company incorporated in India is disqualified as on December 31, 2025 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 16(b) above on reporting under Section 143(3)(b) and paragraph 16(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 its associate company 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 (as amended), 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, 2025 for which there were any material foreseeable losses.

        iii. Except as referred to in Note 30 (c) to the consolidated financial statements, 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.

        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, to the best of their knowledge and belief, as disclosed in Note 42(g) to the consolidated 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 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, whether 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 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, to the best of their knowledge and belief, as disclosed in the Notes 42(g) to the consolidated financial statements, no funds 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, 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.

(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 by the Holding Company and its associate company during the year 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:

In case of Holding Company;

(a) in respect of the core accounting software, the audit trail is not maintained for certain information or data recorded in the software. Further, at database layer, the audit trail feature has not been enabled to log any direct data changes for one user and audit log of modification done does not contain the pre-modified values;

(b) in respect of the second accounting software which is hosted by third party service providers, the audit trail feature has not been enabled at the database level to log any direct data changes upto May 29, 2025 and from May 30, 2025 the audit log of modification does not contain pre-modified values;

In case of associate Company

(a) in respect of the core accounting software, the audit trail feature has operated during the year for all relevant transactions recorded in the software, except for certain information or data recorded in the software;

(b) in respect of the second accounting software which is hosted by third party service providers, the audit trail feature has not been enabled at the database level to log any direct data changes upto May 29, 2025 and from May 30, 2025 the audit log of modification does not contain pre-modified values;

(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. Further, the audit trail, to the extent maintained in the prior year, has been preserved as per the statutory requirements for record retention.

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: 26127791NQAHAS6713

Place: Mumbai
Date: February 25, 2026

Annexure A to Independent Auditors' Report

to Independent Auditor's 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 as of and for the year ended December 31, 2025

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, 2025, 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 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 Holding 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 specified 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.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to 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, 2025, 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: 26127791NQAHAS6713

Place: Mumbai
Date: February 25, 2026

Consolidated Balance Sheet

as at December 31, 2025

(All amounts in INR million, unless otherwise stated)

	Notes	As at December 31, 2025	As at December 31, 2024
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	4,084.21	3,864.74
Right-of-use assets	4	340.26	327.18
Capital work-in-progress	3	888.91	528.08
Other Intangible assets	5	191.62	192.72
Intangible assets under development	5	29.71	18.48
Financial assets			
(a) Investments	6 (a)	965.05	878.28
(b) Trade receivables	7	25.66	19.14
(c) Loans	6 (b)	83.17	80.24
(d) Other financial assets	9	62.62	77.98
Deferred tax assets (net)	13 (a)	108.98	-
Income Tax assets (net)	13 (b)	131.74	112.17
Other non-current assets	11	265.09	344.18
Total non-current assets		**7,177.02**	**6,443.19**
II. Current assets			
Inventories	10	7,860.56	6,428.23
Financial assets			
(a) Trade receivables	7	8,691.88	6,502.73
(b) Cash and cash equivalents	8 (a)	1,668.34	959.01
(c) Bank balances other than (b) above	8 (b)	1,165.56	2,275.67
(d) Loans	6 (b)	48.72	52.95
(e) Other financial assets	9	199.89	116.69
Other current assets	12	1,113.56	701.81
Total current assets		**20,748.51**	**17,037.09**
Total Assets		**27,925.53**	**23,480.28**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14 (a)	348.08	348.08
Other equity	14 (b)	16,439.26	14,505.42
Total Equity		**16,787.34**	**14,853.50**
LIABILITIES			
I. Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	15	37.31	21.67
Provisions	18 (a)	856.16	569.82
Deferred tax liabilities (net)	13 (a)	-	22.83
Total non-current liabilities		**893.47**	**614.32**
II. Current liabilities			
Financial liabilities			
(a) Lease liabilities	15	14.72	12.69
(b) Trade payables	16		
- Total outstanding dues of micro enterprises and small enterprises		491.75	347.31
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,922.51	3,371.94
(c) Other financial liabilities	17	696.74	508.01
Other current liabilities	19	4,241.74	3,105.15
Provisions	18 (b)	838.52	592.66
Current tax liabilities (net)	13 (b)	38.74	74.70
Total current liabilities		**10,244.72**	**8,012.46**
Total Liabilities		**11,138.19**	**8,626.78**
Total Equity and Liabilities		**27,925.53**	**23,480.28**

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

Vivian Pillai
Partner
Membership No.: 127791

Place : Mumbai
Date : February 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

Particulars	Notes	Year ended December 31, 2025	Year ended December 31, 2024
Income			
Revenue from operations	20	26,957.28	25,330.86
Other income	21	591.41	367.51
Total Income		**27,548.69**	**25,698.37**
Expenses			
Cost of materials consumed	22	12,745.93	12,034.04
Purchases of stock-in-trade	23	2,748.95	2,567.34
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(932.24)	(379.94)
Employee benefits expense	25	3,642.28	3,135.19
Finance costs	26	30.28	27.17
Depreciation and amortisation expense	27	583.36	543.24
Other expenses	28	5,016.41	4,598.89
Total Expenses		**23,834.97**	**22,525.93**
Profit before share of net profit of associate accounted for using the equity method, exceptional item and tax		**3,713.72**	**3,172.44**
Share of net profit of associate accounted for using the equity method		146.38	134.06
Profit before exceptional item and tax		**3,860.10**	**3,306.50**
Exceptional item			
Impact of new labour codes	39	255.48	-
Profit before tax		**3,604.62**	**3,306.50**
Tax expense			
Current tax	13 (b)	1,007.49	815.07
Deferred tax	13 (a), (b)	(107.81)	16.68
Total tax expense		**899.68**	**831.75**
Profit for the year		**2,704.94**	**2,474.75**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit obligations	31	(95.37)	(36.73)
Income tax relating to items that will not be reclassified to profit or loss	13 (a), (b)	24.00	9.25
Share of Other comprehensive income of associate accounted for using the equity method		(3.57)	(3.72)
Total other comprehensive income for the year, net of tax		**(74.94)**	**(31.20)**
Total comprehensive income for the year		**2,630.00**	**2,443.55**
Earnings per equity share			
Basic and Diluted (face value of INR 2/- each)	29	15.54	14.22

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

Vivian Pillai
Partner
Membership No.: 127791

Place : Mumbai
Date : February 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Consolidated Statement of Cash Flows

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

Particulars	Year ended December 31, 2025		Year ended December 31, 2024	
A. Cash flows from operating activities				
Profit before tax		3,604.62		3,306.50
Adjustments for :				
Depreciation and amortisation expense	583.36		543.24	
Net gain on disposal of property, plant and equipment and intangible assets	(2.43)		(6.32)	
Finance costs	30.28		27.17	
Interest income	(198.97)		(239.47)	
Dividend from investment in associate	-		-	
Fair value (gain)/loss in financial instruments	(0.76)		1.40	
Government grant	(104.57)			
Sundry credit balances and provisions no longer required, written back	(0.61)		-	
Unrealised foreign exchange (gain)/loss	(87.51)		4.78	
Allowance for doubtful trade and other receivables	4.24		71.89	
Share of net profit of associate	(146.38)		(134.06)	
		76.65		268.63
Operating profit before working capital changes		**3,681.27**		**3,575.13**
Adjustment for changes in working capital:				
(Increase) / decrease in operating assets:				
Inventories	(1,432.33)		(1.89)	
Trade receivables	(2,117.49)		(1,642.30)	
Loans	1.30		(31.32)	
Other financial assets	(17.32)		(6.97)	
Other assets	(405.85)		(287.64)	
Increase / (decrease) in operating liabilities:				
Trade payables	693.46		319.60	
Other financial liabilities	27.65		98.01	
Other liabilities	1,136.59		399.20	
Provisions	421.53		117.12	
		(1,692.46)		(1,036.19)
Cash generated from operations		1,988.81		2,538.94
Income taxes paid (net of refunds)		(1,063.02)		(667.47)
Net cash flows generated from operating activities (A)		**925.79**		**1,871.47**
B. Cash flows from investing activities				
Purchase of property, plant and equipment, right of use assets and intangible assets	(935.18)		(1,005.50)	
Proceeds from disposal of property, plant and equipment and intangible assets	7.77		10.67	
Investment in mutual fund	(9.30)		-	
Investment in fixed deposits	(1,603.37)		(2,589.20)	
Redemption of fixed deposits	2,717.19		1,863.91	
Interest received	253.02		208.52	
Dividend from investment in associate	67.25		47.41	
Net cash flows generated/(used in) from investing activities (B)		**497.38**		**1,464.19**

Consolidated Statement of Cash Flows

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

Particulars	Year ended December 31, 2025		Year ended December 31, 2024	
C. Cash flows from financing activities				
Proceeds from current borrowings	-		500.00	
Repayment of current borrowings	-		(500.00)	
Interest paid	(10.86)		(23.87)	
Repayment of lease liabilities (including interest)	(14.09)		(15.07)	
Dividend paid	(696.16)		(609.14)	
Net cash flows used in financing activities (C)		**(721.11)**		**(648.08)**
Net increase/(decrease) in Cash and cash equivalents (A+B+C)		**702.06**		**(240.80)**
Cash and cash equivalents at the beginning of the year		959.01		1,195.28
Effects of exchange rate changes on cash and cash equivalents		7.27		4.53
Cash and cash equivalents at the end of the year		**1,668.34**		**959.01**

Reconciliation of Cash and cash equivalents as per Statement of Cash Flows

(INR in Million)

Cash and cash equivalents as per above comprise of following:	As at December 31, 2025	As at December 31, 2024
Cash and cash equivalents [Refer note 8 (a)]	1,668.34	959.01
Balances as per Statement of Cash Flows	**1,668.34**	**959.01**

Notes:

(i) Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' in accordance with 'Ind AS 7 : Statement of Cash Flows'.

(ii) Refer note 38 (a) for Net debt reconciliation.

The accompanying notes are an integral part of these consolidated financial statements.

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 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

A. Equity share capital

Particulars	Notes	
As at January 1, 2024		**348.08**
Change in equity share capital	14 (a)	-
As at December 31, 2024		**348.08**
Change in equity share capital	14 (a)	-
As at December 31, 2025		**348.08**

B. Other equity [Refer note 14 (b)]

Particulars	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Amalgamation reserve	Retained earnings	Total
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**

Particulars	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Amalgamation reserve	Retained earnings	Total
As at January 1, 2025	**0.09**	**0.10**	**3.20**	**1,085.97**	**0.06**	**13,416.00**	**14,505.42**
Profit for the year	-	-	-	-	-	2,704.94	2,704.94
Other Comprehensive Income							
Remeasurement of post-employment benefit obligations (net of tax)	-	-	-	-	-	(74.94)	(74.94)
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**2,630.00**	**2,630.00**
Transactions with owners in their capacity as owners:							
Dividend paid	-	-	-	-	-	(696.16)	(696.16)
As at December 31, 2025	**0.09**	**0.10**	**3.20**	**1,085.97**	**0.06**	**15,349.84**	**16,439.26**

The accompanying notes are an integral part of these consolidated financial statements.

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

Vivian Pillai
Partner
Membership No.: 127791

Place : Mumbai
Date : February 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

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 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).

The consolidated financial statements have been authorized for issue by the Board of Directors on February 25, 2026.

1. Summary of material accounting policies:

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.

(a) Basis of preparation

(i) Compliance with Ind AS

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.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Derivative instruments that are measured at fair value
- Defined benefit plans - plan assets measured at fair value.
- Mutual funds measured at fair value.

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 the operating cycle shall correspond to the duration of the contract for the purpose of classification of related assets and liabilities as current or non-current.

Recent Accounting Pronouncements

I) New and Amended Standards

The Ministry of Corporate Affairs vide notification dated September 09, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2024:.

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) Segment reporting

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.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

(c) Principles of consolidation and equity accounting

(i) Subsidiaries

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.

(ii) Associates

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.

(iii) Equity method

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 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.

(d) Foreign currency translation

(i) Functional and presentation currency

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.

(ii) Transactions and balances

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.

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.

(e) Revenue recognition

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.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

The five-step process is applied for recognition of revenue:

(i) identify contracts with customers

(ii) identify the separate performance obligation

(iii) determine the transaction price of the contract

(iv) allocate the transaction price to each of the separate performance obligations, and

(v) recognise the revenue as each performance obligation is satisfied.

(i) Revenue from sale of products

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.

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.

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:

(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

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. There are no contracts, where the revenue is recognised over time.

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, subject to many variables and requires significant judgment. It is common for project contracts to contain penalties or other provisions that can either increase or decrease the transaction price. 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.

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.

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.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

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.

The Group recognizes Advances from customers as contractual liability.

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.

(ii) Revenue from sale of services

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.

(iii) Other operating revenue

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.

(iv) Other income

Interest income:

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.

Dividends:

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.

(f) Income tax

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.

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.

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.

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.

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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.

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.

(g) Leases

As a lessee:

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.

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.

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.

Right-of-use assets are measured at cost comprising the following:

- 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.

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.

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.

(h) Impairment of assets

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.

(i) Cash and cash equivalents

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

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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.

(j) Trade receivables

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.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value.

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.

(l) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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.

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.

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 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. 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.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

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

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of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

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:

- **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.

Equity instruments

The Group subsequently measures equity investment and investment in mutual funds at fair value. The Group's Management elects to present fair value gains and losses on equity investments in either at fair value through profit and loss or at fair value through other comprehensive income on an instrument by instrument basis.

The Group has elected to present all investments in equity investments and mutual funds, other than investment in subsisdiaries and associates, at fair value through profit or loss (FVTPL).

(iii) Impairment of financial assets

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.

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.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- 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.

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.

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.

(m) Offsetting financial instruments

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.

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(All amounts in INR million, unless otherwise stated)

(n) Property, plant and equipment

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.

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.

Depreciation methods, estimated useful lives and residual value

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:

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)

The asset’s residual values and useful lives are reviewed and adjusted if appropriate, at the end of the reporting period.

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.

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.

(o) Intangible assets

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 Consolidated Statement of Profit and Loss. Intangible assets are amortized on the straight-line method as follows:

Asset	Useful life
Copyrights, patents, intellectual property rights and operating rights	7 to 15 years
Computer software	3 years

(p) Trade and other payables

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.

(q) Provisions and Contingent liabilities

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.

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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.

(r) Employee benefits

(i) Short-term obligations

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.

(ii) Other long-term employee benefit obligations

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 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.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined benefit plans - gratuity and superannuation

(b) Defined contribution plans - provident fund

(a) Defined benefit plans - gratuity and superannuation

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Group provides benefits such as gratuity and superannuation to its employees which are treated as defined benefit plans.

(i) Gratuity

In accordance with Indian law, the Group operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to wages payable of certain number of days as per Group policy for each completed year of service. Vesting occurs upon completion of five continuous years of service.

The Group has considered the impact of four labour codes on the standalone financial statements, refer note 37 to the financial statements.

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(ii) Superannuation

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(r)(iii)(a)(i)].

(b) Defined Contribution Plans

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.

(s) Dividends

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.

(t) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(u) Earnings per share

(i) Basic Earnings per share

Basic earnings per share is calculated by dividing:

- the net profit for the period attributable to equity shareholders
- by the weighted average number of equity shares outstanding during the financial year.

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.

(ii) Diluted Earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- 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.

(v) Exceptional items

When the items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the period, the nature and amount of such items are disclosed separately as exceptional item by the Group.

2. Other accounting policies

(a) Government grants

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).

Government grants relating to the purchase of property, plant and equipment are capital in nature and are recognised in books on a systematic basis over the periods to which it pertains.

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(All amounts in INR million, unless otherwise stated)

(b) Derivatives

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.

(c) Borrowing and Borrowing costs

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.

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.

(d) Rounding of amounts:

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.

2. Significant accounting judgements, estimates and assumptions

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 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

The Group generate revenue from sale of Pumps, valves and related support services. The 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.

Judgement is also required to determine the variable component of the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as liquidated damages, discounts and penalties. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Notes to the Consolidated Financial Statements

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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 to 60 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 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 and judgements are reviewed at the year end. The one important parameter is salary considered while assessing the definition of “wages” as given in The Code on Social Security, 2020. In determining the salary, the management has considered proposed restructuring plan and capability to implement it. The another parameter 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 high quality corporate bonds. 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.

iii. Recoverability of trade receivables

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.

iv. Inventories

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 Group has, based on these assessments, made adequate provision in the books.

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(All amounts in INR million, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
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 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**

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Gross carrying amount as at January 1, 2025	**3.01**	**2,754.57**	**5,724.59**	**202.90**	**111.69**	**359.93**	**9,156.69**
Additions	-	154.11	512.85	24.93	25.86	44.02	761.77
Disposals	-	(3.10)	(63.18)	(16.08)	(17.25)	(9.30)	(108.91)
Balance as at December 31, 2025	**3.01**	**2,905.58**	**6,174.26**	**211.75**	**120.30**	**394.65**	**9,809.55**
Accumulated depreciation as at January 1, 2025	**-**	**1,297.85**	**3,610.02**	**158.91**	**78.62**	**146.55**	**5,291.95**
Charge for the year (Refer note 27)	-	152.30	297.53	21.89	32.60	32.64	536.96
Disposals	-	(1.87)	(61.71)	(15.58)	(16.45)	(7.96)	(103.57)
Balance as at December 31, 2025	**-**	**1,448.28**	**3,845.84**	**165.22**	**94.77**	**171.23**	**5,725.34**
Net carrying amount as at December 31, 2025	**3.01**	**1,457.30**	**2,328.42**	**46.53**	**25.53**	**223.42**	**4,084.21**

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:

	Capital work-in-progress	
	As at December 31, 2025	As at December 31, 2024
Opening carrying value	**528.08**	**310.25**
Additions	1,122.60	876.10
Transfers to property, plant and equipment	(761.77)	(658.27)
Closing carrying value	**888.91**	**528.08**

Notes to the Consolidated Financial Statements

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(All amounts in INR million, unless otherwise stated)

3 Property, plant and equipment (Contd..)

(a) Aging of Capital work-in-progress:

Particulars	As at December 31, 2024				
	Less than 1 year	1 – 2 years	2 – 3 years	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**

Particulars	As at December 31, 2025				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	621.04	137.25	117.12	13.50	888.91
(ii) Projects temporarily suspended	-	-	-	-	-
Total	621.04	137.25	117.12	13.50	888.91

(b) There are no assets under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

4 Right-of-use assets

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**

Particulars	Leasehold land	Buildings	Total
Gross carrying amount as at January 1, 2025	**324.73**	**58.37**	**383.10**
Additions	-	32.81	32.81
Disposals	-	(16.76)	(16.76)
Balance as at December 31, 2025	**324.73**	**74.42**	**399.15**
Accumulated depreciation as at January 1, 2025	**28.44**	**27.48**	**55.92**
Charge for the year (Refer note 27)	3.44	11.10	14.54
Disposals	-	(11.57)	(11.57)
Balance as at December 31, 2025	**31.88**	**27.01**	**58.89**
Net carrying amount as at December 31, 2025	**292.85**	**47.41**	**340.26**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

4 Right-of-use assets (Contd..)

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 1 to 15 years, but have extension options.

(i) Amount recognised in the Statement of Profit and Loss

Particulars	Note	December 31, 2025	December 31, 2024
Net gain on disposal of right-of-use assets	21	0.36	-
Interest expense on lease liabilities	26	4.12	3.30
Depreciation on right-of-use assets	27	14.54	15.48
Expenses related to short term leases (included in Miscellaneous expenses in Other expenses)	28	4.02	7.88

The total cash outflow for the year ended December 31, 2025 for leases is INR 18.11 million (December 31, 2024: INR 22.95 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.

5 Other Intangible assets

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**

Particulars	Copyrights, patents, intellectual property rights and operating rights	Computer software	Total
Gross carrying amount as at January 1, 2025	**181.81**	**149.58**	**331.39**
Additions	2.02	28.74	30.76
Disposals	-	(4.52)	(4.52)
Balance as at December 31, 2025	**183.83**	**173.80**	**357.63**
Accumulated Amortisation			
Balance as at January 1, 2025	13.85	124.82	138.67
Charge for the year (Refer note 27)	13.16	18.70	31.86
Disposals	-	(4.52)	(4.52)
Balance as at December 31, 2025	**27.01**	**139.00**	**166.01**
Net carrying amount as at December 31, 2025	**156.82**	**34.80**	**191.62**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

5 Other Intangible assets (Contd...)

(a) Aging of Intangible assets under development:

	As at December 31, 2024				
	Less than 1 year	1 – 2 years	2 – 3 years	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**

	As at December 31, 2025				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	16.79	5.53	7.39	-	29.71
(ii) Projects temporarily suspended	-	-	-	-	-
Total	16.79	5.53	7.39	-	29.71

(b) There are no intantgible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

(c) Intangible assets under development

	As at December 31, 2025	As at December 31, 2024
Opening carrying value	**18.48**	**13.75**
Additions	41.99	15.39
Transfers to Intangible assets	(30.76)	(10.66)
Closing carrying value	**29.71**	**18.48**

6 (a) Investments

	As at December 31, 2025	As at December 31, 2024
Investment in associate		
KSB MIL Controls Ltd. - 7,35,000 equity shares (December 31, 2024 - 7,35,000 equity shares) of INR 10 each fully paid	953.84	878.28
Investment in equity instruments of other entities (measured at amortised cost)		
Mula Pravara Electric Co - operative Society Ltd. - 15,995 equity shares (December 31, 2024 - 15,995 equity shares) of INR 25 each fully paid	0.40	0.40
Investment in mutual funds (measured at FVTPL)		
HDFC Gold ETF FOF Regular Plan Growth- 1,41,438.23 Units (December 31, 2024 - 0 Units)	5.61	-
Nippon India Gold Savings Fund – Growth Plan – Growth Option - 1,10,427.69 Units (December 31, 2024 - 0 Units)	5.60	-
Total unquoted investments	**965.45**	**878.68**
Less : Aggregate amount of provision for impairment in the value of investments	(0.40)	(0.40)
Total	**965.05**	**878.28**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

6 (b) Loans

Non-current	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Loans to employees*	83.17	80.24
Total	**83.17**	**80.24**

Current	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Loans and advances to employees*	48.72	52.95
Total	**48.72**	**52.95**

*There are no loans granted to the promoters, directors and Key management personnels any other related parties as defined under the Companies Act, 2013 which are repayable on demand or payment terms or period of repayment is not defined.

7 Trade receivables

	As at December 31, 2025	As at December 31, 2024
Trade receivables	7,655.97	5,946.98
Trade receivables from related parties (Refer note 32)	1,285.36	795.39
	8,941.33	**6,742.37**
Less: Loss allowance*	(223.79)	(220.50)
Total	**8,717.54**	**6,521.87**
Current portion	8,691.88	6,502.73
Non-current portion	25.66	19.14

Break-up of security details

	As at December 31, 2025	As at December 31, 2024
Trade receivables considered good - Unsecured	8,866.14	6,675.77
Trade receivables - credit impaired	75.19	66.60
	8,941.33	**6,742.37**
Less: Loss allowance*	(223.79)	(220.50)
Total	**8,717.54**	**6,521.87**

*The net impact of change in loss allowance of INR 3.29 millions (December 31, 2024:- INR 67.79 millions) has been included in Miscellaneous expenses (refer note 28)

Aging of trade receivables

	As at December 31, 2024						
		Outstanding for following periods from the due date					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
- considered good	1,613.36	4,127.71	425.27	342.52	70.56	96.35	6,675.77
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

7 Trade receivables (Contd..)

	As at December 31, 2024						
		Outstanding for following periods from the due date					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	1.10	-	16.33	4.97	44.20	66.60
Loss Allowance	-	(1.10)	(13.68)	(72.44)	(29.72)	(103.57)	(220.50)
Total	**1,613.36**	**4,127.71**	**411.59**	**286.41**	**45.82**	**36.99**	**6,521.87**

	As at December 31, 2025						
		Outstanding for following periods from the due date					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables							
- considered good	2,150.16	4,854.86	857.99	757.70	136.78	108.65	8,866.14
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	3.56	0.94	70.69	75.19
Loss Allowance	-	-	(49.12)	(27.96)	(24.66)	(122.06)	(223.79)
Total	**2,150.16**	**4,854.86**	**808.87**	**733.30**	**113.06**	**57.28**	**8,717.54**

8 (a) Cash and cash equivalents

	As at December 31, 2025	As at December 31, 2024
Balances with banks		
In current accounts	336.60	345.80
In EEFC accounts	431.67	313.09
Deposits with original maturity of less than three months	900.00	300.00
Cash on hand	0.07	0.12
Total	**1,668.34**	**959.01**

8 (b) Bank balances other than 8 (a) above

	As at December 31, 2025	As at December 31, 2024
Balances with banks		
Fixed deposits*	1,154.18	2,268.00
In earmarked accounts		
Unpaid dividend accounts	11.38	7.67
Total	**1,165.56**	**2,275.67**

*Includes INR 250.64 million (December 31, 2024: INR 500.70 million) held as lien by bank against credit facilities.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

9 Other financial assets

Non-current	As at December 31, 2025	As at December 31, 2024
Unsecured, considered good		
Security deposits	62.36	77.72
Balances with banks		
Fixed deposits with balance maturity more than one year*	0.26	0.26
Unsecured, considered doubtful		
Security deposits	5.30	5.30
	67.92	**83.28**
Less: Provision for doubtful security deposits	(5.30)	(5.30)
Total	**62.62**	**77.98**

*Includes INR 0.26 million (December 31, 2024: INR 0.26 million) held as lien by bank against credit facilities.

Current	As at December 31, 2025	As at December 31, 2024
Interest accrued on deposits with banks	40.31	94.36
Others*	159.58	22.33
Total	**199.89**	**116.69**

*Others include government grant, insurance claims, export incentives and GST rebate receivable.

10 Inventories

	As at December 31, 2025	As at December 31, 2024
Raw materials (includes in transit INR 111.59 million; December 31, 2024: INR 97.6 million)	2,730.32	2,284.32
Work-in-progress	4,276.33	2,949.68
Finished goods (includes in transit INR 213.40 million; December 31, 2024: INR 259.19 million)	550.38	931.89
Stock-in-trade	164.44	177.34
Stores and spares	107.28	62.53
Loose tools	31.81	22.47
Total	**7,860.56**	**6,428.23**

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 209.13 million (December 31, 2024: INR 90.41 million) and reversal of write-down of inventories of INR 170. 31 million (December 31, 2024: INR 92.59 million).

11 Other non-current assets

	As at December 31, 2025	As at December 31, 2024
Capital advances	43.22	116.41
Prepaid expenses	22.80	28.70
Balances with government authorities		
Considered good	199.07	199.07
Considered doubtful	-	-
	199.07	199.07
Less: Provision for doubtful balances	-	-
	199.07	199.07
Total	**265.09**	**344.18**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

12 Other current assets

	As at December 31, 2025	As at December 31, 2024
Prepaid expenses	41.12	32.45
Balances with government authorities - current		
Considered good	274.46	68.74
Considered doubtful	28.65	28.65
	303.11	97.39
Less: Provision for doubtful balances	(28.65)	(28.65)
	274.46	68.74
Others*		
Considered good	797.98	600.62
Considered doubtful	11.59	11.59
	809.57	612.21
Less: Provision for doubtful balances	(11.59)	(11.59)
	797.98	600.62
Total	**1,113.56**	**701.81**

*Others mainly include advances paid to suppliers which would be subsequently settled against purchases.

13 (a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

	As at December 31, 2025	As at December 31, 2024
Deferred tax assets		
Provision for compensated absences, gratuity, superannuation and long service award	254.41	129.75
Provision for loss allowance on trade and other receivables	67.89	67.06
Fair value loss on derivative instruments	0.51	0.31
Lease liabilities	13.10	8.65
Others (including allowances on payment basis)	124.43	88.88
	460.34	**294.65**
Deferred tax liabilities		
Impact of difference between income tax depreciation and depreciation in financial reporting	106.30	95.59
Right-of-use assets	11.93	7.77
Unremitted earnings of associate	233.13	214.12
	351.36	**317.48**
Deferred tax assets/(liabilities) (net)	**108.98**	**(22.83)**

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, 2025	Year ended December 31, 2024
Provision for compensated absences, gratuity, superannuation and long service award	124.66	17.24
Provision for loss allowance on trade and other receivables	0.83	17.06
Impact of difference between income tax depreciation and depreciation in financial reporting	(10.71)	(19.32)
Fair value of derivative instruments	0.20	0.45
Lease liabilities	4.45	0.51
Right-of-use assets	(4.16)	(0.33)
Unremitted earnings of associate	(19.01)	(20.87)
Others (including allowances on payment basis)	35.55	(2.17)
Total	**131.81**	**(7.43)**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

13 (b) Income taxes

The major components of income tax expense for the year ended December 31, 2025 and December 31, 2024 are:

Statement of Profit and Loss

	Year ended December 31, 2025	Year ended December 31, 2024
Current income tax		
- Current tax on profit for the current year	1,007.49	825.48
- Adjustments for current tax of prior periods	-	(10.41)
	1,007.49	**815.07**
Deferred tax	(107.81)	16.68
Total tax expense reported in the Statement of Profit and Loss	**899.68**	**831.75**

Other comprehensive income

	Year ended December 31, 2025	Year ended December 31, 2024
Deferred tax relating to remeasurement of post employment benefit obligations	24.00	9.25
Defferred tax credit/ (charge) to Other comprehensive income	**24.00**	**9.25**

Movement in income tax liabilities / (assets) (net)

	As at December 31, 2025	As at December 31, 2024
Opening balance [payable/ (receivable)]	(37.47)	(185.07)
Add : Current tax payable (including tax for prior period)	1,007.49	815.07
Less : Taxes paid (including tax paid for prior period, net of refunds)	(1,063.02)	(667.47)
Closing balance [payable/ (receivable)]	**(93.00)**	**(37.47)**
Income Tax assets (net)	(131.74)	(112.17)
Current tax liabilities (net)	38.74	74.70

Reconciliation of tax expense and accounting profit multiplied by statutory income tax rate :

	Year ended December 31, 2025	Year ended December 31, 2024
Accounting profit before tax	3,604.62	3,306.50
Tax at statutory income tax rate of 25.17% (2024: 25.17%)	907.21	832.18
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Dividend Income	(16.93)	(11.93)
- Donations	13.65	11.63
- Other items	(4.25)	10.28
Adjustments for current-tax of prior periods	-	(10.41)
Income tax expense	**899.68**	**831.75**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

14 (a) Equity share capital

	As at December 31, 2025	As at December 31, 2024
Authorised equity share capital :		
20,00,00,000 Equity shares of INR 2 each* (December 31, 2024 : 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, 2024 : 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, 2025	As at December 31, 2024
Shares outstanding at the beginning and at the end of the year	17,40,39,220	17,40,39,220

*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 INR 10 each into 5 (Five) fully paid-up equity shares having a face value of INR 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 INR 10 each into 5 (Five) fully paid-up equity shares of INR 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 INR 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 INR 2 each aggregating to 34,80,78,440. The impact of this has been considered in the financial statements.

(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 INR 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, 2025	As at December 31, 2024
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, 2025		As at December 31, 2024	
	% 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

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

14 (a) Equity share capital (Contd..)

(v) Details of shareholding of promoters:

Name of the shareholder	As at December 31, 2025			As at December 31, 2024		
	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 Private Limited*	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 previous year, 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, 2025.

14 (b) Other equity

(i) Retained earnings

	As at December 31, 2025	As at December 31, 2024
Opening balance	13,416.00	11,581.59
Profit for the year	2,704.94	2,474.75
	16,120.94	**14,056.34**
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of post-employment benefit obligations (net of tax)	(74.94)	(31.20)
Less: Dividend paid	(696.16)	(609.14)
Closing Balance	**15,349.84**	**13,416.00**
Total Retained earnings	**15,349.84**	**13,416.00**

(ii) Other reserves

	As at December 31, 2025	As at December 31, 2024
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 (i) + (ii)	**16,439.26**	**14,505.42**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

14 (b) Other equity (Contd..)

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, 2025	As at December 31, 2024
Non-current lease liabilities	37.31	21.67
Current lease liabilities	14.72	12.69
Total	**52.03**	**34.36**

Movement in lease liabilities

	As at December 31, 2025	As at December 31, 2024
Opening balance	34.36	32.36
Add: Additions during the year (Refer note 4)	32.81	13.77
Add: Interest expense on lease liabilities (Refer note 26)	4.12	3.30
Less: Termination of leases	(5.17)	-
Less: Repayment of lease liabilities	(14.09)	(15.07)
Closing balance	**52.03**	**34.36**

16 Trade payables

	As at December 31, 2025	As at December 31, 2024
Total outstanding dues of micro enterprises and small enterprises	491.75	347.31
	491.75	**347.31**
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related parties (Refer note 32)	902.69	652.40
(ii) Others	3,019.82	2,719.54
	3,922.51	**3,371.94**
Total	**4,414.26**	**3,719.25**

Aging of trade payables

	As at December 31, 2024						
			Outstanding for following periods from the due date				
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	266.01	81.30	-	-	-	347.31
Others	1,290.25	1,286.41	711.92	16.84	9.51	56.43	3,371.36
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	**1,290.25**	**1,552.42**	**793.22**	**16.84**	**9.51**	**57.01**	**3,719.25**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

16 Trade payables (Contd..)

	As at December 31, 2025						
	Unbilled	Not due	Outstanding for following periods from the due date				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	251.99	239.76	-	-	-	491.75
Others	1,195.49	1,592.18	1,068.16	15.21	3.44	47.45	3,921.93
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	0.58	0.58
Total	**1,195.49**	**1,844.17**	**1,307.92**	**15.21**	**3.44**	**48.03**	**4,414.26**

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, 2025	December 31, 2024
a) i) The principal amount remaining unpaid to any supplier as at the year end	490.89	346.53
ii) The interest due remaining unpaid to any supplier as at the year end thereon	0.17	0.35
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	2.41	3.89
c) The amount of payment made to the supplier beyond the appointed day during the year.	261.24	330.72
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	0.69	0.43
e) The amount of interest accrued and remaining unpaid as at the year end	0.86	0.78
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	0.86	0.78

17 Other financial liabilities-current

	As at December 31, 2025	As at December 31, 2024
Security deposits	140.25	133.85
Unclaimed dividend	11.38	7.67
Payable for purchase of property, plant and equipment	345.00	188.78
Derivative liability	2.01	0.86
Payable to employees	198.10	176.85
Total	**696.74**	**508.01**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

18 (a) Provisions - Non-current

	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits (Refer note 31)	757.42	444.00
Provision for warranty [Refer note (ii) below]	98.74	125.82
Total	**856.16**	**569.82**

18 (b) Provisions - Current

	As at December 31, 2025	As at December 31, 2024
Provision for employee benefits [Refer note (i) below]	577.13	367.10
Provision for warranty [Refer note (ii) below]	73.55	51.49
Provision for litigations / contingencies [Refer note (iii) below]	187.84	174.07
Total	**838.52**	**592.66**

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, 2024		
Balance at the beginning	**145.83**	**174.07**
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**	**174.07**

	Provision for warranty	Provision for litigations / contingencies
As at January 1, 2025		
Balance at the beginning	**177.31**	**174.07**
Charged to the Statement of Profit and Loss		
Provision recognised (net of reversal)	87.47	13.77
Amounts used during the year	(92.49)	-
As at December 31, 2025	**172.29**	**187.84**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

19 Other current liabilities

	As at December 31, 2025	As at December 31, 2024
Statutory dues payable	115.78	203.34
Dealer incentive schemes	435.03	447.43
Advances from customers*	3,690.93	2,454.38
Total	**4,241.74**	**3,105.15**

*Notes:

i) During the year ended December 31, 2025, the Group have recognised INR 458.38 million (December 31, 2024: INR 394.85 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, 2025 as per the contractual terms with the customers.

20 Revenue from operations

	Year ended December 31, 2025	Year ended December 31, 2024
Revenue from contracts with customers		
Sale of products	26,344.75	24,835.65
Sale of services	451.56	364.91
	26,796.31	**25,200.56**
Other operating revenue		
Sale of scrap	71.22	57.43
Export incentives	89.75	72.87
	160.97	**130.30**
Revenue from operations	**26,957.28**	**25,330.86**

Notes:

(i) Disaggregated revenue information

The table below presents disaggregated revenue from contracts with customers for the year ended December 31, 2025 and December 31, 2024. The Group 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, 2025	Year ended December 31, 2024
Within India	22,130.58	21,700.34
Outside India	4,665.73	3,500.22
Revenue from contracts with customers	**26,796.31**	**25,200.56**

(ii) Segment

Segment	Year ended December 31, 2025	Year ended December 31, 2024
Pumps	22,011.35	20,972.33
Valves	4,784.96	4,228.23
Revenue from contracts with customers	**26,796.31**	**25,200.56**

(iii) Reconciliation of revenue recognized with contract price :

	Year ended December 31, 2025	Year ended December 31, 2024
Contract price	27,369.28	25,831.45
Adjustments for discounts, incentives, liquidated damages	(572.97)	(630.89)
Revenue from contracts with customers	**26,796.31**	**25,200.56**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

21 Other income

	Year ended December 31, 2025	Year ended December 31, 2024
Interest income		
- Interest income from financials assets measured at amortised cost	144.73	172.24
- Others	54.24	67.23
Sundry credit balances and provisions no longer required, written back	0.61	-
Net gain on disposal of property, plant and equipment and intangible assets	2.43	6.32
Net gain on foreign currency transactions and translations	177.02	63.62
Fair value gain in financial instruments	0.76	-
Government Grant	104.57	-
Miscellaneous income	107.05	58.10
Total	**591.41**	**367.51**

22 Cost of materials consumed

	Year ended December 31, 2025	Year ended December 31, 2024
Opening stock of raw materials	2,284.32	2,670.49
Add: Purchases	13,191.93	11,647.87
Less: Closing stock of raw materials	2,730.32	2,284.32
	12,745.93	**12,034.04**

23 Purchases of stock-in-trade

	Year ended December 31, 2025	Year ended December 31, 2024
Purchases of stock-in-trade	2,748.95	2,567.34
Total	**2,748.95**	**2,567.34**

24 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	Year ended December 31, 2025	Year ended December 31, 2024
Opening 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**
Less: Closing inventory		
- Finished goods	550.38	931.89
- Work-in-progress	4,276.33	2,949.68
- Stock-in-trade	164.44	177.34
	4,991.15	**4,058.91**
Net change in inventories	**(932.24)**	**(379.94)**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

25 Employee benefits expense

	Year ended December 31, 2025	Year ended December 31, 2024
Salaries and wages	3,179.97	2,715.69
Contributions to provident and other funds (Refer note 31)	209.55	185.04
Staff welfare expenses	252.76	234.46
Total	**3,642.28**	**3,135.19**

26 Finance costs

	Year ended December 31, 2025	Year ended December 31, 2024
Interest and other finance charges	10.86	12.79
Interest expense on lease liabilities (Refer note 4)	4.12	3.30
Net interest expense on defined benefit obligations (Refer note 31)	15.30	11.08
Total	**30.28**	**27.17**

27 Depreciation and amortisation expense

	Year ended December 31, 2025	Year ended December 31, 2024
Depreciation of property, plant and equipment (Refer note 3)	536.96	499.58
Depreciation of right-of-use assets (Refer note 4)	14.54	15.48
Amortisation of intangible assets (Refer note 5)	31.86	28.18
Total	**583.36**	**543.24**

28 Other expenses

	Year ended December 31, 2025	Year ended December 31, 2024
Processing and machining charges	1,042.91	987.07
Stores consumed	489.58	418.93
Tools consumed	52.20	54.26
Water, power and fuel	220.19	227.39
Sitework Charges	376.15	382.02
Rates and taxes	24.15	15.18
Insurance	35.95	39.60
Repairs and maintenance		
- Buildings	49.67	40.43
- Machinery	63.43	57.34
- Others	62.28	55.41
Travelling and conveyance	242.11	171.92
Packing and forwarding charges	555.81	508.06
(Net of recoveries - INR 41.98 million; December 31, 2024 INR 39.48 million)		
Royalty charges	342.61	379.50
Trademark Charges	30.63	28.23
Expenditure on Corporate Social Responsibility [Refer note (i) below]	54.25	46.20
Fair value losses in financial instruments	-	1.40
Legal and professional fees	93.35	84.34
IT Services	277.19	231.79
Advertisements and catalogues	172.15	122.26
Miscellaneous expenses	831.80	747.56
Total	**5,016.41**	**4,598.89**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

28 Other expenses (Contd..)

(i) Expenditure on Corporate Social Responsibility

	December 31, 2025	December 31, 2024
Contribution to KSB Care Charitable Trust	-	46.20
Expenditure towards other CSR activities	54.25	-
Administrative overheads	1.75	1.32
Total	**56.00**	**47.52**
Gross amount required to be spent by the Group during the year	55.98	47.43
Total	**55.98**	**47.43**

Amount spent during the year on :	In cash	
	December 31, 2025	December 31, 2024
a. Construction/ acquisition of any asset	-	-
b. On purposes other than (a) above	56.00	47.52
Total	**56.00**	**47.52**

Nature of CSR activites - Education, Skill development, Healthcare, Destitute care, Environment, Sanitation.

(ii) Payment to auditors (included in legal and professional fees)

	Year ended December 31, 2025	Year ended December 31, 2024
As auditor		
Audit fee (Including limited review)	3.70	3.10
In Other Capacities		
Fees for other services	0.80	0.80
Reimbursement of expenses	0.37	0.35
Total	**4.87**	**4.25**

29 Earnings per equity share

	Year ended December 31, 2025	Year ended December 31, 2024
Profit for the year attributable to the equity shareholders of the Company	2,704.94	2,474.75
Weighted average number of equity shares	17,40,39,220	17,40,39,220
Basic and Diluted Earnings per share (in INR)	15.54	14.22

30 Contingencies and commitments

a) Contingent liabilities

	As at December 31, 2025	As at December 31, 2024
Claims against the Group not acknowledged as debts		
i) Income tax*	549.30	549.13
ii) Goods and Services Tax, Excise and Service tax**	1,306.75	1,242.44
iii) Others***	263.84	130.49
Total	**2,119.89**	**1,922.06**

*The Group has ongoing disputes with income tax authorities that are pending before various judicial forums in relation to tax treatment of certain expenses claimed as deduction and relating to certain addition done to income.

**The Group has ongoing disputes with Excise Tax, Service Tax and GST authorities majorly relating to distribution and utilization of input tax credits and classification of certain product etc.

***The Group has some ongoing disputes for certain labour and other matters that are pending before various forums in relation to various claims.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

30 Contingencies and commitments (Contd..)

The management evaluated the inquiries/ notices/ orders received for the matters under dispute and concluded that the Group's position will be upheld and there will not be adverse effect on the Group's financial position and its results on ultimate resolution of these matters.

It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above matters, pending resolution of the respective proceedings.

b) Capital commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is INR 395.97 million (December 31, 2024: INR 381.42 million)

c) Others

In accordance with the Companies Act, 2013 and Rules thereunder, during the financial year ended 31 December 2025, the following was transferred to the Investor Education and Protection Fund (IEPF) upon completion of seven years:

a. the unclaimed final dividend for the financial year 2017 amounting to INR 5,01,696;

b. 17,570 equity shares in respect of which dividend remained unclaimed for seven consecutive years.

The transfer process experienced delays due to technical glitches and system related issues on the MCA portal. The Company, in coordination with its Registrar and Transfer Agent, actively sought the guidance from concerned authorities and took necessary steps to ensure the transfers and meet the compliance requirements."

31 Employee benefit obligations

	As at December 31, 2025	As at December 31, 2024
Compensated absences (Refer note B)	**418.70**	**343.12**
Non-current	280.76	279.93
Current	137.94	63.19
Long service award (Refer note C)	**51.10**	**35.07**
Non-current	44.49	24.60
Current	6.61	10.47
Gratuity (Refer note D)	**566.97**	**177.60**
Non-current	414.97	129.40
Current	152.00	48.20
Superannuation (Refer note E)	**25.20**	**20.07**
Non-current	17.20	10.07
Current	8.00	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 INR 133.01 million (December 31, 2024 - INR 119.72 million).

B Compensated absences

The leave obligations cover the Group's liability for privilege leave and sick leave in accordance with the provisions of the Code on Social Security, 2020 and the applicable rules notified thereunder. The amount of provision made during the year is INR 115.88 million (December 31, 2024 – INR 86.98 million). The Group does not have an unconditional right to defer settlement for any of these obligations. Pursuant to the requirement under the Code that leave in excess of 30 days is to be encashed for the applicable class of employees, the Group has reassessed and classified the related provision into current and non-current in compliance with the same.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

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 INR 26.86 million (December 31, 2024 - INR 5.83 million).

Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2025	As at December 31, 2024
Discount rate	6.55%	6.95%
Gold Inflation rate	9.00%	8.00%
Attrition rate	8.50%	8.00%

D Gratuity

The Group provides for gratuity for employees in India in accordance with the provisions of the Code on Social Security, 2020, which subsumes the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity in line with the provisions of the Code. The amount of gratuity payable on retirement or termination is the employee's last drawn wages per month (as defined under the Code), computed at the rate of 15 days' wages for each completed year of service. The gratuity plan is a funded plan.

I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

	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**

	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2025	1,038.13	(860.53)	177.60
Current service cost	74.31	-	74.31
Past service cost	255.48	-	255.48
Interest expense/(income)	73.67	(59.76)	13.91
Total amount recognised in Statement of Profit and Loss	**403.46**	**(59.76)**	**343.70**
Return on plan assets	-	26.31	26.31
(Gain)/loss from experience changes	2.29	-	2.29
(Gain)/loss from change in financial assumptions	69.48	-	69.48
(Gain)/loss from change in demographic assumptions	(4.22)	-	(4.22)
Total amount recognised in Other Comprehensive Income	**67.55**	**26.31**	**93.86**
Employer contributions	-	(48.19)	(48.19)
Benefits paid	(83.88)	83.88	-
December 31, 2025	**1,425.26**	**(858.29)**	**566.97**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

II The net liability disclosed above relates to funded plans are as follows :

	As at December 31, 2025	As at December 31, 2024
Present value of funded obligation	1,425.26	1,038.13
Fair value of plan assets	(858.29)	(860.53)
Deficit	**566.97**	**177.60**

III Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2025	As at December 31, 2024
Discount rate	6.55%	6.95%
Salary growth rate	9.00%	8.00%
Attrition rate	8.50%	8.00%

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, 2025	As at December 31, 2024
Discount rate		
1 % increase	(67.58)	(45.60)
1 % decrease	75.19	50.48
Salary growth rate		
1 % increase	69.99	52.77
1 % decrease	(67.99)	(49.88)
Attrition rate		
1 % increase	(9.14)	(4.01)
1 % decrease	13.06	5.59

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, 2025	As at December 31, 2024
Upto 1 year	261.17	206.83
Between 2 to 5 years	693.81	506.06
Between 6 to 10 years	593.87	435.53
More than 10 years	582.51	375.28
Total	**2,131.36**	**1,523.70**

The weighted average duration of the defined benefit obligation is 5 years. (December 31, 2024: 5 years)

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

V The major categories of plan assets are as follows:

	As at December 31, 2025	As at December 31, 2024
Funds managed by insurer	100%	100%

The Group expects to contribute INR 152.00 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.

I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows :

	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**

	Present value of obligation	Fair value of plan assets	Net amount
January 1, 2025	31.88	(11.81)	20.07
Current service cost	2.23	-	2.23
Interest expense/(income)	2.21	(0.82)	1.39
Total amount recognised in Statement of Profit and Loss	**4.44**	**(0.82)**	**3.62**
Return on plan assets	-	-	-
(Gain)/loss from experience changes	0.78	-	0.78
(Gain)/loss from change in financial assumptions	0.62	-	0.62
(Gain)/loss from change in demographic assumptions	0.11	-	0.11
Total amount recognised in Other Comprehensive Income	**1.51**	**-**	**1.51**
Employer contributions	-	-	-
Benefits paid	-	-	-
December 31, 2025	**37.83**	**(12.63)**	**25.20**

II The net liability disclosed above relates to funded plans are as follows :

	As at December 31, 2025	As at December 31, 2024
Present value of funded obligation	37.83	31.88
Fair value of plan assets	(12.63)	(11.81)
Deficit	**25.20**	**20.07**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

III Significant estimates

The significant actuarial assumptions were as follows :

	As at December 31, 2025	As at December 31, 2024
Discount rate	6.55%	6.95%
Attrition rate	8.50%	8.00%

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, 2025	As at December 31, 2024
Discount rate		
1 % increase	(1.49)	(1.26)
1 % decrease	1.61	1.37
Attrition rate		
1 % increase	0.18	0.19
1 % decrease	(0.26)	(0.26)

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, 2025	As at December 31, 2024
Upto 1 year	11.41	8.75
Between 2 to 5 years	20.60	18.27
Between 6 to 10 years	13.09	11.34
More than 10 years	6.27	6.02
Total	**51.37**	**44.38**

The weighted average duration of the defined benefit obligation is 4 years. (December 31, 2024: 4 years)

V The major categories of plan assets are as follows:

	As at December 31, 2025	As at December 31, 2024
Funds managed by insurer	100%	100%

The Group expects to contribute INR 8 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:

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

31 Employee benefit obligations (Contd..)

(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).

(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 high quality corporate 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 Disclosures':

A Name of the related parties and nature of relationship

a. Ultimate Parent Entity / Ultimate Controlling Party / Entity having significant influence

KSB Stiftung (Ultimate Controlling Party)

Kuborth Stiftungs GmbH (Entity having Significant Influence)

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:

1 KSB Argentina S.A.

2 KSB Australia Pty Limited

3 KSB Bombas e Válvulas, SA

4 KSB BRASIL LTDA.

5 KSB Chile S.A.

6 KSB Colombia SAS

7 KSB de Mexico S.A. de C.V.

8 KSB Finland Oy

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

9 GIW Industries Inc., USA
10 KSB Inc., USA
11 KSB Italia S.p.A., Italy
12 KSB ITUR SPAIN SA
13 KSB KAGEMA GmbH
14 KSB Korea Limited
15 KSB Limited, Hongkong
16 KSB Ltd. Japan
17 KSB Malaysia Pumps & Valves Sdn. Bhd.
18 KSB Manufacturing B.V.
19 KSB Middle East FZE, Dubai
20 KSB New Zealand Limited
21 KSB Panama S.A.
22 KSB Philippines
23 KSB Polska Sp. z o.o, Poland
24 KSB Pompes Et Robinetteries S.A.R.L
25 KSB PUMPS AND VALVES (NAMIBIA)
26 KSB Pumps and Valves Pty Ltd South Africa
27 KSB Pumps and valves L.t.d.
28 KSB Pumps and Valves Ltd.
29 KSB Pumps and Valves Limited, Kenya
30 KSB Pumps and Valves Nigeria Ltd.
31 KSB Pumps Arabia Ltd.
32 KSB Pumps Company Ltd.
33 KSB Pumps Co.Ltd., Thailand
34 KSB Pumps Inc.
35 KSB REEL s.r.l.
36 KSB S.A.S France
37 KSB Belgium S.A.
38 KSB Service Egypt LLC
39 KSB Service GmbH, Germany
40 KSB Service LLC, UAE
41 KSB Shanghai Pump Co. Ltd., China
42 KSB Singapore (Asia Pacific) PTE Ltd.
43 KSB Sverige AB
44 KSB Taiwan Co. Ltd.
45 KSB Tech Private Limited,India
46 KSB Valves (Changzhou) Co.,Ltd.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

47 KSB Vietnam Company Ltd.

48 KSB Zambia Limited

49 KSB-Pompa, Armatür Sanayi

50 KSB-PUMPY+ARMATURY s.r.o., koncern

51 P.T. KSB., Indonesia

52 PT. KSB Sales Indonesia

53 Shanghai Electric-KSB Nuclear

54 TOO "KSB Kazakhstan"

55 KSB Limited, United Kingdom

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 Roy Chowdhury

9 Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)

10 Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)

11 Mr. U. C. Muktibodh (Appointed w.e.f. 16th Jan 25)

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 Pvt Ltd (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

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

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 key management personnel exercise significant influence	Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence	Post employment benefit Trusts	Total
Purchase of goods	554.52	173.25	264.01	-	-	-	-	-	-	991.78
	(525.93)	(107.41)	(208.13)	(-)	(-)	(-)	(-)	(-)	(-)	(841.47)
Sale of goods	382.32	10.18	2,696.50	-	-	-	-	228.19	-	3,317.19
	(286.96)	(15.06)	(1,845.83)	(-)	(-)	(-)	(-)	(171.26)	(-)	(2,319.11)
Income from services	3.71	5.82	24.00	-	-	-	-	-	-	33.53
	(3.04)	(5.10)	(23.27)	(-)	(-)	(-)	(-)	(-)	(-)	(31.41)
Site Expense	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(9.57)	(-)	(-)	(-)	(-)	(-)	(-)	(9.57)
Site income	-	-	0.42	-	-	-	-	-	-	0.42
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
Commission income	4.40	-	4.94	-	-	-	-	-	-	9.34
	(2.53)	(-)	(8.96)	(-)	(-)	(-)	(-)	(-)	(-)	(11.49)
Commission expenses	-	-	1.90	-	-	-	-	-	-	1.90
	(-)	(-)	(12.02)	(-)	(-)	(-)	(-)	(-)	(-)	(12.02)
Dividend income	-	67.25	-	-	-	-	-	-	-	67.25
	(-)	(47.41)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(47.41)
Liquidated damages	-	-	(0.02)	-	-	-	-	-	-	(0.02)
	(-)	(-)	(1.35)	(-)	(-)	(-)	(-)	(-)	(-)	(1.35)
Charges for technical / professional services	232.05	-	14.57	-	-	-	-	-	-	246.62
	(214.89)	(-)	(7.71)	(-)	(-)	(-)	(-)	(-)	(-)	(222.60)
Royalty charges	310.66	-	31.96	-	-	-	-	-	-	342.62
	(370.21)	(-)	(9.29)	(-)	(-)	(-)	(-)	(-)	(-)	(379.50)
Trademark fees	30.63	-	-	-	-	-	-	-	-	30.63
	(28.23)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(28.23)
Warranty charges	(3.74)	-	2.46	-	-	-	-	-	-	(1.28)
	(1.79)	(-)	(1.83)	(-)	(-)	(-)	(-)	(-)	(-)	(3.62)
Recovery of expenses	19.32	10.59	0.56	-	-	-	-	-	-	30.47
	(7.70)	(5.37)	(4.85)	-	-	-	-	(0.01)	-	(17.93)
Reimbursement of expenses	0.05	0.01	3.77	-	-	-	-	-	-	3.83
	(3.73)	(0.03)	(3.76)	(-)	(-)	(-)	(-)	(-)	(-)	(7.52)

Notes to the Consolidated Financial Statements

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(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (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 key management personnel exercise significant influence	Enterprises over which individuals having significant influence over the reporting enterprise exercise significant influence	Post employment benefit Trusts	Total
LD Charges written back	-	-	0.22	-	-	-	-	-	-	0.22
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(0.54)	(-)	(0.54)
Remuneration	-	-	-	76.39	-	-	-	-	-	76.39
	(-)	(-)	(-)	(61.84)	(-)	(-)	(-)	(-)	(-)	(61.84)
Sitting fees paid	-	-	-	1.94	0.42	-	-	-	-	2.36
	(-)	(-)	(-)	(1.74)	(0.40)	(-)	(-)	(-)	(-)	(2.14)
Dividend paid	282.22	-	-	0.02	0.68	2.39	-	200.60	-	485.91
	(246.94)	(-)	(-)	(0.09)	(0.60)	(2.09)	(-)	(175.53)	(-)	(425.25)
Commission to Directors	-	-	-	11.70	3.90	-	-	-	-	15.60
	(-)	(-)	(-)	(10.80)	(3.60)	(-)	(-)	(-)	(-)	(14.40)
Expenditure on Corporate Social Responsibility	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(46.20)	(-)	(-)	(46.20)
Contribution to post employment benefits	-	-	-	-	-	-	-	-	48.20	48.20
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(64.92)	(64.92)
Outstanding balances arising from sales/ purchases of goods and services										
Trade receivables (Refer note 7)	101.53	13.15	1,128.00	-	-	-	-	42.68	-	1,285.36
	(81.11)	(18.52)	(607.75)	(-)	(-)	(-)	(-)	(88.01)	(-)	(795.39)
Trade payables (Refer note 16)	723.77	34.18	144.74	-	-	-	-	-	-	902.69
	(551.73)	(6.55)	(94.12)	(-)	(-)	(-)	(-)	(-)	(-)	(652.40)
Advances from related parties (Refer note 19)	41.98	-	263.61	-	-	-	-	1.04	-	306.63
	(45.79)	(-)	(68.64)	(-)	(-)	(-)	(-)	(-)	(0.75)	(115.18)
Advances to related parties (Refer note 12)	9.90	-	-	-	-	-	-	-	-	9.90
	(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 to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

C. Transactions with related parties:

I Key management personnel compensation

Sr. No.	Particulars	Year ended December 31, 2025	Year ended December 31, 2024
1	Short term employee benefits	57.42	55.46
2	Post-employment benefits	18.97	6.38
	Total	**76.39**	**61.84**

II Material transactions with related parties

Sr. No.	Particulars	Name of the party	Year ended December 31, 2025	Year ended December 31, 2024
1	Purchase of goods	KSB SE & Co. KGaA	554.52	525.93
		KSB MIL Controls Limited	173.25	107.41
		KSB BV	140.44	85.89
2	Sale of goods	KSB SE & Co. KGaA	382.32	286.96
		KSB Middle East FZE, Dubai	679.57	482.09
3	Income from services	KSB SE & Co. KGaA	3.71	3.04
		KSB Tech Private Limited	17.09	20.51
		KSB MIL Controls Limited	5.82	5.10
		KSB Service GmbH	6.92	2.76
4	Site income	KSB S.A.S	0.42	-
5	Site Expense	KSB Pumps and Valves Pty Ltd South Africa	-	1.62
		PT KSB Indonesia	-	1.08
		KSB Brasil LTDA.	-	6.62
		KSB Malaysia Pumps & Valves Sdn. Bhd.	-	0.18
6	Commission income	KSB S.A.S, France	3.51	3.92
		KSB Service GmbH	1.18	0.07
		KSB SE & Co. KGaA	4.40	2.53
		KSB Shanghai Pump Co. Ltd., China	-	2.36
		KSB Sverige AB	0.25	1.22
7	Commission expenses	KSB Pumps and Valves Nigeria Ltd.	1.90	-
		KSB Polaska Sp. Z o.o. (PL)	-	6.13
		KSB Italia S.p.A.	-	5.65
8	Trademark fees	KSB SE & Co. KGaA	30.63	28.23
9	Dividend income	KSB MIL Controls Limited	67.25	47.41
10	Liquidated damages	KSB Shanghai Pump Co. Ltd., China	-	0.99
		KSB Valves (Changzhou) Co.,Ltd.	-	0.36
		PT KSB SALES INDONESIA	0.03	-
		KSB Finland Oy (Reversal during the year)	0.05	-
11	Charges for technical / professional services	KSB SE & Co. KGaA	232.05	214.89
12	Royalty charges	KSB SE & Co. KGaA	310.66	370.21
13	Warranty charges	KSB SE & Co. KGaA (Reversal during the year)	(3.74)	1.79
		KSB Australia Pty Ltd	0.60	-
		KSB Malaysia Pumps & Valves Sdn. Bhd.	0.29	0.20
		KSB KOREA LTD	0.34	-
		KSB Pumps and Valves Pty Ltd South Africa	0.65	0.64
		KSB Singapore (Asia Pacific) PTE Ltd.	0.36	0.72
		KSB Itur Spain (Reversal during the year)	(0.18)	-
		KSB Limited, Hong Kong	0.17	-
		KSB Pumps Co Ltd. Thailand	0.17	0.07

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

Sr. No.	Particulars	Name of the party	Year ended December 31, 2025	Year ended December 31, 2024
14	Recovery of expenses	KSB SE & Co. KGaA	19.32	7.70
		KSB MIL Controls Limited	10.59	5.37
		KSB Tech Pvt. Ltd. India	0.26	2.57
		KSB SAS France	0.13	1.97
15	Reimbursement of expenses	KSB Malaysia Pumps & Valves Sdn Bhd	1.49	0.03
		KSB Service GmbH	1.25	0.87
		KSB ITUR SPAIN SA	0.77	-
		KSB SE & Co. KGaA	0.05	3.73
		KSB Valves (Changzhou) Co. Ltd.	0.01	0.60
		KSB Tech Pvt. Ltd., India	0.05	1.29
16	Expenses write off	TKIL INDUSTRIES PRIVATE LIMITED (w.e.f. 8th May 24)	-	0.03
17	LD Charges written back	KSB Service LLC	0.22	-
		TKIL INDUSTRIES PRIVATE LIMITED (w.e.f. 8th May 24)	-	0.54
18	Remuneration	Mr. Rajeev Jain	76.39	61.84
19	Sitting fees paid	Mr. Gaurav Swarup	0.42	0.40
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	-	0.30
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	-	0.29
		Mr. U. C. Muktibodh	0.37	-
		Mr. V. K. Vishwanathan	-	0.31
		Dr. Matthias Schmitz	0.37	0.33
		Ms. Sharmila Roy Chowdhury	0.37	0.30
		Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)	0.27	0.07
		Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)	0.38	-
		Dr. Stephan Bross	0.20	0.16
20	Dividend paid	Canadian Kay Pump Ltd.	282.22	246.94
		The Industrial & Prudential Investment Co. Ltd.	150.00	131.25
21	Commission to Directors	Mr. Gaurav Swarup	3.90	3.60
		Mr. D. N. Damania (Retired w.e.f. 30th Sept 24)	1.46	1.80
		Mr. Pradip Shah (Retired w.e.f. 30th Sept 24)	1.46	1.80
		Dr. Stephan Bross	1.95	1.80
		Mr. V. K. Vishwanathan	1.95	1.80
		Dr. Matthias Schmitz	1.95	1.80
		Mr. Ulhas Yargop (Appointed w.e.f. 1st Oct 24)	0.49	-
		Mr. U. C. Muktibodh (Appointed w.e.f. 16th Jan 25)	-	-
		Ms. Sharmila Roy Chowdhury	1.95	1.80
		Mr. Vishal Kampani (Appointed w.e.f. 1st Oct 24)	0.49	-

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for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

32 Disclosure pursuant to Ind AS 24 'Related Party Disclosures': (Contd..)

Sr. No.	Particulars	Name of the party	Year ended December 31, 2025	Year ended December 31, 2024
22	Expenditure on Corporate Social Responsibility	KSB Care Charitable Trust	-	46.20
23	Contribution to post employment benefits	KSB Pumps Employee's Gratuity Trust	48.20	54.81
		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.

Name of the shareholder	As at December 31, 2025			As at December 31, 2024		
	Pumps	Valves	Total	Pumps	Valves	Total
(B) Segment revenue						
Total segment revenue	22,150.11	4,851.03	27,001.14	21,080.80	4,287.81	25,368.61
Inter segment revenue	-	(43.86)	(43.86)	-	(37.75)	(7.93)
Revenue from external customers	**22,150.11**	**4,807.17**	**26,957.28**	**21,080.80**	**4,250.06**	**25,330.86**
(C) Segment profit	2,846.98	697.33	3,544.31	2,312.72	647.47	2,960.19
Share of net profit of associate accounted for using the equity method			146.38			134.06
Unallocated corporate income / (expenses)			(0.04)			(0.05)
Finance cost			(30.28)			(27.17)
Interest income , Dividend income and income from gain on financial instruments			199.73			239.47
Profit before exceptional item and tax			**3,860.10**			**3,306.50**
Exceptional item						
Statutory impact of new labour codes			255.48			-
Profit before tax			**3,604.62**			**3,306.50**
Tax expense			(899.68)			(831.75)
Profit for the year			**2,704.94**			**2,474.75**
(D) Segment assets	21,785.19	2,060.29	23,845.48	17,446.29	1,714.22	19,160.51
Investment in associate			953.84			878.28
Unallocated corporate assets			3,126.21			3,441.49
Total assets			**27,925.53**			**23,480.28**
(E) Segment liabilities	9,886.86	1,201.16	11,088.02	7,661.80	859.67	8,521.47
Unallocated corporate liabilities			50.17			105.31
Total liabilities			**11,138.19**			**8,626.78**
(F) Cost incurred during the period to acquire segment property, plant and equipment	1,025.72	91.36	1,117.08	861.59	75.25	936.84
(G) Depreciation and amortisation	537.86	45.50	583.36	496.15	47.09	543.24
(H) Other material item of income and expenses - cost of materials*	12,457.59	2,105.05	14,562.64	12,449.75	1,771.69	14,221.44

* Cost of material i.e. The aggregate of cost of materials consumed, purchases of stock-in-trade and changes in inventories of finished goods, work-in-progress and stock-in-trade, is disclosed as a material expense in management's assessment.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

33 Segment reporting (Contd.)

(I) Geographical Segments

Name of the shareholder	As at December 31, 2025			As at December 31, 2024		
	Pumps	Valves	Total	Pumps	Valves	Total
Segment revenue by geographical area based on geographical location of customers	22,291.55	4,665.73	26,957.28	21,830.64	3,500.22	25,330.86

(J) 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, 2025	As at December 31, 2024
India	5,900.72	5,367.66
Other countries	1.11	1.41
Total	**5,901.83**	**5,369.07**

(K) No individual customer contributed more than 10% of Group's Total Revenue for the year ended December 31, 2025 and December 31, 2024

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, 2025	As at December 31, 2024	
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 the 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	
	Year ended December 31, 2025	Year ended December 31, 2024
Total current assets	1,885.05	1,890.31
Total non-current assets	924.20	586.15
Total current liabilities	816.98	703.82
Total non-current liabilities	95.76	30.30
Net assets	**1,896.51**	**1,742.34**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

34 Interests in other entities (Contd..)

(ii) Reconciliation of carrying amounts

	KSB MIL Controls Limited	
	Year ended December 31, 2025	Year ended December 31, 2024
Opening net assets	1,742.34	1,573.14
Profit for the year	298.73	273.55
Other comprehensive income	(7.28)	(7.60)
Dividends paid	(137.25)	(96.75)
Closing net assets	**1,896.54**	**1,742.34**
Group's share in %	49%	49%
Group's share in INR	929.30	853.76
Goodwill	24.52	24.52
Carrying amount	**953.82**	**878.28**

(iii) Summarized Statement of Profit and Loss

	KSB MIL Controls Limited	
	Year ended December 31, 2025	Year ended December 31, 2024
Revenue	3,205.45	2,865.20
Profit for the period	298.73	273.55
Other comprehensive income	(7.28)	(7.60)
Total comprehensive income	291.45	265.95
Dividends received	-	-

(d) Commitments and contingent liabilities in respect of associates

	Year ended December 31, 2025	Year ended December 31, 2024
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	51.03	0.64
Total	**53.63**	**3.24**

35 Additional information required by Schedule III

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (INR Million)	As % of consolidated profit or loss	Amount (INR Million)	As % of consolidated other comprehensive income	Amount (INR Million)	As % of total comprehensive income	Amount (INR Million)
Parent								
KSB Limited								
December 31, 2025	94.31%	15,831.89	94.59%	2,558.59	95.24%	(71.37)	94.57%	2,487.22
December 31, 2024	94.09%	13,973.58	94.58%	2,340.74	88.08%	(27.48)	94.67%	2,313.26
Subsidiary - Indian								

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

35 Additional information required by Schedule III (Contd..)

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (INR Million)	As % of consolidated profit or loss	Amount (INR Million)	As % of consolidated other comprehensive income	Amount (INR Million)	As % of total comprehensive income	Amount (INR Million)
Pofran Sales and Agency Limited								
December 31, 2025	0.01%	1.61	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
December 31, 2024	0.01%	1.64	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Associate - Indian (Investment as per equity method)								
KSB MIL Controls Limited								
December 31, 2025	5.68%	953.84	5.41%	146.38	4.76%	(3.57)	5.43%	142.81
December 31, 2024	5.90%	878.28	5.42%	134.06	11.92%	(3.72)	5.33%	130.34
Total - December 31, 2025	**100%**	**16,787.34**	**100%**	**2,704.94**	**100%**	**(74.94)**	**100%**	**2,630.00**
Total - December 31, 2024	**100%**	**14,853.50**	**100%**	**2,474.75**	**100%**	**(31.20)**	**100%**	**2,443.55**

All eliminations and adjustments are netted off against balances of the Parent Company for disclosure purpose.

36 Fair value measurements

Except derivative instruments and investment in mutual funds, all financial assets and financial liabilities are measured at amortised cost. Derivative instruments and investment in mutual funds are classified as fair value through profit or loss. The fair value of derivatives instruments is determined using forward exchange rates at the balance sheet date. The fair value of investments in Mutual fund is based on the NAV at the reporting date obtained from the asset management companies. These 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, price 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), investing activities and 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 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

The Group uses the Expected Credit Loss (ECL) model to assess the impairment loss on trade receivables. As per ECL simplified approach, the Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Group's customers' financial condition; aging of trade receivable; the Group's historical loss experience; and adjustment based on forward looking

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

37 Financial risk management (Contd..)

information. The Group defines default as an event when there is no reasonable expectation of recovery. The credit default risk on receivables with government or public sector customers is considered to be remote. The following disclosure is without the balance of governement or public sector customers.

Expected credit loss for trade receivables under simplified approach

Trade receivables	December 31, 2024				
	Trade receivable	Credit Impaired	Expected loss rate	Expected credit Allowance	Net Trade receivables
Outstanding for following periods from the due date					
Less than 1 year	4,217.30	1.10	0%	19.45	4,196.75
1-2 years	370.19	16.33	16%	56.12	297.74
2-3 years	70.23	4.97	38%	24.74	40.52
More than 3 years	157.25	44.20	47%	53.59	59.46
Total `	**4,814.97**	**66.60**		**153.90**	**4,594.47**

Trade receivables	December 31, 2025				
	Trade receivable	Credit Impaired	Expected loss rate	Expected credit Allowance	Net Trade receivables
Outstanding for following periods from the due date					
Less than 1 year	5,235.53	-	1%	67.95	5,167.59
1-2 years	235.79	3.56	15%	35.17	197.06
2-3 years	111.66	0.94	23%	25.41	85.31
More than 3 years	116.65	70.69	44%	20.07	25.89
Total	**5,699.64**	**75.19**		**148.60**	**5,475.85**

Movement of provision for loss allowance:

	Provision for Loss allowance
Provision as at January 1, 2024	**152.71**
Change during the year	67.79
Provision as at December 31, 2024	**220.50**
Change during the year	3.29
Provision as at December 31, 2025	**223.79**

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, 2024	**5.30**
Change during the year	-
Provision as at December 31, 2024	**5.30**
Change during the year	-
Provision as at December 31, 2025	**5.30**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

37 Financial risk management (Contd..)

(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:

	As at December 31, 2025		As at December 31, 2024	
	Upto 1 year	Above 1 year	Upto 1 year	Above 1 year
Trade payables	4,414.26	-	3,719.25	-
Lease liabilities	14.72	54.46	13.89	26.86
Other financial liabilities	696.74	-	508.01	-

(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

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR million, are as follows :-

	As at December 31, 2025						As at December 31, 2024					
	EUR	USD	AUD	SGD	GBP	BDT	EUR	USD	AUD	SGD	GBP	BDT
Financial assets												
Trade receivables	497.12	1,094.36	-	-	6.89	0.24	217.37	895.08	-	-	0.24	0.25
Balances with banks												
- In current accounts	-	-	-	-	-	2.78	-	-	-	-	-	2.17
- In EEFC accounts	227.64	204.03	-	-	-	-	107.25	205.84	-	-	-	-
Derivative assets - Foreign exchange forward contracts (Sell Foreign Currency)	-	(106.46)	-	-	-	-	(61.44)	(101.37)	-	-	-	-
Net exposure to foreign currency risk (assets)	**724.76**	**1,191.93**	**-**	**-**	**6.89**	**3.02**	**263.18**	**999.55**	**-**	**-**	**0.24**	**2.42**
Financial liabilities												
Trade payables	263.79	339.15	0.13	0.06	0.14	0.69	250.94	112.29	0.11	0.06	0.99	0.59
Net exposure to foreign currency risk (liabilities)	**263.79**	**339.15**	**0.13**	**0.06**	**0.14**	**0.69**	**250.94**	**112.29**	**0.11**	**0.06**	**0.99**	**0.59**

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

37 Financial risk management (Contd..)

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments in USD and EUR. The Group's exposure to other foreign currencies is not material.

	Impact on profit before tax [Increase / (Decrease)]	
	Year ended December 31, 2025	Year ended December 31, 2024
EUR sensitivity		
INR/EUR - Increase by 5% (December 31, 2024 -5%)*	23.05	0.61
INR/EUR - Decrease by 5% (December 31, 2024-5%)*	(23.05)	(0.61)
USD sensitivity		
INR/USD - Increase by 5% (December 31, 2024-5%)*	42.64	44.36
INR/USD - Decrease by 5% (December 31, 2024-5%)*	(42.64)	(44.36)

* 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.There is no material exposure to interest rate risk as at financial year end.

III) Other price risk

The Group is exposed to price risk for investments that are classified as Fair Value Through Profit and Loss statement. Currently, the Group's exposure to price risk is not material.

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 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, 2025 and December 31, 2024.

No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2025 and December 31, 2024.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	As at December 31, 2025	As at December 31, 2024
Cash and bank balance		
Cash and cash equivalents [Refer note 8 (a)]	1,668.34	959.01
Other bank balance [Refer note 8 (b)]	1,154.18	2,268.00
Borrowings		
Current borrowings	-	-
Net cash and bank balance	**2,822.52**	**3,227.01**

The amount of net cash and bank balance considering the amount of lease liabilities of INR 52.03 million (December 31, 2024: INR 34.36 million) is INR 2,770.49 million (December 31, 2024: INR 3,192.65 million)

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

38 Capital management (Contd..)

Net debt reconciliation - Current borrowings

	As at December 31, 2025	As at December 31, 2024
Net debt at the beginning of the year	-	-
Net cashflows [Inflow/(Outflow)]	-	-
Interest on borrowings	-	6.97
Interest paid on borrowings	-	(6.97)
Net debt at the end of the year	-	-

b) Dividends

	As at December 31, 2025	As at December 31, 2024
(i) Equity shares		
Final dividend paid for the year ended December 31, 2024 of INR 4.00 (December 31, 2023 of INR 3.50) per fully paid share.	696.16	609.14
(ii) Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a final dividend of INR 4.40 per fully paid equity share (December 31, 2024 - INR 4.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	765.77	696.16

39 Statutory impact of New Labour Codes

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Group has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact as “Impact of new labour codes” under Exceptional items in the Consolidated Statement of profit and loss for the year ended December 31, 2025. The incremental impact consisting of gratuity of INR 255.48 million primarily arises due to change in wage definition. The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

40 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 Group has a process in place to take backup on a daily basis. During the year ended December 31, 2025, the Group has taken the backup of its ERP system used for maintaining books of accounts. However due to technical challenges backup of audit trail maintained in electronic mode of the Company has not been maintained on servers physically located in India.

41 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. Further, at database layer, the audit trail feature has not been enabled to log any direct data changes for an admin user and audit log of modification done does not contain the pre-modified values.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

41 (Contd..)

b) Further, for the purpose of payroll processing, the Company uses software of third-party service provider. Audit trail for at the database level has been enabled from May 31, 2025. Further, due to technical challenges the audit log of modification done at database level does not contain the pre-modified values.

In case of the Associate-

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 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 Associate uses software of third-party service provider. Audit trail for at the database level has been enabled from May 31, 2025. Further, due to technical challenges the audit log of modification done at database level does not contain the pre-modified values

c) The spreadsheets used by the Company does not have an audit trail (edit log) feature.

42 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 250.64 million (December 31, 2024: INR 500.96 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.

(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, 2024	Relationship
1	Soares Engineers Private Limited	Payables	0.27	Non related party
2	Resurgent Power Systems Private Limited	Payables	0.69	Non related party

Sr	Name of the struck off Company	Nature of transactions	Balance outstanding as at December 31, 2025	Relationship
1	Soares Engineers Private Limited	Payables	0.27	Non related party
2	Resurgent Power Systems Private Limited	Payables	0.69	Non related party

(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, 2025 and December 31, 2024.

Notes to the Consolidated Financial Statements

for the year ended December 31, 2025

(All amounts in INR million, unless otherwise stated)

42 Additional regulatory information (Contd..)

(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:

i. 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

ii. 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:

i. 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

ii. 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, 2025 and December 31, 2024 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, 2025 and December 31, 2024.

(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, 2025 and December 31, 2024.

43 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.

44 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 25, 2026

For and on behalf of the Board of Directors

Gaurav Swarup
Chairman
(DIN : 00374298)

Ulhas Yargop
Director
(DIN : 00054530)

Rajeev Jain
Managing Director
(DIN : 07475640)

Mahesh Bhave
Chief Financial Officer

Place : Mumbai
Date : February 25, 2026

Shraddha Kavathekar
Company Secretary

Notes

Notes

Pumps, valves and service with trusted German Technology

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KSB Limited

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