

14th August, 2020

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

Dear Sirs,

Sub: Unaudited Financial Results and Limited Review Report of the Auditors for the quarter ended 30th June, 2020

Ref: Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith Unaudited Financial Results alongwith “Limited Review Report” issued by the Auditors, M/s Price Waterhouse Chartered Accountants, LLP, Pune, for the quarter ended 30th June, 2020.

Kindly take the same on your records.

Yours faithfully,
For **KSB Limited**

Mahesh Bhave
GM-Finance and Company Secretary

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED JUNE 30, 2020

(Rs. in million)

Particulars	Quarter ended			Six Months ended		Year ended
	June 30, 2020 (Unaudited)	March 31, 2020 (Unaudited)	June 30, 2019 (Unaudited)	June 30, 2020 (Unaudited)	June 30, 2019 (Unaudited)	December 31, 2019 (Audited)
1 Income						
a) Revenue from operations	2,189	2,570	3,018	4,759	5,911	12,939
b) Other income	69	128	82	197	131	256
Total Income	2,258	2,698	3,100	4,956	6,042	13,195
2 Expenses						
a) Cost of materials consumed	905	1,409	1,525	2,314	2,923	6,016
b) Purchase of stock-in-trade	152	170	290	322	503	1,062
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	196	(271)	(207)	(75)	(266)	(95)
d) Employee benefits expense	450	475	455	925	872	1,779
e) Finance costs	9	8	10	17	19	53
f) Depreciation and amortisation expense	99	99	103	198	205	457
g) Other expenses	350	607	634	957	1,253	2,674
Total Expenses	2,161	2,497	2,810	4,658	5,509	11,946
3 Profit before exceptional item and tax (1-2)	97	201	290	298	533	1,249
4 Exceptional item	-	-	127	-	127	127
5 Profit before tax (3+4)	97	201	417	298	660	1,376
6 Tax expense						
a) Current tax	14	57	95	71	165	338
b) Deferred tax	5	(11)	44	(6)	60	60
Total Tax expense	19	46	139	65	225	398
7 Profit for the period (5-6)	78	155	278	233	435	978
8 Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of post-employment benefit obligations	(25)	*	*	(25)	*	(70)
Income tax relating to items that will not be reclassified to profit or loss	7	*	*	7	*	18
9 Total comprehensive income for the period, net of tax (7+8)	60	155	278	215	435	926
10 Paid up equity share capital (face value of Rs.10/- each)	348	348	348	348	348	348
11 Other equity (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year						7,459
12 Earnings per equity share (EPS) (face value of Rs.10/- each) (not annualised except for the year ended figure)						
Basic and Diluted (Rs.)	2.24	4.45	7.99	6.69	12.50	28.10

* Amount below rounding off norm adopted by the Company

Notes:

- Balance Sheet as at June 30, 2020 is annexed. (Presented in Annexure-1)
- As per Ind AS 108 'Operating Segments', when financial results contains both consolidated and standalone financial results for parent, segment information needs to be presented only in case of consolidated financial results. Accordingly, segment information has been provided only in the consolidated financial results.
- Statement of Cash Flows for the six months ended June 30, 2020 is annexed. (Presented in Annexure-3)
- The above results have been subjected to Limited Review by the statutory auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 14, 2020.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under section 133 of the Companies Act, 2013 and the other recognised accounting practices and policies to the extent applicable.
- The Novel Coronavirus (COVID-19) is a Global Pandemic and is rapidly spreading throughout the world. This event has significantly affected the socio-economic and business activities worldwide and, as a result, could affect the operations and results of the Company. With effect from March 23, 2020, the Company had shutdown all plants and offices in adherence to nationwide lockdown, as declared by Government of India to prevent and contain the spread of Coronavirus outbreak. On the basis of orders and directions issued by the Government of India and respective state and local government authorities subsequently, the Company has resumed the operations in a phased manner with a limited capacity. The Company has taken cognizance of all the possible impacts of the known events arising from COVID-19 pandemic, and based on its review, there is no significant impact on its financial results. However the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions.
- Effective January 1, 2020, the Company has adopted Ind AS 116 - Leases, using the 'Modified Retrospective Approach' for transition from Ind AS 17 - Leases, with no impact to the retained earnings as at January 1, 2020. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 116 does not have a material impact on the results for the quarter and six months ended June 30, 2020.
- Exceptional item for the quarter and six months ended June 30, 2019 and year ended December 31, 2019 represents gain of Rs.127 million arising from the sale of office property located at Mumbai.
- Pursuant to the announcement made by the Finance Ministry of the Government of India on September 20, 2019, the Company opted for a lower tax rate as per section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2019-20 onwards. Accordingly, the Company recognised provision for income tax and remeasured the deferred tax assets basis the revised lower tax rate and the impact of the same was recognised in the year ended December 31, 2019.
- The Company had previously reported a matter related to fraud, whereby an employee was confirmed of accepting kickbacks/money from a vendor amounting to Rs. 11.40 million. During the six months ended June 30, 2020, the Company has recovered the entire amount from the concerned employee and the said matter is closed.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.

Place : Pune
Date : August 14, 2020

Rajeev Jain
Managing Director

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED JUNE 30, 2020

Particulars	Quarter ended			Six Months ended		Year ended
	June 30, 2020	March 31, 2020	June 30, 2019	June 30, 2020	June 30, 2019	December 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Income						
a) Revenue from operations	2,189	2,570	3,018	4,759	5,911	12,939
b) Other income	69	128	57	197	106	231
Total Income	2,258	2,698	3,075	4,956	6,017	13,170
2 Expenses						
a) Cost of materials consumed	905	1,409	1,525	2,314	2,923	6,016
b) Purchase of stock-in-trade	152	170	290	322	503	1,062
c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	196	(271)	(207)	(75)	(266)	(95)
d) Employee benefits expense	450	475	455	925	872	1,779
e) Finance costs	9	8	10	17	19	53
f) Depreciation and amortisation expense	99	99	103	198	205	457
g) Other expenses	350	607	634	957	1,253	2,674
Total Expenses	2,161	2,497	2,810	4,658	5,509	11,946
3 Profit before share of net profit of associate, exceptional item and tax (1-2)	97	201	265	298	508	1,224
4 Share of net profit of associate	6	6	5	12	14	54
5 Profit before exceptional item and tax (3+4)	103	207	270	310	522	1,278
6 Exceptional item	-	-	127	-	127	127
7 Profit before tax (5+6)	103	207	397	310	649	1,405
8 Tax expense						
a) Current tax	14	57	95	71	165	338
b) Deferred tax	7	41	44	48	60	60
Total Tax expense	21	98	139	119	225	398
9 Profit for the period (7-8)	82	109	258	191	424	1,007
10 Other comprehensive income						
Items that will not be reclassified to profit or loss						
Remeasurement of post-employment benefit obligations	(25)	*	*	(25)	*	(70)
Income tax relating to items that will not be reclassified to profit or loss	7	*	*	7	*	18
Share of Other comprehensive income of associate	*	*	*	*	*	(2)
11 Total comprehensive income for the period, net of tax (9+10)	64	109	258	173	424	953
12 Paid up equity share capital (face value of Rs.10/- each)	348	348	348	348	348	348
13 Other equity (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year						7,939
14 Earnings per equity share (EPS) (face value of Rs.10/- each) (not annualised except for the year ended figure) Basic and Diluted (Rs.)	2.36	3.13	7.41	5.49	12.18	28.94

* Amount below rounding off norm adopted by the Group

Notes:

- Balance Sheet as at June 30, 2020 is annexed. (Presented in Annexure-1)
- Segment Information is annexed. (Presented in Annexure-2)
- Statement of Cash Flows for the six months ended June 30, 2020 is annexed. (Presented in Annexure-3)
- The consolidated financial results include the results of KSB Limited, its subsidiary Pofran Sales and Agency Limited and its associate KSB MIL Controls Limited.
- The above results have been subjected to Limited Review by the statutory auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on August 14, 2020.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under section 133 of the Companies Act, 2013 and the other recognised accounting practices and policies to the extent applicable.
- The Novel Coronavirus (COVID-19) is a Global Pandemic and is rapidly spreading throughout the world. This event has significantly affected the socio-economic and business activities worldwide and, as a result, could affect the operations and results of the Group. With effect from March 23, 2020, the Group had shutdown all plants and offices in adherence to nationwide lockdown, as declared by Government of India to prevent and contain the spread of Coronavirus outbreak. On the basis of orders and directions issued by the Government of India and respective state and local government authorities subsequently, the Group has resumed the operations in a phased manner with a limited capacity. The Group has taken cognizance of all the possible impacts of the known events arising from COVID-19 pandemic, and based on its review, there is no significant impact on its financial results. However the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The impact of global health pandemic might be different from that estimated as at the date of approval of these financial results. The Group will continue to closely monitor any material changes to future economic conditions.
- Effective January 1, 2020, the Group has adopted Ind AS 116 - Leases, using the 'Modified Retrospective Approach' for transition from Ind AS 17 - Leases, with no impact to the retained earnings as at January 1, 2020. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 116 does not have a material impact on the results for the quarter and six months ended June 30, 2020.
- In accordance with the recent amendments in sections 10(34) and 115-O of the Income-tax Act, 1961, Dividend Distribution Tax (DDT) would not be payable by companies in respect of dividends declared, distributed or paid after March 31, 2020 and similarly tax exemption under section 10(34) to recipient has been withdrawn with effect from April 1, 2020. Accordingly, the Group remeasured the deferred tax liability on Unremitted earnings of associate considering tax rate applicable to Group and the impact of Rs. 50.66 million was recognised as a tax expense for the quarter ended March 31, 2020.
- Exceptional item for the quarter and six months ended June 30, 2019 and year ended December 31, 2019 represents gain of Rs.127 million arising from the sale of office property located at Mumbai.
- Pursuant to the announcement made by the Finance Ministry of the Government of India on September 20, 2019, the Group opted for a lower tax rate as per section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from financial year 2019-20 onwards. Accordingly, the Group recognised provision for income tax and remeasured the deferred tax assets basis the revised lower tax rate and the impact of the same was recognised in the year ended December 31, 2019.
- The Company had previously reported a matter related to fraud, whereby an employee was confirmed of accepting kickbacks/money from a vendor amounting to Rs. 11.40 million. During the six months ended June 30, 2020, the Company has recovered the entire amount from the concerned employee and the said matter is closed.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.
- Results of KSB Limited (formerly known as KSB Pumps Limited) on a standalone basis are hosted at the Company's website www.ksbindia.co.in

Particulars	Quarter ended			Six Months ended		Year ended
	June 30, 2020	March 31, 2020	June 30, 2019	June 30, 2020	June 30, 2019	December 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations and Other income	2,258	2,698	3,100	4,956	6,042	13,195
Profit before tax	97	201	417	298	660	1,376
Profit for the period	78	155	278	233	435	978

(Rs. in million)

Particulars	STANDALONE		CONSOLIDATED	
	As at June 30, 2020 (Unaudited)	As at December 31, 2019 (Audited)	As at June 30, 2020 (Unaudited)	As at December 31, 2019 (Audited)
A ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	2,958	3,057	2,958	3,057
(b) Capital work-in-progress	314	345	314	345
(c) Intangible assets	15	16	15	16
(d) Financial assets				
(i) Investments	63	63	656	644
(ii) Loans	76	81	76	81
(iii) Trade receivables	109	131	109	131
(e) Assets for current tax (net)	262	155	264	157
(f) Deferred tax assets (net)	132	119	-	16
(g) Other non-current assets	38	41	38	41
Total: Non-current assets	3,967	4,008	4,430	4,488
2 Current assets				
(a) Inventories	3,454	3,248	3,454	3,248
(b) Financial assets				
(i) Trade receivables	2,330	2,962	2,330	2,962
(ii) Cash and cash equivalents	652	484	652	484
(iii) Bank balances other than (ii) above	2,694	2,417	2,694	2,417
(iv) Loans	19	21	19	21
(v) Other financial assets	85	105	85	105
(c) Other current assets	517	633	517	633
Total: Current assets	9,751	9,870	9,751	9,870
Total Assets	13,718	13,878	14,181	14,358
B EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	348	348	348	348
(b) Other equity	7,674	7,459	8,112	7,939
Total: Equity	8,022	7,807	8,460	8,287
2 Non-current liabilities				
(a) Provisions	446	424	446	424
(b) Deferred tax liabilities (net)	-	-	25	-
Total: Non-current liabilities	446	424	471	424
3 Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	602	600	602	600
(ii) Trade payables				
-Total outstanding dues of micro enterprises and small enterprises	33	12	33	12
-Total outstanding dues of creditors other than micro enterprises and small enterprises	2,458	2,544	2,458	2,544
(iii) Other financial liabilities	441	703	441	703
(b) Other current liabilities	1,322	1,323	1,322	1,323
(c) Provisions	388	452	388	452
(d) Current tax liabilities (net)	6	13	6	13
Total: Current liabilities	5,250	5,647	5,250	5,647
Total Equity and Liabilities	13,718	13,878	14,181	14,358

Note:

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

CONSOLIDATED UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED JUNE 30, 2020

(Rs. in million)

Particulars	Quarter ended			Six Months ended		Year ended
	June 30, 2020 (Unaudited)	March 31, 2020 (Unaudited)	June 30, 2019 (Unaudited)	June 30, 2020 (Unaudited)	June 30, 2019 (Unaudited)	December 31, 2019 (Audited)
1 Segment Revenue						
(a) Pumps	1,892	2,167	2,476	4,059	4,908	10,878
(b) Valves	299	407	555	706	1,018	2,081
(c) Others	85	187	238	272	469	963
Total	2,276	2,761	3,269	5,037	6,395	13,922
Less: Inter Segment Revenue	87	191	251	278	484	983
Revenue From Operations	2,189	2,570	3,018	4,759	5,911	12,939
2 Segment Results						
(a) Pumps	93	169	221	262	446	1,119
(b) Valves	(5)	23	34	18	57	141
(c) Others	(1)	*	(1)	(1)	(1)	(5)
Total	87	192	254	279	502	1,255
Less: Finance costs	9	8	10	17	19	53
Add: Other unallocable income / (expense) net	19	17	148	36	152	149
Add: Share of net profit of associate	6	6	5	12	14	54
Profit Before Tax	103	207	397	310	649	1,405
3 Segment Assets						
(a) Pumps	7,611	7,959	7,927	7,611	7,927	8,391
(b) Valves	1,341	1,305	1,364	1,341	1,364	1,301
(c) Others	878	866	909	878	909	842
(d) Unallocable Assets	4,351	3,764	2,878	4,351	2,878	3,824
Total	14,181	13,894	13,078	14,181	13,078	14,358
4 Segment Liabilities						
(a) Pumps	4,213	4,050	3,943	4,213	3,943	4,622
(b) Valves	754	663	711	754	711	706
(c) Others	118	119	166	118	166	127
(d) Unallocable Liabilities	636	667	508	636	508	616
Total	5,721	5,499	5,328	5,721	5,328	6,071

* Amount below rounding off norm adopted by the Group

Notes:

- 'Other unallocable income / (expense) net' for the quarter and six months ended June 30, 2019 and year ended December 31, 2019 represents gain of Rs.127 million arising from the sale of office property located at Mumbai.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.

(Rs. in million)

Particulars	STANDALONE		CONSOLIDATED	
	Six Months ended June 30, 2020 (Unaudited)	Six Months ended June 30, 2019 (Unaudited)	Six Months ended June 30, 2020 (Unaudited)	Six Months ended June 30, 2019 (Unaudited)
A Cash flows from operating activities				
Profit before tax	298	660	310	649
Adjustments for :				
Depreciation and amortisation expense	198	205	198	205
Net loss/(gain) on disposal of property, plant and equipment [Refer Note-2]	*	(128)	*	(128)
Finance costs	17	19	17	19
Interest income	(89)	(69)	(89)	(69)
Dividend from investment in associate	-	(22)	-	-
Dividend from investment in subsidiary	-	(3)	-	-
Mark to market (gain) / loss on derivative contracts	8	(3)	8	(3)
Sundry credit balances and provisions no longer required, written back	(21)	(13)	(21)	(13)
Unrealised foreign exchange (gain) / loss	(8)	(11)	(8)	(11)
Allowance for doubtful receivables	13	6	13	6
Share of profit of associate	-	-	(12)	(14)
	118	(19)	106	(8)
Operating profit before working capital changes	416	641	416	641
Adjustment for changes in working capital:				
(Increase) / decrease in operating assets:				
Inventories	(205)	(396)	(205)	(396)
Trade receivables	649	490	649	490
Loans	7	(3)	7	(3)
Other assets	117	(5)	117	(5)
Increase / (decrease) in operating liabilities:				
Trade payables	(44)	277	(44)	277
Other financial liabilities	(164)	(3)	(164)	(3)
Other liabilities	(1)	258	(1)	258
Provisions	(67)	(84)	(67)	(84)
	292	534	292	534
Cash generated from operations	708	1,175	708	1,175
Income taxes paid	(185)	(187)	(185)	(187)
Net cash flows generated from operating activities (A)	523	988	523	988
B Cash flows from investing activities				
Purchase of property, plant and equipment and intangible assets	(170)	(294)	(170)	(294)
Proceeds from disposal of property, plant and equipment	*	129	*	129
Bank balances not considered as cash and cash equivalents	(277)	(238)	(277)	(238)
Interest received	109	65	109	65
Dividend from investment in associate	-	22	-	-
Dividend from investment in subsidiary	-	3	-	-
Income from trade investments (non-current)	-	-	-	22
Net cash flows used in investing activities (B)	(338)	(313)	(338)	(316)
C Cash flows from financing activities				
Increase in working capital borrowings	*	142	*	142
Finance costs	(17)	(19)	(17)	(19)
Dividends paid	-	(209)	-	(209)
Tax on dividend	-	(42)	-	(44)
Net cash flows generated from / (used in) financing activities (C)	(17)	(128)	(17)	(130)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	168	547	168	542
Cash and cash equivalents at the beginning of the year	484	20	484	25
Effects of exchange rate changes on cash and cash equivalents	(2)	*	(2)	*
Cash and cash equivalents at the end of the year	650	567	650	567

Reconciliation of Cash and cash equivalents as per Statement of Cash Flows:

Cash and cash equivalents as per above comprise of following:	As at June 30, 2020	As at June 30, 2019	As at June 30, 2020	As at June 30, 2019
(a) Cash and cash equivalents	652	572	652	572
(b) Bank overdrafts	(2)	(5)	(2)	(5)
Cash and cash equivalents at the end of the year	650	567	650	567

* Amount below rounding off norm adopted by the Company / Group

Notes:

- Statement of Cash Flows has been prepared under the 'Indirect Method' in accordance with 'Ind AS 7 : Statement of Cash Flows'.
- 'Net gain on disposal of property, plant and equipment' for the six months ended June 30, 2019 includes gain of Rs.127 million arising from sale of office property located at Mumbai.
- Previous periods figures have been regrouped / reclassified wherever considered necessary to conform to current period's classification / disclosure.