

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi-74000.

18/ABA-37
February 20, 2018

RE: MATERIAL INFORMATION

Dear Sir,

In accordance with Section 15D of the Securities & Exchange Ordinance, 1969 and Clause 5.19.13 (c) Code of Corporate Governance) of the Rule Book of the Exchange, we hereby convey the following information:

KSB Pakistan took a visionary initiative to modernize and expand foundry operations with future prospects in view and to cater the increasing market demand. In this context substantial investment was made to enhance the Foundry capacity by acquiring new German Foundry Plant and successfully launched new Foundry project ahead of committed time to the customers. Inauguration of new foundry is scheduled to be held on the 7th March, 2018.

The new Plant consists of state of the art fully automatic, environment friendly, poke yoke both in Quality and safety, high pressure molding line from HWS Sinto Germany and Sand Plant from Eirich Germany. KSB Pakistan also enhanced its melting capacity by 75 % with the induction of new dual track Induction furnace and moulding capacity by 100%. All this enabled KSB Pakistan to improve its Product quality, speed, productivity as well as enhancement in capacity to cater for

- Diversity of product lines in current and future business\ .
- Growth in automotive sector.

This will provide help in upcoming business from existing auto manufacturers and potential new entrants. This will also help to increase our exports of pumps and castings.

In line with Foundry Project KSB Pakistan also invested in Machines & Equipment to develop in-house facility of design, development, manufacturing,

testing & validation of its patterns and new products via Digital manufacturing, which facilitated our customers by inducting new products in shorter lead time to the market.

KSB Pakistan Operations surpass the Production targets as well as Foundry Sales targets. As a part of continuous improvement process, KSB Pakistan continued focussing on employee's skill development as well as on process improvement through induction of new machines and infrastructure enhancement .

Thanking you

Yours faithfully
for KSB PUMPS COMPANY LIMITED



SAJID MAHMOOD AWAN
Company Secretary

cc: SSED Department
SECP
NIC Building, 63- Jinnah Avenue
Blue Area, Islamabad.