

22nd February, 2018

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: KSBPUMPS

Sub: Intimations pursuant to financial year ended 31st December, 2017 and results for the year ended 31st December, 2017

Dear Sirs,

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

1. Dividend

Board of Directors have recommended Rs. 6.00 per share of Rs.10 each (60%) on 3,48,07,844 equity shares of Rs.10 each fully paid up as dividend for the year ended 31st December, 2017.

2. Book Closure

Register of Members and Share Transfer Books of the Company will remain closed from 15th April, 2018 to 25th April, 2018.

3. The dividend will be paid on or after 16th May, 2018.

4. Annual General Meeting

It will be held on Wednesday, 25th April, 2018 at 3.00 p.m. at Bajaj Bhavan, Ground Floor (Kamalnayan Bajaj Hall), 226, Nariman Point, Mumbai 400 021.

We enclose the following documents:

1. Notice of Book Closure
2. Audited Financial Results

Yours faithfully,
For KSB PUMPS LIMITED


Narasimhan R
DGM- Finance and Company Secretary

Encl: as above

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KSB PUMPS LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

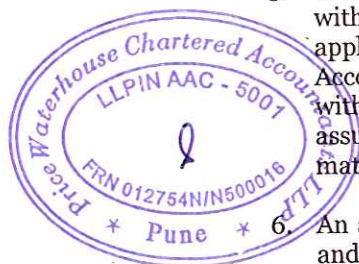
1. We have audited the accompanying standalone financial statements of KSB Pumps Limited ("the Company"), which comprise the Balance Sheet as at December 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT
To the Members of KSB Pumps Limited
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control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by 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, 2017, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the year ended December 31, 2016 and the transition date opening balance sheet as at January 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended December 31, 2016 and December 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated February 20, 2017 and February 18, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. 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.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT
To the Members of KSB Pumps Limited
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- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact, if any, of pending litigations as at December 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer Note 29a;
 - ii. The Company has made provision as at December 31, 2017, as required under the applicable law or indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 34c;
 - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended December 31, 2017. However, in respect of 8,028 shares as referred to in Note 29c to the Ind AS Standalone financial statements, the Company has not been able to transfer the shares to the Investor Education and Protection Fund for the reasons set out in the aforesaid note and is taking necessary steps in this regard.

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

Neeraj Sharma
Partner
Membership Number 108391

Pune
February 22, 2018

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10f of the Independent Auditors' Report of even date to the members of KSB Pumps Limited on the consolidated financial statements for the year ended December 31, 2017

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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

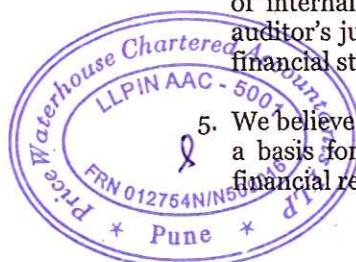
1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended December 31, 2017, we have audited the internal financial controls over financial reporting of KSB Pumps Limited (hereinafter referred to as "the Holding Company") and its associate company as of that date. Reporting under Clause (i) of sub-section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to the subsidiary company incorporated in India, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

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 over financial reporting 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 issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 over financial reporting.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10f of the Independent Auditors' Report of even date to the members of KSB Pumps Limited on the consolidated financial statements for the year ended December 31, 2017

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Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 2017, 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 issued by the Institute of Chartered Accountants of India.

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

Neeraj Sharma
Partner
Membership Number 108391

Pune
February 22, 2018

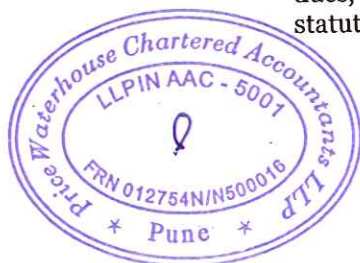
Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of KSB Pumps Limited on the standalone financial statements as of and for the year ended December 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory [excluding stocks with third parties] have been conducted at reasonable intervals by the Management during the year. 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 material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- 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) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, duty of excise, service tax, value added tax, goods and service tax and employees' state insurance though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, duty of customs, sales tax, cess and other material statutory dues, as applicable, with the appropriate authorities.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

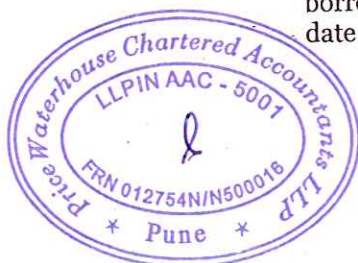
Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of KSB
Pumps Limited on the standalone financial statements for the year ended December 31, 2017

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- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs, value added tax, sales tax which have not been deposited on account of any dispute. The particulars of dues of service tax, duty of excise, Income tax as at December 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (INR in million)	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 if applicable)	20.27	0.01	December 1998 to February 2003	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
		26.5	1.6	March 2002 to March 2007	
Finance Act, 1994	Service Tax (including interest and penalty if applicable)	404	9.49	September 2004 to September 2014	
Income Tax Act, 1961	Income Tax (including interest and penalty if applicable)	3.60	-	AY 1989-90	High Court
		5.61	-	AY 1995-96	Commissioner of Income-tax (Appeals) CIT(A)
		2.88	-	AY 1996-97	
		2.28	-	AY 2004-05	
		3.67	-	AY 2006-07	
		3.95	-	AY 2007-08	
		3.56	-	AY 2008-09	
		10.59	-	AY 2009-10	
		5.24	-	AY 2010-11	Income Tax Appellate Tribunal (ITAT)
		3.21	-	AY 2005-06	
		17.82	-	AY 2011-12	
		26.69	5	AY 2012-13	

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company had not issued any debentures as at balance sheet date.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of KSB Pumps Limited on the standalone financial statements for the year ended December 31, 2017

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- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. 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 according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. 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.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are 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 such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (IND AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Neeraj Sharma
Partner
Membership Number 108391

Pune
February 22, 2018

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KSB PUMPS LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

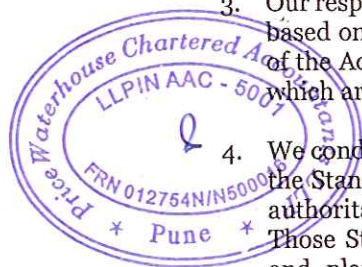
1. We have audited the accompanying consolidated Ind AS financial statements of KSB Pumps Limited ("hereinafter referred to as the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and its associate company; (refer Note 33 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at December 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associate in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its associate 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 respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of KSB Pumps Limited

Report on the Consolidated Ind AS Financial Statements

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5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

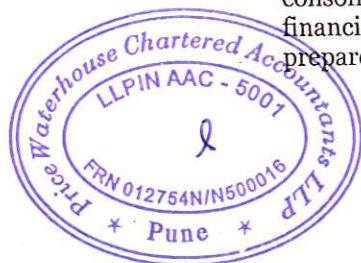
7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate as at December 31, 2017, and their consolidated total comprehensive income (comprising of consolidated profit and consolidated other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial information of the subsidiary whose financial information reflect total assets of Rs. 56.22 million and net assets of Rs. 56.16 million as at December 31, 2017, total revenue of Rs. 3.60 million, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 2.42 million and net cash flows amounting to Rs. 8.28 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of the subsidiary company and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, the financial information are not material to the Group.

Our opinion on the consolidated Ind AS financial statements and our report on other legal and regulatory requirement below is not modified in respect of above matter with respect to the financial information certified by Management.

9. The comparative financial information of the Group for the year ended December 31, 2016 and the transition date opening balance sheet as at January 1, 2016 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended December 31, 2016 and December 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT
To the Members of KSB Pumps Limited
Report on the Consolidated Ind AS Financial Statements
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amended) which were audited by the predecessor auditor, who expressed an unmodified opinion vide reports dated February 20, 2017 and February 18, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Group on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. 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 Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law maintained by the Holding Company, and associate company incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and associate company.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and associate company including relevant records relating to the preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS 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 as on December 31, 2017 taken on record by the Board of Directors of the Holding Company and associate company incorporated in India, none of the directors of the holding company and its associate company incorporated in India is disqualified as on December 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at December 31, 2017 on the consolidated financial position of the Group and its associate – Refer Note (29a and 33c) to the consolidated Ind AS financial statements.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT
To the Members of KSB Pumps Limited
Report on the Consolidated Ind AS Financial Statements
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ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at December 31, 2017 – Refer Note 36c to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associate and (b) the Group's share of net profit in respect of its associate.

iii. Except for certain shares, as disclosed in Note 29c of the IND AS consolidated financial statements, in respect of which unpaid/unclaimed dividend has been transferred to Investor Education and Protection Fund, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended December 31, 2017.

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



Neeraj Sharma
Partner
Membership Number 108391

Pune
February 22, 2018

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10f of the Independent Auditors' Report of even date to the members of KSB Pumps Limited on the consolidated financial statements for the year ended December 31, 2017

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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

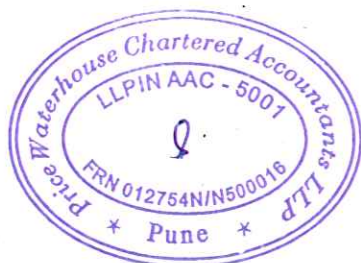
1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended December 31, 2017, we have audited the internal financial controls over financial reporting of KSB Pumps Limited (hereinafter referred to as "the Holding Company") and its associate company which is a company incorporated in India, as of that date. Reporting under Clause (i) of sub-section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is not applicable to the subsidiary company incorporated in India, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

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 over financial reporting 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 issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10f of the Independent Auditors' Report of even date to the members of KSB Pumps Limited on the consolidated financial statements for the year ended December 31, 2017

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understanding of internal financial controls over financial reporting, 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 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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 10f of the Independent Auditors' Report of even date to the members of KSB Pumps Limited on the consolidated financial statements for the year ended December 31, 2017

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system over financial reporting and such internal financial controls over financial reporting were operating effectively as at December 31, 2017, 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 issued by the Institute of Chartered Accountants of India.

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



Neeraj Sharma
Partner
Membership Number 108391

Pune
February 22, 2018

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2017

(Rs. in Lakhs)

Particulars	STANDALONE FINANCIAL RESULTS					CONSOLIDATED FINANCIAL RESULTS	
	Quarter ended		Year ended			Year ended	
	December 31 2017 (Unaudited) (Refer Note-1)	September 30 2017 (Unaudited)	December 31 2016 (Unaudited) (Refer Note-1)	December 31 2017 (Audited)	December 31 2016 (Audited)	December 31 2017 (Audited)	December 31 2016 (Audited)
1 Revenue from operations	32,819	20,047	26,762	96,923	87,907	96,925	87,995
2 Other income	975	525	485	3,171	2,618	2,981	2,437
3 Total income (1+2)	33,794	20,572	27,247	100,094	90,525	99,906	90,432
4 Expenses							
a) Cost of materials consumed	11,283	9,396	9,155	43,023	35,952	43,023	35,952
b) Purchase of stock-in-trade	1,806	1,436	1,494	6,424	3,927	6,424	3,927
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4,379	(1,216)	1,473	(2,730)	(1,177)	(2,730)	(1,177)
d) Excise duty	-	-	1,696	2,491	5,429	2,491	5,429
e) Employee benefits expense	3,648	3,582	3,635	14,456	13,601	14,456	13,608
f) Finance costs	75	55	141	367	315	367	315
g) Depreciation and amortisation expense	850	760	763	3,088	2,936	3,088	2,936
h) Other expenses	7,471	4,739	5,548	22,508	19,646	22,512	19,647
Total expenses	29,512	18,752	23,905	89,627	80,629	89,631	80,637
5 Profit before share of net profit of associate, exceptional items and tax (3-4)	4,282	1,820	3,342	10,467	9,896	10,275	9,795
6 Share of net profit in respect of investment in Associate company	-	-	-	-	-	518	458
7 Exceptional Items	-	-	-	-	-	-	-
8 Profit before tax (5+6-7)	4,282	1,820	3,342	10,467	9,896	10,793	10,253
9 Tax expense							
a) Current Tax	1,817	800	1,146	4,047	3,432	4,056	3,470
b) Deferred Tax	(270)	(141)	(63)	(351)	(70)	(351)	(69)
Total Tax expense	1,547	659	1,083	3,696	3,362	3,705	3,401
10 Profit for the period (8-9)	2,735	1,161	2,259	6,771	6,534	7,088	6,852
11 Other comprehensive income							
Items that will not be reclassified to profit or loss (net of Tax)	123	35	(67)	226	(365)	242	(375)
12 Total comprehensive income for the period (10+11)	2,858	1,196	2,192	6,997	6,169	7,330	6,477
13 Paid up equity share capital	3,481	3,481	3,481	3,481	3,481	3,481	3,481
14 Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year				62,772	58,079	67,561	62,535
15 Earnings Per Share (EPS) (of Rs. 10/- each) (not annualised) Basic and diluted EPS (Rupees)	7.87	3.34	6.49	19.45	18.77	20.36	19.69

Notes:

- Figures of the quarter ended December 31, 2017 and December 31, 2016 are the balancing figures between audited figures in respect of the relevant full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 22, 2018.
- The Statutory Auditors have carried out the audit for the year ended December 31, 2017.
- Segment information is annexed. (Presented in Annexure-1)
- Balance Sheet as at December 31, 2017 is enclosed. (Presented in Annexure-2)
- The Board of Directors have recommended for the year ended on December 31, 2017 dividend of Rs. 6/- per share (60 %) on 34,807,844 equity shares of Rs.10 each.
- This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning January 1, 2017, the Company has for the first time adopted Ind AS with a transition date of January 1, 2016.
- In accordance with the requirements of Ind AS, revenue for the quarter ended December 31, 2017 and September 30, 2017 is net of Goods and Service Tax (GST). However, revenue for the quarter ended and year ended December 31, 2016 is inclusive of Excise Duty of Rs.1,696 lakhs and Rs.5,429 lakhs for the quarter and year ended December 31, 2016 respectively.
- Reconciliation between the financial results as previously reported referred to as previous GAAP and Ind AS is as under:

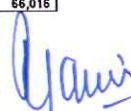
Particulars	STANDALONE		CONSOLIDATED
	Quarter ended December 31 2016	Year ended December 31 2016	Year ended December 31 2016
Net profit after tax as per previous GAAP	2,298	6,176	6,530
1 Remeasurements of post-employment benefit obligations	67	365	365
2 Fair valuation on derivative financial instruments	(62)	37	37
3 Deferred tax liability on unremitted earnings of associate	-	-	(46)
4 Remeasurements of post-employment benefit obligations of associate	-	-	10
5 Tax effects of adjustments	(44)	(44)	(44)
Net profit after tax as per Ind AS	2,259	6,534	6,852
6 Other Comprehensive Income (net of tax)	(67)	(365)	(365)
7 Share of Other Comprehensive Income (net of tax) of associate	-	-	(10)
Total Comprehensive income for the period	2,192	6,169	6,477



10 Reconciliation of total equity as at December 31, 2016 as previously reported referred to as previous GAAP and Ind AS is as under:

Particulars	STANDALONE	CONSOLIDATED
	Year ended December 31 2016	Year ended December 31 2016
Total Equity as per previous GAAP	59,194	64,510
Ind-AS Adjustments [Increase in Equity/ (Decrease in Equity)]		
1 Proposed dividend	2,304	2,304
2 Fair valuation of derivative financial instruments	106	106
3 Deferred tax impacts	(44)	(44)
4 Deferred tax liability on unremitted earnings of associate	-	(860)
Total Equity as per Ind-AS	61,560	66,016

Place : Pune
Date : February 22, 2018


Rajeev Jain
Managing Director



(Rs in Lakhs)

		STANDALONE FINANCIAL RESULTS				CONSOLIDATED FINANCIAL RESULTS	
		Quarter ended		Year ended		Year ended	
		December 31, 2017 (Unaudited) (Refer Note-1)	September 30, 2017 (Unaudited)	December 31, 2016 (Unaudited) (Refer Note-1)	December 31, 2017 (Audited)	December 31, 2016 (Audited)	December 31, 2016 (Audited)
1 Segment Revenue							
(a) Pumps		27,614	15,935	22,013	80,794	73,479	73,567
(b) Valves		5,218	4,119	4,752	16,142	14,378	14,378
(c) Others		1,597	2,068	1,755	7,432	6,574	6,574
Total		34,429	22,122	28,520	104,368	94,431	94,519
		1,610	2,075	1,758	7,445	6,524	6,524
Less : Inter Segment Revenue							
		32,819	20,047	26,762	96,923	87,907	87,995
Revenue From Operations							
2 Segment Results							
(a) Pumps		3,953	1,516	2,806	9,535	8,957	9,036
(b) Valves		541	270	347	870	199	199
(c) Others		(4)	(15)	32	(78)	(23)	(23)
Total		4,490	1,771	3,185	10,327	9,133	9,212
		75	55	141	367	315	315
Less : Finance cost		(133)	104	298	507	1,078	898
Add: Other unallocable income / (expense) net							
Add: Share of net profit of Associate							
Add: Profit Before Tax		4,282	1,820	3,342	10,467	9,896	10,253
3 Segment Assets							
(a) Pumps		71,714	74,236	54,185	71,714	54,185	54,238
(b) Valves		10,742	10,512	8,687	10,742	8,687	8,688
(c) Others		8,528	8,455	8,479	8,528	8,479	8,479
(d) Unallocable Assets		11,954	12,919	22,967	11,954	22,967	27,371
Total		102,938	106,122	94,318	102,938	94,318	98,776
4 Segment Liabilities							
(a) Pumps		29,220	31,577	25,805	29,220	25,805	25,808
(b) Valves		5,011	3,777	4,086	5,011	4,086	4,086
(c) Others		1,004	1,187	1,529	1,004	1,529	1,529
(d) Unallocable Liabilities		1,450	6,128	1,338	1,450	1,338	1,337
Total		36,685	42,669	32,758	36,685	32,758	32,760

(a) Pumps
(b) Valves
(c) Others
(d) Unallocable Liab.

Balance Sheet as at December 31, 2017

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	As at (Current year end) (December 31, 2017)	As at (Previous year end) (December 31, 2016)	As at (Current year end) (December 31, 2017)	As at (Previous year end) (December 31, 2016)
	Audited	Audited	Audited	Audited
A ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	30,635	21,631	30,635	21,631
(b) Capital work-in-progress	409	1,649	409	1,649
(c) Intangible assets	185	232	185	232
(d) Financial Assets				
(i) Investments	632	632	5,782	5,411
(ii) Loans	339	255	339	255
(iii) Other financial assets	313	359	313	359
(e) Assets for Current Tax (net)	987	889	1,000	896
(f) Deferred tax assets (net)	1,758	1,527	835	666
(g) Other non-current assets	4,056	5,535	4,056	5,535
Sub-total: Non-current assets	39,314	32,709	43,554	36,634
2 Current assets				
(a) Inventories	24,764	21,186	24,764	21,186
(b) Financial Assets				
(i) Trade receivables	26,100	16,217	26,087	16,254
(ii) Cash and cash equivalents	1,782	2,600	1,871	2,606
(iii) Bank balances other than (ii) above	6,796	17,138	7,257	17,613
(iv) Loans	331	183	331	183
(v) Other financial assets	199	603	212	618
(c) Other current assets	3,652	3,682	3,652	3,682
Sub-total: Current assets	63,624	61,609	64,174	62,142
TOTAL ASSETS	102,938	94,318	107,728	98,776
B EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	3,481	3,481	3,481	3,481
(b) Other Equity	62,772	58,079	67,561	62,535
Sub-total: Equity	66,253	61,560	71,042	66,016
2 Non-current liabilities				
(a) Provisions	3,734	3,699	3,734	3,699
Sub-total: Non-current liabilities	3,734	3,699	3,734	3,699
3 Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	1,263	699	1,263	699
(ii) Trade payables	18,615	15,066	18,616	15,068
(iii) Other financial liabilities	3,729	3,326	3,729	3,326
(b) Other current liabilities	5,132	5,975	5,132	5,975
(c) Provisions	4,073	3,500	4,073	3,500
(d) Current tax liabilities (net)	139	493	139	493
Sub-total: Current liabilities	32,951	29,059	32,952	29,061
TOTAL EQUITY AND LIABILITIES	102,938	94,318	107,728	98,776



22nd February, 2018

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: KSBPUMPS


Sub: Intimations pursuant to financial year ended 31st December, 2017

Dear Sirs,

We hereby declare that, Statutory Auditors of the Company in their report have issued unmodified opinion on the audited standalone financial statements, audited consolidated financial statements and financial Results of the Company for the financial year ended 31st December, 2017

This declaration is issued pursuant to Regulation 33(3) of the Listing Regulations, 2015 for the said financial year.

Yours faithfully,
For KSB PUMPS LIMITED


Narasimhan R
DGM- Finance and Company Secretary