Deloitte Haskins & Sells LLP

Chartered Accountants
706, 'B' Wing, 7th Floor,
ICC Trade Tower,
Senapati Bapat Road,
Pune - 411016,
Maharashtra, India

Tel: +91 20 6624 4600
Fax: +91 20 6624 4605

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF KSB PUMPS LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **KSB PUMPS LIMITED** ("the Company") for the year ended 31st December, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related annual standalone financial statements in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Attention is invited to Note 1 of the Statement regarding figures for the quarter ended 31st December, 2016 being balancing figures between the audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:

NPL

Deloitte
Haskins & Sells LLP

(i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

(ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year ended 31st December, 2016.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.:117366W/W-100018)

Nilesh H Lahoti
Partner
Membership No. 130054

Place: Mumbai,
Date:20th February, 2017

Deloitte
Haskins & Sells LLP

Chartered Accountants
706, 'B' Wing, 7th Floor,
ICC Trade Tower,
Senapati Bapat Road,
Pune – 411016,
Maharashtra, India

Tel: +91 20 6624 4600
Fax: +91 20 6624 4605

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
KSB PUMPS LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of **KSB PUMPS LIMTED** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and its share of the profit of its associate for the year ended 31st December, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared on the basis of the related annual consolidated financial statements in accordance with Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. We did not audit the financial statements of Pofran Sales and Agency Limited, a subsidiary included in the consolidated financial results, whose financial statements reflect total assets of Rs 539.66 lakhs as at 31st December 2016, total revenues of Rs.128.93 lakhs for the year ended 31st December, 2016 and total profit after tax of Rs.80.54 lakhs for the year ended 31st December, 2016, respectively, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of profit after tax of Rs.494.25 lakhs for the year ended 31st December, 2016, as considered in the consolidated financial results, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the

NHC

Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and associate, is based solely on the reports of the other auditors.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement:

   a. includes the results of the following entities:
      i) KSB Pumps Limited (Holding Company)
      ii) Pofran Sales and Agency Limited (100% Subsidiary of KSB Pumps Limited)
      iii) MIL Controls Limited (Associate Company)

   b. is presented in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

   c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Group for the year ended 31st December, 2016.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No.:117366W/W-100018)

Nilesh H Lahoti
Partner
Membership No. 130054

Place: Mumbai,
Date:20th February, 2017

KSB Pumps Limited

Registered Office : 128 Maker Chambers III, Nariman Point, Mumbai 400 021
CIN: L29120MH1960PLC011635
Tel no 022 66588787 Fax no 022 66588788
Email id: narasimhan.raghu@ksb.com
www.ksbindia.co.in

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31ST DECEMBER, 2016

(Rs. in Lakhs)

Particulars	STANDALONE FINANCIAL RESULTS					CONSOLIDATED FINANCIAL RESULTS	
	3 months ended on 31/12/2016 (Audited)	Preceding 3 months ended on 30/09/2016 (Unaudited)	Corresponding 3 months ended in the previous year 31/12/2015 (Audited)	Current year ended on 31/12/2016 (Audited)	Previous Year ended on 31/12/2015 (Audited)	Current year ended on 31/12/2016 (Audited)	Previous Year ended on 31/12/2015 (Audited)
1 **Income from operations**							
a) Net sales/income from operations (Net of excise duty)	24949	15798	24189	81675	81203	81763	81395
b) Other operating income	173	362	176	1027	678	1027	678
Total income from operations (net)	**25122**	**16160**	**24365**	**82702**	**81881**	**82790**	**82073**
2 **Expenses**							
a) Cost of materials consumed	9174	9428	9639	35971	34598	35971	34598
b) Purchase of stock-in-trade	1494	612	907	3927	3087	3927	3087
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1473	(3180)	1303	(1177)	1192	(1177)	1192
d) Employee benefits expense	3950	3555	2801	14479	12478	14486	12485
e) Depreciation and amortisation expenses	763	729	654	2936	2777	2936	2777
f) Other expenses	5408	4472	5617	19674	20114	19676	20118
Total expenses	**22262**	**15616**	**20921**	**75810**	**74246**	**75819**	**74257**
3 **Profit from Operations before Other Income, finance costs and exceptional Items (1-2)**	**2860**	**544**	**3444**	**6892**	**7635**	**6971**	**7816**
4 Other income	600	626	528	2581	3087	2401	2406
5 **Profit from ordinary activities before finance cost and exceptional items (3+4)**	**3460**	**1170**	**3972**	**9473**	**10722**	**9372**	**10222**
6 Finance costs	105	27	11	172	173	172	174
7 **Profit from ordinary activities after finance cost but before exceptional items (5-6)**	**3355**	**1143**	**3961**	**9301**	**10549**	**9200**	**10048**
8 Exceptional Items	-	-	-	-	-	-	-
9 **Profit from ordinary activities before tax (7+8)**	**3355**	**1143**	**3961**	**9301**	**10549**	**9200**	**10048**
10 Tax expense	1057	406	1526	3125	3566	3164	3636
11 **Net profit from ordinary activities after tax (9-10)**	**2298**	**737**	**2435**	**6176**	**6983**	**6036**	**6412**
12 Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13 Share of profit in respect of investment in Associate Company	-	-	-	-	-	494	461
14 **Net Profit for the period (11 - 12 + 13)**	**2298**	**737**	**2435**	**6176**	**6983**	**6530**	**6873**
15 Paid up equity share capital (Face value per share - Rs.10)	3481	3481	3481	3481	3481	3481	3481
16 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year					51842		56804
17 Earnings Per Share (EPS) (of Rs. 10/- each) (not annualised)							
I) Basic and diluted EPS before Extraordinary Items	6.60	2.12	7.00	17.74	20.06	18.76	19.74
II) Basic and diluted EPS after Extraordinary Items	6.60	2.12	7.00	17.74	20.06	18.76	19.74

Notes:

1. Figures of the quarter ended 31st December 2016 and 31st December 2015 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.
2. The results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 20th February, 2017.
3. Segment information is annexed.
4. A statement of assets and liabilities as at 31st December 2016 is enclosed.
5. The Board of Directors have recommended for the year ended on 31st December 2016 dividend of Rs. 5/50 /- per share (55 %) on 34,807,844 equity shares of Rs.10 each.
6. Figures for previous quarter/year have been regrouped/reclassified, wherever necessary, to confirm with the current period presentation.

Place : Mumbai
Date : 20th February, 2017

Rajeev Jain
Managing Director

ANNEXURE

SEGMENT REPORTING

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED ON 31ST DECEMBER, 2016

(Rs in Lakhs)

Particulars	STANDALONE FINANCIAL RESULTS					CONSOLIDATED FINANCIAL RESULTS	
	3 months ended on 31/12/2016 (Audited)	Preceding 3 months ended on 30/09/2016 (Unaudited)	Corresponding 3 months ended in the previous year 31/12/2015 (Audited)	Current year ended on 31/12/2016 (Audited)	Previous year ended on 31/12/2015 (Audited)	Current year ended on 31/12/2016 (Audited)	Previous Year ended on 31/12/2015 (Audited)
1 **Segment Revenue**							
(a) Pumps	20597	13100	20281	68409	67367	68497	67559
(b) Valves	4370	2699	3908	13265	13816	13265	13816
(c) Others	1740	1671	1981	6525	6189	6525	6189
Total	26707	17470	26170	88199	87372	88287	87564
Less : Inter Segment Revenue	1758	1672	1981	6524	6169	6524	6169
Net Sales / Income From Operations	24949	15798	24189	81675	81203	81763	81395
2 **Segment Results**							
(a) Pumps	2822	1125	3211	8399	8369	8478	8550
(b) Valves	323	(124)	476	79	847	79	847
(c) Others	17	(33)	(30)	(83)	(168)	(83)	(168)
Total	3162	968	3657	8395	9048	8474	9229
Less : Finance cost	105	27	11	172	173	172	174
Add: Other unallocable income net of unallocable expenditure	298	202	315	1078	1674	898	993
Profit Before Tax	3355	1143	3961	9301	10549	9200	10048
3 **Segment Assets**							
(a) Pumps	55995	50120	46624	55995	46624	56048	46757
(b) Valves	8687	8256	10484	8687	10484	8687	10484
(c) Others	8479	8636	7658	8479	7658	8479	7658
(d) Unallocable Assets	22831	23279	25344	22831	25344	28097	30170
Total	95992	90291	90110	95992	90110	101311	95069
4 **Segment Liabilities**							
(a) Pumps	27722	24543	24480	27722	24480	27724	24477
(b) Valves	4086	3510	4038	4086	4038	4086	4038
(c) Others	1529	1701	2642	1529	2642	1529	2642
(d) Unallocable Liabilities	3461	1336	3627	3461	3627	3461	3627
Total	36798	31090	34787	36798	34787	36,800	34784

KSB PUMPS LIMITED

Statement of Assets and Liabilities as at 31st December, 2016

(Rs. in Lakhs)

	Particulars	Standalone		Consolidated	
		As at (Current year end) (31.12.2016)	As at (Previous year end) (31.12.2015)	As at (Current year end) (31.12.2016)	As at (Previous year end) (31.12.2015)
		Audited	Audited	Audited	Audited
A	**EQUITY AND LIABILITIES**				
1	**Shareholders' funds**				
	(a) Share capital	3481	3481	3481	3481
	(b) Reserves and surplus	55713	51842	61030	56804
	Sub-total: Shareholders' funds	**59194**	**55323**	**64511**	**60285**
2	**Non-current liabilities**				
	(a) Other long-term liabilities	754	704	754	704
	(b) Long-term provisions	3567	2945	3567	2945
	Sub-total: Non-current liabilities	**4321**	**3649**	**4321**	**3649**
3	**Current Liabilities**				
	(a) Short-term borrowings	518	130	518	130
	(b) Trade payables	17253	15460	17255	15456
	(c) Other current liabilities	10240	10756	10240	10757
	(d) Short-term provisions	4466	4791	4466	4791
	Sub-total: Current liabilities	**32477**	**31137**	**32479**	**31134**
	TOTAL EQUITY AND LIABILITIES	**95992**	**90109**	**101311**	**95068**
B	**ASSETS**				
1	**Non-current assets**				
	(a) Fixed assets	23513	20827	23513	20827
	(b) Non-current investments	631	631	5411	5137
	(c) Deferred tax assets (net)	1570	1278	1570	1278
	(d) Long-term loans and advances	7038	4924	7044	4932
	Sub-total Non-current assets	**32752**	**27660**	**37538**	**32174**
2	**Current assets**				
	(a) Inventories	21186	18264	21186	18264
	(b) Trade receivables	17973	17711	18011	17837
	(c) Cash and cash equivalents	19738	22524	20218	22836
	(d) Short-term loans and advances	3866	3541	3866	3541
	(e) Other current assets	477	409	492	416
	Sub-total Current assets	**63240**	**62449**	**63773**	**62894**
	TOTAL ASSETS	**95992**	**90109**	**101311**	**95068**

8

20th February, 2017

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: Declaration under Regulation 33(3) (d) of Securities and Exchange Board of India) Listing Obligations and Disclosure Requirements Regulations, 2015

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 audited Financial Results of the Company for the financial year ended 31st December, 2016.

This declaration is issued pursuant to Regulation 33(3) (d) of Securities and Exchange Board of India) Listing Obligations and Disclosure Requirements Regulations, 2015 for the said Financial Year.

Kindly take the declaration on your records.

Yours faithfully,
For KSB PUMPS LIMITED

R. Narasimhan
Company Secretary