

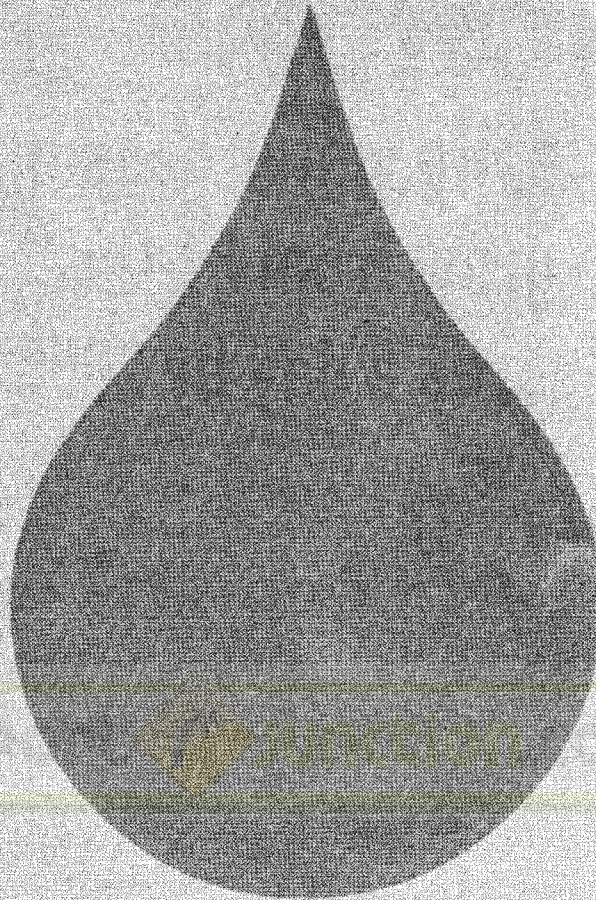
DROP.



The impending global water crisis and Shakti Pumps (India) Limited
Annual Report 2008-09



Contents

Corporate identity	Highlights	Chairman's review	Strengths	
Industry review	Raw material management	Operations	Quality	
Marketing	Finance review	Risk management	Notice	Directors' report
Management discussion and analysis		Report on Corporate governance		
Certificate from CMD	Financial sections	Corporate information		

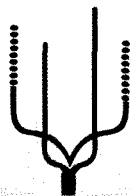


DR**P**
OF WATER
DR**P**
IN AVAILABILITY.

BAD NEWS.

Global per capita water consumption is expected to grow from 89 litres a day in 2000 to 167 litres a day by 2050.

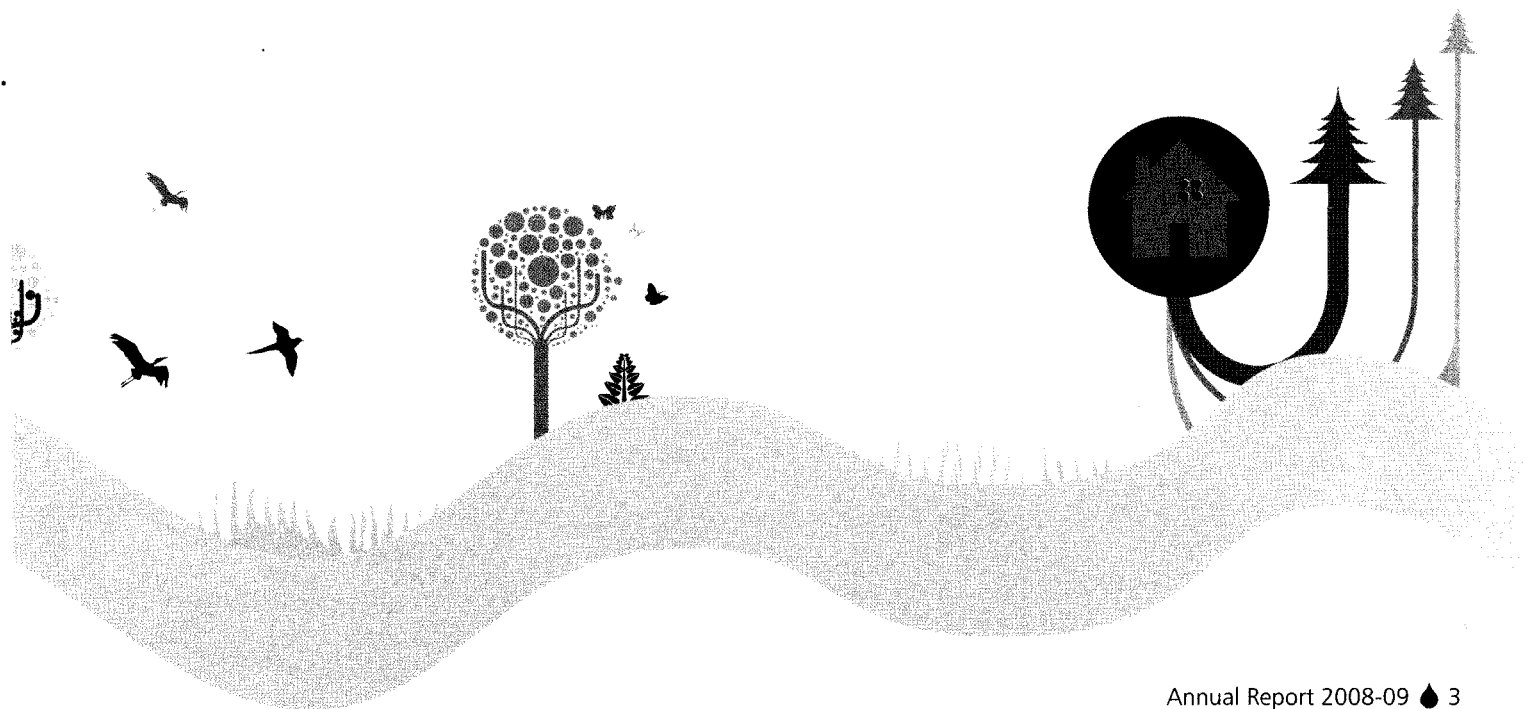
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WORSE NEWS.

Nearly 90 percent of all available freshwater will be depleted by 2025 (*Business Standard*, 21st May 2009).

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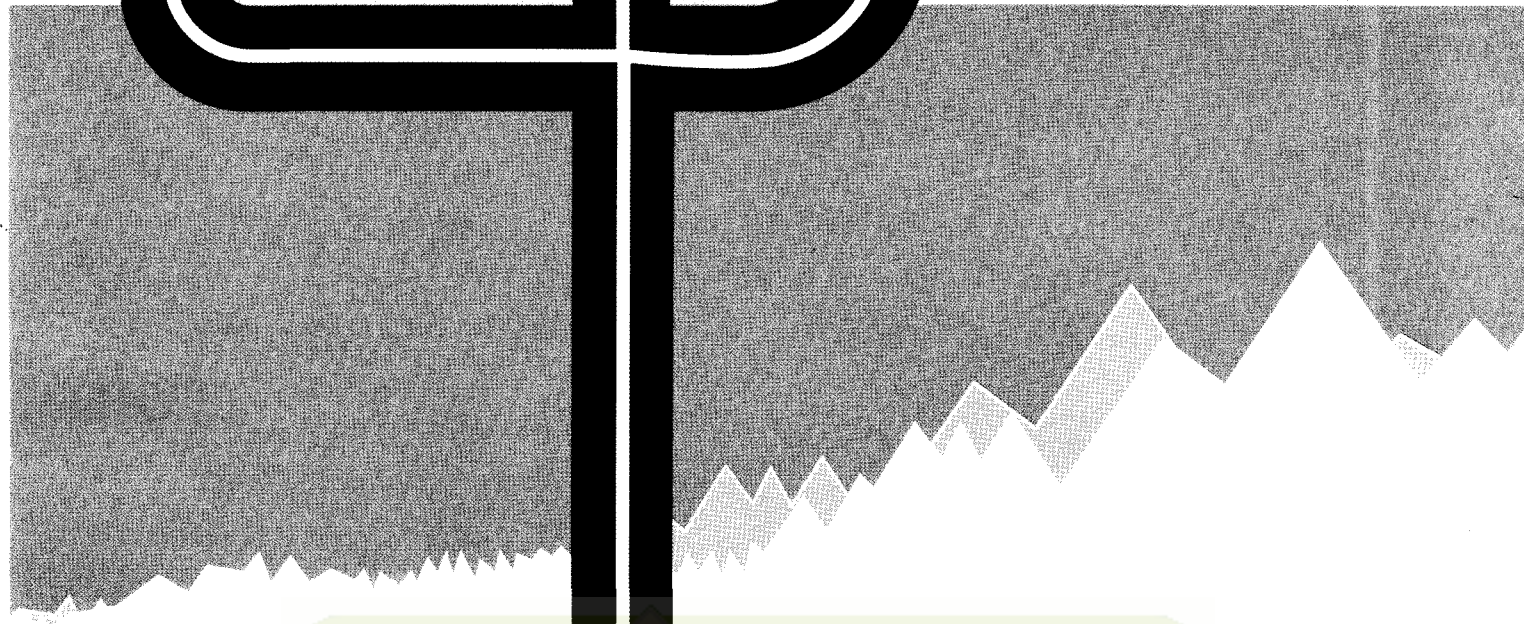
SOME SOLUTIONS.

**Fast. Have sweat baths. Use deodorants.
Reuse clothes.**

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**Or delve deeper into the earth for water
and for recycling.**

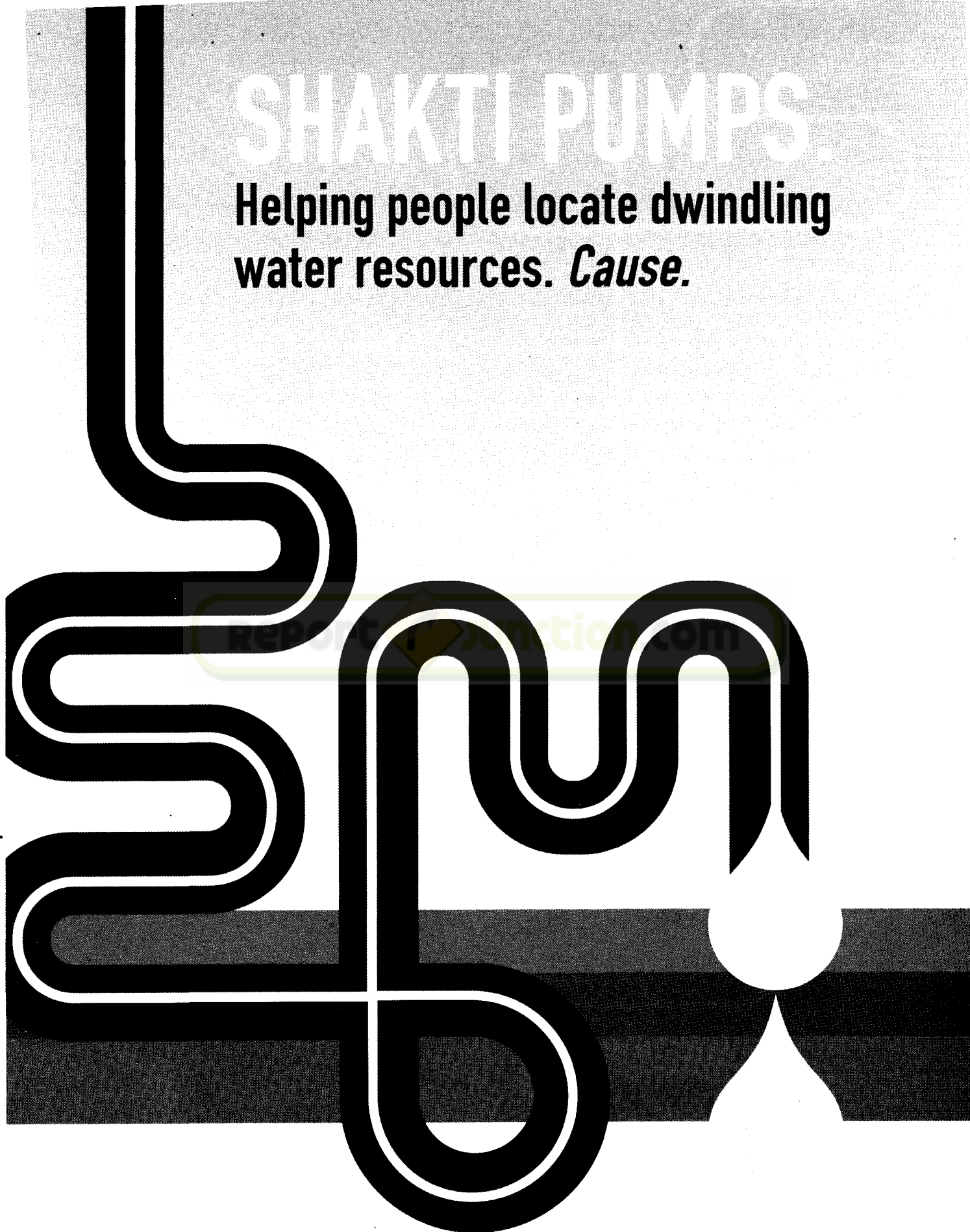
Year of introduction	1982	1989	1996	1999	2004
Pump type	Cast iron	Cast iron	Stainless steel	Stainless steel	Energy efficient
Capacity of drawing water from the ground level	300 ft	500 ft	1,200 ft	1,800 ft	2,500 ft



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SHAKTI PUMPS.

**Helping people locate dwindling
water resources. *Cause.***



The world's second largest stainless submersible pump manufacturer. *Effect.*

Parentage

- ◆ Incorporated in 1982
- ◆ Promoted by the Patidar family of Indore (India); managed by Mr. Dinesh Patidar (Managing Director)

Products

- ◆ Manufacturer of stainless steel submersible pumps, motors, SRN booster pumps and centrifugal pumps
- ◆ Wide product range of pumps and motors (0.5-150 HP) ranging from 100 to 300 mm

Presence

- ◆ Headquartered in Pithampur, Madhya Pradesh, India.
- ◆ Manufacturing units located in Sector III at Pithampur and Pithampur SEZ
- ◆ International marketing offices in Kenya, Australia and Turkey

- ◆ Listed and traded on the Bombay Stock Exchange

Penetration

- ◆ Strong distribution network comprising 354 dealers and distributors across 12 states.
- ◆ Products marketed internationally in 49 countries, namely Turkey, Australia, France, Germany and the Netherlands.

Pride-enhancing certifications

- ◆ Accredited with ISO 9001:2000 certification in 1998 (recertified in 2003)
- ◆ Awarded the ISI mark by the Bureau of Indian Standards
- ◆ Awarded CE certification by the Bureau of Indian Standards in 2003
- ◆ Received BEE certification for 5 Star

rating, first time in India by any pump manufacturing company

Pillars

Innovation: Shakti's innovation and resource-efficiency is driven by teamwork and empowerment.

Philosophy: We will strive for service excellence and customer delight through teamwork and consistent quality improvement.

Vision: To be a USD 100 mn value-enhancing international company by 2010 by emerging as a global leader among stainless steel submersible pump manufacturers.

Mission: In any condition, Shakti Pump will continue manufacturing of energy-efficient stainless steel submersible pumps.

Revenue growth (%)

22.29

Between
2004-05 and
2008-09 (CAGR)

EBIDTA growth (%)

42.94

Between
2004-05 and
2008-09 (CAGR)

Employee strength

554

As on
30th June
2009

Promoters' holding

48.55

As on
30th June
2009 (in %)

FII holding

6.19

As on
30th June
2009 (in %)

Financials at a glance

Financials at a glance

- ◆ Revenue increased 2.27 percent from Rs. 10,437.27 lac in 2007-08 to Rs. 10,674.58 lac in 2008-09
- ◆ EBIDTA increased 17.15 percent from Rs. 1,490.03 lac in 2007-08 to Rs. 1,745.64 lac in 2008-09
- ◆ Post-tax profit surged 9.28 percent

from Rs. 714.43 lac in 2007-08 to Rs. 780.72 lac in 2008-09

- ◆ Earnings per share increased from Rs. 11.48 in 2007-08 to Rs. 12.54 in 2008-09

Operations at a glance

- ◆ Indian marketing team was

strengthened from eight in 2007-08 to 90 in 2008-09

- ◆ Dealers were increased from 192 in 2007-08 to 354 in 2008-09
- ◆ Annual manufacturing capacity was raised from 2.50 lac units in 2007-08 to 3.50 lac units in 2008-09

Total income (Rs. lac)

EBIDTA (Rs. lac)

Profit before tax (Rs. lac)

