

# SHAKTI

THE POWER OF INNOVATION,  
EFFICIENCY AND TECHNOLOGY



# FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## TABLE OF CONTENTS

Corporate Information.....	1	Board Of Directors .....	9
An Era of Renewables.....	2	Key Milestones .....	10
Company At A Glance .....	3	Our Global Reach .....	12
Key Financial Highlights .....	4	Our Clients.....	13
Chairman's Message .....	5	Our Infrastructure .....	14
Corporate Identity.....	6	Our Product Portfolio.....	28
Industry Wide Presence .....	8	Management Discussion and Analysis.....	30
		Notice .....	37
		Board's Report.....	48
		Report on Corporate Governance .....	76
		Standalone Financial Statements .....	90
		Consolidated Financial Statements .....	137



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# CORPORATE INFORMATION

## Board of Directors

1. **Mr. Dinesh Patidar**  
Managing Director
2. **Mr. Sunil Patidar**  
Whole Time Director
3. **Mr. Ramesh Patidar**  
Whole Time Director
4. **Mr. Navin Sunderlal Patwa**  
Independent Director
5. **Mr. Shyam Sunder Raghuvanshi**  
Independent Director
6. **Mr. Pramod Kumar Bhavsar**  
Independent Director
7. **Mrs. Nishtha Neema**  
Woman Independent Director
8. **Mr. Sridhar Narayan**  
Nominee Director

## Bankers

State Bank of India  
Axis Bank  
HDFC Limited

## Registrar and Transfer Agent

Adroit Corporate Services Pvt. Ltd.  
17-20, Jafferbhoy Ind. Estate,  
1st Floor, Makwana Road, Marol Naka,  
Andheri (E), Mumbai 400059  
Tel: +91 (0) 22 42270400  
Email: - prafuls@adroitcorporate.com

## Registered Address Office & Work

Plot No. 401, 402 & 413 Sector III, Industrial Area,  
Pithampur Dist. Dhar (M.P.) - 454774  
Tel. no: +91- 7292-410500  
Fax no.: +91-7292-410645  
Email: - cs@shaktipumpsindia.com,  
Web:- www.shaktipumps.com

## Company Secretary & Compliance Officer

Mr. Ravi Patidar

## Statutory Auditor

M/s Modi Manoj & Co., Mumbai

## Secretarial Auditor

M/s. M. Maheshwari & Associates, Indore

## Cost Auditor

M/s. M.P. Turakhia & Associates, Indore

# AN ERA OF RENEWABLES



# COMPANY AT A GLANCE



**Widest Range**  
of energy-efficient  
pumps



**1200+**  
products  
variants



**5 Lac**  
Pumps  
manufacturing capacity



**100+**  
countries  
wide  
presence



**550+**  
dealer/  
distributors  
in 19 states  
in India



**590+**  
employees  
across the  
globe



**Highly  
Rated**  
by BEE 5 Star,  
UL, Veritas,  
CE Mark, etc



**One of India's Largest**  
Solar Pumping Players



**Prestigious Certifications**  
viz. ISO 9001, 14001 and OHSAS 18000



## Vision

To become a company that constantly strives for quality and customer satisfaction by providing the best pumping solutions as per the global benchmarks. And to be a company which integrates Health, Safety and Environmental considerations into all its business decisions and activities such that there will be:

- **Zero accident.**
- **Zero liquid discharge.**
- **Zero carbon foot print.**

To excel with an emphasis on best business and ethical practice with strong organizational values justifying the interests of all stakeholders.



## Mission

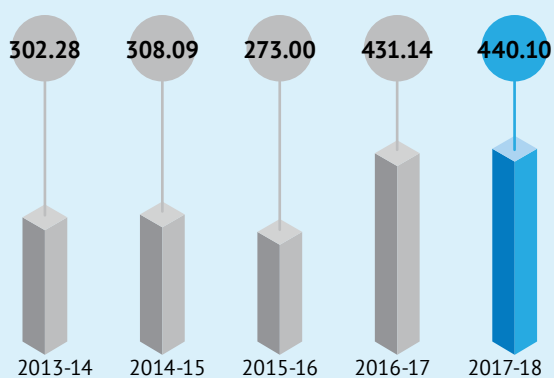
To work relentlessly towards coming closer to our vision statement by offering the best working environment and training, which focuses on integrity and ethics.

To empower the workforce to offer products and services that exceed customer expectations by providing value for money and ensure a handsome return to all our employees and shareholders.

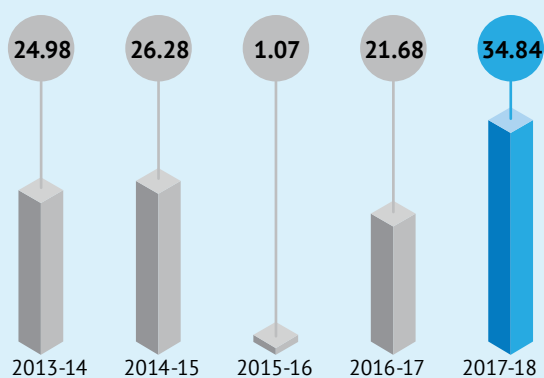
To create a safe workplace by reducing injuries and accidents while initiating an impactful environmental accountability for the current and future generations.

# KEY FINANCIAL HIGHLIGHTS

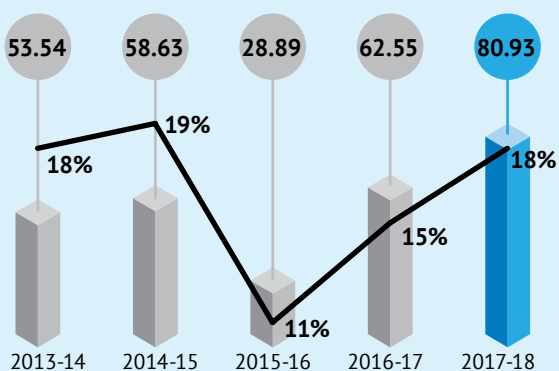
Total Revenue (Rs. Crores)



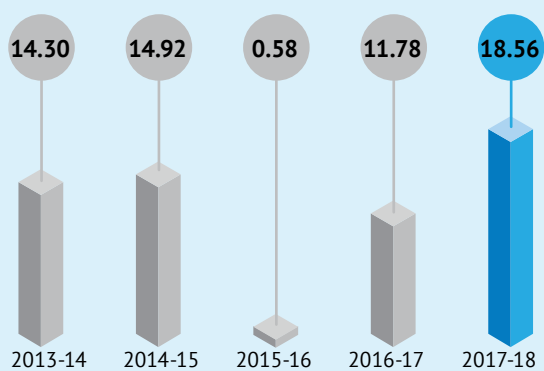
PAT (Rs. Crores)



EBITDA (Rs. Crores) & EBITDA Margin (%)



EPS (Rs.)





# CHAIRMAN'S MESSAGE



## Dear Shareholders,

It gives me immense pleasure to share with all the stakeholders the Annual report of the company for the financial year 2018.

Financially, the company had an overall healthy performance considering the volatile economic and industrial scenario. Gross revenues increased by 1.76% to Rs. 43,660 Lakhs in 2017-18, compared with Rs. 42,904 Lakhs reported in 2016-17. Operating profit (EBITDA) increased by 29.36% to Rs. 8,093 Lakhs in during 2017-18 from Rs. 6,256 Lakhs in 2016-17. Net profit for the year under review stood at Rs. 3,411 Lakhs in comparison to Rs. 2,164 Lakhs in the previous financial year which has increased by 58%.

Our domestic business was almost similar to last year. Exports have grown to 130 Cr, with an increase of 11%. The Company has extended its value add and higher margin business along with existing export market focus. With various announcements like KUSUM Yojana, International Solar Alliance, the State Government's Solar Pumping projects, solar pumping has become a key area for the company. We are looking forward to benefiting from the opportunities provided by Kusum, an initiative by the Government of India, in which MNRE is looking to spend Rs 50,000 crores in the next 3-4 years primarily on solar pumping solutions and solar energy generations. The prime minister of India endeavours to double the farmers' income and Kusum Yojna is one of the step towards it. Therefore, farmers can get quality electricity and also sell the excess electricity to the government. Favourable government initiatives are identified to provide a thrust to a pronounced adoption of solar pumps across India.

The historic launch of International Solar Alliance (ISA) in November 2015 has created a new global landscape for

galvanizing 'collective action' towards greater solar energy adoption. This requires global multi-factor coalitions, to come together with enormous amount of will, favorable policies and the ability to use solar resources. Several participating countries are interested in scaling solar pumping, street lighting and solar roof-top programs. A need-assessment questionnaire, developed for solar water pumping system (SWPS) and solar street lighting system (SSLS), has been circulated to all participating and ISA signatory countries. ISA is pursuing price discovery tender for aggregated demands (globally/continent-wise) for 500,000 solar pumps. Shakti is also looking to export solar pumping solutions in global markets like Africa, Asia, etc.

To continue our global expansion programs, Shakti incorporated its subsidiary in China and is about to commence Bangladesh with the prime objective of exports of solar and energy efficient pumps. Also, to source some non value added raw materials from China. Shakti is in the process to strengthen its relationship with existing dealers and appoint new partners for future growth in other geographies.

**We are pleased to suggest 20% (of Profit) dividend to the shareholders of Rs. 3.70 per share (37% of face value).**

To add one more feather to our cap, the company has commissioned a fully automatic plant named **electronic and control** with the help of Japanese technology, having the production capacity of 100,000 VFD per year. This product has already been launched in Raipur, yielding to a good performance. The company is inclined to move towards solar inverters and starters.

Looking ahead, the future of the industry is more keenly focused on the word 'solar'. Technological changes, awareness of effective use of electricity, increase in literacy, industrialization and governments' support have contributed towards an increase in the share of the organized sector.

In conclusion, with an urge to succeed, we continually innovate and introduce new products and pumping solutions that satisfy the market's needs. Quality is the key in all SHAKTI products. This compels the company to focus on and design with special care while selecting materials and production methods. We use advanced fabrication technology and manufacture most of the components in-house to ensure higher quality standards and performance. We believe, we are better placed today than ever before to garner the immense growth opportunity in our industry.

Sincerely,

**Dinesh Patidar,**  
Chairman & Managing Director

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# CORPORATE IDENTITY



Shakti Pumps, a leading manufacturer of energy-efficient Solar Pumping solutions, Stainless Steel pumps and Motors, has established a strong and trustworthy presence in the market over the years. The products belonging to the company caters to almost all aquatic-related sectors, like agriculture, water processing, industrial, construction, hospitality, households and horticulture.





The company was incorporated in the year 1982 and has grown leaps and bounds post a humble beginning. After working laboriously to reach this scale, Shakti Pumps has emerged as the most formidable player in the country's pump manufacturing sector.

The company has carved a niche for itself in the market and has emerged as a global player because of its adaption to technology-enabled processes and design innovations at the early stages of its life cycle.



Over the years, the company has developed more than 1200 pump variants that supply water to communities, agricultural, industries, boosting water pressure in high-rises and hotels, aid in fire fighting and facilitate waste management schemes in rural and urban communities, amongst others. Shakti has a strong global foot print and is recognised as one of the most prominent pump exporters from India. The company currently is conducting business in more than 100 countries.

It is the constant endeavour of the company to focus on delivering the highest quality of products; a purposeful effort of producing the most energy-efficient submersible pumps, which are long lasting and easy to maintain. The Bureau of Energy Efficiency (BEE) has awarded Shakti with 5-star ratings for producing more than 260 pump models. Because of all these factors, the company has been able to offer its customers with one of the best pumping solutions in the world and has earned a lot of brand loyalty over the years.



# INDUSTRY WIDE PRESENCE



## Solar

A channel partner for the Ministry of New & Renewable Energy (MNRE) with top notch 1A rating, Shakti Pumps has a range of solar pumps between 1HP to 100 HP that are simple and easy to operate with remote monitoring system, offering 30-40% more discharge than any other ordinary pump.



## Agriculture

Shakti's pumps easily meet varied agricultural needs like, irrigation pumps, Solar pumping solutions, agricultural sprinkler systems with pumps or with solar pumps.



## Commercial Building Sector

Shakti's pumps are a major force in places like hotels, corporates, malls, high rise buildings, commercial premises, etc., where heavy pressure and boosting is required.



## Domestic

Shakti's domestic pumps are ideal for general home applications like water supply, over tank storage watering gardens and fountains.



## Industrial

Shakti's pumps are used in industries for a variety of purposes that include fire-fighting, sewage, heating & cooling of systems, washing, storage, etc.



## Sewage & Drainage

Shakti's pumps covers a wide range of necessities, from draining flooded water from various areas like basements, car parks, and empty cesspools to managing sewage in a water treatment plant.

The result is that Shakti Pumps has emerged as a one-stop destination for a variety of pumping applications.