

Shakti Pumps (India) Ltd

India's Largest Manufacturer of Stainless
Steel Pumps and Motors
An ISO 9001-2008 Certified;



Dinesh Patidar & Family - Stainless Steel Pumping solutions

Pumps & Motors - Booster Pumps - Vertical Multi Stage - Horizontal Multi Stage

Industrial Pumps - Open well Pumps - Agri Pumps – Monoblock Pumps

New Energy Efficient Eco Friendly “Solar Pumps”

Global Warming - Rising Energy Cost - Declining Water Tables - Energy Efficiency

Combination of Quality, Strength & Capacity

40% Less energy consumption - 10 Year avg. life Span - Lower Maintenance & Op. Cost

ISO 9001: 2000, ISI Mark, 5 Star Certificate by BEE, CE Certifications

SAP Environment – Machineries imported from Japan, Germany and USA

Branded Raw Material - ArcelorMittal – Hindalco - JSW

500000 Pumps Annual Capacity

Strong, Skilled and Effective Workforce - 850 Employees

Pithampur - SEZ – Indore – MP – India - World

A Star Export House - Exports in 70 Countries

Pumping Life - Fit it and Forget it - Pump that pays - Save Energy Save Planet

Shakti Pumps has demonstrated its continuous efforts to create safer and cleaner world by making strong and wiser energy products

- ❖ State-of-the-art integrated manufacturing facilities
 - ❖ High performance product design
- ❖ strong financials and multi-fold growth in revenue
 - ❖ consistent track record of creating asset
- ❖ believe in an inclusive growth for customers and employees





OVERVIEW

- ❑ Started as SSI unit in 1982 at Pithampur by reputed Patidar Family to manufacture Submersible Pumps
- ❑ In 1995 Company went into public, listed on Bombay Stock Exchange
- ❑ In 1996 Shakti started production of **Energy efficient, eco-friendly submersible pumps, First in India**
- ❑ Manufactures and Designs Stainless Steel Submersible Pumps, Motors, and Associate Control panel, etc.
- ❑ **Products have applications in Ground Water Supply, Irrigation, Pressure Boosting, Industrial Applications, Fire Fighting Systems, Pumping Applications for Home and Hospitality Industry**
- ❑ **Installed Capacity 500,000 units PA**, a wide range (0.5 HP – 250 HP) of **Submersible pumps & Motors, Centrifugal Pumps** (100 to 300 mm) with 1200 variants
- ❑ Has two manufacturing facilities in Pithampur and Pithampur SEZ, Madhya Pradesh
- ❑ Headquartered in Pithampur near most advanced and developed Industrial town i.e. Indore, the commercial capital of MP,
- ❑ **12 Branches across India, Network of 650 dealers in 13 states**
- ❑ **A Star rated Export House with** international presence in **70 nations**
- ❑ First Indian pump manufacturing company with the **‘BEE’ certification - A five-star rating**,
- ❑ An **ISO 9001:2000**, Certified for **ISI mark** and Certified by the **Bureau of Indian Standards**, etc.



ACHIEVEMENTS OVER YEARS

- ❑ **1982** - Started by Mr. M L Patidar and Mr. Dinesh Patidar as SSI Unit
- ❑ **1989** - Received BI S Certificate
- ❑ **1995** - Went into public and got listed on Bombay Stock Exchange
- ❑ **1996** - Started manufacturing of Energy Efficient Submersible Pump
- ❑ **1998** - Received ISO 9001:2000 certification, shift focus on direct exports
- ❑ **2003** - Received quality marking system 'CE mark' Exports extended to 20 countries
- ❑ **2006** - Received One-Star-Export House Status, Re-certification ISO 9001:2000
- ❑ **2007** - Ventured into new segment Booster Pumps, Exports extended to 50 Countries
- ❑ **2008** - Widened pump range upto 200HP, Combined capacity reached to 450000 Units
- ❑ **2009** - Received 5 Star Rating Certification from BEE, introduced Booster Pump mechanism
- ❑ **2010** - Introduced open-well pump mechanism,
- ❑ **2011** – Introduced new Products Waste Water Pumps & Resin Cooled Motors, Started construction of Fully Automatic Booster Pump Plant
- ❑ **2012** - **Completion of Booster Pump Unit, with installed capacity of 40000 Pumps PA**
- ❑ **2013** – **Started Solar Pumping Solutions for Remote Locations, Agriculture use, Industrial use, etc.**



KEY MANAGEMENT

Shakti Pumps was promoted by reputed Patidar family of Indore, Late Shri M L Patidar and Shri Dinesh Patidar.

Shri Dinesh Patidar - CMD, aged 51 years is a commerce graduate associated with Company since inceptions. He has gathered expertise in R & D and put lot of efforts to adopt the latest technology world over to make the quality product compatible with the International quality. He is the person who conceived the project and started manufacturing of Stainless Steel Pumps in India with very limited resources and demand. With his constant efforts today Shakti has presence in 70 Countries with production capacity of 500000 pumps per annum.

Key Team Members	
Mr. Dinesh Patidar	Chairman & Managing Director
Mr. Sunil Patidar	Executive Director
Mr. Ramesh Patidar	Executive Director & Head International Marketing
Mr. BR Patidar	Director – FICO

INFRASTRUCTURE

Plant	Location	Installed capacity
Unit I – Main Unit	Plant at Plot No. 401,402-413, Sector III, Pithampur – 454775 Distt. Dhar,	3,50,000 Units
Unit II – SEZ Unit	Plot No. F-14 & 15, Sector III, SEZ, Pithampur – 454775 Distt. Dhar,	1,50,000 Units

Plants

- ☐ An infrastructure, at par with the best in the world, one of the most advanced assembly line.
- ☐ Tool room with high efficiency equipments and with AutoCAD designing facility
- ☐ Die- shop equipped with sophisticated CNC machines, Wire cut, Spark erosion machine, Milling machine and other Die finishing facilities
- ☐ SAP Environment – Machineries imported from Japan, Germany and USA
- ☐ Divided into diverse sections where specialized stages of manufacture are given shape
- ☐ Manned by highly efficient manpower

SEZ Benefits

- ☐ Exemption of custom duty on import and export
- ☐ Exemption from entry tax on raw material
- ☐ No service tax by the service providers
- ☐ DTA suppliers will get all the benefits of exporters
- ☐ Exemption from Central Excise Duty on all goods
- ☐ SEZ unit can open an EEFC a/c for import obligation with the proceeds of export to the extent of 100%

PRODUCTS

Submersible Pumps

- ❑ ranging between 0.5 HP To 250 HP,
- ❑ more than 1200 models made of Stainless Steel, under the brand name "Shakti".
- ❑ Stainless Steel construction of main hydraulic components impeller, diffusers and Bowl.



Submersible Motor

- ❑ Stainless Steel construction of motor shell. Suitable for 220V/380V, 415V/50Hz, 220V/50Hz, 220V/60Hz, 380V/60Hz electric supply.
- ❑ Confirming to NEMA standards the pumps are made completely of Stainless Steel



Vertical multistage Centrifugal Pumps



Horizontal multistage Centrifugal Pumps



PUMPING SOLUTION – SUBMERSIBLE PUMPS

- ❑ Stainless Steel Pumps, under the brand name “**SHAKTI**”
- ❑ Ranging between 0.5 HP To 250 HP, more than 1200 models
- ❑ Stainless Steel construction of main hydraulic components impeller, diffusers and Bowl.
- ❑ Electric submersible pump sets of modular design, suitable for underwater operations.
- ❑ Submersible pumps with energy- efficient duty points ranging from 0.1 to 280 m3/h.
- ❑ A BEE Rated 5 Star pump, Standard dimensions according to ISO standards

- ❑ **Application:**

- suitable for Groundwater supply to waterworks
- Irrigation in Agriculture and Horticulture
- Groundwater lowering
- Pressure boosting
- Industrial applications

- ❑ **Benefits**

- Simple installation, High efficiency
- Low Energy consumption, 60% More output
- Long service life as all components are stainless steel
- Suitable for slightly aggressive liquids
- Wide & Flexible pump range
- Adaptable to many application and performance



PUMPING SOLUTION - SUBMERSIBLE MOTOR

- ❑ one stop platform for submersible motor, size starts from 100 mm.
- ❑ Stainless Steel construction of motor shell under high precision, Suitable for 220V/380V, 415V/50Hz, 220V/50Hz, 220V/60Hz, 380V/60Hz
- ❑ Uniquely positioned as one of the overriding submersible electric motor suppliers
- ❑ Needs no special maintenance and consumes low electricity.
- ❑ very high efficiency and designed for high voltage fluctuations.
- ❑ follows the NEMA standards for manufacturing of SS Motors
- ❑ very easy to dismantle & repair and has no priming & suction problems
- ❑ temperature protection When the temperature become too high,
- ❑ **Application:**
 - Domestic, industrial and community water supply
 - Irrigation, including drip and sprinkler irrigation
 - Various civil and industrial applications
 - Fire fighting applications
- ❑ **Benefits**
 - High efficiency , 40% Less energy Consumption
 - Simple installation
 - Long service life as all components are stainless steel



Vertical Multistage Centrifugal Pumps :

- ❑ A non-self-priming, vertical multistage centrifugal pump.
- ❑ In-line design enables the pumps to be installed in a horizontal one-pipe system where the suction and discharge ports are in the same horizontal plane and have the same pipe dimensions.
- ❑ **Applications :**
 - Water supply and pressure boosting (potable water, also slightly chlorinated)
 - Washing systems
 - Cooling and air-conditioning systems
 - Water supply systems
 - Water treatment systems
 - Fire fighting systems
 - Boiler feeding systems



PUMPING SOLUTION - BOOSTER PUMPS

Horizontal Multistage Centrifugal Pumps :

- ❑ most suitable to provide peak pressure to every water fixture
- ❑ having pre-set pressure to avoid any hesitation to customer at the time of installation

❑ Applications

- suitable for liquid transfer in Water treatment systems
- Water supply and pressure boosting (potable water, also slightly chlorinated)
- Heating and cooling in industrial processes
- Fire fighting systems
- Industrial plants
- Apartments / Bungalows, Small Resorts, Restaurants
- Domestic Water supply

60 Countries



PUMPING SOLUTION - SOLAR PUMPS

Solar Pumps : High Profitability and Reliability leads to Prosperity

- ☐ high efficiency Solar Pumps useful for Irrigation, Industry, Remote Location use, etc.
- ☐ Non-dependent on conventional energy (fuel & electricity)
- ☐ Easy to operate and maintain, No recurring expenses
- ☐ Long operating life 20-25 Years, Highly reliable and trouble-free performance
- ☐ Eco-friendly, Accessibility in remote areas
- ☐ Un-interrupted supply for irrigation during day time

The reasons behind encouragement of the Indian solar sector are:

- ☐ India has very high solar isolation,
- ☐ A huge electricity demand supply gap,
- ☐ Lack of power grid availability,
- ☐ Increasing expenses and unreliable electricity supply,
- ☐ Availability of more efficient solar technologies and Government Support

Applications

- ☐ Irrigation, Desert Control, Animal Husbandry, Salt Pans
- ☐ Water Supply for Sea Island, Water treatment Projects, Industrial plants
- ☐ Apartments / Bungalows, Small Resorts, Restaurants
- ☐ Domestic Water supply, **Hospitality services, Malls, Hospitals, Hotels, etc.**



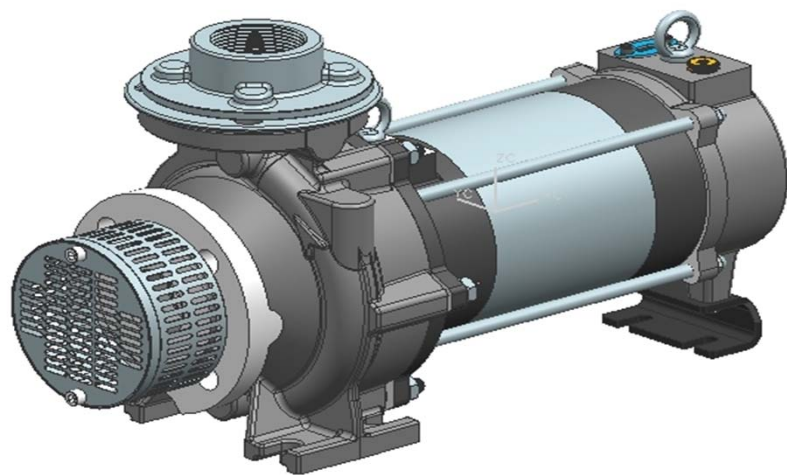
PUMPING SOLUTIONS - OTHER PRODUCTS

Suction Pumps - SSP

- ☐ High Operating Efficiency
- ☐ Highly Durable & Hygiene
- ☐ Good Resistance to Sand
- ☐ Can be easily dismantled & Repaired

Applications

- ☐ Can be installed horizontally or vertically
- ☐ Design for wide range of liquid transfer and water supply
- ☐ Drawdown of Ground Water
- ☐ Pressure Boosting & Various Industrial job
- ☐ Ponds, Mining, Gardens & Sprinkler Systems



CRP Pumps

- ☐ Anti Corrosive Cast Iron Parts
- ☐ Build in Winding Protector
- ☐ Bronze Impeller
- ☐ Double Sealed Ball bearings

Application

- ☐ Domestic Water Supply
- ☐ Over Head Tanks
- ☐ Home pressure boosting
- ☐ Construction Site
- ☐ Gardens & Fountains

Open-well Pump:

- ☐ Stainless steel motor body, Carbon bush bearing.
- ☐ Maintenance free water lubricated bushes.
- ☐ Single shaft for pump & motor ensures permanent correct line alignment.
- ☐ Easy installation, foundation, installation platform or pump base not required.
- ☐ Replaceable wearing parts, hence longer life
- ☐ Easy maintenance and spares availability
- ☐ Can be placed at the bottom of the well, does not require suction pipe.
- ☐ Low power consumption

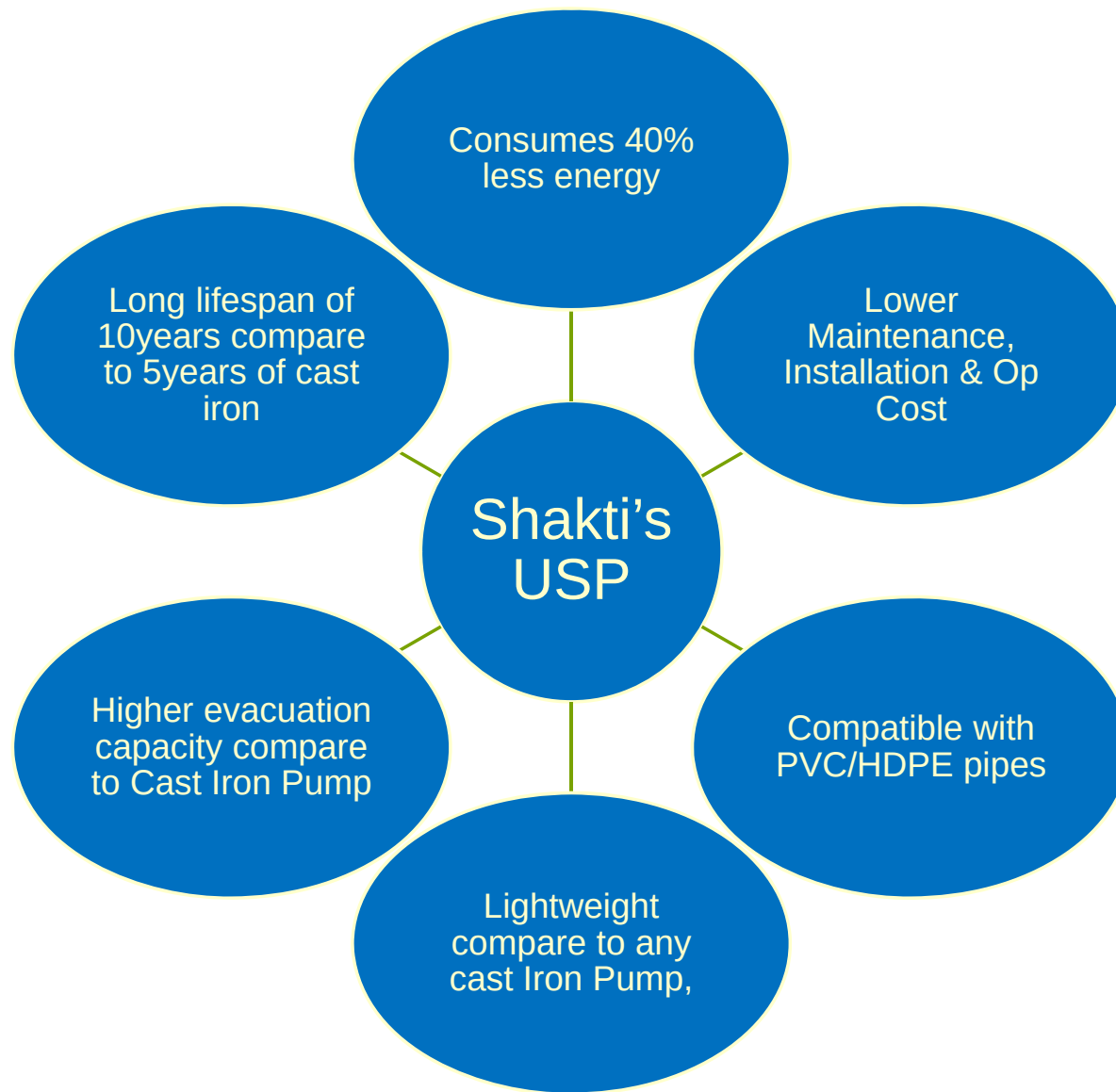
Applications

- ☐ Water Supply in Houses, Colonies
- ☐ Irrigation of Large Farms, Sprinkler and Drip Irrigation
- ☐ Submerged pumps in Fountains, Wells & water tanks
- ☐ Cooling water circulating system
- ☐ Drinking and Industrial Water Supply

COMPETITIVE ADVANTAGE

Particulars	Stainless Steel Pumps	Cast Iron Pumps
Energy Consumption	Consumes 30-40% less Power	Higher
Efficiency	60% higher efficiency, higher output in less time	Lower
Maintenance Cost	Lower	Higher
Product Life	High, 8-10 years	Lower, 2-5 years
Government Policy	Supportive	May discourage
Product	Lower weight, easy installation	High transport and installation cost due to higher weight
Corrosion	Corrosion resistant	Higher
Purchase cost	20-30% Higher	Lower

PRODUCT USP & AFTER SALES SERVICES



After Sales Service

- ❑ excellent service & customer delight through teamwork
- ❑ consistent improvement in Quality Management System.
- ❑ More than 650 Domestic dealers supported by branches and service centers.
- ❑ Reliable & Fast service
- ❑ Always seek the views/suggestions of customers to serve them even better



GEOGRAPHICAL OVERVIEW

Domestic Presence:

- ❑ Widening Domestic Dealer network from 350 Dealers in 09 to 650 dealers in 12, target to reach upto 1000 by 2014.
- ❑ Creating a pan-India proximity to customers, has 12 branches across India and target to reach at 30 by year end 2014,
- ❑ Increased TV, radio and print media advertising
- ❑ Appointed local representatives under each dealer responsible for grassroots product marketing and increasing the dealer's off take
- ❑ creating more awareness to end users in rural areas via: Prachar Rath, Mechanic Meet, Kissan meet, Road shows, Demo at Farm Houses & Dealers Meet

International Presence:

- ❑ Expanded International network from 60 Countries to 70 Countries in 2012
- ❑ Has incorporated two subsidiaries in UAE & USA to cater highly potential GULF and US market
- ❑ Creating world over presence by taking part in International exhibitions like EIMA – Italy, Mostra Covengo – Milan, NGWA – United States, BIG 5 – UAE, etc.
- ❑ Exploring more potential areas like Africa, South America
- ❑ Expanding International Marketing team and Dealers Network



PUMPING LIFE

BALANCE SHEET HIGHLIGHTS

INR in Millions

Particulars	2010-11 A	2011-12 A	2012-13 A
Share Capital	62.23	140.44	152.44
Reserves & Surplus	560.98	696.50	948.30
Money Received agnst Share Warrant	31.65	36.05	0.00
Total Shareholders Fund	654.86	872.98	1100.74
Long Term Borrowings	197.36	373.95	199.01
Short Term Borrowings	612.89	510.72	625.44
Total Loan Fund	810.24	884.67	824.45
Trade Payables	128.33	147.45	209.76
Other Current Liabilities	58.96	68.32	193.88
Short Term Provisions	64.67	81.97	94.41
Total Current Liabilities	251.96	297.74	498.05
Deferred tax Liabilities	28.73	34.60	45.29
Total Liabilities	1745.79	2089.99	2468.55
ASSETS			
Net Block	479.98	524.72	802.69
Capital WIP	44.24	65.93	0
Non Current Investments	5.85	10.72	5.54
Long Term Loans & Advances	87.36	114.82	113.95
Other Non Current Asset	14.27	47.91	58.83
Total Non Current Assets	631.70	764.09	981.01
Current Assets			
Inventories	628.84	717.56	663.76
Trade Receivables	389.05	429.03	635.86
Cash & Bank Balances	26.19	89.29	43.89
Short Term Loans & Advances	70.01	90.01	144.01
Total Current Assets	1114.09	1325.90	1487.53
Total Assets	1745.79	2089.99	2468.55

FINANCIAL HIGHLIGHTS

INR in Millions

Particulars	2010-11 A	2011-12 A	2012-13 A
REVENUE			
Sales Domestic	604.75	837.95	721.11
Sales export	758.93	1112.56	1382.24
Inc/Dec in Stock	130.01	46.75	-41.68
Other Income	9.11	10.37	56.58
Total Revenue	1502.79	2007.63	2118.25
EXPENDITURE			
Total Operating Exp	1240.15	1683.37	1743.47
EBITDA	262.64	324.26	374.78
EBITDA %	17.58%	16.24%	17.81%
Dep & Amortization	35.79	45.24	50.05
EBIT	226.85	279.02	324.73
EBIT %	15.19%	13.97%	15.43
Finance Cost	60.79	92.90	112.79
PBT	166.06	186.12	211.94
PBT %	11.12%	9.32%	10.07%
PAT	134.39	141.75	184.46
PAT %	9.00%	7.10%	8.77%

INDUSTRY OUTLOOK – DOMESTIC MARKET

- ❑ Indian pump industry is currently valued at 6300 crore
- ❑ India produced 4.5 million pumps annually. However, only a small part of these are from national-level players.
- ❑ CRISIL expects demand for pumps industry to grow at 12-14 per cent over the medium term
- ❑ About 80% of requirements of submersible pumps are from agriculture sector
- ❑ Agriculture sector used 80 per cent of the water in the country
- ❑ Agriculture accounts for about 27% of electricity consumption in the country
- ❑ **Electricity is largely used in agricultural pump sets** which generally have very poor efficiency
- ❑ As per BEE estimates **Overall electricity savings by replacing 20 million inefficient pumps is estimated at 62.1 billion units annually**, Estimated to translate in to the yearly savings of Rs 18000 crores
- ❑ Energy costs constitute up to 60-70 percent of an Indian municipality's total cost of pumping water to its residents
- ❑ **Domestic players meet an estimated 95 per cent of the country's demand**
- ❑ In India, irrigation will be a big domestic demand driver in coming years
- ❑ Water tables are going down every year drastically
- ❑ Indian GDP is going at 7%-7.5%, need Infrastructure and power generation capacity, supporting organized Pump Industry

DOMESTIC OPPORTUNITIES

☐ **Govt. Initiatives**

- Increase in Farm Credit and Implication of Micro Irrigation project
 - to replace inefficient conventional pumps with high energy efficient alternatives,
 - Compulsory use of Energy Conservative high rated pumps where electricity is free or Subsidized
- ☐ The replacement of existing inefficient pump sets with energy efficient (BEE star labelled) pump sets would unlock the market for large scale investments in this area
 - ☐ Replacement potential of 20 Mn inefficient pumps boost the growth of Organized players
 - ☐ Replacement of inefficient pumps where water level is fall below the normal level, **10 % of total market**
 - ☐ During the 12th Five Year Plan, Government allocated Rs 3,796 billion for agriculture, irrigation and infrastructure projects
 - ☐ investments in construction industry are expected to nearly double in next 5 years,
 - ☐ Emerging new Opportunities Entertainment Parks, musical and other fountains regularly need high energy efficient Pumps, Malls, Hotels, etc.
 - ☐ Demands for pumps are expected grow substantially given that the municipal waste disposal facilities of the Country need to modernized
 - ☐ Need for desalination of water is expected to increase very fast
 - ☐ Govt. Sector, Indian Railways, Public Health Department, various water Supply boards, generating bulk requirement of energy efficient Pumps
 - ☐ Deepening Water Table and Growing Irrigation & urban Infrastructure sustainable through ground water, result in rapid growth in use of submersible pumps

INDUSTRY OUTLOOK – WORLD MARKET

Forecast in **Pumps: World Markets**
published by the **McIlvaine Company**

World Region (\$ in Mn)	2017
Africa	1,877
CIS	2,241
East Asia	15,176
Eastern Europe	1,305
Middle East	2,579
NAFTA	8,775
South & Central America	2,761
West Asia	3,332
Western Europe	7,482
Total	45,528

- ❑ The global annual pump market is estimated at ~\$36bn and largely driven by the US and China
- ❑ Almost 50% of the pump are used in water management, rest in other sectors like production of oil, natural gas, petroleum refining, petrochemicals, mining, ship building, marine, power generation
- ❑ world market for pumps used by industry, municipalities and for irrigation will grow to \$45 billion per year in 2017
- ❑ East Asia will account for more than 33 percent of the market in 2017
- ❑ The growth in this region will be driven mostly by new infrastructure and heavy industrial spending.



OPPORTUNITIES IN WORLD MARKET

East Asia

- ☐ Investment in municipal wastewater treatment and drinking water facilities will also outstrip the other regions
- ☐ More power plants will be built in this region in the next five years than in the rest of the world combined
- ☐ Because of aridity in much of the region, the investment in irrigation pumps will be substantial.

USA

- ☐ The growth in NAFTA will be led by the non-conventional oil and gas sector
- ☐ Pennsylvania, Texas and other states in the West will expand their production of gas and oil from shale. This will generate very substantial investments in pumps.

Europe

- ☐ Western Europe will be a slow growth market characterized
- ☐ a large percentage of replacement pumps and parts for existing plants as opposed to pumps for new plants
- ☐ Eastern Europe will reflect growth in expenditures to meet environmental regulations required for European Union membership.

Middle East

- ☐ expenditures will rise as the region increasingly becomes a supplier of refined rather than raw products
- ☐ Pump sales in this region will also be boosted by the desalination plant investments
- ☐ There are not only pumps to overcome the high resistance of the reverse osmosis membranes but additional pumps to recover the energy in the rejected cross-flowing seawater.
- ☐ Opening up of economy, commercialization Real Estate, tourism, Rapid Construction will lead the demand
- ☐ Many refineries are old and due for renovation in near term

THANK YOU!!!

