



Enriching Lives

Kirloskar Brothers Ltd. Financial Analysts Meet

Quarter 1 FY 2010-11

30th July, 2010

Companywide

General



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- Existing market for pumps is booming with Domestic & Agri market registering 60% growth and Industrial & Engineered pumps around 35%
- The manufacturing sector has been performing well, India's GDP has been growing at a healthy pace, and the overall economy has an optimistic outlook
- Monsoon seasons do impact pump sales, however, it is too early to evaluate this years monsoons likely impact on KBL's sales outlook for the year
- Metal prices, including copper, nickel, steel, etc., which are KBL's major raw materials used in manufacturing, have been on a downward trend in the recent months

Irrigation Sector

Highlights



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- Order Booking of Satgaon Pathar of Rs 711.40, Wakurdi LIS of Rs.107.20 M , Berber Pumping Station (Egypt) of Rs 80.00 M & Product orders of 13.75 M received
- Focused on Andhra Pradesh recovery. Situation in A.P has started improving and payment for priority projects is being referred on case to case basis. Most of our project are on priority list of the project authority
- Successfully closed Sonpur Tomta project

Water Resource Management Sector

Highlights



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- Registration obtained from UP Jal Nigam for future water supply and sewerage projects
- Successful commissioning of PCMC Water Supply Scheme, including financial closure - Extra order entrusted to us by client
- NVDA Kathora site closed and final payment collected
- VINZOL SPS project commissioned and a 2 months trial period commenced

Power Sector

Highlights



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- Installation completed for Bechtel Power Corporation, USA, 6 months ahead of schedule – received appreciation letter from Bechtel.
- Total tally of KBL manufactured concrete volute pumps reaches 161 sets - highest in the world by any pump manufacturer.
- Successful commissioning of Hydro Turbines at Konal Hydro Electric Power Project and Kaplan Hydro Turbines project , Taiwan.
- Participated in POWERGEN Europe exhibition 2010 held at Amsterdam - Identified potential for new applications like pumps for Solar Power Plants.
- Enquiries received for NTPC Bulk tenders, Tata Deherand and HPGCL.

Oil and Gas Sector

Highlights



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- Cooling Water Pumps despatched to HMEL and payment against supplies collected
- Diesel Engine powered Fire Water Pumpsets despatched to GAPCO Tanzania
- Completion of supply of Vibration Monitoring System and other accessories for Steam Turbine of BPCL, Kochi
- Components of sea water pump for modification supplied to Essar Oil refinery

Marine and Defense Sector

Highlights



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- Received order from GRSE for 20 TPH submersible pump, breaking monopoly of Mody pumps
- Visited nuclear submarine along with CRED team to study and understand details
- Visited L&T for understanding the requirement for developing jet propulsion system
- Presented the detailed analysis of water mist system to Director General ATVP.

Industry Sector

Highlights



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- Identified and finalized dealer for thermic fluid pumps in Gujarat
- Catalogues PS, i-HT, i-CP, and KPDT are prepared for delivery to customers
- Technical presentation for all major OEM's and consultants has commenced and will continue throughout the year
- Concentration on process pumps for steel, automobile, chemical and paper industry has yielded results

Building and Construction Sector

Highlights



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- Business development activities in Middle East and South East Asia have resulted in good inflow of enquiries
- Finalized 8 exclusive dealers for Building sector - application wise
- Rationalized and increased factory assembled engine sets prices to take care of material price increase. Also increased the number of outlets for factory assembled sets to promote concept and increase value for products

Distribution Sector

Highlights



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- 56 new dealers and distributors appointed
- Appointed new dealer for Valves business in Bangalore. Received first order
- Released commercial policy for energy audit and valves business for FY 11

Customer Sales and Service Sector

Highlights



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- Three operation and maintenance sites are operating smoothly
- Dealer meet conducted in Goa and Andamans

Kirloskarvadi Factory

Highlights



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- MOST applicator training and awareness training completed as per road map
- Two turbines for Periyar-III project despatched
- 11 KWH biomass classifier commissioned to supply power to colony street lights

Dewas and Shirval Factories

Highlights



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- Production growth of 40% over last year.
- Developed new vendor for alternators which will give additional business

Kondhapuri Factory

Highlights



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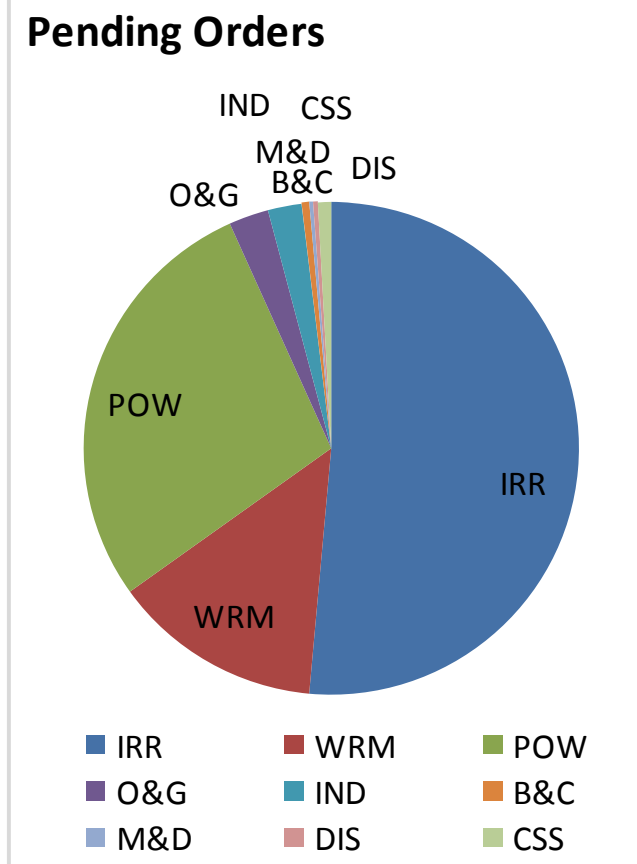
- 150 mm size tamper proof Kinetic Air Valve developed and field trials completed.
- STP/ETP plant commissioned. Solar Pumping System for bore well commissioned
- Gauge room has been set up and calibration of pressure gauges started in-house

Companywide Pending Orders



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Sector (Rs.million)	1Q FY 10-11	%
Irrigation (IRR)	18,112.9	51.4%
Water Resource Management (WRM)	4,838.5	13.7%
Power (POW)	9,890.0	28.1%
Oil & Gas (O&G)	927.3	2.6%
Marine & Defence (M&D)	79.8	0.2%
Industry (IND)	781.0	2.2%
Building & Construction (B&C)	177.0	0.5%
Distribution (DIS)	114.0	0.3%
Customer Service & Support (CSS)	305.0	0.9%
TOTAL	35,225.4	100.0%



**Quality of Project orders has improved with a better mix of orders of
Power, Customer Service & Support & Industry Sectors**

Companywide

Major Orders received in Q1



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Sector	Order Type	Customer	Value (Rs.mil)
Irrigation	Satgaon Pathar LIS	MKVDC	711.4
Water Resource Management	O&M Contract	SAIL Bhilai	90.0
Power	Circulating Colling Water System	GMR Energy Ltd, Bangalore	466.1
Oil & Gas	23 nos.KPD + 5 Nos.KPDS pumps	HPCL / Bokaro	19.4
Marine & Defence	Pump Set	WRT Sales & Services	2.7
Industry	Assorted pumpset + Accessories	L& T Hazira	17.5
Building & Construction	41nos engine sets & 139 Motor sets	For various customers	32.2
Distribution	1 Ph Monobloc	Machinery, Rudrapur / Kamal Agenci	13.8
Customer Support & Service	Supply of Spares for CT Pumps	NTPC Korba	16.9

Total orders received by KBL during 1Q FY 10-11 amounted to Rs. 2,492 million

QUARTERLY FINANCIALS

Highlights



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Sales :

- Total sales are at Rs. 3,880 M as against Rs.4,014 M in PY - drop of 3%.
- Fall in sales is mainly because we have not made dispatches for projects in Andhra Pradesh since money was not received from A.P. for earlier dispatches. The money in-flow has once again commenced in July
- KBL was selective with orders and execution to improve sales mix, which resulted in share of own product sales to total sales going up to 50% as against 43% in the previous year.
- There are few projects where planned execution shifted to 2nd Quarter. This also holds good for our LOC export dispatches. We are making efforts to ensure that some projects cross POC level in Q2, which will enable us to achieve Q2 sales target & also the bottom-line.

QUARTERLY KEY FINANCIALS – Standalone



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(Rs. In Crores)

Partuculars	Three Months Ending			Year Ended Mar 31, 2010
	Jun-10	Jun-09	Jun-08	
Total Income	391	406	374	2,066
P B D I T	21	23	5	233
P B T	6	7	(4)	173
P A T	4	6	(4)	118
Particulars	Three Months Ending			Year Ended Mar 31, 2010
	Jun-10	Jun-09	Jun-08	
P B I D T %	5.4%	5.7%	1.3%	11.3%
P B T %	1.6%	1.7%	-1.1%	8.4%
R O C E %	4.8%	6.9%	0.1%	19.2%

QUARTERLY KEY FINANCIALS - Consolidated



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(Rs. In Crores)

Particulars	Three Months Ending			Year Ended Mar 31, 2010
	Jun-10	Jun-09	Jun-08	
Total Income	546	536	499	2,680
P B D I T	34	36	6	276
P B T	15	15	(4)	192
P A T	9	10	(6)	113
Cash Profit	19	18	0	152

Particulars	Three Months Ending			Year Ended Mar 31, 2010
	Jun-10	Jun-09	Jun-08	
P B I D T % age	6.3%	6.7%	1.1%	10.3%
P B T % age	2.8%	2.7%	-0.7%	7.2%
R O C E % age	6.6%	8.6%	0.6%	18.9%



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THANK YOU