

# NOTICE

Notice is hereby given that the 23rd Annual General Meeting (AGM) of the Members of Shakti Pumps (India) Limited will be held at the Registered Office of the Company at Plot No. 401, 402 & 413 Sector III, Industrial Area, Pithampur Dist. Dhar (M.P.) - 454774 on 27th September, 2018, Thursday, at 12:30 P.M. to transact the following Business:

## 1. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including audited consolidated financial Statements) for the financial year ended March 31, 2018 and the Report of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares of Rs. 3.7/- Per Equity Shares of Rs. 10/- each of the Company for the Financial Year ended March, 31, 2018.
3. To appoint Director in place of Mr. Ramesh Patidar (DIN: 00931437), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. To appoint of M/s. PGS & Associates as Statutory Auditors.

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, if any, read with Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof M/s. PGS & Associates, Chartered Accountants, Mumbai (Firm Registration No. 122384W) be and is hereby appointed Statutory auditors of the Company and to hold office from the conclusion of Twenty Third Annual General Meeting till the conclusion of Twenty Sixth Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable Goods & Services tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do such acts, deeds, matters and things which may deem necessary in this behalf.

## SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

Ratification of Remuneration payable to **M/s. M. P. Turakhia & Associates, Cost Accountants** (Firm Registration No. 000417) appointed as Cost Auditor of the Company for the year 2018-19.

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. M. P. Turakhia & Associates, Cost Accountants (Firm Registration No. 000417) appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of the Company for the financial year 2018-19, be paid a remuneration of Rs. 55,000/- per annum plus applicable Goods & Services tax and out of pocket expenses that may be incurred.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

Re-appointment of **Mr. Dinesh Patidar** (DIN: 00549552) as Managing Director of the Company for a period of 3 (Three) consecutive years, commencing from 1st September 2018 till 31st August 2021.

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] consent and/or approval of the Company be and is hereby accorded to the re-appointment of Mr. Dinesh Patidar (DIN:00549552) as Key Managerial Personnel and designated as Managing Director of the Company for a further period of 3 (Three) consecutive years, commencing from 1st September 2018 till 31st August 2021, and to his remuneration by way of salary, commission, perquisites and/or allowances, as Managing Director of the Company

as approved and recommended by the Nomination and Remuneration Committee and upon the terms, conditions and stipulations contained in the draft Agreement to be entered into between the Company of the ONE PART and Mr. Dinesh Patidar of the OTHER PART and also as set out in the Statement pursuant to Section 102 of the Companies Act, 2013, attached to the notice convening the 23rd Annual General Meeting of the Company (a draft, whereof is placed before the meeting and for the purpose of identification, is subscribed by the Chairman) which Agreement is specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms, conditions and stipulations of the said re-appointment of Mr. Dinesh Patidar as, Managing Director of the Company and/or remuneration payable to him and/or agreement containing the terms and conditions as may be agreed to between the Board of Directors and Mr. Dinesh Patidar, provided, however, that the remuneration payable from time to time within the provisions of the Act, rules thereto and Schedule V of the Act, or any amendment thereto or any re-enactment thereof."

**"RESOLVED FURTHER THAT** where in any financial year, during his term of office, the Company makes no profits or its profits are inadequate, the Company may pay Mr. Dinesh Patidar minimum remuneration by way of salary, perquisites and/or allowances, commission subject to the maximum ceiling calculated in accordance with the scale laid down in Section II of Part II of Schedule V to the said Act, as applicable to the Company at the relevant time depending upon the effective capital of the Company and as may be agreed to by the Board of Directors of the Company and acceptable to Mr. Dinesh Patidar, the Managing Director of the Company subject to necessary approval(s) as may be required."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary desirable or expedient to give effect to this resolution."

**For and on the behalf of the Board  
Shakti Pumps (India) Limited**

**Ravi Patidar  
Company Secretary  
M. No. ACS 32328**

**Place: Pithampur  
Date: 16/08/2018**

## NOTES:

1. A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting. Members/ Proxies should bring their attendance slip duly filled in order to attend the meeting. A person can act as proxy on behalf of members' not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the Company. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereunder and forms part of the Notice.
3. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanship of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR) Regulation 2015 are provided.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Book of the Company shall remain closed from Thursday, September 20, 2018 to Thursday, September 27, 2018 (both days inclusive).
6. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched to those members whose names shall appear on the Company's Register of Members on Wednesday, 19th September, 2018; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by Central Depository Services (India) Limited & National Securities Depository Limited (NSDL) as beneficial owners on that date.
7. Members are requested to bring their copies of the Annual Report with them, since separate copies will not be distributed at the venue of the Annual General Meeting.

8. The shareholders are hereby informed that all the correspondence in connection with the shares is addressed to the Registrar & Share Transfer Agent M/s. Adroit Corporate Services Pvt. Ltd, 19/20, Jafferbhoy Industrial Estate, 1st Floor Makwana Road, Marol Naka Mumbai, Maharashtra -400059.
9. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Share Transfer Agent.
11. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend.

The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the Concerned Depository Participant and holdings should be verified.
13. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
14. Electronic copy of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
15. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website at [www.shaktipumps.com](http://www.shaktipumps.com). The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours (11.00 A.M. to 5.00 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cs@shaktipumpsindia.com](mailto:cs@shaktipumpsindia.com).
16. Pursuant to Section 108 of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, 2015, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed in the AGM by electronic means. The members whose names appear in the Register of Members/ List of Beneficial owners as on Wednesday 19th September, 2018 i.e. the date prior to the commencement of Book Closure, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting systems from any place other than the venue of the meeting (remote e-voting). The remote e-voting will commence at 9:00 a.m. on Monday, 24th September, 2018 and will end at 5:00 p.m. on Wednesday, 26th September, 2018. In addition, the facility of voting through electronic voting system shall also be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter>

17. SEBI vide their Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated 20th April, 2018 has mandated all listed Companies to make payment of dividend to the shareholders through approved electronic mode and also directed that updated bank details and PAN of the Shareholders be obtained and maintained by the Companies. You are requested to update your PAN and Bank details by writing to the Company's RTA.
18. SEBI vide amendment in the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, dated June 8, 2018, has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f. December 5, 2018. You are accordingly advised to dematerialize your physical shareholding at earliest. After December 5, 2018, no request for transfer of shares in physical form can be processed by the Company/RTA.
19. Members having any question on financial statements or any agenda item proposed in the notice of AGM are requested to send their queries at least 15 days in advance of the Meeting at the Company's registered office or at E-mail Id: cs@shaktipumpsindia.com to enable the Company to collect the relevant information and redress the queries.
20. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company and for cancellation and variation of nomination in Form SH-13 and SH-14, respectively, the same forms can be obtained from the Registrar and Transfer Agent of the Company.
21. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio.
22. Non-Resident Indian members are requested to inform RTA/ respective DPs, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
23. The Board of Directors of the Company has appointed Mr. Manish Maheshwari (C.P 3860) Proprietor of M/s M. Maheshwari & Associates, Indore as Scrutinizer to scrutinize the remote e-voting process and Ballot papers process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose. The remote e-voting/voting rights of the shareholders/beneficial owners shall be reckoned on the paid up value of shares registered in their name as at close of business hours on the Cut-Off date i.e. Wednesday, September 19, 2018. A person who is not a member as on the Cut-Off date should treat this Notice for information purposes only.
24. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast 2 witnesses not in the employment of the Company and shall within 2 days of conclusion of the AGM shall submit a consolidated Scrutinizer's report of the total votes cast in favor of or against, if any, to the Chairman or any other person authorized who shall countersign the same and declare the result of the voting forthwith.
25. The results along with Scrutinizer's Report, will be placed on the Company's website at www.shaktipumps.com and the website of CDSL immediately after the result is declared. The results shall simultaneously be communicated to the Stock Exchanges where the securities of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.
26. E-voting:  
The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on 24th September 2018, 9:00 a.m. and ends on 26th September 2018, 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 19th September 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
  - (iii) Click on Shareholders / Members
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>
	<ul style="list-style-type: none"> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password

Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**For and on the behalf of the Board  
Shakti Pumps (India) Limited**

**Place: Pithampur  
Date: 16/08/2018**

**Ravi Patidar  
Company Secretary  
M. No. ACS 32328**



## ANNEXURE TO THE NOTICE

### Explanatory Statement in respect of Special Business Pursuant to Section 102 of The Companies Act, 2013.

#### Item No. 5

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company. On the recommendation of the Audit Committee at its meeting held on August 16, 2018, the Board has, considered and approved the appointment of M/s. M. P. Turakhia & Associates, Cost Accountants as the cost auditor for the financial year 2018-19 at a remuneration of Rs. 55,000/- per annum plus applicable Goods & Services tax and reimbursement of out of pocket expenses.

The Board recommends this Ordinary resolution for approval of the Members.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

#### Item No. 6

The tenure of Mr. Dinesh Patidar (DIN: 00549552), as Managing Director of the Company to be expired on 31st August 2018. Based on the recommendation and approved by Nomination and Remuneration Committee, the Board at its meeting held on 16th August 2018, has re-appointed as Managing Director for a further period of three years commencing from 01st September, 2018 till 31st August, 2021, on the following terms and conditions, subject to the approval by the members of the Company at this AGM. The remuneration payable to Mr. Dinesh Patidar as contained in the agreement signed between Mr. Dinesh Patidar and Company is within the limits prescribed in the Companies Act, 2013 ("the Act"). A brief profile of Mr. Dinesh Patidar is included as an annexure to this Notice as per the requirements of Regulation 17 SEBI (Listing obligation and disclosure requirements) Regulation, 2015.

The terms and conditions on which Mr. Dinesh Patidar is proposed to be re-appointed as Managing Director are as under: -

- a) **Term:** - The term of Managing Director is for a period of Three Years commencing from 1st September, 2018 till 31st August, 2021.
- b) **Salary:** - Rs. 25,00,000/- (Rupees Twenty-Five Lakhs Only) per month.

- c) **Commission:** - Commission 1% of the Net Profits of the Company computed in the manner laid down under Section 197(6) of the Companies Act, 2013.

d) **Perquisites:** -

The perquisites shall be valued as per Income Tax Rules, 1962. For this purpose, perquisites will be as follows: -

1. **Medical Reimbursement:** The reimbursement of actual medical expenses incurred by self and family of the Managing Director.
2. **Travelling Expenses Reimbursement:** The reimbursement of actual travelling expenses incurred him.
3. **Health Insurance:** Health Insurance premium for covering self and dependent family members of Mr. Dinesh Patidar.
4. **Leave Travel Concession:** For self and family once in a year.
5. **Leave:** As per the Rules of the Company applicable to the Senior Executives.
6. **Accident Insurance:** Premium not to exceed Rs. 12,000/- per annum.
7. **Education Allowances:** upto the Rs. 2 Lacs per annum. (Not Part of Salary)
8. **Car:** Facility of Company Car
9. **Other Perquisites:** Performance Incentives, Commission. (Not Part of Salary).

e) **Other Benefits:** -

In addition to the perquisites, the Managing Director shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration specified above: -

1. **Provident Fund:** - Company's Contribution towards Provident Fund at the rate of 12% of the salary or such rate prescribed as per Employees' provident fund and Miscellaneous Provisions Act, 1952.
2. **Superannuation Fund:** -Company's Contribution subject to a maximum of 15% of the Salary for every completed year of service.

3. Gratuity: As per the rules of the Company applicable to the Senior Executive.
4. Leave Encashment: Payable annually-in excess of 90 days.

Considering the Vast knowledge and rich business experience of Mr. Dinesh Patidar, the Board recommends the passing of said **Special resolution** in the interest of the Company.

None of the Directors, Key managerial personnel and relatives of such persons except Mr. Sunil Patidar is, in any way, concerned or interested, financially or otherwise, in the Resolution.

**f) Reimbursement of Expenses: -**

Expenses incurred for travelling, boarding and lodging including for Mr. Dinesh Patidar's spouse and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses at residence shall be reimbursed at actual and not considered as perquisites.

**Overall Remuneration**

Subject to an overall limit of 5% of the net profit individually and 10% of the net profit collectively payable to the Managing Director and Whole-time Director of the Company, as calculated in accordance with Section 197 and other applicable provisions read with Schedule V to the said Act, as may be for the time being in force.

**Minimum Remuneration**

In the event of loss or inadequacy of profits in any financial year during the currency of tenure of office of the appointees, the Company may pay them remuneration by way of consolidated salary and perquisites in accordance with the limits laid down under Section II of Part II of Schedule V to the said Act, as may be applicable at the relevant time, subject to necessary approval(s) as may be required.

The perquisites specified in Section II of Part II of Schedule V to the Act, however shall not be included in the computation of the ceiling on remuneration specified under Section II of Part II of Schedule V to the Act. The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable otherwise at actuals.

The remuneration details and terms and conditions are set out as above may be treated as an abstract of the terms of appointment pursuant to Section 190 and 196 of the Companies Act, 2013

**Sitting Fee**

The appointees shall not so long as they act as Chairman & Managing Director of the Company, be paid any sitting fees for attending any meeting of the Board or Committee thereof.

**Termination**

Notwithstanding anything contained in this Agreement, either party shall be entitled to determine this Agreement by giving three calendar months' notice in writing in that behalf to the other party and on the expiry of the period of such notice, this Agreement shall stand terminated. The Company shall also be entitled without assigning any reason whatsoever to terminate the Agreement on giving to the appointees three months' salary as specified hereinabove under the head Remuneration, in lieu of three calendar months' notice required to be given under this clause.

**Service of Notice**

Any notice to be given hereunder shall be sufficiently given or served in case of the appointees by being delivered either personally to them or left for them at their addresses last known to the Company or sent by registered post addressed to them at such address and in the case of the Company by being delivered at or sent by registered post addressed to its Registered Office; any such notice if so posted shall be deemed served on the day following that on which it was posted. In terms of requirements under Schedule V to the Companies Act 2013, the Company requires to seek members' approval by a special resolution for minimum remuneration payable to the respective appointees in the scale laid down in Section II of Part II of Schedule V to the Act. In the event of loss or inadequate profits, the Company will obtain approval of Central Government for continuing the payment of Remuneration to the aforesaid appointees.

**Memorandum of Interest**

None of the Directors, Key managerial personnel and relatives of such persons except Mr. Dinesh Patidar and Mr. Sunil Patidar is, in any way, concerned or interested, financial or otherwise, in the aforesaid Resolution. The Board accordingly recommends the Resolutions set out in item Nos. 6 of the accompanying Notice for members' approval by way of Special Resolution.

**Inspection of documents**

The draft of the proposed Agreements to be entered into between the Company and the appointees are available for inspection by



the Members of the Company at its Registered Office, on any working day prior to the date of the meeting during 2.00 p.m to 4.00 p.m and will also be available at the meeting.

### Abstract of Terms and Conditions

This should be treated as an abstract of the terms of appointment and memorandum of interest of the respective appointees as required under Section 190 of the Act. In terms of the Schedule V of the Companies Act, 2013 the following information is given to the shareholders:

### Statement pursuant to the provisions of Part II section II (B)(iv) of Schedule V of Companies Act, 2013:

1. General Information:				
1 Nature of Industry	Manufacturing of Pumps and Motors			
2 Date commencement of commercial production	1995			
3 Financial performance based on given indicators	(Rs. in lakhs)			
Year ending 31st March	Standalone Sales	Operating Profit	Profit before Tax	Profit after tax
2014	29655.23	4828.48	3569.87	2651.34
2015	29852.31	4818.51	3502.08	2571.26
2016	26384.79	1743.45	342.85	197.51
2017	40492.85	4728.90	3132.90	2132.16
2018	41314.06	5781.52	4422.46	2711.05
4 Export Performance Consolidated	FOB Value of Export for the year 2015-16 - Rs. 1,12,74,89,016 2016-17 - Rs. 1,17,60,59,339 2017-18 - Rs. 1,30,02,00,481			
5 Foreign investments or collaboration, if any	Company has four foreign wholly owned Subsidiary namely:- Shakti Pumps USA, LLC Shakti Pumps FZE, UAE Shakti Pumps Pty Ltd, Australia Shakti Pumps (Shanghai) Limited, China			

II. Information about the appointee:		
Background details	He is an Industrialist and currently the Managing Director of the Company. He is a graduate and has over 32 years of experience in business of Pumps and Motors.	
Past remuneration	The remuneration drawn by Mr. Dinesh Patidar during the past two years is as follows:	
b) Past remuneration	Year	Rs
	2015-16	1.68 Crs.
	2016-17	1.44 Crs.
	2017-18	1.68 Crs.
c) Recognition or awards	The appointee takes interest in the social and cultural activities.	
d) Job Profile and Suitability	Mr. Dinesh Patidar is Managing Director of the Company. Devotes his whole time and attention to the business and management of affairs of the Company and carries out such duties as entrusted to him by the Board and exercises such powers as assigned to him from time to time by the Board subject to superintendence control and direction of the Board in connection with and in the best interest of the Company including the business of its associates and/or its subsidiaries. He is one of the Promoters of the Company. His job profile centers to provide vision, guidance and direction for long term growth of the Company.	
e) Remuneration Proposed	It is proposed to pay consolidated remuneration to Mr. Dinesh Patidar upto Rs. 3.00 Crores per annum (Rupees Three Crores Only) per annum by way of Salary.	
f) Comparative Remuneration Profile with respect to Industry, Size of Company, Profile of the position and person.	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized and similar positioned businesses.	

g) Pecuniary relationship directly or indirectly with the company or relationship with the Managerial Personnel, if any.	Except salary and perquisites to be received from the Company by the appointee including their relatives and to receive dividend declared by the Company, if any, including amounts disclosed in the Annual Report under the related party transactions, Mr. Dinesh Patidar do not have any pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel of the Company.
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**Information pursuant to 1.25 of the Secretarial Standards on General Meetings (SS-2) regarding Director seeking appointment/ Re-appointment:**

**Mr. Dinesh Patidar**

<b>Age</b>	56 years
<b>Qualifications</b>	Graduate
<b>Experience</b>	33 years
<b>Terms And Conditions of appointment or re-appointment</b>	<p>(i) Tenure of this appointment shall be three years with effect from 1st September 2018 to 31st August 2021.</p> <p>(ii) The Managing Director of the Company is the whole time Director of the Company and shall not be liable to retire by rotation. The Managing Director would be employed on a whole time basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the written permission of the Competent Authority in each case.</p> <p>(iii) The Managing Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act.</p>

	<p>(iv) Managing Director will cease to be Director on cessation of his employment with the Company.</p> <p>(v) The appointment shall be governed by section 196, 197, 203 read with Schedule V of the Companies Act, 2013 and rules made thereunder.</p> <p>(vi) The separation from this engagement could be effected by either side giving three months' notice.</p>
<b>Last drawn remuneration</b>	Rs. 1.68 Crores per annum
<b>Date of first appointment on the Board</b>	April 21, 1995
<b>No. of shares held</b>	3521488 shares
<b>Relationship with Directors, Managers &amp; KMP</b>	Brother of Mr. Sunil Patidar (Whole-Time Director)
<b>Number of Board Meetings Attended during the year</b>	3 (Three)
<b>Other Directorships</b>	<p>(i) Shakti Irrigation India Limited.</p> <p>(ii) Shakti Energy Solutions Private Limited</p> <p>(iii) SPIL Energy Limited</p>
<b>Chairman/ Member of the Committees of the Boards of other Companies</b>	N.A.

**For and on the behalf of the Board  
Shakti Pumps (India) Limited**

**Place: Pithampur  
Date: 16/08/2018**

**Ravi Patidar  
Company Secretary  
M. No. ACS32328**

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Details of Directors seeking re-appointment at the forthcoming Annual General Meeting:

Name of Directors	Mr. Ramesh Patidar
Date of Birth	January 25, 1973
Expertise in specific functional areas	International Business
Date of appointment	October 17, 2006
No. of Equity Share held in the Company	76848 Equity Shares
Disclosure of relationships between directors inter-se	Nil
Qualification	M.B.A.
List of outside Directorship held in Public Company	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Nil
Chairman/Member of the Committee of the Board of Directors of other Companies	Nil