

Annexure – I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1.	Name of the subsidiary	Shakti Pumps LLC	Shakti Pumps FZE	Shakti Pumps PTY Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2017	31.03.2017	31.03.2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD 64.50	AED 17.60	AUD 50.30
4.	Share capital	3331941	15656115	1489988
5.	Reserves & surplus	-	-	-
6.	Total assets	132979180	219527487	16778754
7.	Total Liabilities	132979180	219527487	16778754
8.	Investments	-	-	-
9.	Turnover	218700798	311251119	6287435
10.	Profit before taxation	30790958	(22369046)	(3375286)
11.	Provision for taxation	12845758	-	-
12.	Profit after taxation	17945200	(22369046)	(3375286)
13.	Proposed Dividend	-	-	-
14.	% of shareholding	100	100	100

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations.
- Names of subsidiaries which have been liquidated or sold during the year.

Part "B":- Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	NA	NA	NA
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the Company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to shareholding as per latest audited Balance Sheet			
6. Profit/Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

Annexure – II

Annual Report on Corporate Social Responsibility (CSR) Activities

A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR Policy of the Company

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. To pursue these objectives we will continue to:

1. Work actively in areas of eradication of hunger and poverty, provide opportunity and financial assistance for the promotion of education, provide medical aid to the needy and down trodden.
2. Collaborate with likeminded bodies like Voluntary organisations, charitable trusts, governments and academic institutes in pursuit of our goals.
3. Interact regularly with stakeholders, review and publicly report our CSR initiatives.

The CSR policy is available on companies website .i.e.www.shaktipumps.com.

Average net profit of the Company for last three financial years:

Average net Profit ₹23,29,22,592/-

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above) The Company is required to spend ₹46,58,452/- and Previous year unspent amount ₹48,07,062/-

The Total Amount required to be spent for the Financial 2016-17 of ₹94,65,513/-

5. Details of CSR spend for the financial year:-
 - a) Total amount to be spent for the financial year 2016-17: ₹94,65,513/-
 - b) Amount unspent: ₹62,73,731/-
 - c) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR Project or Activity identified	Sector in Which the project is Covered	Projects or Programs (1) Local Area or other (2) Specify the State and District where Projects or Programs was undertaken	Amount Outlay (Budget) project or programs wise (Rs.)	Amount spent on the project or programs (Rs.)	Cumulative expenditure up to reporting period (Rs.)	Amount spent: Direct or through Implementing agency (Rs.)
1	Installation of Solar Pumps Sets At Bare Foot College	Social	Tilonia	500000	4,22,350	4,22,350	0
2	Installation of Solar Pumps Sets SGSITS	Social	Indore	5,00,000	4,24,200	8,46,550	0
3	Installation of Solar Pumps Sets Gram Panchayat	Social	Madansuri	9,00,000	8,67,635	17,14,185	0
4	Deposit of School Fees	Social	Village Sulawad	25,000	21,027	17,35,212	0
5	Installation of Pumps Sets at Ganesh Temple	Social	Nihampur, Mundi	30,000	26,570	17,61,782	0
6	Annual Function Donation	Social	Mhow	5,000	5,000	17,66,782	0
7	Free Medical Treatment at Shakti Foundation	Social	Rau	15,00,000	14,25,000	31,91,782	0

Implementing Agency:-

6. During the financial year Company has spent ₹31,91,782/- out of ₹94,65,513/- and the Company could not spend the remaining balance amount due to difficulties of fund allocation and need to more time for verification of various proposal received from Implementing Agencies. Company is fully committed & dedicated towards its Social Responsibility. The balance amount will be spent in the financial year 2017-18.
7. The CSR Committee of the Board of Directors hereby confirms that implementation and Monitoring is fully accordance with the CSR Policy of the Company. The amount spent under CSR activities was fully complied with CSR objective and Policy of the Company. The said contribution does not violate any provision of the Companies Act, 2013 and Rules made their under.

Signature	Signature
Dinesh Patidar Chairman & Managing Director (DIN: 00549552)	Shyam Sunder Raghuvanshi Chairman CSR Committee (DIN: 02285727)

Annexure – III

Form No. AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NA
2	Nature of contracts/arrangements/transaction	NA
3	Duration of the contracts/arrangements/transaction	NA
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5	Justification for entering into such contracts or arrangements or transactions'	NA
6	Date of approval by the Board	NA
7	Amount paid as advances, if any	NA
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NA
2	Nature of contracts/arrangements/transaction	NA
3	Duration of the contracts/arrangements/transaction	NA
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
5	Date of approval by the Board	NA
6	Amount paid as advances, if any	NA

Annexure – IV

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION MANAGERIAL PERSONNEL RULE 2014.

- 1) The percentage increase in Remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year 2016-17 and ratio of remuneration of each key managerial personnel (KMP) against the performance are as under:-

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for the Financial year 2016-17 (In ₹)	Percentage Increase in Remuneration for the Financial Year 2016-17	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1.	Mr. Dinesh Patidar Managing Director	1,44,92,500	0.00%	64.28
2.	Mr. Sunil Patidar Whole- Time Director	23,81,285	81.83%	10.56
3.	Mr. Ramesh Patidar Whole Time Director	25,69,120	22.73%	11.40
4.	Mr. Akhilesh Maru Chief Financial Officer	20,22,144	0.00%	8.97
5.	Mr. Ravi Patidar Company Secretary	6,39,096	0.00%	2.83

- 2) The Median Remuneration of Employees of the Company during the financial year was ₹2,25,442/-
- 3) There was an increase of 22.60% in median remuneration of employees during the financial year.
- 4) The number of permanent employees on the rolls of the Company is 580 for the year ended March 31, 2017.
- 5) Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year 2016-17 was 14.50%.
- 6) It is affirmed that remuneration paid during the year ended 31st March, 2017 is as per the Remuneration Policy of the Company.

Annexure – V

Form No. MR-3 SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the companies act, 2013 and rule no.9 of the companies (appointment and remuneration of managerial personnel) rules, 2014]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

To,
The Members,
SHAKTI PUMPS (INDIA) LIMITED
CIN: L29120MP1995PLC009327
Plot No. 401, 402 & 413 Sector III Industrial Area
Pithampur, (M.P.) – 454774

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shakti Pumps (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Shakti Pumps (India) Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on March 31, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under read with notifications, exemptions and clarifications thereto;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time.
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014. (Not applicable as the Company during the reporting period under Audit).
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. (Not applicable as the Company during the reporting period under Audit);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended from time to time. (Not applicable as the Company during the reporting period under Audit)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1999. (Not applicable as the Company during the

reporting period under Audit)

vi. We have in principally verified existing systems and mechanism which is followed by the Company to ensure compliance of other laws as applicable to the Company Like:

i. The Special Economic Zone Act, 2005, and rules made thereunder

And have relied on the representation made by the Company and its officers in respect of aforesaid systems and mechanism for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the same.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards on Board and General Meeting (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange Limited read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below-

1. Company has not filed form CRA-4 for Report of Cost Auditor.

We further report that

We rely on Statutory Auditor's Report in relation to the financial statements and accuracy of financial figures for Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under Financial Statements, Accounting Standard 18 and note on foreign currency transactions during our audit period.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously/majority as recorded in the Minutes of the Board of Directors of the Company or committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period the Company has no specific events / actions that having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard, etc. except the Company has converted its 15,00,000 Compulsory Convertible Preference share into 16,36,363 Equity Shares.

We further report that during the financial year 2015-16, the Company has paid excess remuneration ₹48,00,000/- to its Managing Director according to Section 197 of Companies Act, 2013 and rules made thereunder, thereafter the Company has filled form MR-2 to Central Government for waiver of excess remuneration paid by Company and approval is pending.

Note : This Report is to be read with our letter dated 21st July, 2017 which is annexed as Annexure A and forms and integral part of this report.

For M. Maheshwari & Associates
Company Secretaries
Firms U.C.N. I2001MP213000

Manish Maheshwari
Proprietor
FCS-5174
CP-3860

Date : 21st July, 2017
Place : Indore

Dated: 21.07.2017

To,
The Members,
SHAKTI PUMPS (INDIA) LIMITED
CIN: L29120MP1995PLC009327
Plot No. 401, 402 & 413 Sector III Industrial Area
Pithampur, (M.P.) - 454774

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliances of laws, rules, regulations and happening of events etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

For M Maheshwari & Associates
Company Secretaries
Firms U.C.N. I2001MP213000

Date: 21st July, 2017
Place: Indore

Manish Maheshwari
Proprietor
FCS-5174
CP-3860