



Date: September 04, 2019

To, The Manager, Listing Department The National stock exchange of India Ltd. Exchange plaza, BKC, Bandra (E) Mumbai-MH 400051.	To, The Manager, Listing Department The BSE Ltd. P.J. Towers, Dalal Street Mumbai- MH 400001.
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Ref:-Shakti Pumps (India) Limited (ISIN INE908D01010).

BSE Code: 531431, NSE Symbol: SHAKTIPUMP

Subject: - Notice of 24th Annual General Meeting.

Dear Sir/Mam,

We are pleased to submit copy of notice of the 24<sup>th</sup> Annual General Meeting of our Company to be held on Friday, September 27, 2019, at 12:30 PM at the registered office of the Company Situated at Plot No. 401, 402 & 413 Sector III Industrial Area Pithampur Dist. Dhar (M.P.) - 454774.

Thanking you,

Yours faithfully

For Shakti Pumps (India) Limited

  
Ravi Patidar  
Company Secretary



**SHAKTI PUMPS (INDIA) LIMITED**

# Notice

To the Members of  
SHAKTI PUMPS (INDIA) LIMITED

Notice is hereby given that the 24th 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 Friday, September 27, 2019, at 12:30 P.M. to transact the following Business: -

## ORDINARY BUSINESS: -

1. To receive, consider and adopt the Audited Financial Statements (including audited consolidated financial Statements) for the financial year ended March 31, 2019 and the Report of the Directors and Auditors thereon.
2. To declare Dividend of Rs.5.00/- Per Equity Share on Equity Shares of Rs.10/- each of the Company for the Financial Year ended March 31, 2019.
3. To appoint a Director in place of **Mr. Sunil Manoharlal Patidar (DIN: 02561763)**, who retires by rotation at this ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

## SPECIAL BUSINESS: -

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), **Mr. Navin Sunderlal Patwa (DIN:01009404)**, Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, and who is eligible for re-appointment and in respect of whom based on his evaluation of performance, the Nomination and Remuneration Committee has recommended his reappointment to the Board, and the Board of Directors be and is hereby re-appointed as an Independent Director of the Company, subject to consent of shareholders, to hold office for a second term of 5 (five) consecutive years, commencing from July 31, 2019 to July 30, 2024.”

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

“**RESOLVED THAT** in accordance with the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Keyur Bipinchandra Thaker (DIN:08474827), who was appointed as an Additional Independent Director of the Company with effect from June 11, 2019, pursuant to Section 161 of the Act and who has submitted the declaration that he meets the criteria for Independence as provided under the Act and the Listing Regulations and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of upto 5 (five) consecutive years with effect from **June 11, 2019 to June 10, 2024.**”

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

Ratification of Remuneration payable to of **M/s. M. P. Turakhia & Associates, Cost Accountants** (Firm Registration No. 000417) appointed as Cost Auditor of the Company for the year 2019-20.

“**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 2019-20, be paid a remuneration of Rs. 55,000/- per annum plus applicable Goods and 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.”

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

**Revision of remuneration of Mr. Dinesh Patidar (DIN: - 00549552) Chairman and Managing from September 1, 2019 till August 31, 2021**

“**RESOLVED THAT** on recommendation by the Nomination and Remuneration Committee and Audit committee and 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 for revision of remuneration of Mr. Dinesh Patidar (DIN:00549552) designated as the Chairman and Managing Director of the Company.

**FURTHER RESOLVED THAT** the overall managerial remuneration payable to Mr. Dinesh Patidar shall be fixed by the Board from time to time on recommendation by the Nomination and Remuneration Committee and audit committee but not exceed of Rs. 9.00 (nine) Crore per annum at any point of time and that term and condition of the aforesaid remuneration payable to the said Chairman and Managing Director be varied/altered/revised within the said overall limit, in such manner as may be required during the period of his appointment term.

**FURTHER RESOLVED 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 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 capital of the Company and as may be agreed by the Board of Directors of the Company and acceptable to Mr. Dinesh Patidar, the Chairman and Managing Director of the Company subject to necessary approval(s) as may be required.

**FURTHER RESOLVED 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 and 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: August 12, 2019

## Notes: -

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. If a Proxy is appointed for more than fifty Members, the Proxy shall choose any fifty Members and confirm the same to the Company not later than 48 (forty-eight) hours before the commencement of the meeting. In case, the Proxy fails to do so, the first fifty proxies received by the Company shall be considered as valid. The instrument of Proxy, in order to be effective, should be deposited, either in person or through post, at the Registered Office of the Company, duly completed and signed, not later than 48 (forty-eight) hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies

submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / letter of authority, as applicable.

- The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereunder and forms part of the Notice.
- 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) Regulations, 2015 are provided in the Corporate Governance Report forming part of the Annual Report.
- Corporate Members intending to send their authorised representatives to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the Meeting.

5. 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.
6. The Register of Members and Share Transfer Book of the Company shall remain closed from **Friday, September 20, 2019 to Friday, September 27, 2019** (both days inclusive).
7. 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 **Thursday, September 19, 2019**, 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.
8. 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.
9. 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.
10. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to 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.
11. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
12. 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.
13. 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.
14. 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.
15. 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.
16. Electronic copy of the Notice of the **24th** 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 **24th** 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.
17. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2018-19 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).
18. 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) Regulations, 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 **Thursday, September 19, 2019** 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 Tuesday, September 24, 2019 and will end at 5:00 p.m. on Thursday, September 26, 2019**. 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.

19. SEBI vide their Circular No. SEBI/HO / MIRSD /DOP1/ CIR/2018/73 dated April 20, 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.
20. The Ministry of Corporate Affairs had notified provisions relating to unpaid/ unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not en-cashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to en-cash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on **September 27, 2018 (date of last AGM)** are available on the website of the Company <https://www.shaktipumps.com/> and on Ministry of Corporate Affairs' website. The Member(s) whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/>.
21. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to M/s. Adroit Corporate Services Pvt. Ltd, 19/20, Jafferbhoy Industrial Estate, 1st Floor Makwana Road, Marol Naka Mumbai, Maharashtra -400059 by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
22. 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.
23. 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.
24. 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.
25. 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.
26. The Board of Directors of the Company has appointed Mr. Manish Maheshwari (C. P. No. 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. Friday, September 20, 2019**. A person who is not a member as on the Cut-Off date should treat this Notice for information purposes only.
27. 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 at-least 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.

28. The results along with Scrutinizer's Report will be placed on the Company's website at [www.shaktipumps.com](http://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.

**29. E-voting: -**

**The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on September 24, 2019, 9:00 a.m. and ends on September 26, 2019, 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 (record date) of Friday, September 20, 2019

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](http://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.

Next enter the Image Verification as displayed and Click on Login.

(v) 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.

(vi) If you are a first time user follow the steps given below: -

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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> <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	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.
OR Date of Birth (DOB)	<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>

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant on which you choose to vote.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) 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.

(xvii) 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.

(xviii) 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.

(xix) 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**

**Ravi Patidar**

Company Secretary

M. No. ACS 32328

Place: Pithampur

Date: August 12, 2019

## ANNEXURE TO THE NOTICE

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

#### Item No. 4:- Re- appointment of Mr. Navin Sunderlal Patwa (DIN :01009404) for a period of 5 Years.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto 5 (five) consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5 (five) consecutive years on the Board of a Company.

The Members of the Company at the Annual General Meeting held on July 31, 2014 approved the appointment of **Mr. Navin Sunderlal Patwa (DIN: 01009404)** Independent Directors for a period of 5 years commencing from July 31, 2014 to the conclusion of 24th Annual General Meeting to be held in 2019.

Based on their performance evaluation and recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule

IV and all other applicable provisions of the Act and the Listing Regulations, Mr. Navin Sunderlal Patwa is eligible for re-appointment as Independent Directors and had offered himself for re-appointment. The Board of Directors recommends the proposal to re-appoint him as Independent Directors for a term as mentioned in special resolution.

In the opinion of the Board, Independent Directors fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for re-appointment as an Independent Director of the Company and is independent of the management. A copy of the draft Letter of Appointment for Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day. The Board considers that association of the Independent Directors would be of immense benefit to the

Company considering their expertise and experience and it is desirable to avail services of these Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment **Mr. Navin Sunderlal Patwa (DIN: 01009404)** as Independent Director, for the approval by the shareholders of the Company.

Except **Mr. Navin Sunderlal Patwa (DIN: 01009404)**, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

#### **Item No. 5: Appointment of Mr. Keyur Bipinchandra Thaker (DIN: 08474827) as an Independent Director of the Company.**

Mr. Keyur Bipinchandra Thaker who has been appointed as an Additional Independent Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from **June 11, 2019** holds office upto the date of this Annual General Meeting and is eligible for appointment as Independent Director.

Mr. Keyur Bipinchandra Thaker is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Keyur Bipinchandra Thaker as Independent Director, for the approval by the shareholders of the Company.

Except Mr. Keyur Bipinchandra Thaker, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

#### **Item No.6: Ratification of Remuneration payable to Cost Auditor.**

**M/s. M. P. Turakhia & Associates, Cost Accountants** 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 12, 2019**, the Board has, considered and approved the appointment as the cost auditor for the financial year 2019-20 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. 7:-Revision of remuneration paid to Mr. Dinesh Patidar (DIN: 00549552) as Chairman and Managing Director of the Company.**

Based on the recommendation and approval of Nomination and Remuneration Committee, the Board at its meeting held on August 12, 2019, 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").

The terms and conditions for revision of remuneration are as under: -

- a) **Term: -**  
The term of Managing Director is for a period commencing from September 1, 2018 till August 31, 2021.
- b) **Salary: -**  
Not Exceeding Rs. 75,00,000/- (Rupees Seventy Five lacs Only) per month.
- c) **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 Management.
  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).
- d) **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. Dinesh Patidar, Mr. Sunil Manoharlal Patidar is in any way, concerned or interested, financially or otherwise, in the Resolution.

- e) **Reimbursement of Expenses: -**  
Expenses incurred for travelling, board and lodging including for spouse of Mr. Dinesh Patidar 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.
- f) **Overall Remuneration**  
Subject to an overall limit of 5% of the net profit individually and 10% of the net profit collectively payable to the Chairman & 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 actual.

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 Manoharlal 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. 7 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 (11.00 A.M. to 5.00 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:-

General Information:	
1. Nature of Industry	Manufacturing of Submersible Pumps and Motors
2. Date commencement of commercial production	1995
3. Financial performance based on given indicators.	

Year ending March 31	Standalone Sales	Operating Profit	Profit before Tax	Profit After Tax
2015	29,852.31	4,818.51	3,502.08	2,571.26
2016	26,384.79	1,743.45	342.85	197.51
2017	40,492.85	4,728.90	3,132.90	2,132.16
2018	41,314.06	5,781.52	4,422.46	2,711.05
2019	52,311.08	6,205.19	4,531.40	3,143.10

Export Performance	FOB Value of Export for the year 2016-17 - Rs.117,60,59,339.00 2017-18 - Rs.130,02,00,481.00 2018-19 - Rs.1,388,295,389.14
Foreign investments or collaborators, if any	Company has five foreign wholly owned Subsidiary namely: - 1. Shakti Pumps LLC, USA 2. Shakti Pumps FZE, UAE 3. Shakti Pumps Pty Ltd, Australia 4. Shakti Pumps (Shanghai) Limited 5. Shakti Pumps (Bangladesh) Limited

I. Information about the appointee:-

General Information:									
Background details	He is an Industrialist and currently the Chairman and Managing Director of the Company. He is a graduate and has over 33 years of experience in business of Submersible Pumps and Motors.								
a) Past remuneration	The remuneration drawn by Mr. Dinesh Patidar during the past years is as follows: <table border="1" data-bbox="686 1249 1469 1398"> <thead> <tr> <th>Year</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>2016-17</td> <td>1.44Cr.</td> </tr> <tr> <td>2017-18</td> <td>1.68 Crs.</td> </tr> <tr> <td>2018-19</td> <td>2.33 Crs.</td> </tr> </tbody> </table>	Year	Rs.	2016-17	1.44Cr.	2017-18	1.68 Crs.	2018-19	2.33 Crs.
Year	Rs.								
2016-17	1.44Cr.								
2017-18	1.68 Crs.								
2018-19	2.33 Crs.								
b) Recognition or awards	The appointee takes interest in the social and cultural activities.								
c) Job Profile and Suitability	Mr. Dinesh Patidar is Chairman and 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 amongst the Promoters of the Company.  His job profile centers to provide vision, guidance and direction for long term growth of the Company.								
d) Remuneration Proposed	It is proposed to pay consolidated remuneration to Mr. Dinesh Patidar upto Rs. 9.00 Crores (Rupees Nine Crores only) per annum by way of Salary.								

General Information:	
e) 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.
f) 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.

**Information pursuant to 1.25 of the Secretarial Standards on General Meetings (SS-2) regarding Director seeking appointment/ Re-appointment: -**

**Mr. Dinesh Patidar**

Age	57 years
Qualifications	Graduate
Experience	34 years
Terms And Conditions of appointment or re-appointment	<p>(i) Tenure of this appointment shall be three years with effect <b>from September 1, 2018 to August 31, 2021.</b></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>
Last drawn remuneration	Rs.2,32,50,000/- per annum
Date of first appointment on the Board	April 21, 1995
No. of shares held	35,21,488 shares
Relationship with Directors, Managers & KMP	Brother of Mr. Sunil Manoharlal Patidar (Whole-Time Director)
Number of Board Meetings Attended during the year	6 (Six)
Other Directorships	<p>(i) Shakti Irrigation India Limited</p> <p>(ii) Shakti Energy Solutions Private Limited</p> <p>(iii) SPIL Energy Limited</p>
Chairman/ Member of the Committees of the Boards of other Companies	N. A.

Name of Directors	Mr. Sunil Manoharlal Patidar	Mr. Navin S Patwa	Mr. Keyur Bipin Chandra Thaker
Date of Birth	July 13, 1969	August 14, 1975	February 23, 1975
Expertise in specific functional areas	Human resources Management and Industrial Relations	Corporate Laws	Banking and Finance
Date of appointment	April 21, 1995	January 18, 2012	June 11, 2019
No. of Equity Share held in the Company	15,62,200 Equity Shares	NIL Equity Shares	NIL Equity Shares
disclosure of relationships between directors inter-se	Brother of Mr. Dinesh Patidar (Chairman and Managing Director)	NA	NA
Qualification	Graduate	ACS, LL.B.	P.hD, MBA.
List of outside Directorship held in Public Company	1. Shakti Irrigation India Limited	NIL	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Nil	<ol style="list-style-type: none"> <li>1. Member of the Audit Committee.</li> <li>2. Member of the Nomination and Remuneration Committee.</li> <li>3. Member of Corporate Social Responsibility Committee.</li> <li>4. Member of Treasury Committee.</li> <li>5. Chairman of Stakeholders Relationship Committee.</li> </ol>	Nil
Chairman/Member of the Committee of the Board of Directors of other Companies	Nil	Nil	Nil