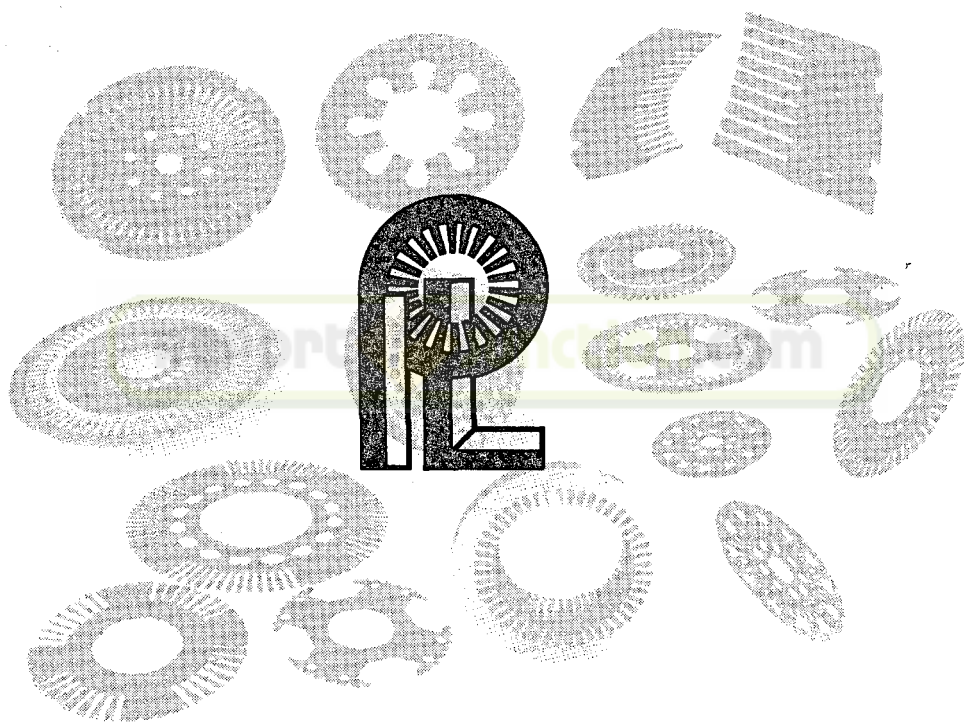


23rd ANNUAL REPORT 2006-2007



PITTI LAMINATIONS LIMITED



BOARD OF DIRECTORS

SHARAD B. PITTI

Y B SAHGAL

AKSHAY S. PITTI

SANTOSH KUMAR AGRAWAL

V K SALHOTRA

KANTI KUMAR R PODAR

G NARAYANA RAO

ARUN GARODIA

N R GANTI

G VIJAYA KUMAR

M GOPALA KRISHNA, IAS (Retd.)

TSSN MURTHY

SECRETARY & GM (COMMERCIAL)

B.K. PRASAD

BANKERS

Andhra Bank
Specialised Corporate Finance Branch
6-3-648, 3rd Floor, Padmaja Landmark,
Somajiguda, Hyderabad - 500 082.

Allahabad Bank
Industrial Finance Branch
6-3-850/3, 1st Floor, Ameerpet Main Road,
Hyderabad - 500 016.

State Bank of India
Industrial Finance Branch
Rajbhavan Road, Somajiguda,
Hyderabad - 500 082.

CHAIRMAN & MANAGING DIRECTOR

EXECUTIVE DIRECTOR

DIRECTOR
(Exports & Business Development)

DIRECTOR (Technical)

DIRECTOR (Operations)

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR

AUDITORS

LAKSHMINIWAS & JAIN
Chartered Accountants
Hyderabad - 500 001.

REGD.OFFICE

6-3-648/401, 4th Floor,
Padmaja Landmark,
Somajiguda,
Hyderabad - 500 082.

FACTORY (Plant-I and Plant-II)

Nandigaon Village,
Mahaboobnagar District,
Andhra Pradesh - 590 233.

SHARE TRANSFER AGENTS

XL Softech Systems Limited
Plot No.3, Sagar Society,
Road No.2, Banjara Hills,
Hyderabad - 500 034.



NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Company will be held on Friday, the 24th August, 2007 at 4.00 p.m at West Minister Hall, The Central Court Hotel, 6-1-71, Lakdikapool, Hyderabad - 500 004 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss account for the year ended 31st March, 2007 and the Balance sheet as at the date together with the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity shares.
3. To appoint a Director in place of Shri N.R. Ganti who retires by rotation and who being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Arun Garodia who retires by rotation and who being eligible offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. Appointment of Shri G Vijaya Kumar as a Director of the Company

To consider and if thought fit, to pass with or without modification the following Resolution as an ordinary Resolution.

"RESOLVED THAT Shri G Vijaya Kumar who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28th August, 2006 and who holds office upto the date of the forthcoming Annual General Meeting

of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed a Director of the Company who shall be liable to retire by rotation".

7. To consider and if thought fit, to pass the following Resolution with or without modification(s) as an ordinary Resolution.

"RESOLVED THAT pursuant to section 257 and other applicable provisions of the Companies Act, 1956, Shri Santosh Kumar Agrawal who was appointed as an Additional Director at the meeting of the Board of Directors held on 28th August, 2006 and who holds office as such upto this Annual General Meeting and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Shri Santosh Kumar Agrawal as a candidate for the office of Director of the company be and is hereby appointed as a Director of the Company who shall not be subject to retirement until such time that he is the whole-time Director of the company".

"RESOLVED THAT pursuant to sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act 1956, read with Schedule XIII thereto, the approval of the Company be and is hereby accorded to the appointment and payment of remuneration to Shri Santosh Kumar Agrawal, Director (Technical) for a period of three years with effect from 28th August, 2006 at a remuneration of Rs.1,05,000/- per month.

Company's contribution to provident fund, gratuity and leave encashment at the end of



the tenure will not be included in the computation of ceiling amounts prescribed in Schedule XIII.

Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company".

8. Appointment of Shri M Gopala Krishna, IAS (Retd) as a Director of the Company.

To consider and if thought fit, to pass with or without modification the following Resolution as an ordinary Resolution.

"RESOLVED THAT Shri M Gopala Krishna, IAS (Retd) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28th June, 2007 and who holds office upto the date of the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed a Director of the Company who shall be liable to retire by rotation".

9. Appointment of Shri TSSN Murthy as a Director of the Company.

To consider and if thought fit, to pass with or without modification the following Resolution as an ordinary Resolution.

"RESOLVED THAT Shri TSSN Murthy who was appointed by the Board of Directors as an Additional Director of the Company with effect from 28th June, 2007 and who holds office upto the date of the forthcoming Annual General Meeting of the Company in terms of Section 260 of the

Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 257 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed a Director of the Company who shall be liable to retire by rotation".

10. To consider and if thought fit, to pass the following Resolution with or without modification(s), as a special Resolution.

"RESOLVED THAT pursuant to section 257 and other applicable provisions of the Companies Act, 1956, Shri Y B Sahgal who was appointed as an Additional Director at the meeting of the Board of Directors held on 28th June, 2007 and who holds office as such upto this Annual General Meeting and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Shri Y B Sahgal, as a candidate for the office of Director of the company be and is hereby appointed as a Director of the Company who shall not be subject to retirement until such time that he is the whole-time Director of the company".

"RESOLVED THAT pursuant to sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act 1956, read with Schedule XIII thereto, the approval of the Company be and is hereby accorded to the appointment of Shri Y B Sahgal as Executive Director for a period of three years with effect from 28th June 2007 at a remuneration of Rs.1,63,020/- per month.

Company's contribution to provident fund, gratuity and leave encashment at the end of the tenure will not be included in the computation of ceiling amounts prescribed in Schedule XIII.



Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company".

11. To consider and if thought fit, to pass the following Resolution with or without modification(s), as an ordinary Resolution.

"RESOLVED THAT pursuant to section 257 and other applicable provisions of the Companies Act, 1956, Shri V K Salhotra who was appointed as an Additional Director at the meeting of the Board of Directors held on 28th June, 2007 and who holds office as such upto this Annual General Meeting and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Shri V K Salhotra, as a candidate for the office of Director of the company be and is hereby appointed as a Director of the Company who shall not be subject to retirement until such time that he is the whole-time Director of the company".

"RESOLVED THAT pursuant to sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act

1956, read with Schedule XIII thereto, the approval of the Company be and is hereby accorded to the appointment of Shri V K Salhotra, as Director (Operations) for a period of three years with effect from 28th June 2007 at a remuneration of Rs.1,19,220/- per month.

Company's contribution to provident fund, gratuity and leave encashment at the end of the tenure will not be included in the computation of ceiling amounts prescribed in Schedule XIII.

Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company".

By order of the Board
for **PITTI LAMINATIONS LIMITED**

(B.K.PRASAD)
SECRETARY & GM (COMMERCIAL)

Place : Hyderabad
Date : 28th June, 2007



NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. A proxy is not entitled to speak at the meeting or vote except on a poll.
2. The instrument of proxy duly stamped and executed should be deposited at the Registered office of the Company atleast forty eight hours before the time fixed for commencement of the meeting.
3. Members seeking any information with regard to accounts are requested to write to the Company atleast 10 days in advance of the meeting to enable the management to keep the information ready.
4. The Register of Members and transfer books of the Company will be closed from 23rd August, 2007 to 24th August, 2007 (both days inclusive) for the purpose of payment of dividend to those members whose names stand on the Register of Members as on 24th August, 2007. The dividend in respect of shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on 24th August, 2007 as per the details furnished by the depositories for this purpose.
5. Shareholders 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 the dividend. The Company or its Registrars cannot act on any request received directly from the shareholders 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 shareholders.

6. The shares of the Company are listed on the National Stock Exchange, Bombay Stock Exchange and Hyderabad Stock Exchange and the Company has paid listing fees for 2006-2007 to all the Stock Exchanges.
7. Explanatory statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 is annexed hereto and forms part of the notice.

All documents referred to in the notice and the explanatory statement are open for inspection at the registered office of the company during office hours on all working days up to the date of Annual General Meeting.

By order of the Board
for **PITTI LAMINATIONS LIMITED**

(**B.K.PRASAD**)
SECRETARY & GM (COMMERCIAL)

Place : Hyderabad

Date : 28th June, 2007



Explanatory Statement under section 173 (2) of the Companies Act, 1956.

Item No.6

Shri G Vijaya Kumar, Advocate has been appointed as Director on the Board with effect from 28th August, 2006. He has long standing experience at High Court of Andhra Pradesh. He is an independent director.

He holds office up to the date of forthcoming Annual General Meeting. The company has received a notice in writing from a member proposing his candidature as Director.

Barring Shri G Vijaya Kumar, none of the Directors is in any way concerned or interested in the Resolution.

Your Directors commend the Resolution for your approval.

Item No.7

Shri Santosh Kumar Agrawal was appointed as Director (Technical) for a period of three years with effect from 28th August, 2006 at a remuneration of Rs.1,05,000/- per month.

Shri Santosh Kumar Agrawal has been with the company for the past one and half years. He looks after project implementation, HRD functions and other jobs assigned to him from time to time.

He has more than 40 years of experience in the laminations industry.

His remuneration is well within the limits set out in schedule XIII of the Companies Act, 1956.

He holds office up to the date of forthcoming Annual General Meeting. The company has received a notice in writing from a member proposing his candidature as Director.

Barring Shri Santosh Kumar Agrawal, none of the Directors is in any way concerned or interested in the Resolution.

Your Directors commend the Resolution for your approval.

Item No. 8

Shri M Gopala Krishna, IAS (Retd.) has been inducted as Director at the meeting of the Board of Directors held on 28th June, 2007. Shri M Gopala Krishna, IAS (Retd.) is an experienced IAS officer having vast administrative experience. He holds positions in several companies. He was the Chairman of Andhra Pradesh State Financial Corporation (APSFC) and Managing Director of Godavari Fertilisers Limited.

He holds office up to the date of forthcoming Annual General Meeting. The company has received a notice in writing from a member proposing his candidature as Director.

Barring Shri M Gopala Krishna, IAS (Retd.), none of the Directors is in any way concerned or interested in the Resolution.

Your Directors commend the Resolution for your approval.

Item No. 9

Shri TSSN Murthy is an experienced Chartered Accountant having rich and varied experience in Accounts, Finance and Taxation. He was also appointed as Chairman of the Audit Committee.

He holds office up to the date of forthcoming Annual General Meeting. The company has received a notice in writing from a member proposing his candidature as Director.

Barring Shri TSSN Murthy, none of the Directors is in any way concerned or interested in the Resolution.

Your Directors commend the Resolution for your approval.

**Item No. 10**

Shri Y B Sahgal was appointed as Executive Director for a period of three years with effect from 28th June, 2007 at a remuneration of Rs.1,63,020/- per month.

Shri Y B Sahgal has been with the company for the past ten years and was incharge of plant operations for 6 years. He was later elevated to the position of General Manager incharge of entire operations of the company.

He was again promoted as Chief General Manager in 2005 and was holding this position till he is elevated to the position of Executive Director.

His remuneration is well within the limits set out in schedule XIII of the Companies Act, 1956.

He holds office up to the date of forthcoming Annual General Meeting. The company has received a notice in writing from a member proposing his candidature as Director.

Barring Shri Y B Sahgal, none of the Directors is in any way concerned or interested in the Resolution.

Your Directors commend the Resolution for your approval.

Item No.11

Shri V K Salhotra was appointed as Director (Operations) for a period of three years with effect from 28th June, 2007 at a remuneration of Rs.1,19,220/- per month.

Prior to his elevation, he was the Chief Operating Officer of the company looking after the operations of the company. He has more than 30 years of experience in stampings industry.

His remuneration is well within the limits set out in schedule XIII of the Companies Act, 1956.

He holds office up to the date of forthcoming Annual General Meeting. The company has received a notice in writing from a member proposing his candidature as Director.

Barring Shri V K Salhotra, none of the Directors is in any way concerned or interested in the Resolution.

Your Directors commend the Resolution for your approval.

By order of the Board
for **PITTI LAMINATIONS LIMITED**

(**B.K.PRASAD**)
SECRETARY & GM (COMMERCIAL)

Place : Hyderabad

Date : 28th June, 2007



**Information on Directors seeking re-appointment
at this Annual General Meeting**

Sl.No	Particulars	Shri Arun Garodia	Shri N R Ganti
01	Date of Birth and age	1st November, 1953 54 years	14th May, 1949 58 years
02	Date of Appointment	28th June, 1984	16th October, 2002
03	Occupation	Business	Business
04	Directorships held in other companies	1. Garodia Exportex Ltd 2. Narayan Textiles Pvt. Ltd 3. Anshuman Industries Ltd	1. Granules India Ltd 2. SQL Star International Ltd





CERTIFICATE BY SECRETARY & GM (COMMERCIAL)

I B.K Prasad, Secretary & GM (Commercial) of Pitti Laminations Limited certify that:

- a. I have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls and I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit Committee
 - i. significant changes in internal controls during the year if any;
 - ii. that there are no significant changes in accounting policies during the year;
 - iii. that there have been no instances of significant fraud of which I have become aware, involving the management or an employee having a significant role in the Company's internal control system.

(B.K.PRASAD)
SECRETARY & GM (COMMERCIAL)

Place : Hyderabad
Date : 28th June, 2007