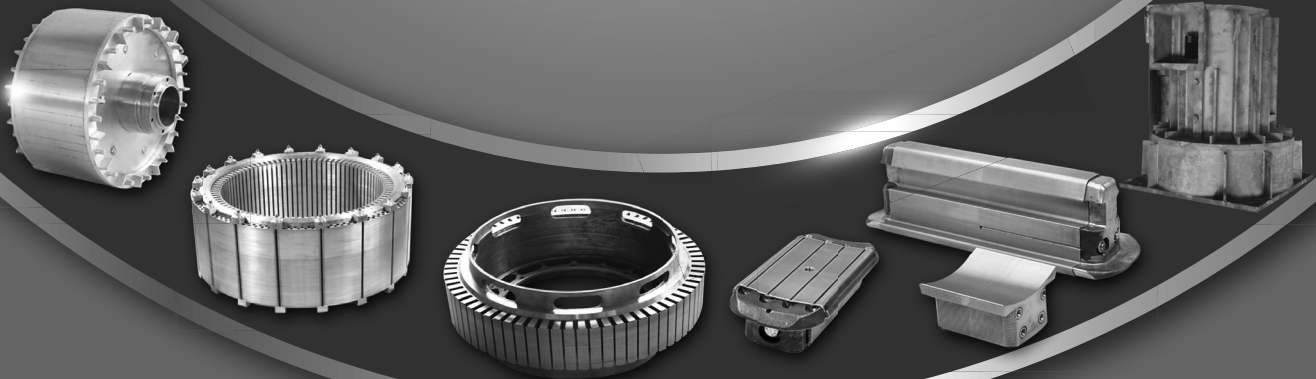




One Stop Solution

PITTI LAMINATIONS LIMITED



27th ANNUAL REPORT 2010-2011

• Laminations • Machining • Castings • Tooling

FOR ATTENTION OF THE MEMBERS

Please update your email ID: in the records of your Depository participant or intimate your email ID and send the same to the company's Registrars and Transfer Agents at the address given below.

This will help the company in sending all documents including Annual Report to the email address provided by you.

Trust you will participate in this green initiative in corporate governance.

XL SOFTECH SYSTEMS LTD

3 Sagar Society, Road No.2,
Banjara Hills, Hyderabad – 500 034.
Ph.: 040 23545913/14/15

Email : xlfield@rediffmail.com



BOARD OF DIRECTORS

1 Shri. SHARAD B PITTI	CHAIRMAN AND MANAGING DIRECTOR
2 Shri. AKSHAY S PITTI	VICE-CHAIRMAN AND MANAGING DIRECTOR
3 Shri. Y B SAHGAL	EXECUTIVE DIRECTOR
4 Shri. SANJAY SRIVASTAVA	EXECUTIVE DIRECTOR
5 Shri. G NARAYANA RAO	DIRECTOR
6 Shri. ARUN GARODIA	DIRECTOR
7 Shri. KANTI KUMAR R PODAR	DIRECTOR
8 Shri. N R GANTI	DIRECTOR
9 Shri. G VIJAYA KUMAR	DIRECTOR
10 Shri. M GOPALAKRISHNA, IAS (Retd)	DIRECTOR
11 Shri. T S S N MURTHY	DIRECTOR

SECRETARY & GM (COMMERCIAL)

B K PRASAD

CHIEF FINANCIAL OFFICER

G V S N KUMAR

BANKERS

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

Indian Overseas Bank
Adarshnagar Branch
5-9-305A, Paigah Plaza Building
Basheerbagh, Hyderabad - 500 029

Kotak Mahindra Bank
Jewel Pawani Towers
Raj Bhavan Road, Somajiguda,
Hyderabad - 500 082

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

Indusind Bank Limited
100, Laxmi Sardar Patel Road
Begumpet, Secunderabad - 500 003

AUDITORS

Laxminiwas & Jain
Chartered Accountants
Hyderabad - 500 001

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

FACTORY (Plant I & 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 Seventh Annual General Meeting of the Company will be held on Thursday, the 11th August, 2011 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

01. To receive, consider and adopt the audited Profit and Loss account for the year ended 31st March, 2011 and the Balance sheet as at the date together with the Reports of the Directors and Auditors thereon.
02. To declare dividend on Equity shares.
03. To appoint a Director in place of Shri N R Ganti who retires by rotation and who being eligible offers himself for re-appointment.
04. To appoint a Director in place of Shri G Narayana Rao who retires by rotation and who being eligible offers himself for re-appointment.
05. 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

06. **To consider and if thought fit, to pass the following Resolutions with or without modification(s) as Special Resolutions.**

“RESOLVED THAT pursuant to sections 198,309,310 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 payment of revised remuneration at Rs.2.75 lacs per month to Shri Y B Sahgal, Executive Director with effect from 1st April, 2011 for the remaining period of his tenure, the other terms and conditions

as originally approved by the members at the Annual General Meeting held on 20th September, 2010 remaining unaltered.”

“FURTHER RESOLVED THAT consent is given to the Board/Remuneration Committee to split up the remuneration into individual components, if required, in such manner as deemed fit subject to the condition that the over all remuneration shall not exceed Rs.2.75 lacs per month.”

07. **To consider and if thought fit, to pass the following Resolutions with or without modification(s) as Special Resolutions.**

“RESOLVED THAT pursuant to sections 198,309,310 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 payment of revised remuneration at Rs.2.75 lacs per month to Shri Sanjay Srivastava, Executive Director with effect from 1st April, 2011 for the remaining period of his tenure, the other terms and conditions as originally approved by the members at the Annual General Meeting held on 20th September, 2010 remaining unaltered.”

“FURTHER RESOLVED THAT consent is given to the Board/Remuneration Committee to split up the remuneration into individual components, if required, in such manner as deemed fit subject to the condition that the over all remuneration shall not exceed Rs.2.75 lacs per month.”

08. **To consider and if thought fit, to pass the following Resolutions with or without modification(s) as Special Resolutions.**

“RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 and other applicable provisions, if any of the Companies Act, 1956 read with Schedule XIII thereto, the approval



of Company be and is hereby accorded to payment of revised remuneration at Rs.2.50 lacs per month to Shri Akshay S Pitti, Vice-Chairman and Joint Managing Director with effect from 1st April, 2010, on the terms and conditions decided by the Remuneration Committee and taken on record by the Board at the respective meetings held on 20th September, 2010.

“FURTHER RESOLVED THAT consent is given to the Board/Remuneration Committee to split up the remuneration into individual components, if required, in such manner as deemed fit subject to the condition that the over all remuneration shall not exceed Rs. 2.50 lacs per month.”

“FURTHER RESOLVED THAT approval of the Company be and is hereby accorded to the re-designation of Shri Akshay S Pitti as Vice-Chairman and Managing Director with effect from 07th July, 2011 till 13th October, 2014 (the period up to which Shri Akshay S Pitti would have held the position in his original capacity) at a revised remuneration of Rs. 3.00 lacs per month effective from 01st April, 2011 for the remaining period of his tenure and other terms and conditions as approved by the members at its meeting held on 20th September, 2010 shall remain unaltered for this appointment”.

09. To consider and if thought fit, to pass the following Resolutions with or without modification(s) as Special Resolutions.

“RESOLVED THAT in accordance with the provisions of section 314(1) and other applicable provisions, if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) consent of the company be and is hereby accorded to the appointment of Smt Radhika Akshay

Pitti as Senior Manager (Marketing) at a remuneration of Rs. 1,00,000/- per month and that she shall be eligible for all benefits applicable to employees occupying similar posts in the said management cadre and that consent is accorded to the Board to award from time to time such increments as the Board may in its discretion think fit so that the gross remuneration shall not exceed the ceiling provided for in Rule 3 of the Directors’ Relatives (office or place of profit) Rules 2003 as amended by Amendment Rule 2011 the present ceiling being Rs. 2.50 lacs per month.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

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

In modification of the Resolution passed at the Annual General Meeting held on 20th September 2010, “RESOLVED THAT pursuant to the provisions of Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such sum or sums of moneys in any manner, as the Board of Directors may think fit, from time to time with or without security and upon such terms and conditions as they may think fit, notwithstanding that the moneys borrowed together with the moneys already borrowed by the Company including working capital facilities by way of temporary loans and short term loans obtained from its Bankers and Financial Institutions in the ordinary course of business may exceed the aggregate of the paid-up capital of the Company and



its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.400 crores (Rupees Four hundred crores only).”

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

In modification of the Resolution passed at the Annual General Meeting held on 20th September 2010, “RESOLVED THAT pursuant to the provisions of section 293 (1) (a) and other applicable provisions if any of the Companies Act, 1956, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of the Banks, financial institutions and other parties to secure rupee loans, foreign currency loans and working capital facilities borrowed in Indian rupees and foreign currency availed and also proposed to be availed and also to secure corporate guarantees and other obligations of the company, provided that the total amount of loans, corporate guarantees and other obligations of the company together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on prepayment or on redemption,

costs, charges, expenses and all other moneys payable by the company in respect of the said loans, corporate guarantees and other obligations, shall not, at any time exceed the limit of Rs.400 crores (Rupees four hundred crores only).

12. To consider Re-issue of Forfeited Equity Shares

“RESOLVED THAT in accordance with the Clause 23 of the Listing Agreement entered into by the Company with the Stock Exchanges and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), and enabling provisions of Memorandum and Articles of Association of the Company, the consent and approval of the Company be and is hereby accorded to the Board, to re-issue 8,300 Equity Shares which have been forfeited, to the Promoter and Promoter Group for a price which is not less than the price calculated in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI (ICDR) Regulations) for Preferential Issue of Equity Shares on such terms and conditions as may be decided and deemed appropriate by the Board, provided however the issue of shares to the promoters shall be subject to necessary compliance of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997;

RESOLVED FURTHER THAT consent for reissue of Equity Shares as aforesaid shall also constitute approval of the shareholders of the Company in terms of Regulation 23(1)(b) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (SEBI Takeover Regulations);



RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient including in relation to the issue or allotment of aforesaid securities and listing thereof with the Stock Exchanges as appropriate and sign all documents and undertakings as may be required and generally to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution to any Director or Directors or to any Committee of Directors or to any Officer or Officers of the Company to give effect to the aforesaid Resolutions.”

13. **To consider and if thought fit, to pass, with or without modification(s), the following as Special Resolutions:**

“**RESOLVED THAT** in accordance with the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the existing provisions for Preferential Issue contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI ICDR Regulations) as in force and subject to all other applicable rules, regulations, notifications and circulars of the Securities and Exchange Board of India (SEBI) and enabling provisions of the Memorandum and Articles of Association of the Company

and the Listing Agreements entered into by the Company with Stock Exchange (s) where the shares of the Company are listed, and subject to any requisite approvals, consents, permissions and/or sanctions of SEBI, the Stock Exchange (s), and all other authorities / bodies / institutions as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, and agreed to by the Board of Directors of the Company (hereinafter referred to as the Board which term shall be deemed to include any committee which the Board may have constituted or to be constituted to exercise its powers including the powers conferred by this Resolution), the consent and approval of the Company be and is hereby accorded to the Board to offer, issue and allot on preferential basis up to 40,50,000 Equity Shares (Forty Lacs Fifty Thousand Only) of the face value Rs.10/- (Rupees Ten) each for a price which is not less than the price calculated in accordance with the SEBI (ICDR) Regulations for Preferential Issue of Equity Shares and such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment, on preferential basis to the following:

A. Smt. Madhuri S Pitti

B. Pitti Electrical Equipment Pvt Ltd

The above mentioned allottees are forming part of the Promoter group of the Company.

RESOLVED FURTHER THAT the Equity Shares shall rank pari passu in all respects with the existing Equity Shares of the Company, including entitlement to dividend and voting;

RESOLVED FURTHER THAT the Board/any Committee thereof be authorized to determine, vary, modify or alter any of



the terms and conditions of the issue and allotment of the Equity Shares, including reduction of the size of the issue, as it may deem expedient;

RESOLVED FURTHER THAT the Relevant Date for the preferential issue, in relation to the aforesaid Equity Shares, for the purpose of determining the issue price under the SEBI ICDR Regulations is 12th July, 2011 which being 30 days prior to the date of passing of this Resolution;

RESOLVED FURTHER THAT consent for issue of Equity Shares as aforesaid shall also constitute approval of the shareholders of the Company in terms of Regulation 23(1) (b) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (SEBI Takeover Regulations);

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient including

in relation to the issue or allotment of aforesaid securities and listing thereof with the Stock Exchanges as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of the said securities, utilization of the issue proceeds, sign all documents and undertakings as may be required and generally to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution to any Director or Directors or to any Committee of Directors or to any Officer or Officers of the Company to give effect to the aforesaid Resolutions.”



NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself / herself 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 at least forty eight hours before the time fixed for commencement of the meeting.
3. Members are requested to notify change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their ID No. and in case of physical shares to the Share Transfer Agents quoting their Folio Numbers.
4. Members seeking any information with regard to accounts and any other information relating to this Annual report are requested to write to the Company atleast 10 days in advance of the meeting to enable the management to keep the information ready.
5. The Register of Members and transfer books of the Company will be closed from 10th August, 2011 to 11th August, 2011 (both days inclusive) for the purpose of payment of dividend to those members, whose names stand on the Register of

Members as on 09th August, 2011. 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 09th August, 2011 as per the details furnished by the depositories for this purpose.

6. The shares of the Company are listed on the National Stock Exchange and Bombay Stock Exchange and the Company has paid listing fees for 2011-2012 to 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 statements 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 : 07th July, 2011



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

Item No.6

-Statement containing information as required under clause (iv) of Part II section II (B) of Schedule XIII

I. General Information

1) Nature of industry:

Manufacture of electrical stampings & laminations

2) Financial indicators : Rs. in crores

	2010-11	2011-12	2012-13
Turnover	266.49	370.00	465.00
PBT	13.35	28.00	38.50
PAT	8.49	19.00	26.15

3) Export performance :

	2010-11	2011-12	2012-13
Turnover	131.70	180.00	225.00

II. Information about the appointee:

1. Background details

Shri Y B Sahgal is an engineer with over nineteen years of experience in the laminations industry. Prior to his appointment as Executive Director, he was the Chief General Manager of the company.

2. Past remuneration

Rs. 2.25 lacs per month (effective from 01.04.2010)

3. Job profile and suitability of the appointee.

Shri Y B Sahgal has been the Executive Director since 28th June, 2007. He was in charge of over all administration of the company and is presently looking after machining business of the company.

The members at the meeting held on 20th September 2010 has re-appointed Shri Y B Sahgal as Executive Director for a period of three years effective from 28th June, 2010.

4. Remuneration proposed

The Board has fixed the remuneration of Rs.2.75 lacs per month effective from 01st April, 2011.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The remuneration proposed is generally comparable with the industries of similar size.

6. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Shri Y B Sahgal is not related to any other Director of the company. He has no other pecuniary relationship directly or indirectly with the company.

III. Disclosures

Remuneration package

i) Salary Rs.2.75 lacs per month

All other terms and conditions as approved by the members at its meeting held on 20th September, 2011 shall remain unaltered.

No other Director is interested in the Resolution except Shri Y B Sahgal.

The Board commends the Resolution for approval of members.