

Pitti Engineering Limited

(Formerly Pitti Laminations Limited)

ISO 9001:2015 ISO 14001:2015

www.pitti.in



31st August 2020

To,
BSE Ltd
Floor 25, P J Towers, Dalal Street
Mumbai - 400 001

Scrip Code: 513519

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

Scrip Code: PITTIENG

Dear Sir,

Sub: Notice of 36th Annual General Meeting under Regulation 30 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We wish to inform you that the 36th Annual General Meeting of the Company is scheduled to be held on Friday, the 25th September 2020 at 4:00 P.M (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

We are enclosing herewith the Notice of the 36th Annual General Meeting of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Pitti Engineering Limited



Mary Monica Braganza
Company Secretary & Compliance Officer
PCS 5532

CIN: L29253TG1983PLC004141

Registered Office

6-3-648/401, 4th Floor
Padmaja Landmark, Somajiguda
Hyderabad - 500 082
Telangana, India
T: +91 40 2331 2774 / 2331 2770
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info@pitti.in

Notice

Notice is hereby given that the 36th Annual General Meeting of Pitti Engineering Limited (Formerly Pitti Laminations Limited) will be held on Friday, 25th September 2020 at 4.00 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2020 and the reports of the Board of Directors and Auditors thereon and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited financial statements of the Company for the financial year ended 31st March 2020 and the reports of the Board of Directors and Auditors thereon as circulated to the Members, be and are hereby considered and adopted."

2. To appoint a Director in place of Shri Akshay S Pitti, who retires by rotation and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Akshay S Pitti (DIN:00078760) who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

3. To ratify the payment of remuneration to the Cost Auditors for the financial year 2020-21 and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, as amended from time to time, the remuneration payable to M/s. S S Zanwar & Associates, Cost Accountants (Firm Registration No.100283), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March 2021 amounting to ₹2,00,000/- (Rupees two lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the audit, be and is hereby ratified."

4. To approve related party transaction for the financial year 2020-21 and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance

with the provisions of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, consent of the Members of the Company be and is hereby accorded to the material related party transactions as per the details given in the explanatory statement annexed to this notice for the financial year 2020-21 on such terms and conditions as may be mutually agreed upon, however that contract(s)/ transaction(s) so carried out shall at all times be on arm's length basis and in the ordinary course of the Company's business.

RESOLVED FURTHER THAT that Shri Sharad B Pitti, Chairman & Managing Director, Shri Akshay S Pitti, Vice-Chairman & Managing Director and Shri N K Khandelwal, President Corporate Resources & CFO or any other authorised officer(s) or employee(s) of the Company be and are hereby severally authorised to sign and execute necessary documents and papers on an ongoing basis and to do and perform all such acts, deeds and things as may be necessary, proper, desirable and to finalize any documents and writings that may be required and generally to do all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to the above Resolution."

5. To approve remuneration to Executive Directors who are promoters or members of the promoter group and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule V of the Act and pursuant to Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions, if any, consent of the Members of the Company be and is hereby accorded for payment of remuneration as per terms and conditions approved by the shareholders at the 35th Annual General Meeting held on 19th September 2019 to Shri Sharad B Pitti, Chairman & Managing Director and Shri Akshay S Pitti, Vice-Chairman & Managing Director who are promoters of the Company, notwithstanding that such payments exceed the limits prescribed

under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to alter and vary the terms and conditions including remuneration in such manner as may be agreed to between the Board of Directors and aforesaid Directors, provided however that the remuneration payable to the said Directors shall be subject to provisions of Section 197 of the Companies Act, 2013 read with Schedule V and related rules thereunder.

RESOLVED FURTHER THAT that notwithstanding anything to the contrary herein contained where in any financial year during their tenure, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration by way of salary, benefits, perquisites, allowances, variable pay, performance linked incentive as approved by the Board as minimum remuneration.

RESOLVED FURTHER THAT the aforesaid approval for payment of remuneration shall be valid for the remuneration paid during the financial year 2019-20 and up to the expiry of the current tenure of the Chairman & Managing Director

and Vice-Chairman & Managing Director.”

By order of the Board
For Pitti Engineering Limited

Mary Monica Braganza
Company Secretary & Compliance Officer
FCS:5532

Place : Hyderabad
Date : 25th June 2020

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to relating to Special Business under item 3 to 5 to be transacted at the Annual General Meeting (“AGM”) is annexed hereto. The relevant details, pursuant to Regulations 36 of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Shri Akshay S Pitti, Director seeking re-appointment at this AGM is covered under point II of annexure -1 annexed herewith.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May 2020 and read with circulars dated 8th April 2020 and 13th April 2020 (collectively referred

to as “MCA Circulars”) permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

3. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company’s website www.pitti.in websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
4. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with XL Softech Systems Limited in case the shares are held by them in physical form.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Corporate members are required to send a scanned copy (PDF/JPG Format) of its Board resolution/ authorisation letters authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution/letters shall be sent to the email address to shares@pitti.in with a copy marked to evoting@nsdl.co.in
7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered office of the Company on all working days between 11.00 A.M

and 1.00 P.M upto the date of this AGM and also at the AGM.

9. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 23rd September 2020 through email on shares@pitti.in. The same will be replied by the Company suitably.
10. The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM is done away with vide notification dated 7th May 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of Auditors who were appointed in the AGM held on 6th September 2017.
11. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 19th September 2020 to Friday, 25th September 2020 (both days inclusive) in connection with the AGM.
12. Pursuant to Regulation 40 of SEBI Listing Regulations, as amended securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

13. Members are requested to:

- a) Intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank details to the Registrar and Transfer Agent of the Company in case of shares held in physical form and to their Depository Participants in case the shares are held by them in dematerialized form.
- b) Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names. The details of such folios together with the share certificates for consolidation into one folio may be send to the Company or the Registrar and Transfer Agent of the Company.
- c) Register /update their e-mail address with the Registrar and Transfer Agent of the Company in case of shares held in physical form and with their Depository Participants in case the shares are held by them in dematerialized form for receiving all communications from the Company electronically.
- d) Quote their folio number/client ID/DP ID in all correspondence to the Company and the

Registrar and Transfer Agent of the Company.

14. As per the provisions of Section 72 of the Companies Act, 2013 the facility for making nomination is available for the members in respect of the shares held by them. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the Registrar and Transfer Agent of the Company, in case the shares are held by them in physical form. Members holding shares in dematerialized form may contact their respective Depository Participants for availing this facility.
15. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.

16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
17. Instructions for e-voting and joining the AGM are as follows:

VOTING THROUGH ELECTRONIC MEANS

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- ii. The remote e-voting period commences on Tuesday, 22nd September 2020 (9:00 a.m. IST) and ends on Thursday, 24th September 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday 18th September 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

iii. The Board of Directors has appointed Shri Ajay Kishen (Membership No. FCS 5146) Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-voting system

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a personal computer or on a mobile.

2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders" section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
A) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
B) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
C) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

5. Your password details are given below:

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned below in this notice.

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
 - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company, for which you wish to cast your vote.
4. Now you are ready for e-voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional/Corporateshareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to

vote, by email to info@dajaykishan.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
4. In case of any grievances connected with facility for e-voting, please contact

Mr. Amit Vishal, Senior Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: evoting@nsdl.co.in / amity@nsdl.co.in Tel: 91 22 2499 4360/ 1800-222-990 or Ms. Sarita Mote, Assistant Manager, NSDL at email saritam@nsdl.co.in Tel: 022 2499 4890

Process for those shareholders whose email ids are not registered with the depositories for procuring

User ID and password and registration of email IDs for e-voting for the resolutions set out in this notice.

1. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, self attested scanned copy of Aadhar Card by email to shares@pitti.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhar Card to shares@pitti.in.
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and password by proving the details mentioned in point (1) or (2) as the case may be.

The instructions for members for e-voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have

not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.

3. Members who have voted through remote e-voting will be eligible to attend the AGM through VC / OAVM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER

- a) Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for the Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and password may retrieve the same by following the remote e-voting instructions mentioned in the notice. Further members can also use the OTP based login for logging into the e-voting system of NSDL.

b) Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for members on first come first served basis.

c) Members may join the meeting through Laptops, Smartphones, Tablets and iPads for better experience. Further, members will be required to use Internet with a good speed to avoid any disturbance during the meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or Tablets or through Laptops connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

d) Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 36th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address at shares@pitti.in before 3:00 p.m. (IST) on 23rd September 2020. Such questions by the members

shall be suitably replied by the Company.

- e) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at shares@pitti.in from 19th September 2020 (9:00 a.m. (IST)) to 22nd September 2020 (3:00 p.m. (IST)). Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- f) Members, who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/1800-222-990 or contact Ms. Sarita Mote, Assistant Manager – NSDL at saritam@nsdl.co.in/ 022-24994890 or Mr. Amit, Senior Manager, NSDL Email: evoting@nsdl.co.in/amity@nsdl.co.in Tel: 91 22 2499 4360

Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing,

who shall countersign the same.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.pitti.in and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Explanatory Statement under section 102 of the Companies Act, 2013

Item No. 3

The Board of Directors of the Company at the meeting held on 25th June 2020, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. S S Zanwar & Associates, Cost Accountants to conduct audit of cost records maintained by the Company for the financial year ending 31st March 2021. In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration of the Cost Auditors needs ratification by the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in the resolution set out in Item No.3 of the notice.

The Board recommends the ordinary resolution set out at Item No. 3 of the notice for approval by the Members.

Item No. 4

Your Company has entered into transactions for purchase and sale of goods and services in its ordinary course

of business and on arm's length basis with Pitti Castings Private Limited (PCPL) and Pitti Electrical Equipment Private Limited (PEEPL), related party as defined under Section 2 (76) of the Companies Act, 2013. The transactions are dependent on the requirement of the Company for its products from time to time and the ability of supply of specified material by PCPL and PEEPL. During the course of its business the Company also sells its products to PCPL/PEEPL.

The transactions for the year entered/ to be entered into with PCPL/PEEPL are in the ordinary course of business and at arm's length basis, hence the provisions of section 188 of the Companies Act, 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable.

As per Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 all related party transactions shall require the prior approval of the Audit Committee and approval of Members in case of material related party transaction. A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of Company as per the last audited financial statements.

The transactions with PCPL and PEPL for the year 2020-21 in respect of purchase and sale of goods and services in the ordinary course of business and on arm's length basis is as follows:

Name of the Related Party	Nature of transactions	Amount in ₹ crores	% of previous year turnover
Pitti Castings Private Limited	Purchase & sale of goods & services.	135.00	26.06%
Pitti Electrical Equipment Private Limited	Purchase & sale of goods & services.	24.00	4.63%
Total		159.00	30.69%

As per Regulation 23 (7) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 all material related party transactions shall require approval of the Members through resolutions and all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

Except Shri Sharad B Pitti and Shri Akshay S Pitti and their relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in this resolution set out in item No.4 of the notice.

The Board recommends the ordinary resolution set out at Item No. 4 of the notice for approval by the Members.

Item No. 5

Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 requires approval of the Members of the Company by way of a special resolution in case the remuneration payable to the Executive Directors who are promoters or members of the promoter group exceeds ₹5 crore or 2.5% of the net profits of the Company, whichever is higher to one such Director

and where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5% of the net profits of the Company.

Your Company has two Executive Promoter Directors viz., Shri Sharad B Pitti, Chairman & Managing Director and Shri Akshay S Pitti, Vice-Chairman & Managing Director. While the aggregate remuneration paid to them during the financial year 2019-2020 was within the permissible limits viz., 10% of net profits prescribed under Section 197 of the Companies Act, 2013, it has exceeded the limits prescribed under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 viz., 5% of the net profits of the Company.

The Members at the 35th Annual General Meeting held on 19th September 2019 approved the payment of remuneration to the said Directors by way of an ordinary resolution. In view of the provisions of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and as a matter of abundant precaution in the event the Company's profitability is adversely impacted in future due to business environment under Section 197 read with the Schedule V a special resolution is

proposed for payment of the remuneration as approved by the Members as minimum remuneration to the said Directors in the event of absence or inadequacy of profits.

The Board of Directors of the Company at its meeting held on 25th June 2020 on recommendation of the Nomination and Remuneration Committee approved the remuneration payable to Executive Directors who are promoters or members of the promoter group in excess of limits specified above. The information as required under the Companies Act, 2013 is provided as Annexure 1 to the Explanatory Statement. The other terms and conditions of appointment as per the resolutions dated 19th September 2019 remain unchanged.

Except Shri Sharad B Pitti and Shri Akshay S Pitti and their relatives, none of the other Directors or Key Managerial Personnel of the Company or their relatives, are concerned or interested, financially or otherwise, in this resolution set out in item No.5 of the notice.

The Board recommends the special resolution set out at Item No. 5 of the notice for approval by the Members.

By order of the Board
For Pitti Engineering Limited

Mary Monica Braganza

Company Secretary & Compliance Officer
FCS:5532

Place : Hyderabad
Date : 25th June 2020

Statement containing additional information as required under Schedule V of the Companies Act, 2013.**Annexure -1****I. General Information**

1)	Nature of Industry	Manufacture of electrical laminations & stamping, machining of metal components.		
2)	Date or expected date of commencement of commercial production	The Company was incorporated on 17 th September 1983. The Company started its commercial production in the year 1987.		
3)	Financial performance based on given indicators	₹ in lakhs		
	Particulars	2019-20	2018-19	2017-18
	Total Revenue	52,873.74	62,448.14	39,050.09
	Profit before finance cost, depreciation, amortization and tax	8,139.09	9,236.59	5,752.56
	Profit before Tax	1,985.55	4,033.81	1,631.49
	Profit after Tax	1,709.50	2,371.96	1,127.96
	Total Comprehensive Income	1,683.67	2,286.89	1,154.41
4)	Foreign investments or collaborations, if any.	Not Applicable		

II. Information about Directors seeking approval of remuneration

1)	Name of the Director	Shri Sharad B Pitti	Shri Akshay S Pitti
2)	Background Details		
	Date of Birth	11.07.1957	28.10.1985
	Date of Appointment	17.09.1983	14.10.2004
	Expertise in specific functional area	Industrial Management	Industrial Management
	Profile	Shri Sharad B Pitti is the promoter of the Company. He is a visionary and a pioneer for lamination manufacturing in the organised sector in India. He has played a pivotal role in the Company's growth and development.	Shri Akshay S Pitti is a born entrepreneur. He started at an early age and has moved through all functionalities in the organisation and gained a deep understanding of all processes and rich business experience. The Company is taking giant leaps under the able leadership of Shri Akshay S Pitti.
	Directorship held in other Companies as on date of AGM Notice	Pitti Castings Pvt Ltd Pitti Electrical Equipment Pvt Ltd Pitti Holdings Pvt Ltd Pitti Components Ltd Pitti Trade and Investment Pvt Ltd	Pitti Castings Pvt Ltd Pitti Electrical Equipment Pvt Ltd Pitti Holdings Pvt Ltd Pitti Components Ltd Pitti Trade and Investment Pvt Ltd

	Shri Sharad B Pitti	Shri Akshay S Pitti
Membership / Chairmanship of Committees of other Boards	NIL	NIL
Shareholding in the Company as on date of AGM Notice	39,20,306 equity shares	38,60,211 equity shares
3) Past remuneration	Remuneration of last 3 years are as follows: 2019-2020 : ₹69.72 lakhs 2018-2019 : ₹50.79 lakhs 2017-2018 : ₹48.25 lakhs	Remuneration of last 3 years are as follows: 2019-2020 : ₹68.07 lakhs 2018-2019 : ₹50.79 lakhs 2017-2018 : ₹48.25 lakhs
4) Job profile and his suitability	Shri Sharad B Pitti is the Chairman & Managing Director of the Company. He has been associated with the Company since its inception and has spearheaded the Company in being a leader in the lamination industry.	Shri Akshay S Pitti is the Vice-Chairman & Managing Director of the Company. He possesses top management experience in all facets of project management and manufacturing. Under his leadership, the Company has added many reputed and prestigious clients. He has provided commendable planning and executive leadership, resulting in a higher level of production, productivity and profitability.
5) Remuneration proposed	Basic Salary ₹3,85,000/- p.m HRA ₹1,54,000/- p.m Other allowances ₹2,32,948/- p.m LTA, Contribution to PF and Gratuity as per rules of the Company; Provision of car for use in Company's business and telephone at residence / and usage of cell phones. Annual increments / increases as may be decided by the Board of Directors from time to time.	Basic Salary ₹3,85,000/- p.m HRA ₹1,54,000/- p.m Other allowances ₹2,32,948/- p.m LTA, Contribution to PF and Gratuity as per rules of the Company; Provision of car for use in Company's business and telephone at residence / and usage of cell phones. Annual increments / increases as may be decided by the Board of Directors from time to time.
6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration as proposed is generally comparable with that drawn by the peers in similar capacity in the industry and is commensurate with the size of the Company and its business.	The remuneration as proposed is generally comparable with that drawn by the peers in similar capacity in the industry and is commensurate with the size of the Company and its business.
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Shri Sharad B Pitti is the chief promoter of the Company and is related to Shri Akshay S Pitti, Vice-Chairman & Managing Director.	Shri Akshay S Pitti is the son of Shri Sharad B Pitti, Chairman & Managing Director.

III. Other Information

1) Reasons of loss or inadequacy of profits:

The Company operates in the engineering sector and is part of supply chain of OEM's in capital goods, generation, transportation, and industrial sectors which are directly linked to the performance of the economies. The year was marred by the slow global economies, Indian NBFC crisis and Covid 19 disruptions, thus impacting the adequacy of the profits for the year.

2) Steps taken or proposed to be taken for improvement:

The Company has been taking various strategic measures such as enhancing the product portfolio, customer base, geographical expansion, developing multiple procurement sources and bringing in house the manufacturing of certain bought out items besides being focused on increasing value add. Along with this the Company continuously works on cost optimisation to ensure competitiveness of its products and overall profitability. Further, the high growth prospects of the Indian economy in the coming years will also add glitter to its performance.

3) Expected increase in productivity and profits in measurable terms:

The Company has taken significant positive actions which are expected to yield sustained growth as well as face future challenges and it is continuing to take steps which will enable the growth in its value-added offerings to its customers. It has been aggressively pursuing and implementing its strategies to improve financial performance.

IV. Disclosures

Disclosures on managerial remuneration, fees, stock options, if any, are mentioned in the Director's Report, forming part of the Annual Report for the Financial Year 2019-20 of the Company, to be considered at the ensuing Annual General Meeting.