



## PITTI LAMINATIONS LIMITED

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

### POSTAL BALLOT

Dear Member(s),

**Notice pursuant to Section 192A(2) of the Companies Act, 1956 read with the Companies (passing of the Resolution by Postal Ballot) Rules, 2011, section 81 (1A) of the Companies Act, 1956 and Regulation 26 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) SAST Regulations, 2011.**

Pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules 2011, notice is hereby given that the Company is seeking consent of its Members by means of postal ballot process.

1. To alter the Articles of Association of Pitti Castings Pvt Ltd (PCPL), the subsidiary of Pitti Laminations Ltd (PLL) to enable PCPL to issue share warrants and other instruments on such terms and conditions as deemed fit by its Board.
2. To increase the issued capital of Pitti Castings Pvt Ltd (PCPL) from Rs.7 crores to Rs.8 crores by issue of 4,90,000 equity shares of Rs.10/- each for cash at par aggregating to Rs.49 lacs and 5,10,000 share warrants of Rs.10/- each for cash at par aggregating to Rs.51 lacs which are convertible into equal number of shares in accordance with section 81(1A) of the Companies Act, 1956 and in terms of Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011.

The Board commends the above Resolutions for approval of the members. Accordingly, the Resolutions and an explanatory statement pursuant to Section 192A(2) and Section 173(2) of the Companies Act, 1956 setting out all material facts pertaining to the Resolutions hereto, are sent to all the members for consideration along with a Postal Ballot Form.

Kindly accord your assent or dissent, as the case may be, to the above mentioned Resolutions in the enclosed form. Your assent must be recorded in the box marked "Assent" and dissent in the box marked "Dissent" by placing a tick (✓) mark in the appropriate column against the Resolutions.

The Board has appointed Mrs. Rashida Adenwala, Practicing Company Secretary, as Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

Members are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Postal Ballot Form (no other form or photocopy thereof is permitted) duly completed, in the attached self addressed postage prepaid envelope so as to reach the scrutinizer on or before close of working hours i.e. 5.30 pm on **14<sup>th</sup> March 2013** at Pitti Laminations Limited, 6-3-648/401, IV Floor, Padmaja Landmark, Somajiguda, Hyderabad – 500 082.

The scrutinizer will submit her report to the Board of Directors of the Company and the result of the Postal Ballot shall be announced by the Chairman and Managing Director through a press release on 22<sup>nd</sup> March 2013.

The results of the Postal Ballot shall be posted on the Company's website [www.pittielectricalam.com](http://www.pittielectricalam.com) besides communication to the Stock Exchanges where the Company's shares are listed.

**for Pitti Laminations Limited  
By order of the Board of Directors**

Place: Hyderabad  
Date: 16<sup>th</sup> January 2013

**SANJAY SRIVASTAVA  
EXECUTIVE DIRECTOR**

## RESOLUTIONS TO BE PASSED THROUGH POSTAL BALLOT

- 1) To consider and, if thought fit, to pass with or without modifications the following Resolution as a Special Resolution.

RESOLVED THAT Article 4 of the Articles of Association of Pitti Castings Pvt Ltd (PCPL) be and is hereby amended as under.

**Add the following para at the end of Article 4 of Pitti Castings Pvt Ltd**

The Board is empowered to allot shares, share warrants or any other instruments convertible into shares including hybrid instruments convertible into shares on preferential or on rights basis on such terms and conditions as deemed fit and proper subject to section 81, 81(IA), other applicable provisions if any of the Companies Act, 1956 and subject to such other laws, rules, regulations to the extent applicable.

- 2) To consider and, if thought fit, to pass with or without modifications the following Resolutions as Special Resolutions.

RESOLVED THAT pursuant to Regulation 26 of the Securities and Exchange Board of India (SEBI) (Substantial Acquisition of Shares and Takeovers Regulations) 2011 **herein after referred to as SAST Regulations 2011**, consent is hereby accorded to Pitti Castings Pvt Ltd (PCPL), the subsidiary of Pitti Laminations Limited (PLL) to issue upto 4,90,000 (four lacs ninety thousand only) equity shares of Rs.10/- each for cash at par, aggregating to Rs.49 lacs (Rupees forty nine lacs only) by way of preferential allotment, in accordance with the provisions of section 81(IA), other applicable provisions if any of the Companies Act, 1956, the rules specified under unlisted public companies (Preferential allotment) Amendment Rules 2011, enabling provisions in the Memorandum and Articles of Association of PCPL and PLL, the listing agreements entered into by PLL with the stock exchanges where the shares of PLL are listed, to the persons / entities listed herein below.

Sl. No.	Name of the allottee	Father's Name	Address	Occupation	No. of shares
01.	Shri Sharad B Pitti	Late Shri Badrivishal Pitti	6-3-648, Moti Bhavan, Somajiguda, Hyderabad – 500 082	Business	50000
02.	Shri Akshay S Pitti	Shri Sharad B Pitti	6-3-648, Moti Bhavan, Somajiguda, Hyderabad – 500 082	Business	50000
03.	Pitti Electrical Equipment Pvt Ltd	—	6-3-648/2, Somajiguda, Hyderabad – 500 082	Corporate entity	390000
<b>TOTAL</b>					<b>490000</b>

RESOLVED FURTHER THAT the equity shares allotted by Pitti Castings Pvt Ltd (PCPL) shall rank pari passu in all respects with the existing equity shares of PCPL including entitlement to dividend and voting.

RESOLVED FURTHER THAT consent and approval of the Company be and is hereby accorded to Pitti Castings Pvt Ltd (PCPL) the subsidiary of Pitti Laminations Ltd (PLL) to create, offer, issue and allot on preferential basis up to 5,10,000 share warrants (five lac ten thousand only) to Pitti Laminations Limited (PLL) situated at 6-3-648/401, IV Floor, Padmaja Landmark, Somajiguda, Hyderabad – 500 082 on such terms and conditions and in such manner as the Board may think fit, each warrant entitling the holder thereof to apply for and be allotted one equity share per warrant of Rs.10/- each aggregating to Rs.51 lacs (Rupees fifty one lacs only) and which conversion shall be made within a period not exceeding thirty six (36) months from the date of allotment of the warrants.

The equity shares allotted by PCPL upon conversion of warrants shall rank pari passu with the existing equity shares of PCPL in all respects including entitlement to dividend and voting.

Money payable on allotment of share warrants of face value of Rs.10/- each is as under.

Payable on application – Rs.5/- per share warrant

Payable on allotment – Rs.5/- per share warrant

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty that may arise with regard to the issue of equity shares and share warrants by PCPL in co-ordination with PLL, and further to do all such acts, deeds, matters and things and to finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient as it may deem fit.

**for Pitti Laminations Limited  
By order of the Board of Directors**

Place: Hyderabad  
Date: 16<sup>th</sup> January 2013

**SANJAY SRIVASTAVA  
EXECUTIVE DIRECTOR**

## **Explanatory statement pursuant to section 173(2) of the Companies Act, 1956**

### **Item No.1**

Pitti Castings Pvt Ltd (PCPL), the subsidiary of Pitti Laminations Ltd (PLL) desires to issue share warrants and any other instruments convertible into shares including hybrid instruments convertible into shares on preferential or on rights basis in accordance with section 81, 81(A), other applicable provisions if any of the Companies Act, 1956 and subject to such other laws, rules, regulations to the extent applicable.

This enables PCPL to align its capital structure in tune with its needs and requirements.

The Board commends the special Resolution for approval of the members.

None of the Directors is interested in the subject matter.

### **Item No.2**

Consequent to the approval received from the members in January 2012 through postal ballot, Pitti Laminations Limited (PLL) had invested in the equity of Pitti Castings Pvt Ltd (PCPL) to an extent of 51% of its capital on 28<sup>th</sup> June 2012 and acquired the status of 'holding company'. PCPL, the subsidiary of PLL had acquired the castings division of Vaksh Steels Pvt Ltd (VSPL) and started its commercial operations effective from 23<sup>rd</sup> August 2012.

Members are aware that PLL had listed various advantages in engaging in castings business while seeking approval of its members in December 2011. PCPL is now well positioned to reap the benefits which are not only numerous but also diverse in nature and it is felt appropriate to recite the same for ready reference of members.

1. PCPL is now endowed with infra structure considered to be on top of the line and comparable to the best in the country.
2. PCPL's unit secured ISO 9001 accreditation way back in 2008 and PCPL continues to keep its focus in maintaining a very efficient quality management system.
3. PCPL is now comfortably placed to cater to the niche segment of the market and enjoys the patronage of several reputed erstwhile clients of VSPL.
4. PCPL could commence commercial operations without practically having any gestation period. Moreover there will be surge in sales volume to GE which is one of the most prestigious customers of PLL.
5. PCPL is most conveniently located just about 30 kms from both the plants of PLL.

While the advantages are undoubtedly of an enduring nature, the present power crisis in Andhra Pradesh has hampered the operations of PCPL, more so it being a power-intensive enterprise and as a result, it is unlikely to register good volumes and post impressive financials for the year ending 31<sup>st</sup> March 2013. Though the state government has initiated several measures to mitigate the crisis, the improvement and beneficial effect can be witnessed only after sometime.

While this is so PCPL is planning to increase its issued capital in a phased manner to enhance its equity base. The authorized capital of PCPL is Rs.8 crores while the issued capital is Rs.7 crores. PCPL desires to issue shares and share warrants on a preferential basis in terms of Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011.

PLL believes that the interest of its members is paramount and that it cannot be compromised at any cost. In the event of PLL participating in further equity issue of PCPL, it will continue to retain its status as 'holding company' and given the present precarious power situation, the financials of PCPL might adversely impact the consolidated financial results. This may not be in the interests of the members of PLL.

However, in order to reap the benefits of association with PCPL through its 'holding company' status and yet to ensure that the temporary setback in the operations of PCPL does not adversely impact the interests of PLL, PLL desires to subscribe for 5,10,000 share warrants of Rs.10/- each for cash at par aggregating to Rs.51 lacs which are to be converted into equity shares within thirty six (36) months from the date of its issue. Thus PLL would be in a position to convincingly strengthen its bondage and business relationship with PCPL and regain its status of a 'holding company' by opting for conversion of warrants at an appropriate time but within the prescribed period.

PLL thought it appropriate to subscribe for share warrants which will insulate PLL from the adverse effect of the expected poor performance of PCPL consequent to the acute power crisis referred to above. The proposal to subscribe to the share warrants will offer the leverage and opportunity to become the holding company once again by exercising its option to convert the warrants into equity around the time when the operations of PCPL get stabilized.

In terms of Regulation 26 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) SAST Regulations, 2011 the capital of PLL (target company) or that of PCPL its subsidiary cannot be enhanced without approval of members of PLL through a postal ballot in terms of section 192A(2) of the Companies Act, 1956 read with the Companies (passing of the Resolution by Postal Ballot) Rules 2011 as PLL (target company) is still in the process of completion of open offer for which the acquirers namely Pitti Electrical Equipment Pvt Ltd (PEEL) and Smt Madhuri S Pitti made a public announcement in September 2011. Current updates are available on the company's website [www.pittielectrical.com](http://www.pittielectrical.com).

In view of the de-risking strategy of PLL and considering the long term advantages that are associated with an integrated business, the Board commends the Special Resolutions for approval of members by way of postal ballot in terms of the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of Resolution by Postal Ballot) Rules, 2011.

Members' approval is therefore sought through postal ballot for allotment of 4,90,000 equity shares and 5,10,000 share warrants to the persons and entities named in the respective Resolutions by way of preferential allotment in accordance with Unlisted Public Companies (Preferential Allotment) Amendment Rules 2011.

Shri Sharad B Pitti, Shri Akshay S Pitti are interested in the subject matter as they are proposed allottees and Directors on the Board of PCPL.

Shri Sanjay Srivastava and Shri N R Ganti are also interested in the subject matter being Directors on the Board of PCPL.

Shri Arun Garodia Director may also be deemed to be interested in the subject-matter being a relative of Shri Sharad B Pitti.

*In terms of section 192A of the Companies Act, 1956 read with Companies (Passing of the Resolutions by Postal Ballot) Rules 2011, all the Resolutions stated in Item 1 and 2 are being circulated for passing by Postal Ballot. It may be noted that section 192A(4) of the Act provides that if a Resolution is assented to by the requisite majority of the Shareholders by means of Postal Ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf. The Shareholders are requested to exercise their vote.*

**for Pitti Laminations Limited  
By order of the Board of Directors**

Place : Hyderabad  
Date : 16<sup>th</sup> January 2013

**SANJAY SRIVASTAVA  
EXECUTIVE DIRECTOR**



## PITTI LAMINATIONS LIMITED

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

### POSTAL BALLOT FORM

Sr. No.

1. Name and registered address of the Sole / First named Member  
[in block letters]
2. Name (s) of the Joint holder(s)  
(if any) [in block letters]
3. Registered Folio No./Client ID / DP ID No\*.  
\*(Applicable to Members holding shares in dematerialized form)
4. Number of Shares held
5. I/We hereby exercise my/our vote in respect of Special Resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company by sending my/our assent or dissent to the said Resolutions by placing tick (✓) mark at the appropriate box below.

Item no. in the notice	Description	Number of shares	I/We assent to the Resolution	I/We dissent to the Resolution
			(ASSENT)	(DISSENT)
Item No.1	Special Resolution to alter the Articles of Association of Pitti Castings Pvt Ltd (PCPL), subsidiary of Pitti Laminations Ltd to enable PCPL to issue share warrants and other instruments on such terms and conditions as deemed fit by the Board.			
Item No.2	Special Resolution to increase the issued capital of Pitti Castings Pvt Ltd (PCPL) from Rs.7 crores to Rs.8 crores by issue of 4,90,000 equity shares of Rs.10/- each at par aggregating to Rs.49 lacs and 5,10,000 share warrants of Rs.10/- each for cash at par aggregating to Rs.51 lacs which are convertible into equal number of shares in accordance with section 81(1A) of the Companies Act, 1956 and in terms of Unlisted Public Companies (Preferential Allotment) Amendment Rules, 2011.			

Place:

Date:

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(Signature of the Member)

**Note:** Please read the instructions printed overleaf carefully before exercising your vote.

## INSTRUCTIONS

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self addressed postage prepaid envelope. However, any envelope containing Postal Ballot Form, if deposited in person or if sent by courier at the expense of the Member will also be accepted.
2. Please convey your assent/dissent in this Postal Ballot Form. The assent or dissent received in any other Form shall not be considered valid.
3. This Form should be duly completed and signed by the Member. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form respectively) by the first named Member and in his absence, by the next named joint-holder.

Where an authorized representative of a body corporate signed the Postal Ballot Form, a certified copy of the relevant authorization to vote on the Postal Ballot should accompany the Postal Ballot Form.

A Member may sign the Form through an Attorney appointed specifically for this purpose, in which case an attested true copy of the Power of Attorney should be attached to the Postal Ballot Form.

4. Unsigned, Incomplete or Incorrect Postal Ballot Form shall be rejected.
5. Kindly ensure that duly completed Postal ballot Form reaches the Scrutinizer before close of working hours on 14th March 2013. Forms received after 14th March 2013 will be treated as if the reply from the Member(s) has not been received.
6. The self-addressed envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
7. A Member may request for a duplicate Postal Ballot Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction 5 above.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on the cut-off date i.e. 18th January 2013.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope. The Scrutinizer would destroy any extraneous paper found in such envelope.
10. A Member need not use all his votes nor he needs to cast all his votes in the same way.
11. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by using erasable writing medium/s like pencil).
12. There will be only one Postal Ballot Form for every Folio / Client ID irrespective of the number of Joint holders.
13. The Scrutinizer's decision on the validity of the Postal Ballot will be final.