



## PITTI ENGINEERING LIMITED

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CIN: L29253TG1983PLC004141

### NOTICE

**Notice is hereby given that an Extra Ordinary General Meeting of Pitti Engineering Limited will be held on Thursday, 13<sup>th</sup> June 2024 at 4.00 P.M IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following special business**

**1. To approve raising of funds in one or more tranches, by issuance of equity shares and/ or other eligible securities.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

“**RESOLVED THAT** pursuant to sections 23, 42, 62, 179 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder (“**the Act**”) (including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014), and each including any amendment(s), statutory modification(s), or re-enactment(s) thereof for the time being in force and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”) and the Foreign Exchange Management Act, 1999 including any amendment(s), statutory modification(s), variation(s) or re-enactment(s) thereof, or the rules, regulations, circulars or notifications issued thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended; the listing agreements entered into by the Company with the stock exchanges where the equity shares of face value of ₹ 5/- each of the Company are listed (“**Stock Exchanges**”, and such equity shares, the “**Equity Shares**”); and any other provisions of applicable law (including all other applicable statutes, clarifications, rules, regulations,

circulars, notifications, and guidelines issued by the Government of India (“**GOI**”), Ministry of Corporate Affairs (“**MCA**”), Reserve Bank of India (“**RBI**”), Securities and Exchange Board of India (“**SEBI**”), Stock Exchanges, Registrar of Companies, Telangana at Hyderabad (“**RoC**”) and such other statutory/regulatory authorities), and subject to all approvals, permissions, consents, and/or sanctions as may be necessary or required from SEBI, the Stock Exchanges, RBI, MCA, GOI, RoC, or any other concerned statutory/regulatory authority, and subject to such terms, conditions, or modifications as may be prescribed or imposed while granting such approvals, permissions, consents, and/or sanctions by any of the aforesaid authorities, which may be agreed to by the board of directors of the Company (“**Board**”, which term shall include any committee which the board of directors may have constituted or may hereinafter constitute to exercise its powers, including the powers conferred by this resolution), approval of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot such number of Securities (*as defined hereinafter*), for cash with or without green shoe option, by way of an issuance of any instrument or security, including equity shares, fully or partly convertible debentures, non-convertible debentures along with warrants, any other equity based securities, or any combination thereof (all of which are hereinafter referred to as “**Securities**”), in one or more tranches and/ or one or more issuances, simultaneously or otherwise for an aggregate amount of up to and not exceeding ₹ 360,00,00,000/- (Rupees Three Hundred and Sixty Crore) (inclusive of such premium to face value as may be fixed on such Securities), whether rupee denominated or denominated in one or more foreign currencies, including by way of qualified institutions placement(s), preferential allotment or a private placement(s) and/ or any combination thereof or any other method as may be permitted under applicable laws to the eligible investors in the course of domestic or international offerings, through issue of placement document and/ or other permissible/ requisite offer documents or other permissible/requisite documents/writings/circulars/ memoranda in such a manner to any eligible person, including qualified institutional buyers in accordance with

the Chapter VI of the SEBI ICDR Regulations, or otherwise, foreign/ resident investors (whether institutions, banks, incorporated bodies, mutual funds, individuals, trustees, stabilizing agent or otherwise), venture capital funds, alternative investment funds, foreign portfolio investors, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, pension funds and/or any other categories of investors, who are authorised to invest in the Securities of the Company as per extant regulations/guidelines or any combination of the above, whether they being existing holders of the Securities or not (collectively referred to as the “**Investors**”), as may be decided by the Board in its absolute discretion and permitted under applicable laws and regulations, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws, with authority to retain over subscription up to such percentage as may be permitted under applicable regulations and in such manner and on such terms and conditions, including the discretion to determine the categories of Investors to whom the offer, issue and allotment of Securities shall be made to the exclusion of others, in such manner as may be prescribed under applicable laws, and without requiring any further approval or consent from the members at the time of such issue and allotment, considering the prevailing market conditions and other relevant factors in consultation with the merchant banker to be appointed by the Company so as to enable the Company to list its Securities on any stock exchange in India.

**RESOLVED FURTHER THAT** in the event the Company proposes to issue and allot any Securities by way of Qualified Institutions Placement (“**QIP**”) to Qualified Institutional Buyers (“**QIBs**”) in terms of Chapter VI of the SEBI ICDR Regulations (hereinafter referred to as “**Eligible Securities**” within the meaning of SEBI ICDR Regulations):

- I. The Eligible Securities to be so created, offered, issued, and allotted, shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;
- II. The allotment of the Eligible Securities shall be completed within 365 days from the date of passing of the special resolution by the Shareholders or such other time as may be allowed under the Act and/ or SEBI ICDR Regulations and relevant laws/guidelines, from time to time;
- III. The Equity Shares which are proposed to be allotted through QIP or pursuant to conversion or exchange of eligible Securities being offered through QIP, have been listed on a stock exchange for a period of at least one year, calculated on a date prior to issuance of this notice to shareholders of the Company;
- IV. The Equity Shares created, offered, issued and allotted under the Issue in terms of this resolution or allotted upon conversion of the equity linked instruments issued in QIP shall rank pari-passu in all respects including entitlement to dividend, voting rights or otherwise with the existing Equity Shares of the Company as may be provided under the terms of issue and in accordance with the placement document(s);
- V. The relevant date for determination of the floor price of the Eligible Securities to be issued shall be:
  - (i) the date of meeting in which the Board or duly constituted Committee thereof decides to open the issue, in accordance with Regulation 171(b) (i) of the SEBI ICDR Regulations and other applicable law;
  - (ii) in case of allotment of eligible convertible Securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as may be determined by the Board;
- VI. The Eligible Securities (excluding warrants) shall be allotted as fully paid up;
- VII. The issuance and allotment of the Securities by way of the QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be made at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (“Floor Price”), the Act and other applicable laws, and the price determined for the QIP shall be subject to appropriate adjustments as per the provisions of the applicable laws, including SEBI ICDR Regulations *inter-alia*, (a) issuance of Equity Shares by way of capitalization of profits or reserves, other than by way of dividend on share capital; (b) issuance of Equity Shares by way of rights issue; (c) consolidation of its outstanding Equity Shares; (d) division of its outstanding Equity Shares including by way of stock split; (e) re-classification of any of its Equity Shares into other securities of the Company; and (f) such other similar events or circumstances, which in the opinion of the concerned stock exchange, requires adjustments.
 

However, the Board, or a duly constituted Committee thereof in consultation with the book running lead manager, may offer a discount of not more than 5% or such other percentage as may be permitted under applicable law on the Floor Price;
- VIII. The number and/or price of the Eligible Securities or the underlying Equity Shares issued on conversion

of Eligible Securities shall be appropriately adjusted for corporate actions such as rights issue, stock split or consolidation of shares, reclassification of equity shares into other securities, issue of equity shares by way of capitalisation of profit or reserves, or any such capital or corporate restructuring;

- IX. In accordance with Regulation 176(3) under Chapter VI of SEBI ICDR Regulations, no partly paid-up Equity Shares or other Securities shall be issued / allotted;
- X. The Eligible Securities shall not be eligible to be sold by the allottee for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be permitted under the SEBI ICDR Regulations from time to time;
- XI. No single allottee shall be allotted more than 50% of the proposed issue size and the minimum number of allottees shall be in accordance with the SEBI ICDR Regulations. QIBs belonging to the same group or who are under same control shall be deemed to be a single allottee; and a minimum of 10% of the Securities shall be allotted to mutual funds and if mutual funds do not subscribe to the aforesaid minimum percentage or part thereof, such minimum portion may be allotted to other QIBs;
- XII. The Company shall not undertake any subsequent QIP until the expiry of two weeks or such other time as may be prescribed by the SEBI, from the date of the QIP to be undertaken pursuant to the special resolution;
- XIII. The tenure of the convertible or exchangeable Eligible Securities issued through the QIP shall not exceed sixty months from the date of allotment; and
- XIV. Application for allotment of Eligible Securities, and allotment of Eligible Securities through the QIP shall be in accordance with the criteria provided under Chapter VI of the SEBI ICDR Regulations. No allotment shall be made, either directly or indirectly, to any QIB who is a promoter, or any person related to the promoters of the Company.

**RESOLVED FURTHER THAT** the consent of the members of the Company, be and is hereby accorded to Board or its duly constituted committee thereof, to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering. All such Equity Shares shall rank pari-passu with the existing Equity Shares in all respects.

**RESOLVED FURTHER THAT** in case of offering of any Securities, including without limitation any securities convertible into equity shares, consent

of the members of the Company be and is hereby accorded to the Board to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any such Securities referred to above in accordance with the terms of issue/ offering in respect of such Securities and such equity shares shall rank pari passu with the existing equity shares of the Company in all respects, except as may be provided otherwise under the terms of issue/ offering and in the offer document and/ or placement document and/ or offer letter and/ or offering circular and/ or listing particulars, in accordance with the applicable laws.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or a committee thereof, in consultation with the lead manager, advisors and/ or other intermediaries as may be appointed in relation to the Issue, be and is hereby authorized to do such acts, deeds, matters and take all steps as may be necessary including without limitation, the determination of the terms and conditions of the QIP including among other things, the date of opening and closing of the QIP, the class of investors to whom the Securities are to be issued, determination of the number of Securities, tranches, issue price, finalisation and approval of preliminary and final placement document(s), interest rate, listing, premium/discount, permitted under applicable law (now or hereafter), conversion of Securities, if any, redemption, allotment of Securities, listing of securities at Stock Exchange(s) and to sign and execute all deeds, documents, undertakings, agreements, papers, declarations and writings as may be required in this regard including without limitation, the private placement offer letter (along with the application form), information memorandum, disclosure documents, the preliminary placement document and the placement document, placement agreement, escrow agreement and any other documents as may be required, approve and finalise the bid cum application form and confirmation of allocation notes, seek any consents and approvals as may be required, provide such declarations, affidavits, certificates, consents and/ or authorities as required from time to time, finalize utilisation of the proceeds of the QIP, give instructions or directions and/ or settle all questions, difficulties or doubts that may arise at any stage from time to time, and give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the MCA, the book running lead manager, or other authorities or intermediaries involved in

or concerned with the QIP or any other mode of issuance of Securities and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Board pursuant to this resolution may be exercised by the Board to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board or any committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

**RESOLVED FURTHER THAT** the Board or duly constituted committee thereof, be and is hereby authorized by the members of the Company to approve, finalise, execute, ratify, and/or amend/modify agreements and documents, including any power of attorney, lock up letters, and agreements in connection with the appointment of any intermediaries and/ or advisors (including for marketing, listing, trading and appointment of book running lead manager/ legal counsel/ bankers/ advisors/ registrars/ and other intermediaries as required) and to pay any fees, commission, costs, charges and other expenses in connection therewith.

**RESOLVED FURTHER THAT** the Board or duly constituted committee thereof is authorised by the members of the Company to seek the listing of Eligible Securities on any stock exchange(s) submitting the listing applications to such stock exchange(s) and taking all actions that maybe necessary in connection with obtaining such listing approvals (both in-principal and final listing and trading approvals), filing of requisite documents/ making declarations with the MCA, RoC, RBI, SEBI and any other statutory/regulatory authority(ies), and any other deed(s), document(s), declaration(s) as may be required under the applicable laws as maybe necessary to give effect to this resolution.

**RESOLVED FURTHER THAT** the Board or duly constituted committee, thereof is authorised by the members of the Company to open one or more bank accounts in the name of the Company, as may be required, subject to requisite approvals, if any, and to give such instructions including closure thereof as may be required and deemed appropriate by the Board.

**RESOLVED FURTHER THAT** subject to applicable law, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any director(s), committee(s), executive(s), officer(s) or representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things and also to execute such documents, writings etc., and to represent the Company before any governmental authorities, as may be necessary to give effect to this resolution.”

## **2. To approve re-designation and revision in remuneration of Shri Sharad B Pitti as Founder & Chairman of the Company.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

“**RESOLVED THAT** in partial modification to the resolution passed by the members of the Company through postal ballot on 7<sup>th</sup> July 2022 and subject to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI LODR Regulations**”), and all other laws and regulations, as may be applicable, as amended, supplemented or re-enacted from time to time, consent of the members of the Company be and is hereby accorded for the re-designation of Shri Sharad B Pitti, (DIN: 00078716) from Chairman & Managing Director to Founder & Chairman of the Company with effect from 15<sup>th</sup> May 2024, who shall be liable to retire by rotation, and to revise the remuneration of Shri Sharad B Pitti as per the terms and conditions set out in the Explanatory Statement annexed to the notice convening this meeting with effect from 15<sup>th</sup> May 2024 till completion of the remaining period of his present term of appointment viz., 30<sup>th</sup> April 2027 including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of section 197 read with Schedule V and any other applicable provisions of the Act, as recommended by the Nomination and Remuneration Committee, with liberty to the Board of Directors to alter and vary the terms and conditions including remuneration as it may deem fit and in such a manner as may be agreed to between the Board and Founder & Chairman.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**3. To approve re-designation, revision in remuneration and re-appointment of Shri Akshay S Pitti as Managing Director & Chief Executive Officer (MD & CEO) of the Company.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“**SEBI LODR Regulations**”), and all other laws and regulations, as may be applicable, as amended, supplemented or re-enacted from time to time, consent of the members of the Company be and is hereby accorded for re-appointment and re-designation of Shri Akshay S Pitti, (DIN: 00078760) from Vice-Chairman & Managing Director to Managing Director & Chief Executive Officer (MD & CEO) of the Company with effect from 15<sup>th</sup> May 2024 for a further period of 5 (five) years up to 14<sup>th</sup> May 2029 who shall be liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the notice convening this meeting including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of section 197 of the Act read with Schedule V of the Act, as recommended by the Nomination and Remuneration Committee, with liberty to the Board of Directors to alter and vary the terms and conditions including remuneration as it may deem fit and in such a manner as may be agreed to between the Board and MD & CEO.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

**4. To approve the Pitti Engineering Limited - Employee Stock Option Plan 2024.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b), 67(3)(b) and any other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Companies (Shares and Debentures) Rules, 2014 (“**Companies Rules**”) and any other relevant rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (“**SEBI SBEBASE Regulations**”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”), read with all circulars and notifications issued thereunder, the provisions of the Memorandum and Articles of Association of the Company, subject to other applicable statutory provisions, rules, regulations, guidelines and further subject to such other approvals, consents, permissions and sanctions as may be necessary consent of the members of the Company be and is hereby accorded to approve the Pitti Engineering Limited – Employee Stock Option Plan 2024 (“**Pitti ESOP 2024**” / “**Scheme**”) the salient features of which are furnished in the explanatory statement to this notice and that the Board of Directors of the Company (“**Board**” which term shall be deemed to include the Nomination and Remuneration Committee which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI SBEBASE Regulations, to exercise its powers including the powers conferred under this resolution) be and are hereby authorized to create, offer, grant, allot and /or transfer from time to time in one or more tranches upto 13,00,000 (Thirteen Lakhs Only) Employee Stock Options (“**ESOPs**”) under the said Scheme for the benefit of employees and directors (excluding an employee/ director who is a promoter or belongs to the promoter group and independent director) of the Company exercisable into not more than 13,00,000 (Thirteen Lakhs Only) equity shares of face value of ₹ 5/- each (Rupees Five Only) in aggregate, through an Employees Welfare Trust (“**Trust**”) to be set-up by the Company, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the Pitti ESOP 2024 and other applicable provisions of any law as may be prevailing at that time.

**RESOLVED FURTHER THAT** in case of any corporate action (s) such as rights issues, bonus issues, merger, sale of division and others, if any, the Company may be required to issue additional Equity Shares to the option grantees for the purpose of making a fair and reasonable

adjustment to the options granted earlier, the ceiling of 13,00,000 (Thirteen Lakhs Only) equity shares of face value of ₹ 5/- each (Rupees Five Only) shall be deemed to be increased to the extent of such additional equity shares issued and as may be determined by the Board without affecting any other rights or obligations of the said grantees.

**RESOLVED FURTHER THAT** in case the equity shares of the Company are either subdivided or consolidated, the number of equity shares to be transferred on the exercise of options granted and/or the price of acquisition per equity share payable by the Employees under Pitti ESOP 2024 shall automatically stand increased or reduced, as the case may be, in the same proportion as the present face value of ₹ 5/- (Rupee Five Only) per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the Employees.

**RESOLVED FURTHER THAT** the equity shares to be allotted and issued by the Company in the manner aforesaid shall rank pari-passu in all respects with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board shall take necessary steps for listing of the fresh equity shares allotted to the Trust, if any, under the Pitti ESOP 2024 on the Stock Exchanges, whenever the shares of the Company are issued in accordance with the provisions of the SEBI SBEBASE Regulations, the SEBI LODR Regulations and other applicable laws and regulations and the amendments thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers conferred herein to any Committee of Directors, with power to sub-delegate to any executives/officers of the Company to do all such acts, deeds, matters and things including authorizing or directing to appoint various intermediaries, advisors, consultants or representatives for effective implementation and administration of Pitti ESOP 2024, as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions, etc., as may be necessary in this regard.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the Board is authorised to formulate, evolve, decide upon and implement the Pitti ESOP 2024, determine the detailed terms and conditions of the aforementioned Pitti ESOP 2024 including but not limited to the quantum of the Options to be granted and/or shares to be transferred per Employee, the number

of Options and/or shares to be granted in each tranche, the terms or combination of terms subject to which the said Options and/or shares are to be granted/ issued, the exercise period, the vesting period, the vesting conditions, instances where such Options shall lapse, get cancelled or surrendered and to grant such number of Options, to such Employees of the Company, at price, at such time and on such terms and conditions as set out in the Pitti ESOP 2024.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at its absolute discretion, to make such modifications, changes, variations, alterations or revisions in the Scheme, from time to time, or to suspend, withdraw or revive the Scheme, from time to time, as may be specified by any statutory authority and/or to give effect to any laws, rules, regulations, amendment(s) thereto and to do all other acts, deeds, matters and things as are necessary to give effect to the above authorization and to settle any questions or difficulties that may arise with regard to the creation, offer, issue, grant and allotment of stock options without requiring the Board to secure any further consent or approval of the members of the Company in this regard."

## **5. To extend Pitti Engineering Limited - Employee Stock Option Plan 2024 to the eligible employees of its associate and subsidiary companies.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b), 67(3)(b) and any other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Shares and Debentures) Rules, 2014 ("**Companies Rules**") and any other relevant rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, ("**SEBI SBEBASE Regulations**"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), read with all circulars and notifications issued thereunder, the provisions of the Memorandum and Articles of Association of the Company, subject to other applicable statutory provisions, rules, regulations, guidelines and further subject to such other approvals, consents, permissions and sanctions as may be necessary, consent of the members of the Company be and is hereby accorded to extend the benefits of "Pitti Engineering Limited Employees Stock Option Plan 2024 ( "**Pitti ESOP 2024**" / "**Scheme**") the salient features of which are furnished in the explanatory statement to this notice and proposed in the resolution number 4 above

to eligible Employees as defined in the Scheme to its associate and subsidiary companies (present or future) and to such other persons as may from time to time be allowed, under prevailing laws, rules and regulations, and/or amendments thereto from time to time, as identified on the basis of criteria prescribed by the Board of Directors ("**Board**" which term shall be deemed to include the Nomination and Remuneration Committee which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI SBEBASE Regulations, to exercise its powers including the powers conferred under this resolution), at such price or prices in one or more tranches and on such terms and conditions, as may be fixed or determined by the Board in accordance with the Pitti ESOP 2024.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized at its absolute discretion, to make such modifications, changes, variations, alterations or revisions in the Scheme, from time to time, or to suspend, withdraw or revive the Scheme, from time to time, as may be specified by any statutory authority and/or to give effect to any laws, rules, regulations, amendment(s) thereto and to do all other acts, deeds, matters and things as are necessary to give effect to the above authorization and to settle any questions or difficulties that may arise with regard to the creation, offer, issue, grant and allotment of stock options without requiring the Board to secure any further consent or approval of the members of the Company in this regard."

## **6. To approve implementation of the Pitti Engineering Limited - Employee Stock Option Plan 2024 through the trust route.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b), 67(3)(b) and any other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Shares and Debentures) Rules, 2014 ("**Companies Rules**") and any other relevant rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, ("**SEBI SBEBASE Regulations**"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), read with all circulars and notifications issued thereunder, the provisions of the Memorandum and Articles of Association of the Company, subject to other applicable statutory provisions, rules, regulations, guidelines and further subject to such other approvals, consents, permissions and sanctions as may be necessary, consent of the members of the Company,

be and is hereby accorded to the Board of Directors of the Company ( "**Board**" which term shall be deemed to include the Nomination and Remuneration Committee which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI SBEBASE Regulations, to exercise its powers including the powers conferred under this resolution) to implement the Pitti Engineering Limited - Employees Stock Option Plan 2024 ("**Pitti ESOP 2024**" / "**Scheme**") the salient features of which are furnished in the explanatory statement to this notice through Pitti Engineering Limited - Employee Welfare Trust ("**Trust**") to be instituted as per the provisions of all applicable laws, including without limitation to the Indian Trust Act, 1882, as amended, the SEBI SBEBASE Regulations, the Act and Companies Rules and for the Trust to subscribe, acquire, purchase, accept, hold and deal in fully paid-up equity shares of the Company for the purpose of implementation of the Pitti ESOP 2024 or any other employee stock plan or share based employee benefit plan which may be introduced by the Company from time to time, ("**Employees Benefit Plan**") or for any other purpose(s) as contemplated herein.

**RESOLVED FURTHER THAT** for the purposes of disclosures to the stock exchange, the shareholding of the Trust shall be shown as 'non-promoter and non-public shareholding'.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter and the Board be and is hereby further authorised to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this resolution."

## **7. To approve acquisition or purchase of equity shares of the Company by way of issuance and allotment of equity shares by the Company or from secondary market or by way of both for implementation of the Pitti Engineering Limited - Employee Stock Option Plan 2024.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 62(1)(b), 67(3)(b) and any other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Shares and Debentures) Rules, 2014 ("**Companies Rules**") and any other relevant rules thereunder (including any statutory modification(s) or

re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (“SEBI SBEBASE Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), read with all circulars and notifications issued thereunder, the provisions of the Memorandum and Articles of Association of the Company, subject to other applicable statutory provisions, rules, regulations, guidelines and further subject to such other approvals, consents, permissions and sanctions as may be necessary, consent of the members of the Company, be and is hereby accorded for the Pitti Engineering Limited - Employee Welfare Trust (“Trust”) to subscribe, purchase or accept, in one or more tranches, equity shares not exceeding 13,00,000 (Thirteen Lakhs Only) of face value of ₹ 5/- each (Rupees Five Only), either by way of issuance and allotment of equity shares by the Company or from the secondary market or by way of both, for the purpose of grant of Options to the eligible Employees and for implementation of the Pitti ESOP 2024 for the benefit of the Employees at such price or prices and at such terms and conditions that Board of Directors of the Company (“Board” which term shall be deemed to include the Nomination and Remuneration Committee which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI SBEBASE Regulations, to exercise its powers including the powers conferred under this resolution) may deem fit and to do all such acts, deeds and things incidental and ancillary in this regard.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot equity shares to the Trust from time to time in accordance with Scheme and such equity shares shall rank pari-passu in all respect with the existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary or expedient and also authorized to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board was authorized to do for the purpose of giving effect to this resolution.”

## **8. To approve provision of funds by the Company for purchase of its own shares by the trust / trustees for implementation of Pitti Engineering Limited - Employee Stock Option Plan 2024.**

To consider, and if thought fit, to pass the following resolution(s) as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b), 67(3)(b) and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with

the Companies (Shares and Debentures) Rules, 2014 (“Companies Rules”) and any other relevant rules thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, (“SEBI SBEBASE Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), read with all circulars and notifications issued thereunder, the provisions of the Memorandum and Articles of Association of the Company, subject to other applicable statutory provisions, rules, regulations, guidelines and further subject to such other approvals, consents, permissions and sanctions as may be necessary, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (“Board” which term shall be deemed to include the Nomination and Remuneration Committee which has been duly constituted by the Board and has been designated as the Compensation Committee pursuant to Regulation 5 of SEBI SBEBASE Regulations, to exercise its powers including the powers conferred under this resolution) to grant interest free loan and/or provide guarantee or security in connection with a loan granted or to be granted to the Pitti Engineering Limited - Employee Welfare Trust (“Trust”), to be set up by the Company, on such terms and conditions as may be deemed fit by the Board, from time to time in one or more tranches, for the purpose of subscribing, purchasing equity shares of the Company by the Trust/Trustees, in one or more tranches, either from the Company or secondary market or both, subject to the ceiling limit as permitted under and in due compliance with the provisions of the Act, the Companies Rules, SEBI SBEBASE Regulations and other applicable laws and regulations.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to decide on the amount, tenure, utilization, repayment and other terms of loan or guarantee to be provided in relation to the loan to the Trust for implementation of the Scheme.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary or expedient and also authorized to nominate and appoint one or more persons to represent the Company for carrying out any or all of the activities that the Board was authorized to do for the purpose of giving effect to this resolution.”

By order of the Board  
**For Pitti Engineering Limited**

**Mary Monica Braganza**  
Company Secretary & Chief Compliance officer  
FCS:5532

Place: Hyderabad  
Date: 15<sup>th</sup> May 2024



## NOTES:

1. The Explanatory Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any pertaining to the aforesaid resolutions, setting out the material facts and reasons thereof, is appended hereto and forms part of this Notice.
2. The Ministry of Corporate Affairs (“MCA”) has, vide its circular dated 25<sup>th</sup> September 2023, read together with circulars dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020, 15<sup>th</sup> June 2020, 28<sup>th</sup> September 2020, 31<sup>st</sup> December 2020, 23<sup>rd</sup> June 2021, 8<sup>th</sup> December 2021, 5<sup>th</sup> May 2022 and 28<sup>th</sup> December 2022, (collectively referred to as “MCA Circulars”), permitted convening the general meetings through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Act read with Rules made thereunder and the SEBI LODR Regulations, the Extra Ordinary General Meeting (EGM) of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the EGM. Further, SEBI vide its circulars No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7<sup>th</sup> October 2023 (SEBI Circulars) and other applicable circulars issued in this regard, have provided relaxations from compliance with certain provisions of the SEBI LODR Regulations.
3. In compliance with the aforesaid Circulars issued by MCA and SEBI, Notice of the EGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/RTA. Members may note that the EGM Notice will also be available on the Company’s website [www.pitti.in](http://www.pitti.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://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 EGM 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 EGM is being held pursuant to MCA and SEBI 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 EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Members attending the EGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. All documents referred to in 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 and will also be available for electronic inspection by the members from the date of circulation of this Notice up to the date of this EGM. Members seeking to inspect such documents can send an e-mail to [shares@pitti.in](mailto:shares@pitti.in).
8. Members seeking any information with regard to any of the matters to be placed at the EGM, are requested to write to the Company on or before 10<sup>th</sup> June 2024 through email on [shares@pitti.in](mailto:shares@pitti.in). The same will be replied by the Company suitably.
9. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
10. Instructions for e-voting and joining the EGM are as follows:

## Process and Manner for 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 LODR 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 Monday, 10<sup>th</sup> June 2024 (9:00 a.m. IST) and ends on Wednesday, 12<sup>th</sup> June 2024 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Thursday 6<sup>th</sup> June 2024 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 EGM 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 EGM.
- iii. The Board of Directors has appointed Shri Ajay Kishen (Membership No.6298, CP 5146) Practicing Company Secretary as the Scrutinizer to scrutinize the voting during the EGM 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 EGM may also attend / participate in the EGM 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.com](mailto:evoting@nsdl.com). 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.

In case of individual shareholders holding securities in demat mode and 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 follow steps mentioned below under “Login method for remote e-voting and joining virtual meeting for individual shareholders holding securities in demat mode”.

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

Step 1: Access to NSDL e-voting system


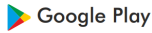


Step 2: Cast your vote electronically and join virtual meeting on NSDL e-voting system

### Details on Step 1 are mentioned below:

#### A. Login method for remote e-voting and joining virtual meeting for individual shareholders holding securities in demat mode.

As per SEBI circular on e-voting facility provided by listed entities, dated 9<sup>th</sup> December 2020, all “individual shareholders holding shares of the Company in demat mode” can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. The procedure to login and access e-voting, as implemented by the Depositories / Depository Participant(s), is given below

NSDL	CDSL
<p><b>1. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:</b></p> <ul style="list-style-type: none"> <li>i. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>ii. Click on the button “Beneficial Owner” available for login under ‘IDeAS’ section.</li> <li>iii. A new page will open, enter User ID and Password for accessing IDeAS. After successful authentication, click on “Access to e-voting” under Value Added Services on the panel available on the left hand side. Click on “Access to e-voting” under e-voting services.</li> <li>iv. Click on the Company name or e-voting service provider i.e NSDL and you will be re-directed to the e-voting website of NSDL for casting your vote during the remote e-voting period.</li> </ul>	<p><b>1. Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:</b></p> <ul style="list-style-type: none"> <li>i. Visit URL: <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a> and click on login and then on New System Myeasi.</li> <li>ii. Click on “New System Myeasi” icon/ Login to Myeasi option under Quick Login</li> <li>iii. Login with your Registered User ID and Password.</li> <li>iv. After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> </ul>

NSDL	CDSL
<p><b>2. Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:</b></p> <ol style="list-style-type: none"> <li>To register click on the link: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>Select "Register Online for IDeAS" or click on the link: <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>A new page will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</li> <li>After successful registration, please follow Point No. 1 above to cast your vote.</li> </ol> <p>3. Shareholders can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>	<p><b>2. Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:</b></p> <ol style="list-style-type: none"> <li>To register click on the link: <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a></li> <li>After successful registration, please follow Point No. 1 above to cast your vote.</li> </ol> <p>3. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective e-Voting service provider i.e. NSDL where the e-Voting is in progress.</p>

### **Login Method for Individual Members holding Shares of the Company in Demat mode through their Depository Participants:**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.

Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website.

### **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022-48867000 and 022-24997000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33

**B. Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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/Member” section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
4. 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.
5. Your User ID details are given below:

Manner of holding	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***

6. Password details for shareholders other than individual Shareholders 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. 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.
 

**Process for those shareholders whose email ids are not registered with the depositories / Company for procuring User ID and password and registration of email IDs for e-voting for the resolutions set out in this notice.**

      - a) In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [shares@pitti.in](mailto:shares@pitti.in).
      - b) In case shares are held in demat mode, please provide DPID—Client ID (16 digit DPID + Client ID or 16 digit beneficiary ID) Name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned

copy of Aadhar Card) to [shares@pitti.in](mailto:shares@pitti.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.

- c) Alternatively shareholder / members may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and password for e-voting by providing above mentioned documents.
7. 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](http://www.evoting.nsdl.com).
  - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, our 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.
8. After entering your password, click on Agree to Terms and Conditions" by selecting on the checkbox.
9. Now, you will have to click on "Login" button.
10. 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 all the companies "EVEN" in which you are holding shares and whose voting cycle and General meeting is in active status.
2. Select "EVEN" of the Company, for which you wish to cast your vote during the remote e-voting period and casting your vote during the Extra Ordinary General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-voting as the Voting page opens.

4. 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.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional/Corporate shareholders [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, to the scrutinizer by email to [ajaykishen2021@gmail.com](mailto:ajaykishen2021@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc) can also upload their Board Resolution / Power of Attorney / Authority letter etc by clicking on "Upload Board Resolution / Authority letter" displayed under "e-Voting" tab in their login.
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, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 022-48867000 and 022-24997000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

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

3. Members who have voted through remote e-voting will be eligible to attend the EGM through VC /OAVM. However, they will not be eligible to vote at the EGM.
  4. The contact details for any grievances connected with the facility for e-Voting on the day of the EGM shall be the same person mentioned for remote e-voting.
- e) Members are encouraged to submit their questions in advance with regard to the business placed at the EGM, 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](mailto:shares@pitti.in) before 3:00 p.m. (IST on 10<sup>th</sup> June 2024). Such questions by the Members shall be suitably replied by the Company.

**Instructions for members for attending the EGM through VC/ OAVM are as under**

- a) Member will be provided with a facility to attend the EGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the 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 to avoid last minute rush.
  - b) Members are encouraged to join the Meeting through Laptops for better experience.
  - c) Members are requested to use Internet with a good speed to avoid any disturbance during the meeting.
  - d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop 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 kind of aforesaid glitches.
- f) Members who would like to express their views or ask questions during the EGM 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](mailto:shares@pitti.in) from 7<sup>th</sup> June 2024 (9:00 a.m. (IST) to 10<sup>th</sup> June 2024 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 EGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EGM.

**Other Instructions**

1. The Scrutinizer shall immediately after the conclusion of voting at the EGM, unblock the votes cast through remote e-voting and e-voting on the date of the EGM and make, not later than 2 working days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pitti.in](http://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 (“the Act”)

### Item No.1

In accordance with Section 102 of the Act read with the rules made thereunder, the following statement contains all the material facts relating to the Special Business, as set out in item no. 1 of this notice.

*Particulars of the issuance of Securities:* The Company proposes to raise funds aggregating up to ₹ 360 Crore, through the issuance of any instrument or security, including equity shares, fully or partly convertible debentures, non-convertible debentures along with warrants, any other equity based securities (all of which are hereinafter referred to as “**Securities**”), combination of any of the aforementioned Securities in one or more tranches and/or one or more issuances simultaneously or otherwise, whether rupee denominated or denominated in one or more foreign currencies, including by way of qualified institutions placement(s), preferential allotment or a private placement(s) and/or any combination thereof or any other method as may be permitted under applicable laws to the eligible investors through issue of placement document and/or other permissible/ requisite offer documents or other permissible/requisite documents/writings/circulars/memoranda in such a manner to any eligible person, including qualified institutional buyers in accordance with the Chapter VI of the SEBI ICDR Regulations. The proposed special resolution seeks the enabling authorisation of the members of the Company to the Board, without the need of any further approval from the members, to issue and allot Securities in accordance with applicable laws.

Accordingly, the Board, at its meeting held on 15<sup>th</sup> May, 2024, subject to the approval of the members of the Company, approved the issuance of Securities at such price and on such terms and conditions as may be deemed appropriate by the Board/its duly constituted committee at its sole and absolute discretion, taking into consideration market conditions and other relevant factors and wherever necessary, in consultation with the book running lead manager and/or other advisor(s) appointed in accordance with applicable laws, and subject to regulatory approvals (as necessary). The Board (including any duly authorized committee thereof) may in their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the shareholders of the Company.

*Objects of the Issue:* The Board at its meeting held on 15<sup>th</sup> May, 2024 had considered a capital raising proposal for the Company and subject to the approval of the members of the Company, the Board proposes to use the proceeds from such issue towards one or more of any of the following or any combination of the objects *inter alia*: (a) repayment/prepayment of indebtedness of the Company or Subsidiaries

including payment of interest, prepayment charges or any other fee or amount linked to credit facilities availed by the Company or Subsidiaries; (b) infusion of funds into Subsidiaries *inter-alia* financing Subsidiaries for growth of its business and operations; (c) capital expenditure; (d) financing for its future growth and expansion *inter-alia*, augmenting long term cash resources to fund the organic or inorganic growth opportunities including any acquisitions in the area of its operations and adjacencies or for new business opportunities or other strategic initiatives as may be permissible under the applicable laws and approved by the Board in line with the strategy of the Company; (e) for any other general purposes as may be permissible under the applicable law and approved by their Board or its duly constituted committee thereof.

The amount proposed to be utilised for general corporate purpose, shall not exceed 25% of the proceeds from the Issue (after adjustment of expenses related to the Issue, if any) (“**Net Proceeds**”) and may be utilized for purposes as may be permissible under applicable laws, and in such a manner and proportion as may be decided by the Board from time to time in accordance with the applicable laws. The Net Proceeds shall be utilised for the Objects in the manner as specified above, and within such timelines as may be determined by the Board or its duly constituted committee thereof.

Pending utilization of the proceeds from the Issue, the Company shall invest such proceeds in accordance with applicable laws.

The proceeds of the proposed Issue shall be utilized for any of the aforesaid purposes to the extent permitted by law. The Securities allotted would be listed on the BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”) where the Equity Shares of the Company are listed. The issue and allotment would be subject to the availability of regulatory approvals, if any.

In case the Issue is made through a qualified institutions placement: (a) the allotment of the Securities shall be completed within a period of 365 days from passing this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time; and (b) the pricing of the Securities that may be issued to qualified institutional buyers pursuant to a qualified institutions placement, shall be determined by the Board, in accordance with applicable laws, which shall be subject to appropriate adjustments as per the provisions of the applicable laws, including SEBI ICDR Regulations. The aforesaid issue of Securities will be subject to receipt of requisite approvals from appropriate authorities, as may be applicable. Further, no allotment shall be made, either directly or indirectly to any QIB who is a promoter, or any person related to promoters in terms of the SEBI ICDR Regulations. The resolution enables the Board to offer such discount as permitted under applicable law, on the price determined

pursuant to the SEBI ICDR Regulations. The Company may, in accordance with applicable law, and in consultation with the book running lead manager, offer a discount of not more than 5% or such percentage as permitted under applicable law, on the floor price determined pursuant to the SEBI ICDR Regulations. The 'Relevant Date' for this purpose would be the date when the Board or a duly authorized committee of the Board decides to open the qualified institutions placement for subscription, if Equity Shares are issued, or, in case of issuance of convertible securities to QIBs by way of QIPs, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the Equity Shares, as may be determined by the Board.

The special resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies, qualified institutions buyers and/or individuals or otherwise as the Board in its absolute discretion deems fit. The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the Securities in one or more tranches and the remaining detailed terms and conditions for the Issue will be decided by the Board/ its duly constituted committee, in accordance with the SEBI ICDR Regulations and such other applicable laws, in consultation with book running lead manager and/or other advisor(s) appointed in relation to the Issue and such other authorities and agencies as may be required to be consulted by the Company, considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors.

Further, the Company is yet to identify the investor(s), decide the quantum of Securities to be issued to them, and proposed timeline within which the allotment will be completed. Hence, the details of the proposed allottees, percentage of their post Issue shareholding and the shareholding pattern of the Company, timeline of the completion of allotment are not provided. The proposal, therefore, seeks to confer upon the Board/ its duly constituted committee, the absolute discretion and adequate flexibility to determine the terms of the Issue, including but not limited to the identification of the proposed investors in the Issue and quantum of Securities to be issued and allotted to each such investor, in accordance with the provisions of the SEBI ICDR Regulations, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; the Act; the Foreign Exchange Management Act, 1999 and the regulations made thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, the Consolidated FDI Policy issued by the Department for Promotion of Industry & Internal Trade, Ministry of Commerce and Industry, Government of India from time to time, each as amended; and other applicable law.

The special resolution proposed in the business of the notice may result in the issue of Equity Shares of the Company

to persons other than existing Members of the Company, approval of the shareholders is also being sought pursuant to the provisions of Section 42, 62(1)(c) and other applicable provisions of the Act as well as applicable rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The Securities offered, issued, and allotted by the Company pursuant to the Issue in terms of the resolution would be subject to the provisions of the memorandum of association and articles of association of the Company and any Equity Shares that may be created, offered, issued and allotted by the Company pursuant to QIP, shall rank, in all respects, *pari-passu* with the existing Equity Shares of the Company.

*Change in Control:* There would be no change in control pursuant to the said issue of Securities. The Securities will be offered and issued to such Investors who are eligible to acquire such Securities in accordance with the applicable laws, rules, regulations and guidelines.

Securities allotted pursuant to QIP shall not be eligible to be sold for a period of one year from the date of allotment, except on the recognized Stock Exchanges, or except as may be permitted under the SEBI ICDR Regulations from time to time.

The Securities allotted as above would be listed on the Stock Exchanges. As and when the Board takes a decision on matters on which it has the discretion, necessary disclosures will be made to the Stock Exchanges as may be required under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The approval of the members is being sought to enable the Board to decide on the issuance of Securities, to the extent and in the manner stated in the special resolution, as set out in item no. 1 of this notice, without the need for any fresh approval from the members of the Company in this regard.

If the Issue is made through a QIP, the Promoters will not participate in the Issue. Further, none of the directors or key managerial personnel or promoters intend to participate or subscribe to Securities in the Issue.

None of the directors or key managerial personnel of the Company, or their respective relatives, is concerned or interested, financially or otherwise, except their shareholding, if any, in the Company, in the resolution set out at item no. 1 of this notice.

This notice does not constitute an offer or invitation or solicitation of an offer of securities to the public within or outside India. Nothing in this notice constitutes an offer of securities for sale or solicitation in any jurisdiction in which such offer or solicitation is not authorized or where it is unlawful to do so.



The proposed issue is in the interest of the Company and the Board recommends the resolution set out at item no. 1 of this notice for the approval of the members as a special resolution.

## Item No.2

The Members of the Company through postal ballot dated 23<sup>rd</sup> May 2022 approved on 7<sup>th</sup> July 2022 the re-appointment of Shri Sharad B Pitti as Chairman & Managing Director of the Company for a period of five years from 1<sup>st</sup> May 2022.

Shri Sharad B Pitti (67 years) is the founder of the Company and has been playing a significant role in the growth and development of the Company. He is a visionary and thinks ahead of his times. He has ably provided effective leadership, stewardship and strategic direction to the Company. With his long experience and knowledge of the lamination and engineering industry and emerging marketing prospects, he has mentored and provided guidance to the Vice-Chairman, Senior Management Personnel and staff which helped the Company to confidently take up new initiatives.

Shri Sharad B Pitti is currently drawing a salary of ₹ 98.78 lakhs per annum. There has been no revision in his salary since 1<sup>st</sup> October 2019.

The Nomination and Remuneration Committee at their meeting held on 14<sup>th</sup> May 2024 after taking into account the financial position of the company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc., had recommended an upward revision in the remuneration of Shri Sharad B Pitti.

The Board at its meeting held on 15<sup>th</sup> May 2024 on recommendations of the Nomination and Remuneration Committee has considered and approved the re-designation of Shri Sharad B Pitti from Chairman & Managing Director to Founder & Chairman of the Company (Whole-Time-Director) and recommended an upward revision as detailed below in his remuneration with effect from 15<sup>th</sup> May 2024 till the completion of the remaining period of his present term of appointment viz., 30<sup>th</sup> April 2027 subject to approval of members:

- a. Basic salary: ₹ 7,50,000/- per month
- b. HRA : ₹ 3,00,000/- per month
- c. Other allowance : ₹ 4,45,000 per month
- d. Leave travel allowance as per rules of the Company
- e. Contribution to provident fund, superannuation fund and gratuity fund, pension fund as per the rules of the Company.
- f. Entitled to leave in accordance with the rules of the Company. Privilege leave earned but not availed would be encashable in accordance with the rules of the Company.
- g. Personal accident insurance, medical expenses, insurance, club membership fees, and other benefits as per rules of the Company.
- h. Provision of car with driver, telephone at residence / and usage of cell phones.

- i. Annual increments as may be determined by the Board based on the recommendation of the Nomination and Remuneration Committee.

## Minimum Remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of appointment, Shri Sharad B Pitti shall be paid remuneration by way of salary, benefits, perquisites and allowances as set out above.

The Company has two Executive Promoter Directors viz., Shri Sharad B Pitti, Founder & Chairman and Shri Akshay S Pitti, Managing Director & Chief Executive Officer and the remuneration to both the Executive Promoter Directors is currently within the limits prescribed under section 197 of the Act and Regulation 17(6) (e) of SEBI LODR Regulations. However, as a matter of abundant precaution, the Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Act and Regulation 17(6) (e) of SEBI LODR Regulations for payment of the remuneration as detailed above in the event of loss or inadequacy of profits in any financial years during his appointment. The statement as required under Schedule V of the Act is provided as Annexure 1.

The terms of remuneration of Shri Sharad B Pitti are pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

This explanatory statement and the resolution at Item No. 2 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Act.

The information of Shri Sharad B Pitti as required under Secretarial Standards on General Meetings, SEBI LODR at the time of seeking reappointment were provided in the postal ballot notice dated 23<sup>rd</sup> May 2022 and is also available at <https://www.pitti.in/investordesk/Docs/Client/CLTI/fy2023/Postal%20Ballot%20Notice.pdf>

Except Shri Sharad B Pitti, 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 the resolution set out in Item No. 2 of the notice.

The Board recommends the resolution set out at Item No. 2 of this notice for approval of the members as a special resolution.

## Item No.3

The members at the 35<sup>th</sup> Annual General Meeting of the Company held on 19<sup>th</sup> September 2019, approved the re-appointment of Shri Akshay S Pitti as Vice-Chairman & Managing Director of the Company for a period of 5 years with effect from 14<sup>th</sup> October 2019. The current term of office of Shri Akshay S Pitti as Vice-Chairman & Managing Director expires

on 13<sup>th</sup> October 2024. Shri Akshay S Pitti is currently drawing a salary of ₹ 98.78 lakhs per annum. There has been no revision in his salary since 1<sup>st</sup> October 2019.

Shri Akshay S Pitti (38 Years) joined the Company in 2003 and has held a whole-time director position since October 2004. He underwent training in various function within the company gaining extensive insight into the business. He was responsible for developing the export market of the Company from scratch during the period 2004-2012 taking it up to 50% of revenues at that time. During the same period, he was also tasked with acquiring new technology and setting up the second manufacturing facility of the company one of the largest in the country at the time. With his elevation to Jt. Managing Director in 2010, he spearheaded the transition to value added assemblies and in house machining. In 2011 he was given the role of Vice-Chairman and Managing director, during this period he transformed the company by reorganising the manufacturing facilities, closing old and inefficient factories, setting up the mega factory in Aurangabad. He has been the driving force of the transformation of the company through initiatives like machined components, inorganic and organic growth strategies, adoption of cutting-edge technologies and operational efficiency.

The Nomination and Remuneration Committee at their meeting held on 14<sup>th</sup> May 2024 after taking into account the financial position of the company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc., had recommended re-appointment and an upward revision in the remuneration of Shri Akshay S Pitti as Managing Director & Chief Executive Officer (MD & CEO) of the Company.

The Board at its meeting held on 15<sup>th</sup> May 2024 on recommendations of the Nomination and Remuneration Committee and considering the rich experience and contribution made by Shri Akshay S Pitti, considered and approved the re-appointment of Shri Akshay S Pitti as Managing Director (as defined in terms of applicable provisions of Companies Act, 2013) & CEO of the Company and recommended an upward revision as detailed below with effect from 15<sup>th</sup> May 2024 to 14<sup>th</sup> May 2029 subject to approval of members:

- a. Basic salary: ₹ 7,50,000/- per month
- b. HRA : ₹ 3,00,000/- per month
- c. Other allowance : ₹ 4,04,700 per month
- d. Leave travel allowance as per rules of the Company
- e. Contribution to provident fund, superannuation fund and gratuity fund, pension fund as per the rules of the Company.
- f. Entitled to leave in accordance with the rules of the Company. Privilege leave earned but not availed would be encashable in accordance with the rules of the Company.

- g. Personal accident insurance, medical expenses, insurance, club membership fees, and other benefits as per rules of the Company.
- h. Provision of car with driver, telephone at residence / and usage of cell phones.
- i. Annual increments as may be determined by the Board based on the recommendation of the Nomination and Remuneration Committee.
- j. Bonus/Performance Linked Incentive/Commission:  
Shri Akshay S Pitti will be entitled to Bonus/Performance Linked Incentive/or Commission based on certain performance criteria laid down by the Board and/or Nomination and Remuneration Committee, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 and related Rules.

#### **Minimum Remuneration**

In the event of loss or inadequacy of profits in any financial year during the tenure of appointment, Shri Akshay S Pitti shall be paid remuneration way of salary, benefits and perquisites and allowances, Bonus/Performance Linked Incentive as set out above.

The Company has two Executive Promoter Directors viz., Shri Sharad B Pitti, Founder & Chairman and Shri Akshay S Pitti, Managing Director & Chief Executive Officer and the remuneration to both the Executive Promoter Directors is currently within the limits prescribed under section 197 of the Act and Regulation 17(6) (e) of SEBI LODR Regulations. However, as a matter of abundant precaution, the Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Act and Regulation 17(6) (e) of SEBI LODR Regulations for payment of the remuneration as detailed above in the event of loss or inadequacy of profits in any financial years during his appointment. The statement as required under Schedule V of the Act is provided as Annexure 1.

The appointment and terms of remuneration of Shri Akshay S Pitti as MD & CEO are pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

This explanatory statement and the resolution at Item No.3 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 of the Act.

The information about the Director seeking reappointment as required under Secretarial Standards on General Meetings, SEBI LODR Regulations is provided as Annexure 2.

Except Shri Sharad B Pitti, 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 the resolution set out in Item No. 3 of the notice.

The Board recommends the resolution set out at Item No. 3 of this notice for approval of the members as a special resolution.

### **Items No 4, 5, 6 and 7**

The Board at its meetings held on 15<sup>th</sup> May 2024, based on the recommendations of the Nomination and Remuneration Committee had approved the Pitti Engineering Limited - Employee Stock Option Plan 2024 ("**Pitti ESOP 2024**" / "**Scheme**"), subject to the approval of the members. The Scheme has been formulated in accordance with the Companies Act, 2013 ("**the Act**") read with the Companies (Shares and Debentures) Rules, 2014 ("**Companies Rules**") and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEBASE Regulations**")

The salient features, relevant disclosures and details of the Scheme are as follows:

#### **a. Brief description of the scheme**

The principal objectives of this Scheme are:

- (i) To promote the long-term financial interest in the Company by offering Eligible Employees an opportunity to participate in the share capital of the Company.
- (ii) To attract and retain high-quality human talent by providing them incentives and reward opportunities.
- (iii) To motivate talented and critical Employees and create a sense of ownership among the Employees of the Company.
- (iv) To improve the Employee performance with ownership interests and provide them with wealth creation opportunity whilst in employment with the Company.
- (v) To achieve sustained growth by aligning Employee interest with long term interests of the Company.

Pitti ESOP 2024 has been formulated by the Company and to be administered by Nomination and Remuneration Committee constituted under Section 178 of the Act and implemented through the Employees Welfare Trust to be set up by the Company ("Trust") in accordance with the requirements of SEBI SBEBASE Regulations and other applicable laws. The Scheme has been approved by the Board of Directors at their meeting held on 15<sup>th</sup> May 2024, subject to the approval of the members.

#### **b. The total number of options to be granted**

The total number of Options that may, in the aggregate, be issued would be such number of Options which shall entitle the Option holders to acquire from the Trust in one or more tranches upto 13,00,000 (Thirteen Lakhs Only) equity shares of ₹ 5/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganisation of the capital structure of the Company as may be applicable from time to time).

The maximum number of Shares that may be issued by the Company or subscribed, purchased or accepted by the Trust either from the Company or secondary market or shareholders of the Company from time to time in one or more tranches, for the purpose of grant of Options to the eligible employees for the benefit of the Employees shall not exceed 13,00,000 (Thirteen Lakhs Only) fully paid-up equity shares of face value of ₹ 5/- each (Rupees Five Only).

SEBI SBEBASE Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger, demerger and sale of division Share split, consolidation, rights and others, a fair and reasonable adjustment needs to be made to the Options granted. Accordingly, if any additional equity shares are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the above ceiling shares shall be deemed to be increased to the extent of such additional equity shares issued.

An Employee may surrender his/her vested /unvested options at any time during / post his employment with the Company. Any employee willing to surrender his/her Options shall communicate the same to the Board or the Nomination & Remuneration Committee in writing.

Vested Options lapsed due to non-exercise, surrender and/or unvested Options that gets cancelled due to resignation or any other separation conditions of Option grantees, surrendered or otherwise, would be available for being re-granted at a future date. The Board is authorized to re-grant such lapsed / cancelled / surrendered options as per the provisions of Pitti ESOP Scheme 2024.

#### **c. Identification of classes of employees entitled to participate and be beneficiaries in the Pitti ESOP 2024**

Following class / classes of employees are entitled to participate in Pitti ESOP 2024:

- (i) an employee as designated by the company, who is exclusively working in India or outside India; or
- (ii) a Director of the Company, whether a whole-time Director or not, including a Non-Executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or

(iii) an employee as defined in sub-clauses (i) or (ii), of any of its subsidiaries or its associate company in India or outside India, or of a holding company of the company, but does not include—

- an employee who is a promoter or a person belonging to the promoter group; or
- a Director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.

The class of Employees eligible for participating in the Pitti ESOP 2024 scheme shall be determined on the basis of the grade, length of service, performance record, merit of the Employee, future potential contribution by the Employee, role assigned to the Employee and such other parameters as may be decided by the Nomination and Remuneration Committee in its sole discretion from time to time.

**d. Lock-in period, if any**

Post the Options are converted into Shares, the Shares shall not be subject to any lock in period restriction.

**e. Requirements of vesting and period of vesting**

The minimum Vesting period of an Option shall not be less than a period of 12 months from the Date of Grant of the Option or such other period as may be provided in the Act and SEBI SBEBASE Regulations.

Minimum 25% subject to a maximum of 50% of the options will vest upon satisfactory performance of the Option Grantee as determined by the Nomination and Remuneration Committee in its sole discretion (“Performance Linked Conditions”). These conditions shall be determined by the Nomination and Remuneration Committee at the time of Grant.

Balance options shall vest over a 8 year period from the Date of Grant with a cliff period of 2 years. The following vesting period would be followed by the company.

<b>Vesting Period</b>	<b>% of options vested</b>
End of Year 1	NIL
End of Year 2	NIL
End of Year 3	15%
End of Year 4	15%
End of Year 5	15%
End of Year 6	15%
End of Year 7	20%
End of Year 8	20%

The vesting may occur in one or more tranches, subject to the terms and conditions of vesting, as stipulated in the Pitti ESOP 2024.

**f. Maximum period within which the options shall be vested**

The maximum vesting period may extend up to 8 (Eight) years from the date of respective grant of Options, unless otherwise decided by the Nomination & Remuneration Committee.

**g. Exercise price or pricing formula**

Exercise Price means the price at which the Option grantee is entitled to acquire the equity shares pursuant to the options granted and vested in him/her under the Pitti ESOP 2024.

The Exercise Price shall be as may be decided by the Nomination and Remuneration Committee as is allowed under the Act and SEBI SBEBASE Regulations, which in any case will not be lower than the face value of the equity shares of the Company.

Further the Exercise Price can be different for different set of Employees for Options granted on same / different dates. The same shall be subject to any fair and reasonable adjustments that may be made on account of corporate actions of the Company in order to comply with the applicable laws.

**h. Exercise period and process of exercise**

In case of employees in service, the exercise period shall not be more than 5 (Five) years from the date of vesting of last tranche of Options granted to such Option Grantee.

In case of retirement of employee under a voluntary retirement scheme or upon attaining superannuation age, the vested options can be exercised within the prescribed exercise period (as above).

In case of death or permanent disability of an employee, all unvested options shall vest immediately. Such vested options shall be exercisable by legal heirs (in case of death) and by the employee (in case of permanent disability) within a period of 1 year from such vesting date or such other higher period as specified by the Board and/ or Nomination and Remuneration Committee.

In case of termination of employment (other than for cause or abandonment) or resignation of the employee, the vested stock options shall be exercised on or before the date of separation from the employment.

**i. Appraisal process for determining the eligibility of Employees to the Pitti ESOP 2024**

The appraisal process for determining the eligibility of the Employee will be specified by the Nomination and Remuneration Committee and will be based on criteria such as the grade of Employee, length of service,

performance record, merit of the Employee, future potential contribution by the Employee and/or by any such criteria that may be determined by the Nomination and Remuneration Committee.

**j. Maximum number of Options to be issued per Employee and in the aggregate**

The maximum number of Option per Option Grantee shall not exceed 1% of the total issued capital of the Company (excluding conversion and warrants). If the maximum quantum of Option to any Option Grantee exceeds 1% of the total issued capital of the Company (excluding conversion and warrants) during any year, then the Grant to such Option Grantee shall be subject to the SEBI SBEBASE Regulations and the approval of the members of the Company.

**k. Maximum quantum of benefits to be provided per Employee under the Pitti ESOP 2024**

Apart from granting the Options as mentioned above, no other monetary benefits are contemplated under the Pitti ESOP 2024 for Employees.

**l. Certificate from Secretarial Auditors**

The Board of Directors shall at each AGM place before the members a certificate from the Secretarial Auditors of the Company that the Pitti ESOP 2024 has been implemented in accordance with the prescribed regulations and in accordance with the resolution passed by the Company.

**m. Whether the Pitti ESOP 2024 is to be implemented and administered directly by the Company or through a Trust**

The Pitti ESOP 2024 will be administered by the Company and implemented through an Employees Welfare Trust ("Trust") to be set-up by the Company, in compliance with the Act, SEBI SBEBASE Regulations and other applicable laws as prevailing and in force from time to time and under the guidance of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee/ Trustees of the Trust (in consultation with the Nomination and Remuneration Committee), as the case may be, shall in exercise of the powers conferred on them, solely and exclusively administer, manage and operate the Scheme. The Committee is constituted for administration and superintendence of Pitti ESOP 2024 and to formulate detailed terms and conditions of the Pitti ESOP 2024. All the rights, powers, duties, or liabilities of the Board, to the extent delegated, shall be discharged by the Committee.

**n. Whether Pitti ESOP 2024 involves new issue of shares by the Company or secondary acquisition by the Trust**

The Pitti ESOP 2024 will involve subscription, purchase or acceptance of equity shares by the Trust either from the Company or secondary market or by way of both from time to time, in one or more tranches, for the purpose of grant of Options to the eligible Employees for the benefit of the Employees not exceeding 13,00,000 (Thirteen Lakhs Only) fully paid-up equity shares of face value of ₹ 5/- each (Rupees Five Only). Hence, Pitti ESOP 2024 contemplates fresh issuance of equity shares by the Company to the Trust or acquiring equity shares through secondary acquisition by the Trust or by way of both in accordance with the provisions of the applicable laws.

**o. The amount of loan to be provided for implementation of the Pitti ESOP 2024 by the Company to the Trust, its tenure, utilization, repayment terms, etc.**

The Company may provide interest free loan and/or provide guarantee or security in connection with a loan granted or to be granted to the Employees Welfare Trust, to be set up by the Company, on such terms and conditions as may be deemed fit by the Board for implementation of Pitti ESOP 2024. The Board or the Nomination & Remuneration Committee shall decide on the amount, tenure, utilization, repayment and other terms of loan to be provided to the Trust for implementation of the Scheme. However, this proposed amount of loan shall be within the statutory limit as prescribed under the Act read with Companies Rules and SEBI SBEBASE Regulations.

**p. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the Pitti ESOP 2024**

ESOP Trust can make acquisition of maximum of 5% of the total outstanding equity shares of the Company as at 31<sup>st</sup> March, 2024, from the secondary market for the purpose of implementation of the Pitti ESOP 2024, subject to the overall limits specified in the SEBI SBEBASE Regulations. However, equity shares that can be acquired through secondary acquisition in any financial year by the Trust shall not exceed 2% of the paid-up equity share capital as at the end of the previous financial year, or such other limits as may be prescribed under the SEBI SBEBASE Regulations from time to time.

**q. Method of valuation of Options**

The Company shall use the fair value method for valuation of the Stock Options granted, to calculate the employee compensation cost.

**r. Disclosure and accounting policies**

The Company shall disclose details of grant, vest, exercise and lapse of the employees stock Options in the Directors' Report or in an annexure thereof as prescribed under the Act, the Companies Rules, SEBI SBEBASE Regulations or any other applicable laws as may be applicable from time to time. Further, the Company shall follow the laws/regulations applicable to accounting and disclosure related to employees stock options and the Guidance Notes on accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the regulatory authorities from time to time, including the disclosure requirements prescribed therein. Further, the Company shall conform to the accounting policies specified in Regulations 15 of the SEBI SBEBASE Regulations.

**s. Transferability of Employees Stock Options**

No person other than such Optionee shall be entitled to the benefit arising out of such Options. The Options granted under this Scheme are not eligible to be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of succession or distribution and may be Exercised, during the lifetime of the Optionee, only by the Optionee.

**t. Terms & conditions for buyback, if any, of specified securities covered under the SEBI SBEBASE Regulations**

The Board in accordance with applicable laws shall lay down the procedure for buy-back of specified securities issued under SEBI SBEBASE Regulations, 2021, if to be undertaken at any time by the Company and the applicable terms and conditions, including (i) permissible sources of financing for buy-back (ii) any minimum financial thresholds to be maintained by the company as per its last financial statements; and (iii) limits upon quantum of specified securities that the company may buy-back in financial year.

**u. Rights of the Option holder**

The Employee shall not have a right to receive any dividend or to vote or in any manner or enjoy the benefits of a Shareholder in respect of Employees Stock Options granted until the equity shares underlying such Employees Stock Options are allotted by the Company or transferred by the Trust, on exercise of such Employees Stock Option. Further the Trustees of the Trust shall not have right to vote in respect of shares held by the Trust.

**v. Consequence of failure to exercise Option**

All unexercised Options shall lapse, if not exercised on or before the exercised period ends. The amount paid/

payable by the Employee, if any, at the time of the Grant, Vesting or Exercise of the Options will be forfeited, if the Employee does not exercise the same within the Exercise Period.

**w. The conditions under which options vested in employees may lapse, e.g., in case of termination of employment for misconduct**

In case of death or permanent disability of an employee, all unvested options shall vest immediately.

If the option grantee's employment with the Company is terminated by the Company for Cause or abandons employment or his office for a continuous period of 30 days, then all Unvested Options and all Vested Options that have not been exercised, shall lapse immediately on the date of such termination or abandonment.

In the event of termination of employment (other than for a cause or abandonment as mentioned above), or resignation of the employee, stock options granted which are not vested on the option grantee on the date of termination of employment/resignation (as the case may be) will automatically lapse.

If the option grantee retires under a voluntary retirement scheme of the Company, if any, or retires on attaining the superannuation age or onwards, all Options shall continue to vest in accordance with the respective vesting schedules under the Scheme, as applicable even after retirement or superannuation.

**x. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee**

Please refer to the details as provided in (h) and (w) and above

**y. Other terms**

The Board or Nomination and Remuneration Committee shall have the absolute authority to vary, modify or alter the terms of the Pitti ESOP 2024 in accordance with the Act read with Companies Rules and SEBI SBEBASE Regulations or such other regulations that may be issued by any appropriate authority, from time to time, unless such variation, modification or alteration is detrimental to the interest of the Option grantees.

Regulation 6 of the SEBI SBEBASE requires that every employee stock option scheme shall be approved by the members of the company by passing a special resolution in a general meeting. Accordingly, the Special Resolution set out at Item No 4 of this Notice is proposed for approval by members. Also, approval of members by way of a

separate Special Resolution is required to be obtained by the Company, if :-

- (i) The benefits of the Pitti ESOP 2024 are to be extended to the employees of the subsidiary and associate Companies.
- (ii) The Scheme is to be implemented through ESOP Trust.
- (iii) Acquisition of equity shares from secondary market through Trust route for implementation of Pitti ESOP Scheme 2024.

Accordingly, the special resolution set out at Item Nos. 5, 6 and 7 of this Notice is proposed for approval by members.

The copies of the proposed ESOP 2024 and other documents referred to in 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 and will also be available for electronic inspection by the members from the date of circulation of this Notice up to the date of this EGM. Members seeking to inspect such documents can send an e-mail to [shares@pitti.in](mailto:shares@pitti.in).

The directors, key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in the resolution set out in item nos. 4, 5, 6 and 7 the extent of stock options that may be granted to them and to the extent of their shareholding, if any in the Company.

The Board recommends the resolution set out in item nos. 4, 5, 6 and 7 of this notice for approval of the members as special resolutions.

## Item No. 8

In order to execute the Pitti ESOP 2024 through Trust Route the Company needs to make provision of funds to the Pitti Engineering Limited – Employee Welfare Trust (“**Trust**”) so as to enable it to subscribe to the equity shares of the Company or for secondary acquisition of equity shares through the recognized stock exchanges.

The Company proposes to give interest free loan and/or provide guarantee or security in connection with a loan granted or to be granted to the Trust, from time to time, in one or more tranches, for subscription of equity shares or for acquisition of equity shares for implementation of the Pitti ESOP 2024, subject to the overall limits specified under the applicable laws. The money so provided to the Trust by the Company shall be repayable to the Company by the Trust in the manner as may be determined by the Board of Directors (including the Nomination and Remuneration Committee of the Company) upon the Trust recovering the exercise price from the Option holders pursuant to Pitti ESOP 2024.

Further, the Board may decide on the amount, tenure, utilization, repayment and other terms of loan or guarantee

to be provided in relation to the loan to the Trust for implementation of the Scheme.

In terms of Section 67 of the Act read with Rule 16 of the Companies Rules and other applicable provisions, if any, of the Act and the rules made thereunder, approval of the members is sought by way of special resolution for provision of money to the Trust for acquisition of equity shares of the Company for implementation of the Pitti ESOP 2024.

The disclosure as required under Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 are as under:

### a. **The class of employees for whose benefit the scheme is being implemented and money is being provided for purchase of or subscription to shares**

Following class / classes of employees are entitled to participate in Pitti ESOP 2024:

- (i) an employee as designated by the Company, who is exclusively working in India or outside India; or
- (ii) a Director of the Company, whether a whole-time Director or not, including a Non-Executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- (iii) an employee as defined in sub-clauses (i) or (ii), of any of its subsidiaries or its associate company, in India or outside India, or of a holding company of the company, but does not include—
  - an employee who is a promoter or a person belonging to the promoter group; or
  - a Director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company.

### b. **Particulars of the Trustee(s) in whose favor such shares are to be registered**

It is contemplated that one or more of the designated Trustees shall acquire and hold the fully paid-up equity shares for and on behalf of the Trust in due compliance of the relevant provisions of the Act, SEBI SBEBASE Regulations and other applicable provisions. Such equity shares held by the Trustees of the Trust will be registered in their name.

The Trust/ Trustees shall transfer the fully paid-up equity shares in favour of the Employees upon exercise of Options by them after realisation of exercise price and applicable income tax and in such case, equity shares will be registered in their respective names.

### **Particulars of the Trustees being appointed**

- (1) Shri Bagi Thirumala Rao Reddy
- (2) Shri Baditha Krishna Rao

**c. The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the Promoters, Directors or Key Managerial Personnel, if any**

**Particulars of Trust**

An Irrevocable Trust in the nature of an Employee Welfare Trust is proposed to be set-up with the name Pitti Engineering Limited - Employee Welfare Trust having its registered office at 6-3-648/401, IV Floor, Padmaja Landmark, Somajiguda, Hyderabad – 500 082

**Particulars of the Trustees being appointed**

<b>Sr. No.</b>	<b>Name</b>	<b>Address</b>	<b>Occupation</b>	<b>Nationality</b>
1.	Bagi Thirumala Rao Reddy	H-No.2-91/76/TL/303. Flat No. 303, Mahaveer Legend, White Fields, Kondapur, KV Ranga Reddy, Telangana 500084	Service	Indian
2.	Baditha Krishna Rao	6-3-609/23, FlatNo-102, DurgaEnclave, Anand Nagar Colony, Khairatabad, Hyderabad, Telangana , 500004	Service	Indian

None of the trustee is related to the Promoters/ Directors/ Key Managerial Personnel of the Company. Subject to compliance with the provisions of applicable laws, the trustees may be changed at any time.

**d. Any interest of Key Managerial Personnel, Directors or Promoters in such scheme or trust and effect thereof**

The Key Managerial Personnel and Directors are interested in the Pitti ESOP 2024 only to the extent of stock options that may be granted to them, if any under the Scheme.

**e. The detailed particulars of benefits which will accrue to the employees from the implementation of the scheme**

The principal objectives of this Scheme are (i) to promote the long-term financial interest in the Company by offering Eligible Employees an opportunity to participate in the share capital of the Company (ii) To attract and retain high-quality human talent by providing them incentives and reward opportunities (iii) To motivate talented and critical Employees and create a sense of ownership among the Employees of the Company (iv) To improve the Employee performance with ownership interests and provide them with wealth creation opportunity whilst in employment with the Company (v) To achieve sustained growth by aligning Employee interest with long term interests of the Company.

The amount of money provided to the Trust will be utilized by the Trust for acquisition of equity shares for implementation of the Pitti ESOP 2024. Equity shares of the Company so acquired will be utilized for the purpose of allocating / transferring equity shares of the Company to the eligible employees in accordance with Pitti ESOP 2024, pursuant to exercise of Options by them at a pre-determined exercise price as per the terms of grant under the Pitti ESOP 2024. The employees would get the

benefit on sale of equity shares depending on sale price of such shares.

**f. Details about who would exercise and how the voting rights in respect of the shares to be purchased or subscribed under the Pitti ESOP Scheme 2024 would be exercised**

In compliance with SEBI SBEBASE Regulations, the Trustees of the Trust shall not vote in respect of equity shares held in the Trust. Once the shares are transferred to the Employees upon their exercise, then the Employees will be treated as shareholders of the Company and shall exercise the right to vote in respect of such shares.

The directors, key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in the resolution set out in item no. 8 to the extent of stock options that may be granted to them and to the extent of their shareholding, if any in the Company.

The Board recommends the resolution set out in item no. 8 of this notice for approval of the members as special resolution.

By order of the Board  
**For Pitti Engineering Limited**

**Mary Monica Braganza**  
Company Secretary & Chief Compliance officer  
FCS:5532

Place: Hyderabad  
Date: 15<sup>th</sup> May 2024



## I. General Information

1)	Nature of industry	Manufacture of engineering products of iron and steel including electrical steel laminations, stator & rotor core assemblies, sub-assemblies, die-cast rotors, press tools and high precision machining of various metal components.		
2)	Date or expected date of commencement of commercial production	The Company was incorporated on 17 <sup>th</sup> September 1983. The Company started its commercial production in the year 1987.		
3)	Financial performance based on given indicators	₹ in lakhs		
	<b>Particulars</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
	Total Revenue	124,980.53	111,798.98	97,026.40
	Profit before finance cost, depreciation, amortization and tax	22,592.49	16,920.98	14,907.10
	Profit before Tax	12,191.29	7,990.23	7,060.05
	Profit after tax	9,019.75	5,883.28	5,190.12
	Total Comprehensive Income	8,604.11	5,764.88	5,192.06
4)	Foreign investments or collaborations, if any.	Not Applicable		

## II. Information about the appointee:

	<b>Name of the Director</b>	<b>Shri Sharad B Pitti</b>	<b>Shri Akshay S Pitti</b>
1.	Background details	Shri Sharad B Pitti is the promoter of the Company and Founder & Chairman of the Company.	Shri Akshay S Pitti is the Promoter and MD & CEO of the Company
2.	Past remuneration	Remuneration of the last 3 years are as follows: 2023-2024: ₹ 98.78 lakhs 2022-2023: ₹ 98.78 lakhs 2021-2022 : ₹ 98.78 lakhs	Remuneration of the last 3 years are as follows: 2023-2024: ₹ 98.78 lakhs 2022-2023: ₹ 98.78 lakhs 2021-2022 : ₹ 98.78 lakhs
3.	Job profile and his suitability	Shri Sharad B Pitti is the Founder & Chairman of the Company. He acts subject to oversight of the Board of Directors of the Company supported by a committed workforce, staff and managers. He is a visionary and a pioneer for lamination manufacturing in the organised sector in India. His eminent stewardship enabled the Company to establish itself as one of the largest lamination manufacturers in India. Shri Sharad B Pitti has played a pivotal role in the Company's growth and development over the years.	Shri Akshay S Pitti, is the Managing Director & Chief Executive Officer of the Company. Shri Akshay S Pitti possesses top management experience in all facets of project management and manufacturing. Under his able 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.
4.	Remuneration proposed to be paid	As set out in the resolution at item No. 2 of this notice read with the explanatory statement thereto.	As set out in the resolution at item No. 3 of this notice read with the explanatory statement thereto.
5.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Taking into consideration the size of the Company, the profile of Shri Sharad B Pitti, the responsibilities to be shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate to that drawn by the peers in the similar capacity.	Taking into consideration the size of the Company, the profile of Shri Akshay S Pitti, the responsibilities to be shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate to that drawn by the peers in the similar capacity.
6.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Shri Sharad B Pitti is the chief promoter and Founder & Chairman of the Company. He is also a major shareholder of the Company. He is related to Shri Akshay S Pitti, Managing Director & Chief Executive Officer of the Company.	Shri Akshay S Pitti is the promoter and Managing Director & Chief Executive Officer of the Company. He is also a major shareholder of the Company. He is related to Shri Sharad B Pitti, Founder & Chairman of the Company.

### 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 Company has posted a profit after tax of ₹ 90.20 crore for the year ended 31<sup>st</sup> March 2024. The Company is passing a special resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Act and Regulation 17(6) (e) of SEBI LODR Regulations as a matter of abundant precaution, in the event the Company's profitability is adversely impacted in future due to business environment, during the period for which remuneration is payable to the respective directors.

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

The Company has been taking various strategic measures such as expansion through inorganic growth, 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 shine 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

Necessary disclosures on managerial remuneration, fees, stock options, have been made in the Director's Report of the Company.

**Details of Director seeking re-appointment as required under Secretarial Standards on General Meetings, SEBI LODR Regulations**

Name of the Director	Shri Akshay S Pitti
DIN	00078760
Date of Birth	28.10.1985
Age	38 years
Profile and Experience	Refer to Explanatory Statement
Expertise in specific functional area	Industrial Management
Date of first appointment on the Board	14.10.2004
Terms & conditions of re-appointment	As set out in the resolution at item No. 3 of this notice read with the explanatory statement thereto.
Shareholding in the Company as on date of this Notice	42,28,414 equity shares
Number of meetings attended during the current financial year 2024-25	One
Relationship with other Directors / Key Managerial Personnel	Son of Shri Sharad B Pitti, Founder & Chairman of the Company
Past remuneration	Refer to Annexure 1
Remuneration proposed to be paid	As set out in the resolution at item No. 3 of this notice read with the explanatory statement thereto.
Other Directorship as on date of this Notice	Pitti Castings Private Limited Pitti Electrical Equipment Private Limited Pitti Holdings Private Limited Pitti Components Limited Pitti Trade and Investment Private Limited Pitti Rail and Engineering Components Limited Bagadia Chaitra Industries Private Limited
Membership / Chairmanship of Committees of other Boards	NIL
Listed entities from which the Director has resigned from Directorship in the last three years.	NIL
No. of shares held in the Company	
(a) In own name	42,28,414 equity shares
(b) For other persons on beneficial interest	None