

21st
ANNUAL REPORT

Report  junction.com

2002-2003

PIX
BELT & HOSES

PIX TRANSMISSIONS LIMITED

J-7, M. I. D. C., HINGNA, NAGPUR - 400 016

PIX TRANSMISSIONS LIMITED

DIRECTORS :

SHRI PRATIPAL SINGH SETHI (Chairman)

SHRI AMARPAL SETHI (Managing Director)

SHRI SONEPAL SETHI

SHRI SUKHPAL SINGH SETHI

SHRI KRISHNA K. BHAT

SHRI JOSE JACOB

SHRI HARESH EIDNANI

SHRI JOE PAUL

SHRI L. N. GUPTA [Nominee Director]

COMPANY SECRETARY

SHRI SHYBU VARGHESE

AUDITORS

M/s. S.C.BANDI & CO.
[Chartered Accountants, Mumbai]

BANKERS

1. STATE BANK OF INDIA
2. ANDHRA BANK
3. ING VYSYA BANK LTD.

REGISTERED OFFICE & WORKS :

(UNIT NO. 1)

J-7, MIDC, HINGNA,
NAGPUR - 440 016

(UNIT NO. 2)

BAZARGAON, AMRAVATI ROAD,
NAGPUR-440 023

MUMBAI OFFICE :

PALS BUILDING, 1ST FLOOR
TPS IV, 1ST ROAD, BANDRA – [WEST]
MUMBAI – 400 050

Pix Transmissions Limited**NOTICE**

Notice is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING** of the members of **PIX TRANSMISSIONS LIMITED** will be held at the Registered Office of the company at J-7, MIDC, Hingna, Nagpur at 9.30 A.M. on Wednesday the 24th September, 2003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the Year ended 31st March, 2003 and the Balance Sheet as on that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Pratipal Singh Sethi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Haresh Eidnani who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Joe Paul who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their Remuneration.
6. To consider and if thought fit to pass with or without modification the following resolution as an ordinary Resolution.

"Resolved that pursuant to Section 198, 269, 309 and Schedule XIII of the Companies Act, 1956 and further to the resolution passed at the Annual General Meeting held on 20th September 2000 that the approval be and is hereby accorded to the variation in the terms of appointment and remuneration of Mr. Joe Paul the Director with effect from 1st February, 2003 as contained in the draft Supplementary Agreement, a copy whereof initiated by the Chairman for the purpose of identification is placed before the meeting with liberty to the Board of Directors to vary, alter and modify such terms of remuneration so as to not exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any statutory modification, substitutions or reenactments thereof, as may be agreed to by the Board of Directors and acceptable to Mr. Joe Paul.

RESOLVED FURTHER that where in any financial year during his term of office, the company makes no or inadequate profits, the company may pay him remuneration by way of salary and perquisites not exceeding the limits laid down in Section II Part II of Schedule XIII of the Companies Act, 1956 or any statutory modifications, substitutions or reenactments thereof, as may be agreed to by the Board of Directors and acceptable to Mr. Joe Paul.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take such steps from time to time as may be necessary or desirable to give effect to this Resolution."

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE : MUMBAI

Date : 28th June, 2003

PRATIPAL SINGH SETHI
(CHAIRMAN)

MUMBAI OFFICE:

**PALS BUILDING, 1ST FLOOR, TPS IV,
1st ROAD, BANDRA (W), MUMBAI - 400 050.**

NOTES

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company at the registered office not less than 48 hours before the time of Meeting.
2. Register of Members and the transfer books of the Company will remain closed from Monday the 22nd September, 2003 to Wednesday the 24th September 2003. (Both days inclusive)
3. Members desiring any information on the Accounts are requested to write to the Company at least one week before the Meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
4. Information pursuant to Clause 49 of the Listing agreement for Re-appointment of Directors.

Name of Directors : Shri Pratipal Singh Sethi
Date of Birth : 10.08.1934
Date of Appointment : 22.07.1981
Qualification : B.Sc.
Directorship In other : NO
Companies in-corporate in India
Chairman / Member of : NO
other committees of Companies.

Name of Directors : Shri Haresh Eidnani
Date of Birth : 12.10.1964
Date of Appointment : 21.09.1999
Qualification : B.Sc.
Directorship In other : NO
Companies in-corporate in India
Chairman / Member of : NO
other committees of Companies.

Name of Directors : Shri Joe Paul
Date of Birth : 08.03.1962
Date of Appointment : 01.05.2000
Qualification : B.Com.
Directorship In other : NO
Companies in-corporate in India
Chairman / Member of : NO
other committees of Companies.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

PLACE : MUMBAI

DATE : 28TH JUNE, 2003

PRATIPAL SINGH SETHI
[CHAIRMAN]

Pix Transmissions Limited**Explanatory statement as required under Section 173(2) of the Companies Act.****Item No.6**

The payment and provision of remuneration to Mr. Joe Paul as Director of the Company was approved by the shareholders at the annual General Meeting of the Company held on 20th September, 2000.

Keeping in view the prevailing situation in the industry and commensurate with the job responsibilities the Board of Directors subject to the approval of the shareholders and within the limits under Schedule XIII of the Companies Act, 1956. The remuneration of Mr. Joe Paul is varied with effect from 1st February, 2003.

Accordingly, with effect from 1st February, 2003, Mr. Joe Paul is entitled to the remuneration detailed in the draft supplementary agreement.

The remuneration to be paid Rs.49,900.00 P.M. from 1st February, 2003 all other material terms are the same, which were approved by the share holders at the Annual General Meeting held on 20th September, 2000. Hence other material terms are not repeated.

Mr. Joe Paul may be deemed to be concerned or interested in the resolution. None of the other Directors of the Company are concerned or interested in the said resolution.

DIRECTORS REPORT

To, The Members,

The Directors have pleasure in presenting the TWENTY FIRST ANNUAL REPORT together with Audited Statement of Accounts for the year ended 31st March, 2003.

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31.03.2003

	[Rs. in Lacs]	[Rs. in Lacs]
	As on 31.03.2003	As on 31.03.2002
Sales	6753.75	5534.68
Other Income	0.18	26.52
	<u>6753.92</u>	<u>5561.20</u>
Profit Before Depreciation	530.85	424.16
Depreciation	438.92	346.74
Profit before tax	<u>91.93</u>	<u>77.42</u>
Less : Provision for taxation		
a) Current 7.50		6.50
b) Deferred 47.41		<u>53.32</u>
	<u>54.91</u>	<u>59.82</u>
Less : Wealth Tax paid	—	0.10
	<u>37.02</u>	<u>17.50</u>
Balance of Profit		
Brought down 877.84	877.84	1301.77
Less : Deferred tax liability —	—	<u>441.43</u>
	<u>877.84</u>	<u>860.34</u>
Amount available for appropriation & carried to Balance Sheet	<u><u>914.86</u></u>	<u><u>877.84</u></u>

SALES / BUSINESS PERFORMANCE / FINANCE :

Your company's performance has been satisfactory, sales turnover has increased by over 21% in the current year.

In recognition of its outstanding export performance your company has received from Capexil export award in "Vee Belt segment" for the year 2001-2002. Your company has the distinction of bagging this award continuously for last several years.

DIVIDEND :

In view of the funds required for expansion, the Directors do not recommend dividend for the year.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to Section 217(2AA) of the Company's Act. 1956, your directors confirm that :

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. That the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
3. That the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the directors have prepared the annual accounts on a going concern basis.

MANAGEMENT'S DISCUSSIONS AND ANALYSIS

The particulars as required by Clause 49 of the Listing Agreement is provided in the Annexure to this report.

CORPORATE GOVERNANCE :

The company has completed all mandatory provisions of corporate governance as prescribed by Clause 49 of the listing agreement of the Stock Exchange with which the Company is registered. A report on the Corporate Governance is included as part of the Annual Report alongwith the compliance certificate and statutory auditors certificate as per Clause 49 of the listing agreement.

PUBLIC DEPOSITS :

The Company has not accepted deposit from the public.

Pix Transmissions Limited**PARTICULAR OF EMPLOYEES :**

There are no employees drawing remuneration in excess of limits prescribed under the amended Section 217(2A) of the Companies Act 1956, read with the companies Particulars of employees 1 Rules 1975.

DIRECTORS :

To appoint a Director in place of Shri Pratipal Singh Sethi, Shri Haresh Eidnani and Shri Joe Paul who retire by rotation and being eligible offer themselves for re-appointment.

M/s. IFCI Limited has appointed Mr. L. N. Gupta as a nominee director with effect from 30th October, 2002 on the board of the Company.

AUDITORS :

M/s S. C. Bandi & Co. Chartered Accountants, Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS REPORT :

The notes forming part of the accounts are self explanatory and do not call for any further clarifications under Section 217(3) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

Information pursuant to section 217 1 (e) of the companies act, 1956 read with the companies {disclosure of particulars in the report of Board of Directors} Rules 1988 relating to the matters contained therein is given by way of an annexure to this report.

APPRECIATION :

The Directors take this opportunity to express their gratitude for the assistance and continued co-operation extended by Banks, Government Authorities, Clients and Suppliers. The directors also wish to place on record their sincere appreciation of the devotion, dedication and loyalty shown by employees at all levels towards sustained progress of the Company.

Your directors sincerely acknowledge the continued trust and confidence you have placed in this Company.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS.

PLACE : MUMBAI

DATED : 28th June, 2003.

**PRATIPAL SINGH SETHI
(CHAIRMAN)**

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**1. Industry structure and developments :**

Your Company is a manufacturer of Belts and Hoses. The Belts are used in various Industries, both Industrial, Agricultural and Automobiles. High Pressure Wire Braided Hoses will be ideally suited for dumpers, cranes, coal cutters, loaders, shovels, excavators, tractors, harvesters, hydraulic roof supporters, equipment used in surface and underground mining, steel and cement industry, aviation, earth moving equipments, oil exploration, agricultural, engineering and several other industries where safety and performance norms are of utmost importance.

2. Opportunities and Threats

The Products manufactured are :

- a. Belts
- b. Hoses

The Company's products are well accepted in the market both in Domestic as well as Export market because of its superior quality. The Company's products are sold to various original equipment manufacturers as well as in the replacement market. The Company is gradually increasing its share in the domestic market.

3. Outlook

The Company expects to utilise maximum production capacity in the Belting section as well as in the Hose section. The economy is now picking up both in the domestic market as well as in the international market, and the Company expects to do much higher turnover of sales in the current year compared to the year ending March, 2003.

4. Risks and concerns :

There is acceptability of our products both in the local and export markets due to their superior quality and competitive prices.

Your company is in continuous process of cost control and has undertaken various cost reduction measures and steps to optimise productivity by improving the production processes and controlling wastage. This is expected to result in significant saving in costs.

5. Internal control systems and their adequacy

The Company has introduced Enterprise Resource Planning (ERP) covering the entire supply chain. There are well laid down systems for all the functions. Furthermore, the company holds an ISO9002 & QS9000 Certification and all procedures relating to the operating functions of the company have been documented and are followed. The management is of the opinion that there are adequate internal control systems in the company commensurate with its size and the nature of business.

Pix Transmissions Limited**6. Discussion on financial performance with respect to operational performance**

Sale of manufactured products during the period 2002-2003 was Rs.6753 Lakhs compared to Rs.5535 Lakhs during 2001-2002, an increase of 21% in terms of value.

7. Material developments in human resources / industrial relations front, including number of people employed.

Exclusive specialised training is imparted according to the job requirement at the Supervisory/management level covering areas in quality, finance, costing, energy conservation, instrumentation etc., both by external and internal faculties. Development programs have been conducted for all employees including workmen on safety, fire fighting and environmental issues/ awareness.

The industrial relations at the Company continued to be cordial.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

PLACE : MUMBAI

Dated : 28th June, 2003.

PRATIPAL SINGH SETHI
[CHAIRMAN]

ANNEXURE TO THE DIRECTORS REPORT**A. CONSERVATION OF ENERGY**

Energy conservation needs to be looked at in a holier manner. Every step in the direction of conservation of energy is a step forward towards better environment and energy saving.

Main area of energy conservation can be from the following sources :

1. Water
2. Steam
3. Electricity

1.0 Conservation of water

- 1.1 Installation of Reverse osmosis plant for purification of water required by various utilities in the plant is a classic case by which benefits achieved are as under :
- 1.2 Reduction of total dissolved solid [TDS] of Boiler feed water ensures fewer blow down losses translate into saving of precious furnace oil which is fuel to Boiler. Reduction of blow down conserves precious WATER rescues, which is very scarce in this region.
- 1.3 Reverse osmosis water has reduced mean time between failure [MTBF] of water heaters of imported Extruder, inside water circulation are for Mills, Calendar, and Banbury etc. Lower down time helps better utilisation of machines.
- 1.4 R.O. Plant has also ensured good quality of water availability for drinking water purposes. This has amply

demonstrated the caring attitude of the company towards better health for all "PIXIANS".

- 1.5 The Company is also switching over to rain water harvesting and for this one construction has already been made. This will help retain rain water in our area only. This will conserve water.

2.0 Conservation of Steam

- 2.1 Steam is generated by burning furnace oil. Waste heat of vulcanising area and from steam traps are used to pre-heat Boiler feed water through heat exchanger for reduction of consumption of furnace oil.
- 2.2 Heat recovery from Flash steam of Boiler blow down is also used to pre-heat Boiler feed water through heat exchanger for reduction of consumption of furnace oil.

3.0 Conservation of electricity

- 3.1 Monitoring and maintaining electrical power factor to near unity level has contributed to saving in electricity.
- 3.2 Conventional lighting systems in plant and office area being replaced by energy efficient electronic lighting system. This will also reduce electrical energy
- 3.3 Seasonal switching off of cooling tower fans, water chiller have significantly contributed to savings of electrical energy.

- 4.0 Supply of better quality water and reduction of consumption of water steam / furnace oil and electricity have improved consumption ratio with respect to per ton of finished product, thereby conserving energy.

- I. The Major sources of energy in the company are :
 1. Furnace Oil
 2. Electricity

1. Conservation of Furnace Oil :

- a. Waste heat recovery systems have been introduced in pot and press section. The waste heat is utilised for pre-heating of boiler feed water.
- b. Dual heating system for furnace oil has been incorporated in boiler firing system.

Above improvements incorporated in steam generation and distribution has resulted in improvement in steam to fuel ratio.

2. CONSERVATION OF ELECTRICITY :

Monitoring and maintaining system power factor to near unity level has contributed to saving in electricity consumption.

Improvement in water circulation systems and seasonal switching off of cooling tower fans and water chiller have significantly contributed to savings in electrical energy.

Impact of measures on reduction of energy, consumption and consequent impact on the cost of production of goods.

The consumption of furnace oil and electricity per ton of production has reduced considerably.

Pix Transmissions Limited**RESEARCH AND DEVELOPMENT**

1. Manufacturing process of Belts and Hoses meets the requirements of ISO-9002 and QS-9000 standard.
- A. Besides regular standard High Pressure Hydraulic Hoses company has developed also following special hoses.
 1. Compact Hose
 2. Rock-drill hose
2. Following new test equipments are installed in laboratory.
 - a. Hydraulic hose impulse test machine.
 - b. Hose outer cover abrasion test machine
 - c. Universal Tensile Testing machine upto 500 Kgf.
 - d. Densimeter to check Sp. Gr/Density of material.
3. Efforts are going on
 - a. to reduce rejections
 - b. to improve product quality
 - c. to reduce customer complaints
 - d. to improve aesthetic look of belts and hoses

ECO-FRIEND COMPANY

Installed water treatment plant to avoid water pollution, the treated water in turn is used for developing green adjoining area to reduce air pollution.

The benefits derived as a result of the above R & D are :

- a. Reduction in the production cost and improvement in quality.
- b. Higher production and sales by introducing new products in domestic and foreign market.
- c. The eco-friendly aspect has also been taken into consideration.

TECHNOLOGICAL ABSORPTION

Efforts made in technological absorption was carried out by the company. After total introduction of new products the same will be absorbed and maintained for higher productivity and better quality.

D. FOREIGN EXCHANGE EARNING AND OUTGO

1. Activities relating to exports appears elsewhere in Directors Reports.
2. Foreign Exchange Earnings : 3986.11 Lakhs.
3. Foreign Exchange Outgo
 - i. CIF Value of imports : 1482.64 Lakhs.
 - ii. Others : 29.16 Lakhs.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below :

MANDATORY REQUIREMENTS**1. Company's philosophy on code of Governance**

The Company's philosophy on Corporate Governance is aimed at assisting the top management of the Company in the efficient conduct of its business and in meeting its obligations to shareholders. For several years, the Company has adopted a codified Corporate Governance charter, inter alia, to fulfil its corporate responsibilities and achieve its financial objectives.

2. a. Composition of the Board :

Name of Director	Status
Mr. Pratipal Singh Sethi – Chairman	Promoter Director
Mr. Amarpal Sethi – Managing Director	Promoter Director
Mr. Sonopal Sethi – Jt. Managing Director	Promoter Director
Mr. Sukhpal Singh Sethi	Promoter Director
Mr. Joe Paul	Independent Non Executive Director
Mr. Krishna K. Bhat	Independent Non Executive Director
Mr. Jose Jacob	Independent Non Executive Director
Mr. Haresh Eidnani	Independent Non Executive Director
Mr. L.N. Gupta	Nominee Director of IFCI Ltd.
[Appointed on 30.10.2002]	

Non-Executive Directors are eminent professional with experience in Management, Finance and Law, who bring in a wide range of skills and experience to the Board.

c) BOARD MEETINGS:

The meetings of the Board of Directors are scheduled well in advance and generally held at Mumbai. The notice convening the meeting and the detailed agenda is sent at least seven days in advance to all the Directors. The Board meets at least once a quarter to review the quarterly performance and financial results.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

PLACE : MUMBAI

Dated : 28th June, 2003.

PRATIPAL SINGH SETHI
[CHAIRMAN]

Pix Transmissions Limited**i) NUMBER OF BOARD MEETINGS:**

During the year from April 1, 2002 to March 31, 2003 the Board of Directors met 8 times on the following days :

SR. NO.	DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1	28.05.2002	8	4
2	26.06.2002	8	7
3	29.07.2002	8	6
4	30.08.2002	8	3
5	30.10.2002	8	8
6	21.12.2002	9	6
7	31.01.2003	9	6
8	14.03.2003	9	5

ii) ATTENDANCE OF DIRECTORS :

NAME OF THE DIRECTOR	NO. OF BOARD MEETINGS HELD	NO. OF BOARD MEETINGS ATTENDS	ATTENDANCE AT THE LAST ANNUAL GENERAL MEETING	NO. OF DIRECTORSHIPS IN OTHER BOARDS AS ON MARCH 31, 2003* (REFER NOTE BELOW) *	NO. OF MEMBERSHIPS IN OTHER BOARD COMMITTEES AS ON MARCH 31, 2003 (REFER NOTE BELOW) **
MR. PRATIPAL SINGH SEHTI – CHAIRMAN	8	6	YES	—	—
MR. SUKHPAL SINGH SETHI - WHOLE TIME DIRECTOR	8	5	YES	—	—
MR. AMARPAL SETHI – MANAGING DIRECTOR	8	7	YES	—	—
MR. SONEPAL SETHI – JT. MANAGING DIRECTOR	8	7	YES	—	—
MR. JOE PAUL 8	4	YES	—	—	—
MR. KRISHNA K. BHAT	8	3	NO	—	—
MR. JOSE JACOB	8	6	NO	—	—
MR. HARESH EIDNANI	8	6	NO	—	—
MR. L. N. GUPTA [Appointed on 30.10.2002]]	8	1	NO	—	—

* Excludes Directorship in Indian Private Limited Companies membership of managing committee of various bodies.

** Board Committees include chairmanship/membership of Audit committees, shareholder grievance committee and remuneration committee other than Pix Transmissions Limited..

*** Mr. Amarpal Sethi & Mr. Sonopal Sethi are directors on behalf of M/s. Pix Transmissions Limited in Pix Europe Limited which is a Joint Venture Company registered in U.K.

Pix Transmissions Limited

COMMITTEES OF DIRECTORS:

i. Audit committee :

- I] The Audit Committee comprises of the following executive and non-executive independent members of the Board:

1. Mr. Haresh Eidnani - Chairman
2. Mr. Amarpal Sethi - Managing Director
3. Mr. Krishna K. Bhat
4. Mr. Jose Jacob

Mr. Haresh Eidnani is the Chairman of the Audit Committee. The Company Secretary acts as the secretary to the Audit Committee. The statutory Auditor and Deputy General Manager [Accounts] also attends the Audit Committee meeting.

II] Terms of reference of the Audit Committee :

The terms of reference of this committee covers the matters specified for Audit committee under Clause 49 of the listing agreement as well as in Section 292A of the Companies Act, 1956.

- III] During the year from 01.04.2002 to 31.03.2003 the Audit committee met 3 times on the following dates :

1. 29.07.2002
2. 30.10.2002
3. 31.01.2003

IV] Attendance of the Directors in the Audit Committee meetings :

NAME OF DIRECTOR	NO. OF MEETINGS HELD	NO. OF MEETINGS ATTENDED
Mr. Haresh Eidnani	3	3
Mr. Amarpal Sethi – Managing Director	3	2
Mr. Krishna K. Bhat	3	1
Mr. Jose Jacob	3	3

b) Shareholders Grievances and Share Transfer Committee:

This Committee, comprises the following non-executive, independent members of the Board, approves transfer of shares, splitting and consolidation of shares, issuance of duplicate shares and reviewing shareholders complaints and resolution thereof.

The Board has constituted Shareholders / Investors Grievance Committee at their meeting held on 28th February, 2003. The Committee consists of four members, two executive and two non-executive. Mr. Jose Jacob, non-executive and independent director is the Chairman of this committee. The names of the other members of the committee are as under :

Mr. Pratipal Singh Sethi	Director
Mr. Sonopal Sethi	Joint Managing Director
Mr. Jose Jacob	Chairman
	[Non Executive Director]
Mr. Haresh Eidnani	Non Executive Director

The Company has large number of shareholders and it also has Share Transfer Committee, which meets regularly twice in a month to approve Share Transfer/ Split/Consolidation/Transmission which are placed at the Board meeting for rectification and approval.

Mr. A. C. Varma has been designated as the "Compliance Officer" of the Company.

During the year ended 31.03.2003, 38 investor complaints/queries were received upto 31st March, 2003. There were no complaints / queries pending reply. There were no Share transfer pending for Registration for more than 30 days as on said date.

c] Remuneration Committee comprises of following non-executive independent members of the Board:

1. Mr. Krishna K. Bhat
2. Mr. Jose Jacob
3. Mr. Haresh Eidnani

ii) Broad Terms of reference of the Remuneration Committee:

- To recommended and review remuneration package of Executive / Non-executive Directors.
- To present report to the Board on remuneration package of directors and others.

The remuneration committee met one time during the year ended March 31, 2003.

Pix Transmissions Limited

iii) Details of remuneration paid to the Directors during the financial year April 2002 to March 2003 :

a) Executive Directors :

NAME OF DIRECTORS	SALARY	PERQUISITES	RETIREMENT BENEFITS/ LEAVE ENCASHMENT	PERFORMANCE LINKED INCENTIVE / BONUS
PROMOTER DIRECTOR				
Mr. Pratipal Singh Setthi	9,00,000.00	—	N.A.	N.A.
Mr. Sukhpal Singh Sethi	7,80,000.00	—	N.A.	N.A.
Mr. Amarpal Sethi	9,00,000.00	—	N.A.	N.A.
Mr. Sonpal Sethi	7,80,000.00	3,60,000	N.A.	N.A.
[INDEPENDENT NON EXECUTIVE DIRECTOR]				
Mr. Joe Paul	5,48,800.00	18,000	N.A.	N.A.

b) Non Executive Directors:

NAME OF DIRECTORS	COMMISSION (PROVIDED FOR)	SITTING FEES PAID
Mr. Krishna K. Bhat	Nil	2,000.00
Mr. Jose Jacob	Nil	2,000.00
Mr. Haresh Eidnani	Nil	2,500.00

iv. General Body Meetings :

a) The last three Annual General Meetings of the Company were held at J-7, MIDC, Hingna, Nagpur on the following dates and times :

AGM NO.	DATE	TIME	VENUE
18	20. September, 2000	9.30 A.M.	J-7, MIDC, Hingna, Nagpur – 440 016
19	19, September, 2001	9.30 A.M.	J-7, MIDC, Hingna, Nagpur – 440 016
20	25, September, 2002	9.30 A.M.	J-7, MIDC, Hingna, Nagpur – 440 016

All the resolutions as set out in the respective notices were passed by the shareholders. No special resolutions were required to be put through the postal ballot.

b) Notes on Directors appointment / reappointment :

Please refer Explanatory Statement to the Notice of the Annual General Meeting.

v. DISCLOSURES:

- a) There was no non-compliance during the last three years by the Company on any matter related to capital market. Consequently, there were no penalties imposed nor strictures passed on the Company by Stock Exchanges, SEBI or any statutory authority.
- b) There are certain transactions with the related parties viz, promoter Director, the management and their relatives that are not conflicting with the company's interest and has been disclosed by way of note in the annual accounts.

vi Means of Communication:

- a) Quarterly/Half Yearly Financial Results of the Company are forwarded to the Mumbai Stock Exchange and Delhi Stock Exchange with whom the company has listing agreement as soon as they are approved and taken on record by Board of Directors of the company. Further the results are published in the local newspapers in compliance with the listing agreement. Half yearly report is not sent to each shareholder as the results of the Company are published in the newspapers.

All items required to be covered in the Management discussion & Analysis have been included in the Directors' Report to Members.

- b) Company has its own web site and all the vital information relating to the Company and its products is displayed on the web site. Address of the web site is www.pixtrans.com.