

# **24th ANNUAL REPORT**

**2005-2006**

Report  Junction.com

**PIX**  
**BELTS & HOSES**

**PIX TRANSMISSIONS LIMITED**

**J-7, M.I.D.C. HINGNA ROAD, NAGPUR - 440 016.**

**Pix Transmissions Limited**

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**PIX TRANSMISSIONS LIMITED**

**DIRECTORS :**

SHRI PRATIPAL SINGH SETHI (Chairman)  
SHRI AMARPAL SETHI (Managing Director)  
SHRI SONEPAL SETHI (Joint Managing Director)  
SHRI SUKHPAL SINGH SETHI  
SHRI RISHIPAL SETHI  
SHRI DARSHAN SINGH CHADHA  
SHRI JOSE JACOB  
SHRI HARESH EIDNANI  
SHRI JOE PAUL  
SHRI PRADEEP HAVNUR  
SHRI AQUEEL A. MULLA

**COMPANY SECRETARY**

SHRI SHYBU VARGHESE

**AUDITORS**

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

**BANKERS**

1. STATE BANK OF INDIA
2. STATE BANK OF HYDERABAD

**REGISTERED OFFICE & WORKS :**

**(UNIT NO. 1)**

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

**(UNIT NO. 2)**

K-36, K-37 & K-38, MIDC, HINGNA ROAD,  
NAGPUR-440 016

**(UNIT NO. 3)**

BAZARGAON, AMRAVATI ROAD,  
NAGPUR-440 023

**MUMBAI OFFICE :**

PALS BUILDING  
1<sup>ST</sup> ROAD, TPS IV, BANDRA – [WEST]  
MUMBAI – 400 050

## **Pix Transmissions Limited**

### **NOTICE**

Notice is hereby given that the **TWENTY FOURTH 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 Road, Nagpur at 9.30 A.M. on Wednesday the 27<sup>th</sup> September 2006 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, 2006 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 Sukhpal Singh Sethi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri Sonopal Sethi 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 a Director in place of Shri Haresh Eidnani who retires by rotation and being eligible offers himself for re-appointment.
6. To appoint Auditors and to fix their Remuneration.
7. 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 29<sup>th</sup> September 2004 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 1<sup>st</sup> February, 2006 as contained

in the draft Supplementary Agreement, a copy whereof initialed 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."

### **SPECIAL BUSINESS:**

8. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow such or sums of moneys in any manner, as the Board of Directors may think fit, from time to time with or without security and upon such terms and conditions as they may think fit, notwithstanding that the moneys borrowed together with the moneys already borrowed by the Company (apart from temporary loans and short term loans obtained from its Bankers and Financial Institutions in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to

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say, reserves not set apart for any specific purpose, provided that the total amount so borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.250 crores (Rupees Two hundred fifty Crores only)."

9. To consider and, if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 293 (1) (a) and all other applicable provisions of the Companies Act, 1956, the consent of the company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging on such terms and conditions for borrowings up to Rs.250 crores at such time or times and from time to time and in such form or manner, as they may think fit, the whole or substantially the whole of the company's any one or more of the undertakings including the present and/or future properties, whether movable or immovable comprised in any existing or new undertaking or undertakings of the Company, as the case may be, in favour of Financial institutions, Corporations, Banks, Government/other Agencies or any other person(s), entities which give, provide or extend loans to the Company or in favour of Trustees if any, of such lenders to secure the said amount of loans together with interest thereon, commitment charges, liquidated damages, premium on redemption, trustees remuneration, Costs, Charges, expenses expedient by the Board of Directors and in such manner as may be agreed to between the Board of Directors and the party or parties concerned."

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**PLACE : MUMBAI**  
**DATE : 27th JUNE 2006**

**PRATIPAL SINGH SETHI**  
**[CHAIRMAN]**

**MUMBAI OFFICE:**  
**PALS BUILDING**  
**1<sup>ST</sup> ROAD, TPS IV**  
**BANDRA - WEST**  
**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 25<sup>th</sup> September 2006 to Wednesday the 27<sup>th</sup> September 2006 (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 the Directors**

Name of Director	: Shri Sukhpal Singh Sethi
Date of Birth	: 11.06.1942
Date of Appointment	: 05.03.1992
Qualification	: I.Sc.
Directorship In other Companies in-corporate in India	: NO
Chairman / Member of other committees of Companies.	: NO

Name of Director	: Shri Sonepal Sethi
Date of Birth	: 16.09.1966
Date of Appointment	: 01.04.1989
Qualification	: B.Sc. Grad PRI(U.K.)
Directorship In other Companies in-corporate in India	: NO
Chairman / Member of other committees of Companies.	: NO

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

Name of Director	: Shri Hareesh Eidnani
Date of Birth	: 12.10.1962
Date of Appointment	: 21.09.1991
Qualification	: B.Sc.
Directorship In other Companies in-corporate in India	: NO
Chairman / Member of other committees of Companies.	: NO

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**PLACE : MUMBAI**  
**DATE : 27th JUNE 2006**

**PRATIPAL SINGH SETHI**  
**[CHAIRMAN]**

**Pix Transmissions Limited****Explanatory Statement as required under section 173(2) of the Companies Act, 1956****ITEM NO.7 :**

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 29<sup>th</sup> September, 2004.

The increased remuneration paid to Mr. Joe Paul, Director of the Company has been approved by the remuneration committee.

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 1<sup>st</sup> February 2006.

Accordingly, with effect from 1<sup>st</sup> February 2006, Mr. Joe Paul is entitled to the remuneration detailed in the draft supplementary agreement.

The remuneration to be paid Rs.75,000.00 P.M. in the scale of Rs.75,000.00 to Rs.1,80,000.00 P.M. from 1<sup>st</sup> February, 2006 all other material terms are the same, which were approved by the share holder at the Annual General Meeting held on 20<sup>th</sup> 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

**ITEM NO. 8 & 9 :**

Considering the expanding business activities and increase in the financial requirements of the Company, the Board of Directors may be required to resort to borrowing of funds from banks, financial institutions and such other parties as the Board may deem fit, from time to time subject to such borrowing not exceeding Rs. 250 crores in aggregate. For borrowing funds beyond the aggregate of the paid-up share capital and free reserves of the Company, the Board is required to be empowered by way of passing of a resolution by the members of the Company under Section 293(1)(d) of the Companies Act, 1956.

In view of the proposed borrowings, the company would be required to mortgage and/or charge the properties of the company in favour of Bankers, Term Lending institutions or such other agencies and bodies for securing the loans sanctioned to the company.

Since mortgage and/or charging of the assets, properties and/or undertakings of the company may be regarded as disposal there of, consent of the members of the company is necessary under section 293 (1) (a) of the Companies Act, 1956.

Your Directors recommend the above resolutions for your approval.

None of the Directors are concerned or interested in the above resolutions.

**DIRECTORS REPORT**

To,  
The Members,

The Directors have pleasure in presenting the TWENTY FOURTH ANNUAL REPORT together with Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2006.

Given below is the financial performance as reflected in the Audited Accounts for the year ended 31.03.2006

	[Rs. in Lacs]	
	As on 31.03.2006	As on 31.03.2005
Sales	12078.38	9991.34
Other Income	34.81	14.77
	<u>12113.19</u>	<u>10006.11</u>
Profit Before Depreciation	1002.15	812.26
Depreciation	764.74	584.26
Profit before tax	237.41	228.00
Less : Provision for taxation		
a) Current	95.00	16.50
b) Fringe Benefit Tax	20.00	—
c) Deferred	(58.20)	48.19
	<u>56.80</u>	<u>64.69</u>
	180.61	163.31
Less: Wealth Tax Paid	0.15	0.15
Income Tax Paid	—	65.26
Redemption Reserve	100.00	—
	<u>100.15</u>	<u>65.41</u>
Total :	80.46	97.90
Balance of Profit Brought down	1129.78	1031.88
Amount available for appropriation & carried to Balance Sheet	<u>1210.24</u>	<u>1129.78</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 2004-2005. Your company has the distinction of bagging this award continuously for last several years. The Company is planning for further expansion in the Belts & Hoses segments in the current year.

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### DIVIDEND :

In view of the funds required for expansion and conserve the resources of the Company. 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 judgments 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 along with 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.

### 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) Rules 1975.

### DIRECTORS :

The Director regret to inform the sad demise of Shri K. K. Bhat Director. The Board place on record the valuable contribution made by him.

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

### 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 AND ON BEHALF OF THE BOARD OF DIRECTORS

PRATIPAL SINGH SETHI  
[CHAIRMAN]

PLACE : MUMBAI  
DATE : 27.06.2005



## Pix Transmissions Limited

### 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 utilize 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, 2006.

#### 4. Risks and concerns :

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

Your company is in continues process of cost control and has undertaken various cost reduction measures and steps to optimize 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 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.

#### 6. Discussion on financial performance with respect to operational performance

Sale of manufactured products during the period 2005-2006 was Rs.12078.38 Lakhs compared to Rs.9,991.00 Lakhs during 2004-2005, an increase of 21% in terms of value.

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

Exclusive specialized 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

PRATIPAL SINGH SETHI

Dated : 27.06.2006

[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 . Fewer blow down losses translate into saving of precious furnace oil which is fuel to Boiler. Reduction of blow down conserves precious WATER resources, which are very scarce in this region.
- 1.3 Reverse osmosis water has reduced mean time between failure [MTBF] for water heaters of imported Extruder, inside water circulation are for Mills, Calender, and Banbury etc. Lower down time helps better utilization 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".

## Pix Transmissions Limited

1.5 The Company is also switching over to rainwater harvesting and for this one construction has already been made. This will help retain rainwater 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 vulcanizing 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 utilized 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.

## B. RESEARCH AND DEVELOPMENT

1. Manufacturing process of Belts and Hoses meets the requirements of ISO / TS116949-2002 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

## C. ECO-FRIENDLY 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.

## D. 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.

## E. FOREIGN EXCHANGE EARNING AND OUTGO

1. Activities relating to exports appears elsewhere in Directors Reports.

2. Foreign Exchange Earnings : 7,046.92 Lakhs.  
(5,934.06)

3. Foreign Exchange Outgo  
i. CIF Value of imports : 2,560.68 Lakhs.  
(2,137.01)  
ii. Others : 189.38 Lakhs.  
(141.46)

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

PLACE : MUMBAI  
Dated : 27.06.2006

PRATIPAL SINGH SETHI  
[CHAIRMAN]



## Pix Transmissions Limited

### REPORT ON CORPORATE GOVERNANCE

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The company has been incorporating for the last few years a separate section on Corporate Governance in its Annual Report. The Shareholders and investors of the Company would have found the information informative and useful.

Company's policies on the Corporate and due compliance report on specific areas wherever applicable for the year ended 31<sup>st</sup> March 2006 and given hereunder divided into the following areas.

#### MANDATORY REQUIREMENTS

##### 1. Company's philosophy on Corporate 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 fulfill its corporate responsibilities and achieve its financial objectives.

##### 2. Board of Directors

The company's Board consists of eleven members in which Four are Executive Promoter Director, One is Executive Director and Six are Independent Non-Executive Directors.

Sr. No.	Name of the Director	Category / Status	No. of Directorship in other boards as on 31.03.2006 [Refer note below]*	No. of memberships in other board committee as on 31.03.2006 [Refer note below]**
1	Pratipal Singh Sethi [Chairman]	Executive Promoter Director	—	—
2	Sukhpal Singh Sethi	Executive Promoter Director	—	—
3	Amarpal Sethi [Managing Director]	Executive Promoter Director	—	—
4	Sonepal Sethi [Joint Managing Director]	Executive Promoter Director	—	—
5	Joe Paul	Executive Director	—	—
6	Rishipal Sethi	Non-Executive Director	—	—
7	Darshan Singh Chadha	Independent Non-Executive Director	—	—
8	Jose Jacob	Independent Non-Executive Director	—	—
9	Haresh Edinani	Independent Non-Executive Director	—	—
10	Pardeep Havnur	Independent Non-Executive Director	—	—
11	Aqueel A. Mulla	Independent Non-Executive Director	—	—

\* 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. Sonepal 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.

\*\*\*\* Mr. Amarpal Sethi & Mr. Sonepal Sethi are Directors on behalf of M/s. Pix Transmissions Limited in M/s. Pix South America Importacao E Exportacao De Correias Mangueiras Ltd a subsidiary company of M/s. Pix Transmissions Limited.

Non-Executive Director are eminent professional with experience in management, finance and law, who being in a wide range of skills and experience to the Board.

## Pix Transmissions Limited

### A. Board meetings and attendance of Directors :

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.

### B. Number of Board meetings:

During the year from 1<sup>st</sup> April, 2005 to 31<sup>st</sup> March, 2006 the Board of Directors met nine times on the following days:

SR. NO.	DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1	05.04.2005	11	04
2	29.06.2005	11	09
3	29.07.2005	11	04
4	31.10.2005	10	06
5	25.11.2005	10	04
6	14.12.2005	10	09
7	30.12.2005	10	05
8	30.01.2006	11	04
9	21.03.2006	11	09

### C. ATTENDANCE OF DIRECTORS :

Name of Directors	No. of Board Meetings held	No. of Board Meeting attended	Attendance last Annual General Meeting
Pratipal Singh Sethi - [Chairman]	09	09	Yes
Sukhpal Singh Sethi	08	08	Yes
Amarpal Sethi [Managing Director]	08	06	Yes
Sonepal Sethi [Joint Managing Director]	08	08	Yes
Rishipal Sethi	08	—	No
Darshan Singh Chadha	08	04	No
Jose Jacob	08	04	No
Haresh Edinani	08	04	Yes
Joe Paul	08	06	Yes
Pardeep Havnur	08	04	No
Aqueel A. Mulla	08	01	No

### 3. Code of Conduct :

The Company has formulated and implemented a code of conduct for Board Members and senior management of the Company, requisite annual affirmations of compliance with the respective code have been made by the directors and senior management of the Company.

### 4. 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