



SUSTAINABILITY REPORT 2023



Responsible **Action**
Driving **Sustainable Growth**

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Environmental
stewardship

Decades of perseverance and experience with a high degree of innovation has strengthened our leadership in the Power Transmissions space.

Responsible Action

Driving Sustainable Growth

As we continue to strengthen our sustainability initiatives through targeted environmental stewardship, community and societal welfare and strong governance, we are dedicated to amplify long-term value for all stakeholders.

We believe, ESG is a continuously evolving terrain, where new priorities need to be addressed in consultation with all stakeholders. Therefore, our Board of Directors with their diverse experience and expertise continuously empower and guide our top-tier management to revisit, refine and strengthen our ESG principles and practices.

We are driving sustainable growth that benefits all who have a stake in our progress.



Sustainability scorecard



117 CMD

Sewage treatment plant capacity

119 CMD

Effluent treatment plant capacity

30%

Y-o-Y reduction in waste generation

100%

Compliance with EHS norms

ISO 9001-
certified

Quality Management System

IATF 16949-
certified

Automotive Quality Management System

ISO 14001-
certified

Environmental Management System

ISO 45001-
certified

Occupational Health and Safety Management System



₹ **1.51** crore

CSR expenditure

24.96%

Y-o-Y reduction in fuel consumption

3,618 KL

Wastewater sent to third-party for treatment

Zero

Employee complaints reported in FY23

RoHS/Prop **65**

Adherence to Hazardous Substances and Chemical Safety standards

17%

Reduction in Co2 emissions achieved through the use of biomass briquettes in boiler operations

Setting the course for a sustainable future

From our manufacturing processes to our supply chain management, we prioritise eco-friendly practices to minimise our environmental impact. Additionally, we prudently invest in research and development (R&D) to develop innovative solutions that contribute to a greener and cleaner tomorrow.





1 Energy and cost efficiency

Objective:

To maximise energy savings and reduce costs by optimising each stage in our production process.

Approach:

We will conduct regular evaluations and leverage efficient manufacturing practices and technologies.



2 Exploring sustainable alternatives

Objective:

To protect the environment by exploring and utilising alternative fuels and materials.

Approach:

We will conduct focused research and development to find more sustainable fuel options and integrate them into our processes.



3 Minimising carbon footprint

Objective:

To curb the environmental impact of our travelling sales team and ensure efficient travel.

Approach:

We will implement travel policies that favour eco-friendly modes and routes, as well as promote virtual meetings wherever feasible.



4 Educating stakeholders

Objective:

To ensure that our personnel, suppliers and customers are well-informed of our sustainability vision and policies. We aim to minimise waste and our environmental footprint.

Approach:

We will organise comprehensive training and awareness programmes to encourage the adoption of sustainable practices across all operational levels.



Growing brand equity worldwide

PIX Transmissions Ltd. is India's leading manufacturer of belts and mechanical power transmissions products. Over the years, we have built significant brand equity in the Power Transmissions industry, with strong local as well as global presence.

We operate state-of-the-art manufacturing units and an advanced automated rubber mixing facility. Our commitment to innovation and quality has helped us establish a strong presence in both domestic and international geographies.

Innovation and infrastructure

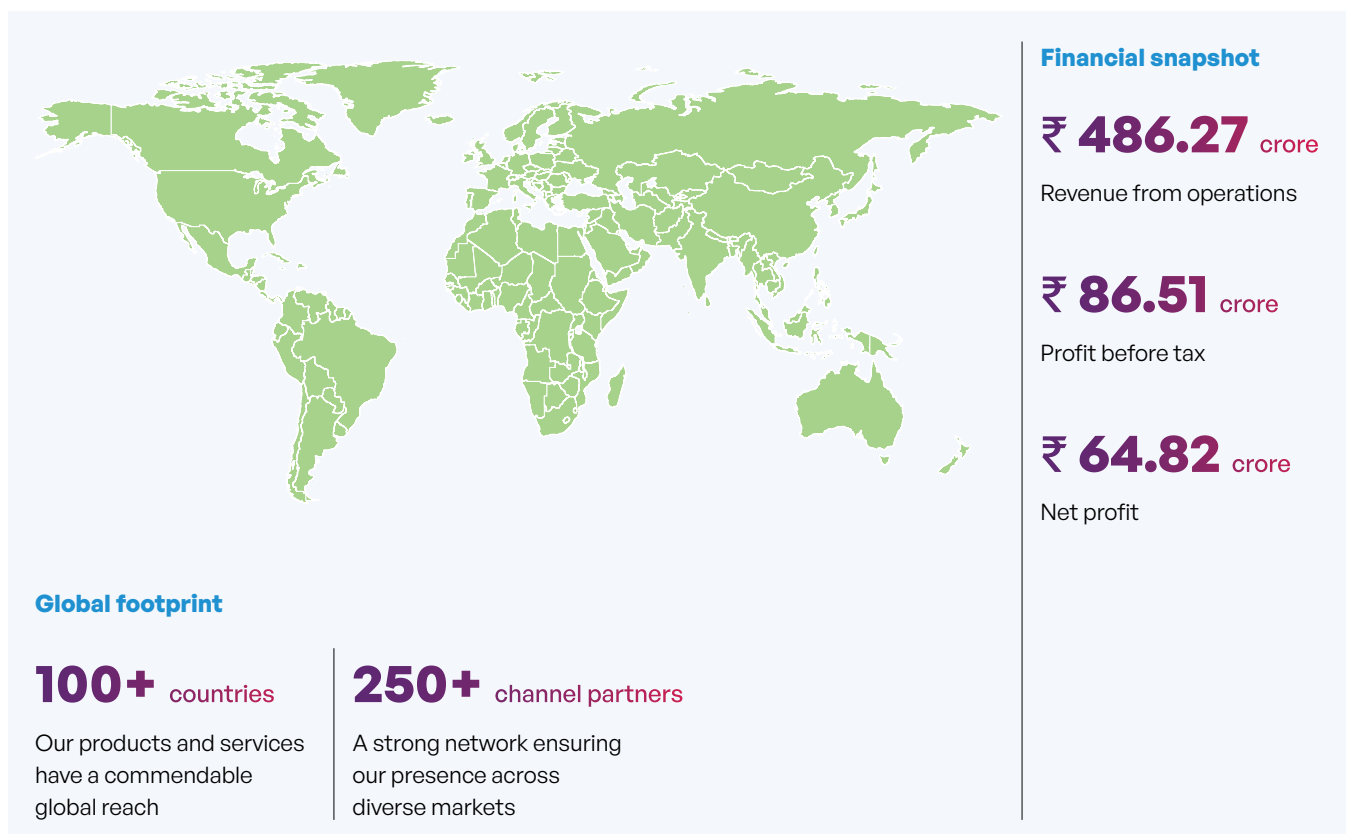
We ensure that our products meet the highest quality standards, earning the trust of our clients. Also, to stay abreast of the latest technological advancements, we conduct extensive research at our manufacturing units in Nagpur. We prioritise automation as it substantially enhances the value of our products, fortifying our position as a reliable player in the Power Transmissions industry.

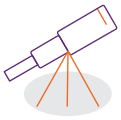
Partnerships and reach

Our strength lies in the relationships we have built on performance and trust as well as our expanding network of committed channel partners. This network, coupled with our partnerships with market leaders in various sectors, fortifies our market position.

Global presence

Our global reach extends to our subsidiary operations in Europe and the Middle East, along with key support infrastructure in the UK, Germany and the UAE. Each location is crucial for providing comprehensive technical, commercial and logistical support to our international clientele.





Vision

The vision of PIX is to be a dominant, global player in the mechanical Power Transmission industry in terms of revenue and brand equity by developing and delivering a broad range of highly innovative, reliable and price competitive solutions backed with unmatched customer care.



Our Values



Resolute ethics, integrity



Customer focus characterised by high level of customer satisfaction



Outright aversion to waste



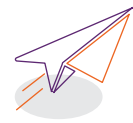
Exhibiting leadership in all aspects



Steadfast commitment to business and personal growth



Passion for Excellence



Mission

PIX’s mission is to achieve profitable growth and enhance value for our shareholders by:

Doubling the Company revenue every three years.

Focusing on design, development and efficient manufacturing processes in serving the market with a broad range of high-performance, cost-effective, end-to-end power transmissions products and services.

Expanding incrementally on infrastructure globally to keep ensuring customer care of the highest calibre.

Consolidating and further enhancing brand recognition and loyalty globally.

Continually investing in growing a highly motivated and talented team of professionals.

Message from the Chairman



“

In the year FY23, we put our commitment into action by supporting education for the visually challenged and underprivileged children, providing necessary medical care for those in need.

”

Amarpal Sethi

Chairman & Managing Director

Dear shareholders,

I am pleased to address you on behalf of your Company and share insights into PIX’s performance and steadfast commitment to sustainable growth through the inaugural sustainability report. We believe, sustainable practices for environment preservation and human safety are a critical responsibility for any business, especially when the global community is rallying together to accelerate climate action to help save the planet from the looming threat of climate change.

For us, sustainability isn’t merely a statutory obligation; it is woven into the very fabric of our corporate ethos. It represents the collective effort of each dedicated member of our team. Over the years, our consistent efforts and experience with a high degree of innovation has strengthened our leadership in the power transmissions space.

We are striving hard to ramp up our sustainability initiatives. Some of our key focus areas include using eco-friendly materials, recycling wastewater, adhering to international environmental standards and adopting green energy. Throughout the fiscal year, we have focused on

enhancing our sustainability efforts, achieving notable progress in these crucial areas.

I am happy to share that we have successfully reduced the waste generation significantly (~30%), compared to last year. This is the result of adopting innovative methods in our manufacturing process.

In line with our commitment to sustainability, we are actively engaged in initiatives for energy efficiency. We have adopted bio-mass briquette fired boilers across all our manufacturing facilities, serving as a sustainable alternative to traditional fossil fuels. Additionally, we have installed skylights and HVSL fans at the MIDC Plant, enhancing natural light and air circulation, thereby contributing to a sustainable and conducive work environment. I am pleased to share that we have achieved 17% reduction in carbon dioxide emissions through the use of bio-mass briquettes in our boiler operations.

We believe, success in business and societal wellbeing are complementary to each other.

At the heart of our corporate identity lies a profound commitment to corporate social responsibility (CSR), which reflects our enduring belief in the symbiotic relationship between business success and societal well-being. We are dedicated to giving back to the community, as a conscientious and responsible corporate citizen. Our CSR efforts focus on helping society in important ways. In the year FY23, we put our commitment into action by supporting education for the visually challenged and underprivileged children, providing necessary medical care for those in need, and participating in programmes to develop important skills. We have spent Rs 1.51 crore on these efforts, which demonstrates our meaningful actions to make a positive impact in the communities we partner with.

We have an unwavering commitment to sound corporate practices. Anchored in principles of conscience,

openness, fairness, professionalism, and accountability, our approach is dedicated to instilling confidence among our diverse stakeholders. Guided by the philosophy of robust corporate governance, we manage the company with transparency, aiming to create long-term value for shareholders and the entire stakeholder fraternity. Recognising that good corporate governance is an evolving journey, we are continuously striving to strengthen our sustainable policies and practices in line with the expectations of all stakeholders.

As we navigate the challenges and opportunities ahead, we are resolute in our pursuit of energy efficiency and cost savings at every stage of our production process. We are deeply committed to push our innovation envelope, explore alternative fuels and materials to safeguard the environment for future generations.

Recognising that collective action is paramount, we are dedicated to educating and engaging with all stakeholders, be it our employees, suppliers, or customers, in a shared mission to reduce wastage across the board. We also acknowledge the responsibility to minimise our carbon footprint, particularly in the case of our travelling salespeople, ensuring that we travel as efficiently as possible. Rooted in our culture, fortified by strong values, guided by robust strategies, and fuelled by proven execution, we are driving sustainable growth.

Before concluding, I must thank our Board for their invaluable vision and guidance. Furthermore, our entire team deserves appreciation for their efforts and commitment. On behalf of the Board and the entire leadership team, I also express my heart-felt gratitude to our esteemed shareholders for their unwavering faith in our capabilities and steadfast support in all our endeavours.

Regards,

Amarpal Sethi
Chairman & Managing Director





Our ESG approach

Sustainable growth is not just a statutory concern at PIX. It is the collective effort of each and every member of our team. We foster a culture of responsibility, encouraging our team members to engage in our sustainability initiatives. This enables us to collectively contribute to a future where prosperity and sustainability go hand in hand.

Crafting targeted sustainability strategies

Our journey towards minimising our environmental footprint, stems from our desire to think and act as a socially responsible corporate citizen. Leveraging best-in-class technologies, we are embedding sustainability into our designs and production processes to create a positive impact on the environment and the communities we serve.

Some of the initiatives that we have undertaken to contribute to a more sustainable tomorrow include using eco-friendly materials, recycling wastewater, adhering to international environmental standards and adopting green energy.

Key focus areas



Innovation and differentiation	Employee satisfaction and retention	Cash flow and profitability management	Waste management and recycling	Carbon footprint reduction
<p>Emphasis on continuous innovation to stay ahead of competition.</p>	<p>Fostering a supportive and rewarding work environment.</p>	<p>Effective strategies to maintain financial stability and growth</p>	<p>Commitment to responsible waste handling and recycling practices.</p>	<p>Implementing measures to lower environmental impact.</p>
<p>Strategy</p> <p>We aim to integrate technology in our operations to enhance efficiency and resource savings.</p>	<p>Strategy</p> <p>We will focus on nurturing talent, ensure competitive compensation and promoting open dialogue.</p>	<p>Strategy</p> <p>We focus on precise budgeting, smart capital allocation and diversifying investments to maximise investor value and sustain financial growth.</p>	<p>Strategy</p> <p>We employ the 4R method and adhere to pollution control standards, effectively minimising waste through efficient resource management.</p>	<p>Strategy</p> <p>We are embracing energy-efficient practices, such as utilising biomass briquettes in boiler operations and installing solar projects and natural lighting solutions.</p>

Enhancing our financial strength

We take a balanced approach to ensure our financial strength focusing on long-term financial stability and growth, while adhering to principles of sustainability and responsibility.



Strategic Pillars



Increasing Revenue

Optimise revenue-generating assets and services to accurately reflect the true cost of services provided, thereby enhancing revenue efficiency.



Investing in Transformation

Emphasize investments in technology and process improvements, coupled with careful planning, to boost customer experience, service delivery, and operational efficiency.



Robust Financial Management

Focus on fiscally responsible decisions, underpinned by effective financial planning and responsible budgeting processes, to ensure financial prudence and stability.

Value creation for stakeholders

We believe in fostering long-term value by meticulously detailing the economic impact of our global operations. This encompasses a comprehensive analysis of revenues, expenses and contributions to various stakeholders, reflecting our commitment to sustainable growth and shared economic prosperity.

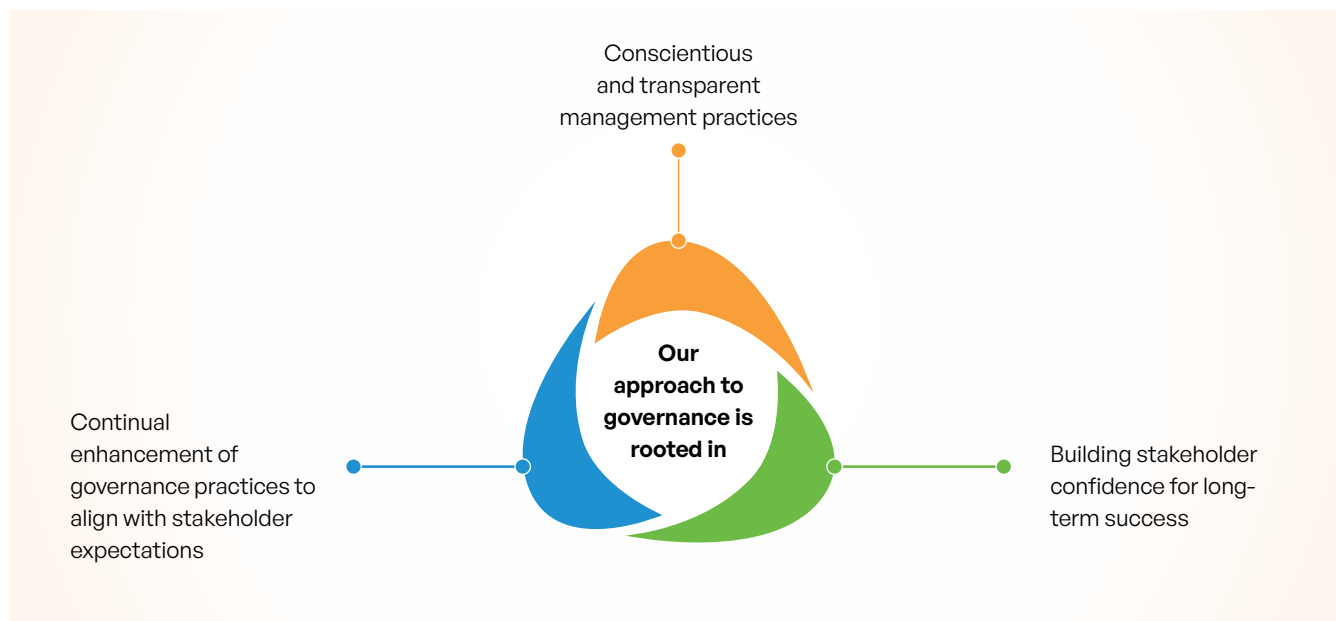
- a. **Direct economic value generated and distributed (EV &D) on an accrual basis, including the basic components for the organisation’s global operation as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following components**

		Amt in lacs			
	Unit	FY2023	FY 2022	FY 2021	
i Direct economic value generated					
1	a) Revenues	INR 49979.72	45743.38	38525.92	
ii Economic value distributed:					
1	Operating costs	INR 19878.79	17910.74	14481.75	
2	Employee wages and benefits	INR 9394.90	6991.87	7492.83	
3	Payments to providers of capital	INR 749.57	701.41	840.04	
4	Payments to government by country	INR 2169.04	2573.71	2244.46	
5	Community investments /Other cost	INR 11305.63	10681.27	6977.2	
iii Economic value retained:					
1	‘Direct economic value generated’ less ‘Economic value distributed’	INR 6481.78	6884.34	6489.64	
Fx conversion rate					



Robust governance in letter and spirit

At PIX, we prioritise good corporate governance to ensure that we uphold the values of transparency, equality and accountability. This commitment is central to our management philosophy and is vital for maximising long-term value creation for all our stakeholders.



Board of Directors

Our Board is instrumental in steering our organisation towards sustainable growth with vision and prudence. The Directors ensure strategic oversight over our operational performance, guiding our actions to enhance operational efficiency. The Board comprises individuals from diverse backgrounds, ethnicity and industries; this demonstrates our commitment to have a truly diverse Board of Directors that brings to the table varied perspectives and skill sets, facilitating informed decision-making.

Our leaders

Mr. Amarpal Sethi

Chairman & Managing Director

Mr. Sonopal Sethi

Joint Managing Director

Mr. Rishipal Sethi

Joint Managing Director

Mr. Sukhpal Singh Sethi

Whole-time Director

Mr. Karanpal Sethi

Whole-time Director & CFO

Mr. Joe Paul

Whole-time Director

Ms. Shirley Paul

Whole-time Director

Mr. Mohammed Adil Ansari

Independent Director

Mr. Pradeep Havnur

Independent Director

Dr. Aqueel A. Mulla

Independent Director

Mr. Nigel Savio Lobo

Independent Director

Mr. Prakashchand Khasgiwala

Independent Director

Mr. Amit Lala

Independent Director

Dr. Abhilasha Hattangdi

Independent Director

Mr. Jose Jacob

Independent Director

Balanced Composition



Code of conduct

We conduct our business with a steadfast commitment to ethical principles, ensuring that every decision and action aligns with our core values of integrity and responsibility. This commitment is reflected in the distinct codes of conduct for our top management and employees, guiding their professional conduct and interactions:

For leadership team

- Uphold integrity and responsibly manage information
- Avoid conflicts of interest and ensure legal compliance
- Actively participate in decision-making processes and corporate governance

For employees

- Adhere to the Code of Conduct promoting respect and collaboration.
- Maintain professionalism and abide by legal and ethical standards.
- Contribute to a sustainable, respectful work environment.

Get to know more about our code of conduct policies at: <https://www.pixtrans.com/investors/policies.php>

Social

Our focus encompasses the well-being of our employees, ethical engagement with local communities, and active participation in Corporate Social Responsibility (CSR) initiatives. Through these efforts, we aim to make a positive impact on society, ensuring sustainable development and fostering a culture of inclusivity and respect.

Society

We are committed to impactful CSR activities, with a core emphasis on societal contribution. Our CSR initiatives are carried out in collaboration with established NGOs. These partnerships enable us to extend our reach and impact, staying true to our commitment as a responsible corporate entity.

Our key focus areas, streamlined from a broad range of initiatives,

₹ 1.51 crore

CSR expenditure for FY23

Education and skill development

Enhancing education for underprivileged and differently-abled children; promoting vocational skills.

Health and well-being

Providing medical facilities to the underprivileged; promoting preventive healthcare.

Environmental sustainability

Supporting initiatives for ecological balance and conservation of natural resources.

Social equality and empowerment

Gender equality, empowerment of women, and support for socially and economically disadvantaged groups.



Employees

We recognise the immense value of a diverse workforce and are dedicated to fostering an environment where inclusivity is ingrained in our culture. Our commitment extends to ensuring equal opportunities in all facets of employment, firmly opposing unlawful discrimination. We maintain a strict stance against discrimination, harassment, bullying, or victimisation of employees or third parties working on behalf of PIX.

This principle underpins all business activities including hiring, transfers, promotions, training, and performance appraisals, ensuring impartiality irrespective of race, color, religion, gender, identity expression, sexual orientation, national origin, genetic disability, caste, or age. Our policy unequivocally disallows discrimination in all business dealings.

Ensuring employee safety and well-being

We engage in multiple initiatives to uphold and enhance Occupational Health and Safety standards. This includes conducting annual training sessions and monthly safety committee meetings, along with comprehensive safety audits.

100%

Adherence rate to EHS norms

Workplace-related social training

We are dedicated to enhancing employee engagement through comprehensive workplace-related social training. We offer diverse training programmes, including POSH (Prevention of Sexual Harassment), Health Awareness, Stress Management, Leadership Development, and Technical Skills for skill upgradation. Further fostering employee engagement, we conduct employee satisfaction surveys and various activities as per our engagement enhancement plan.

4

POSH trainings conducted

259

Skill development trainings conducted

Local hiring and skill development

Our approach to hiring emphasizes local talent engagement, aligning with schemes like the National Apprenticeship Scheme and adhering to the Contract Labor Management Act. We ensure the recruitment of a skilled workforce through meticulous on-job training for new joiners and by aligning hiring processes with clearly defined job responsibilities, skills, experience, and competencies. This approach not only supports local communities but also contributes to building a proficient and dedicated workforce.

91%

Employees hired locally in FY23



Environmental stewardship

As we endeavour to enable sustainable growth, we recognise how business operations affect the environment. At PIX, our commitment to environmental stewardship is reflected in the integration of effective and innovative strategies across our organisation, aimed at minimising our environmental footprint. This endeavour is part of a comprehensive approach, ensuring that every aspect of our operations aligns with our vision for a sustainable and prosperous future.



Energy efficiency

We are committed to sustainable and efficient operations and have undertaken various initiatives for energy efficiency.. We are utilising bio-mass briquette fired boilers across all our manufacturing facilities, serving as an eco-friendly alternative to fossil fuels. Additionally, we have installed skylights and HVSL fans at the MIDC Plant, enhancing natural lighting and air circulation, thereby contributing to a sustainable and pleasant work environment.

17%

Reduction in carbon dioxide emissions achieved through the use of bio-mass briquettes in boiler operations

Water management

Efficient Treatment Plants and Conservation Initiatives are integral to our water management strategy. We operate various Sewage Treatment Plants (STP) and Effluent Treatment Plants (ETP) across multiple locations, using advanced techniques like the Moving Bed Biofilm Reactor and Batch Reactor, to ensure effective wastewater management. Complementing these efforts, we also focus on water conservation by utilising water treated from STPs for gardening purposes, thus integrating waste treatment with resource conservation in a sustainable manner.

119 CMD

Effluent treatment plant capacity

117 CMD

Sewage treatment plant capacity

Waste management

In our manufacturing plant, we focus on circular economy practices, primarily through the 4R method (recycle, recover, re-use, and reduce), to manage resources efficiently and reduce waste. Compliance with the pollution control board’s guidelines ensures responsible waste disposal. Additionally, we undertake projects aimed at improving yield and reducing wastage. Our efforts to incorporate new methods and technologies have also contributed to reducing waste generation in a significant yet measured way.

30%

Reduction in waste generation compared to the previous year

Biodiversity

In our biodiversity initiatives, we are committed to enhancing ecological diversity through the expansion of green belt areas. We have developed extensive gardening projects, covering 30885 square metres, significantly enriching local habitats.

Noise level management

Our approach towards noise management encompasses monitoring and control, ensuring noise levels are consistently within acceptable limits in all environments. This is complemented by the implementation of technological solutions, such as acoustic enclosures for DG sets and the provision of protective gear such as earmuffs and earplugs, effectively mitigating noise exposure.

Air quality management

Our air quality management strategy involves regular monitoring, conducted by the Ministry of Environment and Forests (MoEF) approved laboratories to ensure air parameters remain within prescribed limits. Environmental measures are also in place, including the use of bag filters and cyclone separators in boiler operations, and transitioning from R-22 refrigerant gas type ACs to more eco-friendly R-32 types.





PIX Transmissions Limited

J-7 M.I.D.C., Hingna Road,
Nagpur - 440 016
Maharashtra. India