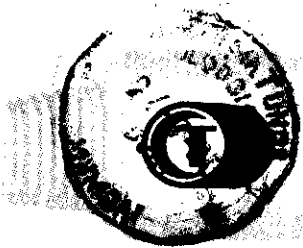


**Fourteenth  
Annual Report  
1999-2000**

Report  junction.com



**Oil Country Tubular Ltd.**

**Oil Country Tubular Ltd.****BOARD OF DIRECTORS**

DR. T S Sethurathnam	Chairman
Shri K Suryanarayana	Managing Director
DR. N S Datar	
Shri K V George	Nominee of IDBI
Shri K V Ravindra Reddy	
Shri T Satyanarayana	Nominee of BOI
Shri Gabriel Monti	Nominee of TAMS, MEXICO
DR. Jayaram B Naidu	
Shri K Sridhar	Director (International Operations)
Shri K G Joshi	Director (Technical)

**COMPANY SECRETARY**

Shri C S Rao

**REGISTERED OFFICE**

108, Kanchanjunga  
King Kothi Road  
Hyderabad - 500 001 (A.P.)

**BANKERS**

Bank of India  
State Bank of India  
State Bank of Hyderabad

**AUDITORS**

Raju & Prasad  
Chartered Accountants  
401, Diamond House  
Punjagutta  
Hyderabad - 500 082

**WORKS**

Shreepuram  
Narketpally Mandalam  
Nalgonda Dist - 508 254 (A.P.)

## Notice to Members



Notice is hereby given that the Fourteenth Annual General Meeting of the company will be held on 24th day of August, 2000 at 10.00 A.M. at Bharatiya Vidya Bhavan Auditorium, King Kothi Road, Bashirbagh, Hyderabad - 500 029 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Audited Profit and Loss Account for the year ended 31st March, 2000 and Balance Sheet as at that date together with Auditors' Report thereon.
2. To appoint a Director in place of Mr Gabriel Monti who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint a Director in place of Dr N S Datar who retires by rotation, and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modifications, the following resolution as an ORDINARY RESOLUTION:

"Resolved that, the retiring Auditors, M/s Raju & Prasad, Chartered Accountants be and are hereby reappointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting at such remuneration as may be determined by the Board of Directors."

### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution.

"Resolved that subject to the Provisions 269, 309, 198, Schedule XIII and other applicable Provisions of the Companies Act, 1956, Shri K G Joshi be and is hereby appointed as Wholtime Director of the Company for a period of three years with effect from 27th June, 2000 at a remuneration and upon terms and conditions as set out in the agreement placed before this meeting and initialled by the Chairman for the purpose of identification and subject to such modifications as may be required by the Financial Institutions."

"Resolved further that the Board be and is hereby authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Shri K G Joshi, but so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 or any amendment thereto or enactments thereof, with effect from such dates as may be decided by it."

Regd Office:  
108, Kanchanjunga  
King Kothi Road  
Hyderabad - 500 001

Date: 26th June, 2000

By Order of the Board  
for **OIL COUNTRY TUBULAR LIMITED**

**C.S.RAO**  
COMPANY SECRETARY

## Notice to Members (Contd.,)



### Notes:

- a. Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956 relating to special business for item 5 is annexed hereto.
- b. A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself. A proxy need not be a member of the company. Instrument of Proxies in order to be effective must be received by the company not less than 48 hours before the time for holding the meeting.
- c. The Register of Members and Share Transfer Books of the Company will remain closed from 17th August, 2000 to 24th August, 2000 (both days inclusive).
- d. Members are requested to notify immediately any change of address to the Registered office of the Company.

### EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

### Agenda Item 5:

Shri K G Joshi is a qualified Engineer with Honours Degree with wide and varied experience. He has held various senior positions in the public sector for over 27 years and has been associated with the Company from inception. He was appointed as Director Technical for a period of 3 years with effect from 27th June, 1997 at the 11th Annual General Meeting held on 18th September, 1997. The Board of Directors of the Company at the meeting held on 26th June, 2000 re-appointed Shri K G Joshi for a further period of 3 years from 27th June, 2000 at a remuneration within the limits prescribed under conditions as set out in the agreement placed before the meeting and initialled by the Chairman for the purpose of identification.

The terms and conditions governing the appointment of Shri K G Joshi are set out below:

- a) **SALARY** - Rs.35,000/- per month in the grade of Rs.35,000-5000-45000
- b) **PERQUISITES:**
  - 1) **HOUSING:** Expenditure by Company on hiring furnished accommodation will be subject to a ceiling of 50% of the Salary.  
  
In case no accommodation is provided by the Company, the appointee shall be entitled to house rent allowance subject to the ceiling of 50% of the salary.  
  
The expenditure incurred by the Company on gas, electricity, water and furnishing shall be subject to a ceiling of 10% of the salary.
  - 2) **MEDICAL REIMBURSEMENT** - For self and family, not exceeding one month's salary in a year or 3 months salary in a period of 3 years.
  - 3) **LEAVE TRAVEL CONCESSION-** For self and family, once in a year to and from any place in India in accordance with the Rules of the Company.
  - 4) **CLUB FEES :** Club fees subject to maximum of 2 clubs, which will not include admission and life membership fees.
  - 5) **PERSONAL ACCIDENT INSURANCE:** Premium not exceeding Rs.2,000 per annum.



Apart from the above, he will also be entitled to the following:

- c) **PROVIDENT FUND, SUPERANNUATION AND GRATUITY** : Provident Fund, Superannuation and Gratuity as per rules of the Company, subject to the ceiling as per the guidelines for managerial remuneration in force from time to time.
- d) **CAR**: Company's car for business of the Company.
- e) **TELEPHONE**: Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall be billed by the Company.
- f) **ENTERTAINMENT/TRAVELLING** : Reimbursement of travelling, entertainment and other expenses as incurred by him for the business of the Company.
- g) **PRIVILEGE LEAVE** : One month's leave on full pay and allowance, for every eleven months of service.

Your Directors recommend this Resolution for your approval.

None of the Directors other than Shri K G Joshi is interested in the said Resolution.

*Regd Office:*  
108, Kanchanjunga  
King Kothi Road  
Hyderabad - 500 001

Date: 26th June, 2000

By Order of the Board  
for **OIL COUNTRY TUBULAR LIMITED**

**C.S.RAO**  
COMPANY SECRETARY

# Directors' Report



To the Shareholders

The Directors have pleasure in presenting the Fourteenth Annual Report on the Business of the Company and the Audited Statement of Accounts of the Company for the year ended 31st March, 2000.

## OPERATIONS:

The Oil and Gas industry has suffered a serious set back in the global market which is a cyclic phenomenon resulting in substantial reduction in the Oil and Gas Drilling and Exploration activities, thereby substantially reducing the demand of OCTG products. The Company's operations also got affected on this account. During the year under Review, Company sold 2603.18 MT of Casing Pipes, 513.45 MT of Production Tubing and 4248.80 MT of Drill Pipes aggregating a turnover of Rs. 79.53 crores besides other income of Rs.2.16 Crores.

## FINANCIAL RESULTS:

	1999-2000 (Rs in Lakhs)	1998-99 (Rs in Lakhs)
1. Gross Income	8169.06	14961.23
2. Profit before interest and Depreciation	2530.78	4101.24
3. Interest	1729.10	2276.62
4. Gross Profit	801.68	1824.62
5. Provision for Depreciation	649.62	787.14
6. Net Profit before Tax	152.06	1037.48
7. Provision for Tax	17.60	52.00
8. Profit after tax	134.46	985.48
9. Prior period adjustments	(+) 33.13	(-)46.42
10. Profit carried to Balance Sheet	167.59	939.06

## FINANCE:

During the year under review the Company has made repayments of Rs. 1047.17 Lakhs towards Term Loans to the Financial Institutions and Banks as per the Repayment schedule.

## PROSPECTS:

The effect of the cyclic Phenomenon in the global market for Oil and gas industries related products is expected to continue till the middle of next Financial year.

## DEMATERIALISATION OF SHARES:

SEBI has notified that the trading of Company's Shares by all the Investors is compulsory in Demat form with effect from August 28, 2000. The Company has executed Tripartite agreement with both the Depositories viz National Security Depository Ltd (NSDL) and Central Depository Systems (India) Ltd [CDSL]. The Company's Depository Registrars M/s Aarthi Consultants (P) Ltd, Hyderabad have established connectivity to both the Depositories to facilitate trading in the electronic mode.

## STOCK EXCHANGE LISTINGS:

The Equity Shares of the Company are listed on the Stock Exchanges at - Ahmedabad, Bombay, Calcutta, Delhi, Hyderabad, Madras and the National Stock Exchange. The Company confirms that it has paid the Annual Listing Fees due to all the above Stock Exchanges.

## Y2K COMPLIANCE:

The Company had taken all measures to be Y2K compliant. There was a smooth transition of all systems into the year 2000.

## DIRECTORS:

Mr Gabriel Monti and Dr N S Datar retire by rotation and being eligible offer themselves for re-appointment. Shri K G Joshi, Wholtime Director whose 3 year term expired on 26th June, 2000 was reappointed by the Board with effect from 27th June, 2000 for a period of three years subject to the approval by shareholders in the Annual General Meeting.