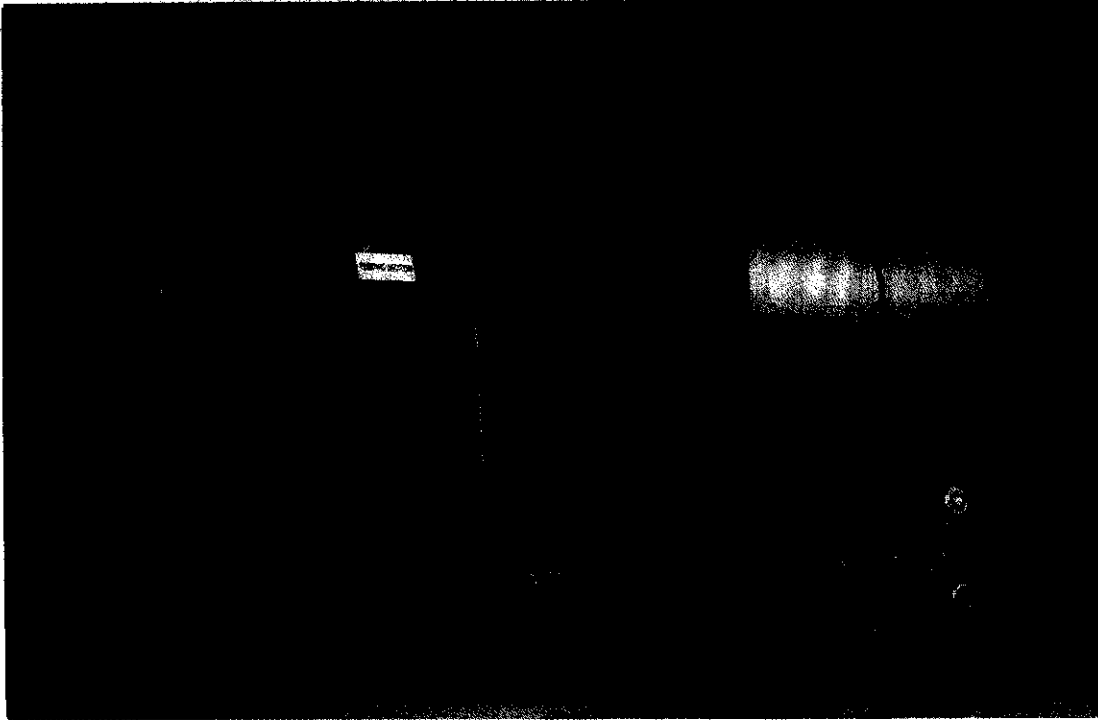


*13th  
Annual Report  
1999-2000*



**PSL HOLDINGS LIMITED**



*Pipe Mill at Daman*



*Ultrasonic Testing of API 5L x 60 Grade pipes at Pipe Mill at Chennai*

**Cover Photo :** *Panoramic view of pipe mill at Nani Chirai*

# BOARD OF DIRECTORS



## BOARD OF DIRECTORS

**Shri Y.P. Punj** — Chairman

**Shri Ashok Punj** — Managing Director

**Shri Alok Punj**

**Shri M.M. Mathur**

**Shri G.S. Sauhta**

**Shri R.K. Bahri**

**Shri D.N. Sehgal**

## VICE PRESIDENT & COMPANY SECRETARY

**Shri G. Gehani**

## STATUTORY AUDITORS

**Suresh C. Mathur & Co.**  
Chartered Accountants,  
New Delhi.

## INTERNAL AUDITORS

**R. Devarajan & Co.**  
Chartered Accountants  
Mumbai.

## SHARE TRANSFER AGENTS

**Karvy Consultants Limited**  
"Karvy House" 46, Avenue 4, Street No. 1  
Banjara Hills, Hyderabad - 500 034

## SUBSIDIARY COMPANY

**PSL Corrosion Control Services Ltd.**  
B-96, Greater Kailash-I  
New Delhi-110048.

## PRINCIPAL BANKERS

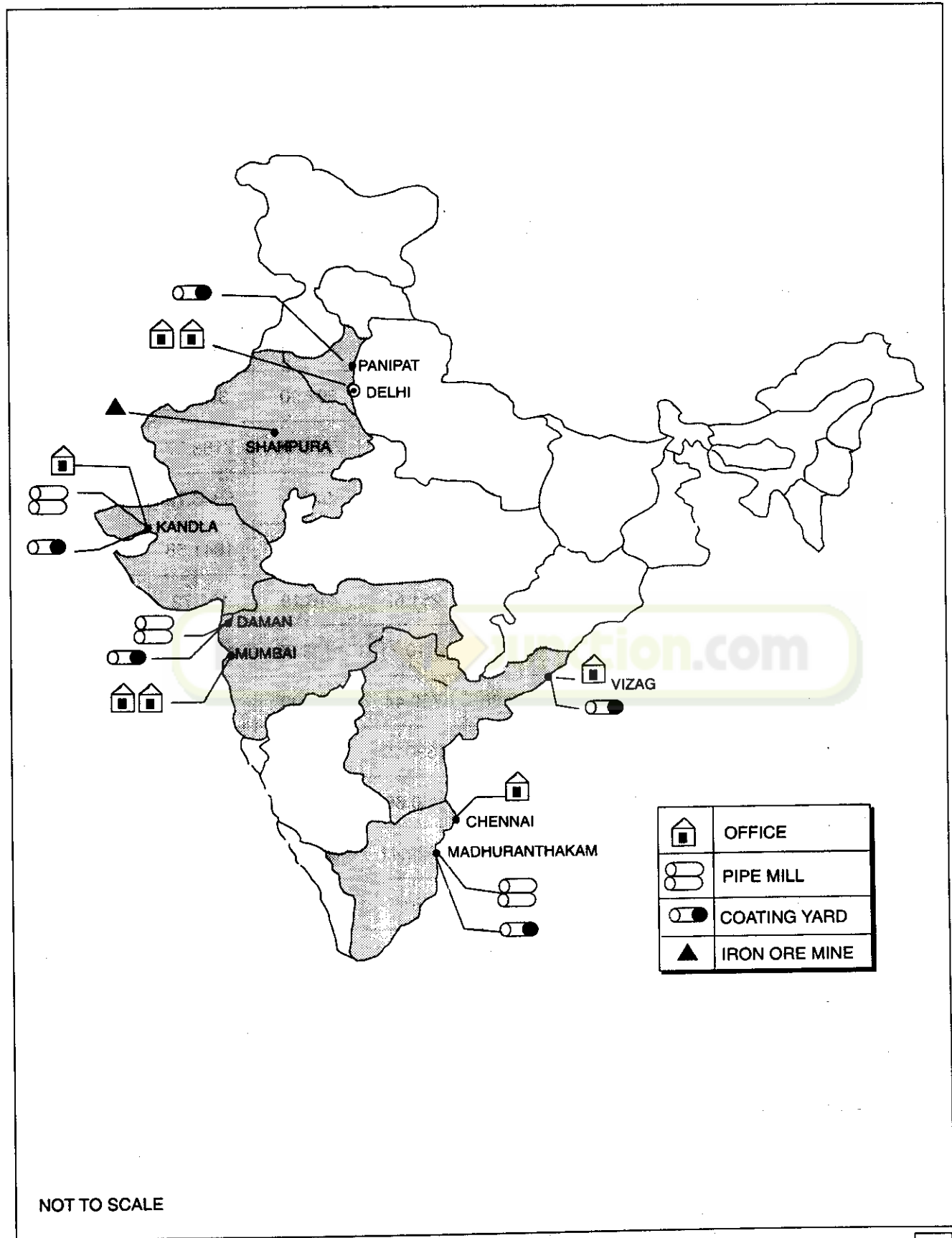
- ICICI Limited
- Export Import Bank of India
- ICICI Banking Corporation Ltd.
- IDBI Bank Limited
- Global Trust Bank Limited
- The Vysya Bank Limited
- Credit Agricole Indosuez
- Corporation Bank
- BNP Paribhas

# LOCATIONS



<b>REGISTERED OFFICE</b>	Kachigam, Daman, Union Territory of Daman & Diu - 396 210
<b>CORPORATE OFFICE</b>	386, Veer Savarkar Marg Prabhadevi, Mumbai - 400 025
<b>MARKETING OFFICE</b>	"PSL HOUSE" B-96, Greater Kailash - I New Delhi - 110 048.
<b>LEGAL &amp; SECRETARIAL OFFICE</b>	3rd Floor, 'Punj House' M-13A, Connaught Circus New Delhi - 110 001.
<b>PROJECT OFFICES</b>	<ul style="list-style-type: none"> <li>— 309/317, Vardhaman Chambers Sector 17, Vashi, Navi Mumbai - 400 705.</li> <li>— 3rd Floor, 'Punj House' M-13A, Connaught Circus New Delhi - 110 001.</li> </ul>
<b>PLANTS</b>	
<b>PIPE MILLS</b>	<ul style="list-style-type: none"> <li>— Kachigam, Daman Union Territory of Daman &amp; Diu</li> <li>— Village No. 22 Vaiyavur Taluka Madurantakam Dist. Kancheepuram, Tamil Nadu</li> <li>— Village Nani Chirai, Taluka Bachhau, Dist. Kutch, Gujrat</li> </ul>
<b>PIPE COATING</b>	<ul style="list-style-type: none"> <li>— Plot No. 4 &amp; 5, Sector 12 Industrial Area, Gandhidham, Kandla, Gujarat</li> <li>— Village Khotpura, Barsat Road, Panipat Haryana</li> <li>— Survey No. 175, 177, 209, 210 Auto Nagar, Gurampalem Near Pendurthi, Vishakhapatnam Andhra Pradesh</li> <li>— Survey No. 37, Varsana Taulka Anjar, Dist. Kutch Gujarat.</li> <li>— Kachigam, Daman Union Territory of Daman &amp; Diu</li> <li>— Village No. 22, Vaiyavur Taluka Madhuranthakam Dist. Kancheepuram Tamil Nadu</li> </ul>
<b>OTHER PLANTS</b>	
<b>IRON ORE MINES</b>	<ul style="list-style-type: none"> <li>— Village Thakuron Ki Dhani, Near Village Tatera Shahpura, Near Jaipur, Rajasthan</li> </ul>
<b>INDUCTION BENDING DIVISION</b>	<ul style="list-style-type: none"> <li>— Plot No. 4 &amp; 5, Sector-12, Industrial Area, Gandhidham, Kandla, Gujrat</li> </ul>
<b>ANODE DIVISION</b>	<ul style="list-style-type: none"> <li>— Plot No. 4 &amp; 5, Sector-12, Industrial Area, Gandhidham, Kandla, Gujrat</li> </ul>

# PSL'S PRESENCE



# FINANCIAL HIGHLIGHTS



## FINANCIAL HIGHLIGHTS

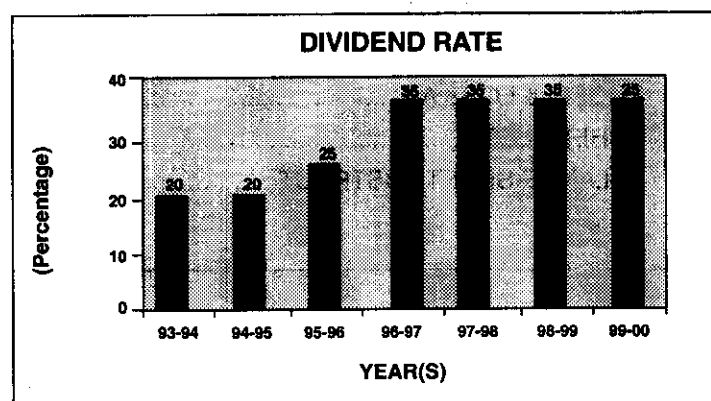
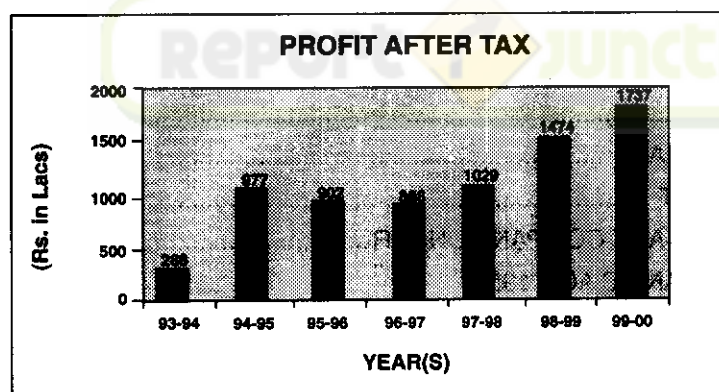
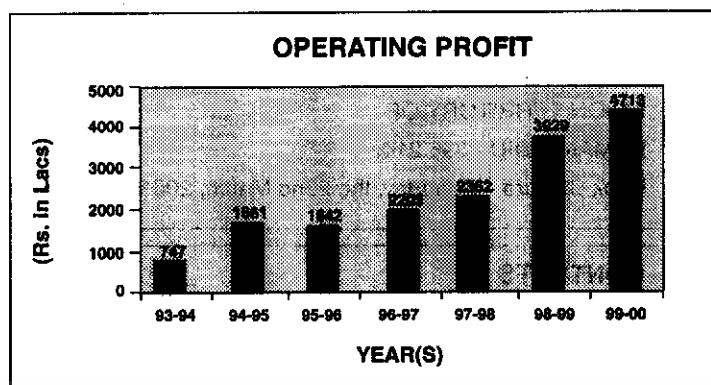
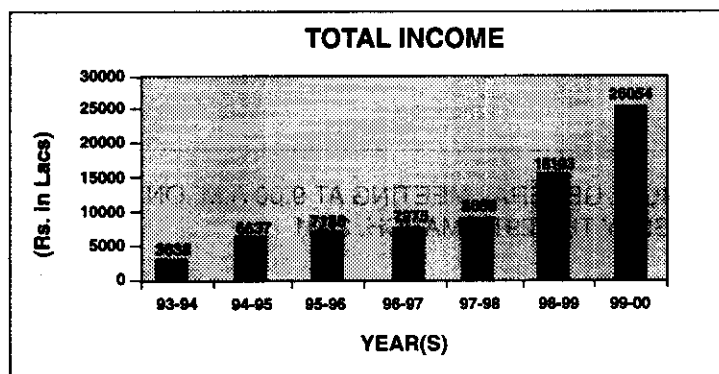
(Rs. in Lacs)

PARTICULARS	FY 99-00	FY 98-99**	FY-97-98	FY 96-97*	FY 95-96	FY 94-95
Income From Operations	25805.60	14784.75	8396.71	6967.76	6850.23	6536.45
Other Income	248.45	1319.07	262.41	307.90	338.14	101.54
Total Income	26054.06	16103.82	8659.12	7275.66	7188.37	6637.99
Total Expenditure	21341.11	12174.88	6296.79	5072.81	5346.79	4777.40
Operating Profit	4712.95	3928.94	2362.33	2202.85	1841.58	1860.59
Interest	1608.77	1080.60	251.62	416.19	191.72	190.96
Gross Profit	3104.16	2848.34	2110.71	1786.66	1649.86	1669.63
Depreciation	1102.62	1246.88	720.44	874.00	446.51	303.54
Profit Before Tax	2001.54	1601.46	1390.27	912.66	1203.35	1366.09
Taxation	265.00	127.53	360.86	45.00	301.48	389.38
Profit After Tax	1736.54	1473.93	1029.41	867.66	901.87	976.71
Dividend Rate	35%	35%	35%	35%	25%	20%
Equity	2892.02	2892.02	948.71	948.71	941.47	762.68
Reserves & Surplus	12108.96	11528.25	6952.36	6286.74	5760.29	3223.48
Gross Fixed Assets	17183.75	15738.74	7220.35	6625.53	5195.02	2734.67

\* Period of 18 Months

\*\* Post Merger with PSL International Ltd.

# PERFORMANCE AT A GLANCE



# PROGRAMME AND CONTENTS



## THIRTEENTH ANNUAL GENERAL MEETING AT 9.00 A.M. ON THURSDAY THE 29TH MARCH, 2001

AT  
"CIDADE DE DAMAN"  
DEVKA BEACH  
NANI DAMAN  
UNION TERRITORY OF  
DAMAN & DIU - 396 210.  
Book Closure - Thursday, the 22nd March, 2001 to Thursday, the 29th March, 2001

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# NOTICE



To all shareholders,

Notice is hereby given that **Thirteenth Annual General Meeting** of the Company will be held on Thursday, the 29<sup>th</sup> March, 2001 at 9.00 A.M. at "Cidade De Daman", Devka Beach, Nani Daman, Daman- 396 210 in Union Territory of Daman & Diu, to transact the following businesses:-

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 30<sup>th</sup> September, 2000 and Profit & Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
2. To declare the Dividend for the Financial Year 1999 - 2000.
3. To appoint a Director in place of Shri Alok Punj, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri D. N. Sehgal, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Statutory Auditors for holding the Office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and in this connection to consider and if thought fit to pass with or without modification the following Resolution as an "Ordinary Resolution."

"RESOLVED THAT M/s. Suresh C. Mathur & Co., Chartered Accountants, New Delhi be and are hereby appointed as Auditors of the Company to hold Office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board plus reimbursement of actual travelling and other incidental expenses incurred in connection with the audit."

## SPECIAL BUSINESS

### 6. FURTHER ISSUE OF CAPITAL

To consider and if thought fit to pass with or without modification the following Resolution as a "Special Resolution."

"RESOLVED THAT in accordance with the provisions of Section 81 and all other applicable provisions, if any, of the companies Act, 1956 (including any statutory modification or re-enactment thereof) and enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to such approvals, sanctions, permissions, consents from any competent authority like SEBI, RBI, Department of Company Affairs or other agencies and subject to any terms, conditions, alteration or modification as may be required by such authority/agency and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as 'Board') or any Committee duly constituted and authorised by the Board in this behalf (hereinafter referred to as 'Committee'), consent and approval be and is hereby accorded to the Board or Committee thereof to issue and allot up to 2,00,00,000 Equity Shares of Rs. 10/- each thereby having an aggregate face value up to Rs.20,00,00,000/- as the Board or Committee thereof at its sole discretion may at any time or times hereafter decide to the public, members, employees, Indian Financial Institutions, Investment Institutions, Banks, Mutual Funds, Corporate Bodies, Non-Resident Indians (NRIs), Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) and such other persons whether members of the Company or not either through Public issue, Right issue, Private placement, Preferential Allotment, Book-building, Exchange of securities, Conversion of loans or otherwise for meeting present and future business requirements or any other corporate purposes as the Board or Committee thereof may deem fit and/or by anyone or more or a combination of the above modes/methods, at such price or prices and at such premium and with such voting rights/ differential rights as to dividend, voting or otherwise, at such rate of dividend as the Board or Committee thereof may in its absolute discretion think fit."

"RESOLVED FURTHER that such of these securities to be issued or re-issued as are not subscribed may be disposed of in whole or in part or annulled as the Board or Committee thereof may deem appropriate in favour of and to such persons (whether or not members of the Company) and in such manner and on such terms as the Board or Committee thereof in its absolute discretion think to be in the interest of and beneficial to the Company including offering or placing them with Banks, Indian Financial Institutions, Investment Institutions, Mutual Funds, Corporate Bodies, Foreign Institutional Investors (FIIs), Overseas Corporate Bodies or such other persons or otherwise as the Board or Committee thereof may in its absolute discretion decide."

"RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board or Committee thereof be and is hereby authorised to accept and make in the interest of the Company all such modification and alterations in the terms and conditions concerning any aspect of the issue including increase or decrease in the aggregate value of the issue, amount of premium or any other matter as may be considered necessary or expedient including fixation of record date, book closure date etc. and to take all such measures/actions as may be necessary or desirable to effect such modification and alteration; and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotments and utilisation of the proceeds of the issue of the securities and to finalise and execute all documents and writings as may be necessary, desirable or expedient as the Board or Committee thereof may deem fit."

### 7. ENHANCEMENT OF BORROWING POWERS

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

"RESLOVED THAT in supersession of the Resolution/s passed by the Company earlier in relation to the exercise of Borrowing Power, the Board of Directors of the Company be and is hereby authorised under Section 293(1)(d) and other applicable provisions of the Companies Act, 1956, to borrow on behalf of the Company such monies from time to time as they may deem fit by way of loans, advances, credits, any form of International Borrowings including "external commercial borrowings" or otherwise whether the same be unsecured or secured in respect of all or any of the Company's assets and properties for the purpose of business

# NOTICE



of the Company and upon such terms and conditions as they may consider fit so that the money to be borrowed, together with the monies already borrowed and outstanding by the Company (apart from various temporary loans, facilities including grants availed or to be availed from the Company's Bankers in the ordinary course of business) exceed the aggregate for the time being of the paid-up Capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose as the case may be provided that the total amount of monies so borrowed shall not at any time exceed the sum of Rs.150 Crores over and above the aggregate of the paid-up capital of the Company and its free-reserves."

"**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to the above Resolution."

## 8. INTER-CORPORATE LOANS AND INVESTMENTS

To consider and if thought fit to pass with or without modification the following Resolution as a "**Special Resolution**".

"**RESOLVED THAT** pursuant to the provisions of Section 372 A of the Companies Act, 1956 or any re-enactment thereof and subject to the approval of the Financial Institutions and other lenders, wherever required and any other approval, if any, consent of the Company be and is hereby accorded to the Board of Directors to invest in equity/ preference shares and/or debentures or any other permissible securities of any kind to be issued by any Company and/or to make loans to and/or give guarantees/ securities from time to time to any Company upon such terms and conditions which the Board may deem fit notwithstanding that such investment/s loan/s or guarantee/s, securities etc. together with the Company's existing investments/ loans or guarantees etc. in other bodies corporate, shall be in excess of the limits prescribed under the Companies Act, 1956 or any re-enactment thereof read with applicable Rules as may be made in this regard subject however to the condition that the aggregate of the amounts so invested or loans/ guarantees/ securities so made or provided at any time, shall not exceed more than 50% over and above the limits of Investments & Loans specified by the said section 372 A of the Companies Act."

## 9. ENHANCEMENT IN REMUNERATION OF MANAGING DIRECTOR

To consider and if thought fit to pass with or without modification the following Resolution as an "**Ordinary Resolution**".

"**RESOLVED THAT** subject to such consents and permissions, if any, as may be necessary the consent of the Company be and is hereby accorded in accordance with the provisions of Section 198, 309, 310 read with Schedule XIII and all other applicable statutory provisions of the Companies Act, 1956, to enhancement in remuneration and benefits and amenities payable/ enjoyed to/ by Shri Ashok Punj, the Managing Director of the Company with effect from 01-04-2001 as detailed in the Explanatory Statement."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to revise and/or re-fix the said remuneration and/ or other perquisites, benefits and amenities provided that the so revised/ re-fixed remuneration and/ or perquisites etc. do not exceed the limits prescribed from time to time under Schedule XIII or any other provisions of Companies Act, 1956, and/or any Statutory modification/s thereof."

## 10. ENHANCEMENT IN REMUNERATION OF SHRI G. S. SAUHTA, THE WHOLE-TIME DIRECTOR

To consider and if thought fit to pass with or without modification the following Resolution as an "**Ordinary Resolution**".

"**RESOLVED THAT** subject to such consents and permissions, if any, as may be necessary the consent of the Company be and is hereby accorded in accordance with the provisions of Section 198, 309, 310 read with Schedule XIII and all other applicable statutory provisions of the Companies Act, 1956, to enhancement in remuneration and benefits and amenities payable/ enjoyed to/ by Shri G. S. Sauhta, the Whole-time Director of the Company with effect from 01-04-2001 as detailed in the Explanatory Statement."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to revise and/or re-fix the said remuneration and/ or other perquisites, benefits and amenities provided that the so revised/ re-fixed remuneration and/ or perquisites etc. do not exceed the limits prescribed from time to time under Schedule XIII or any other provisions of Companies Act, 1956, and/or any Statutory modification/s thereof."

## 11. ENHANCEMENT IN REMUNERATION OF SHRI R. K. BAHRI, THE WHOLE-TIME DIRECTOR

To consider and if thought fit to pass with or without modification the following Resolution as an "**Ordinary Resolution**".

"**RESOLVED THAT** subject to such consents and permissions, if any, as may be necessary the consent of the Company be and is hereby accorded in accordance with the provisions of Section 198, 309, 310 read with Schedule XIII and all other applicable statutory provisions of the Companies Act, 1956, to enhancement in remuneration and benefits and amenities payable/ enjoyed to/ by Shri R. K. Bahri, the Whole-time Director of the Company with effect from 01-04-2001 as detailed in the Explanatory Statement."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to revise and/or re-fix the said remuneration and/ or other perquisites, benefits and amenities provided that the so revised/ re-fixed remuneration and/ or perquisites etc. do not exceed the limits prescribed from time to time under Schedule XIII or any other provisions of Companies Act, 1956, and/or any Statutory modification/s thereof."

## 12. ENHANCEMENT IN REMUNERATION OF SHRI M. M. MATHUR, THE WHOLE-TIME DIRECTOR

To consider and if thought fit to pass with or without modification the following Resolution as an "**Ordinary Resolution**".

"**RESOLVED THAT** subject to such consents and permissions, if any, as may be necessary the consent of the Company be and is hereby accorded in accordance with the provisions of Section 198, 309, 310 read with Schedule XIII and all other applicable statutory provisions of the Companies Act, 1956, to enhancement in remuneration and benefits and amenities payable/ enjoyed to/ by Shri M. M. Mathur, the Whole-time Director of the Company with effect from 01-04-2001 as detailed in the Explanatory Statement."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to revise and/or re-fix the said remuneration and/ or other perquisites, benefits and amenities provided that the so revised/ re-fixed remuneration and/ or perquisites etc. do not exceed the limits prescribed from time to time under Schedule XIII or any other provisions of Companies Act, 1956, and/or any Statutory modification/s thereof."