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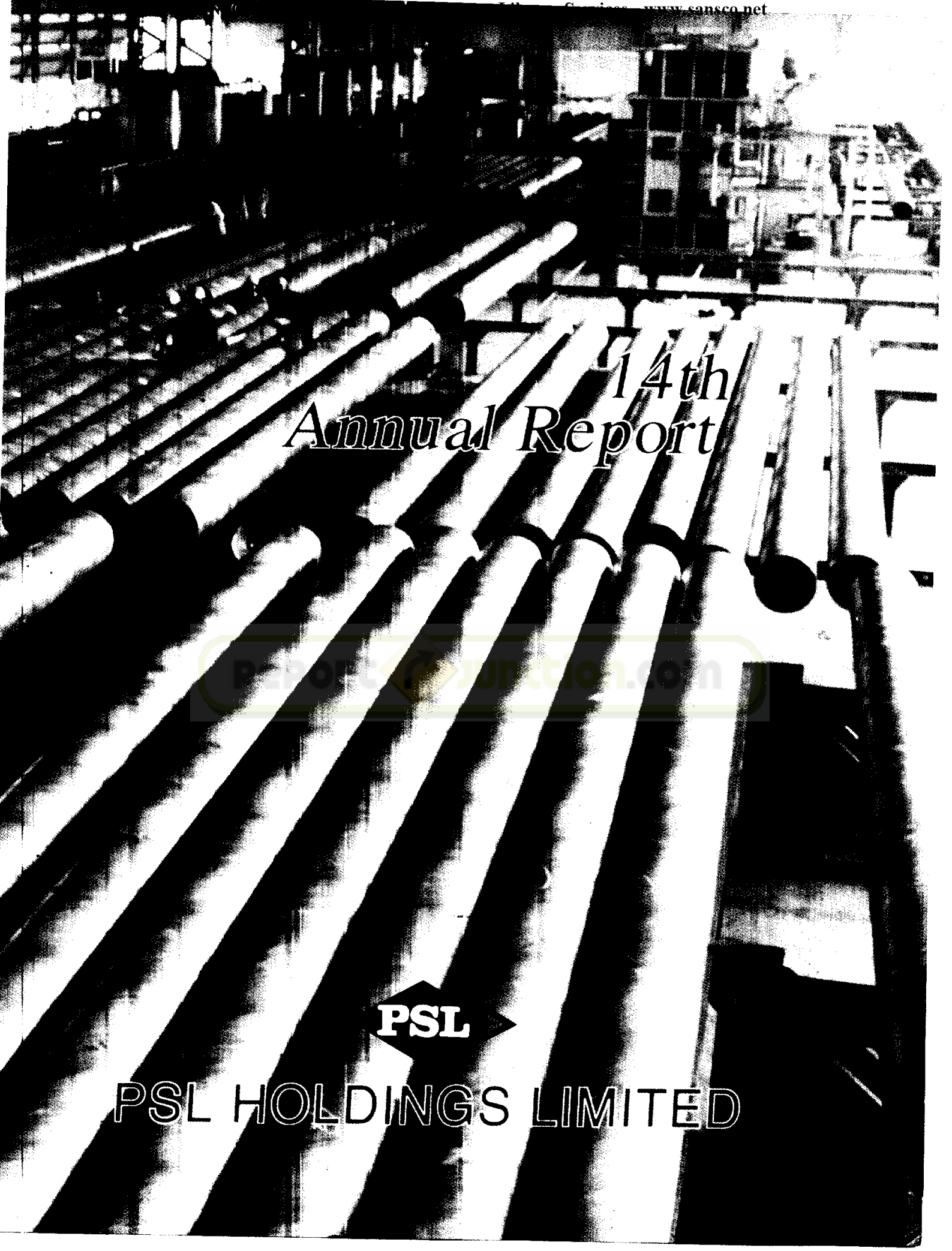

14th Annual Report

PSL

PSL HOLDINGS LIMITED

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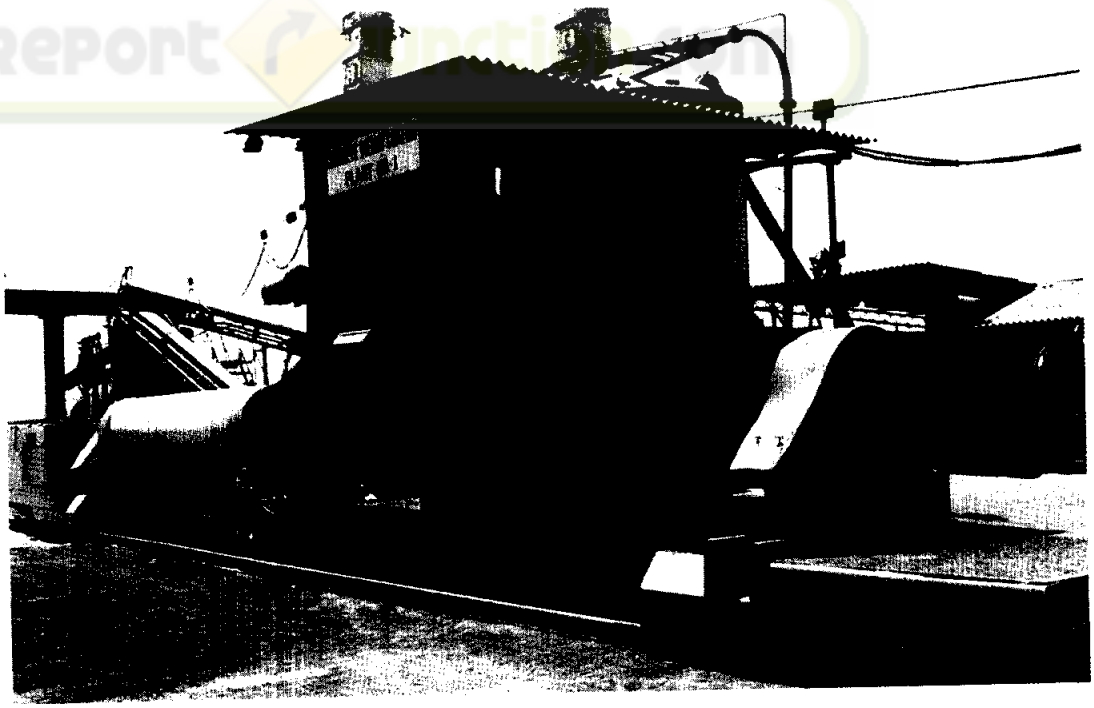
Fabrication of API 5L Grade 60 Spiral Welded Pipes for Hydrocarbon Sector



Weight Concrete Coating for sub-sea pipelines

Cover Photo : Panoramic view of newly set up pipe mill at Varsana, Kutch, Gujarat

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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** **Shri Deepak Verma** (Financial Institution nominee)
VICE PRESIDENT & COMPANY SECRETARY	**Shri G. Gehani**
STATUTORY AUDITORS	**Suresh C. Mathur & Co.** Chartered Accountants, New Delhi.
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 Bank Limited — Export Import Bank of India — IDBI Bank Limited — Global Trust Bank Limited — The Vysya Bank Limited — Credit Agricole Indosuez — Corporation Bank — BNP Paribas — Standard Chartered Bank — UTI Bank Limited — Development Credit Bank Ltd.

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LOCATIONS

REGISTERED OFFICE	Kachigam, Daman, Union Territory of Daman & Diu - 396 210.
CORPORATE OFFICE	386, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025.
MARKETING OFFICE	"PSL HOUSE" B-96, Greater Kailash - I, New Delhi - 110 048.
LEGAL & SECRETARIAL OFFICE	3rd Floor, 'Punj House', M-13A, Connaught Circus, New Delhi - 110 001.
PROJECT OFFICES	— 3rd Floor, 'Punj House' M-13A, Connaught Circus, New Delhi - 110 001. — 309/317, Vardhaman Chambers, Sector 17, Vashi, Navi Mumbai - 400 705.
PLANTS	
PIPE MILLS	— Kachigam, Daman Union Territory of Daman & Diu — Village No. 22 Vaiyavur, Taluka Madhuranthakam, Dist. Kancheepuram, Tamil Nadu. — Village Nani Chirai, Taluka Bachhau, Dist. Kutch, Gujarat. — Survey No. 35 & 37, Varsana, Anjar, Kutch, Gujarat.
PIPE COATING PLANTS	— East of National Highway Gandhidham-Kandla Highway, Gandhidham, Gujarat. — Plot No. 4 & 5, Sector 12, Industrial Area, Gandhidham, Kandla, Gujarat. — Survey No. 175, 177, 209, 210, Auto Nagar, Gurampalem, Near Pendurthi, Vishakhapatnam, Andhra Pradesh. — Survey No. 37, Varsana, Taulka Anjar, Dist. Kutch, Gujarat. — Kachigam, Daman, Union Territory of Daman & Diu. — Village No. 22, Vaiyavur, Taluka Madhuranthakam, Dist. Kancheepuram. Tamil Nadu.
OTHER PLANTS	
IRON ORE MINES	— Village Thakuron Ki Dhani, Near Village Tatera, Shahpura, Near Jaipur, Rajasthan.
INDUCTION BENDING DIVISION	— Plot No. 4 & 5, Sector-12, Industrial Area, Gandhidham, Kandla, Gujarat.
ANODE DIVISION	— Plot No. 4 & 5, Sector-12, Industrial Area, Gandhidham, Kandla, Gujarat.

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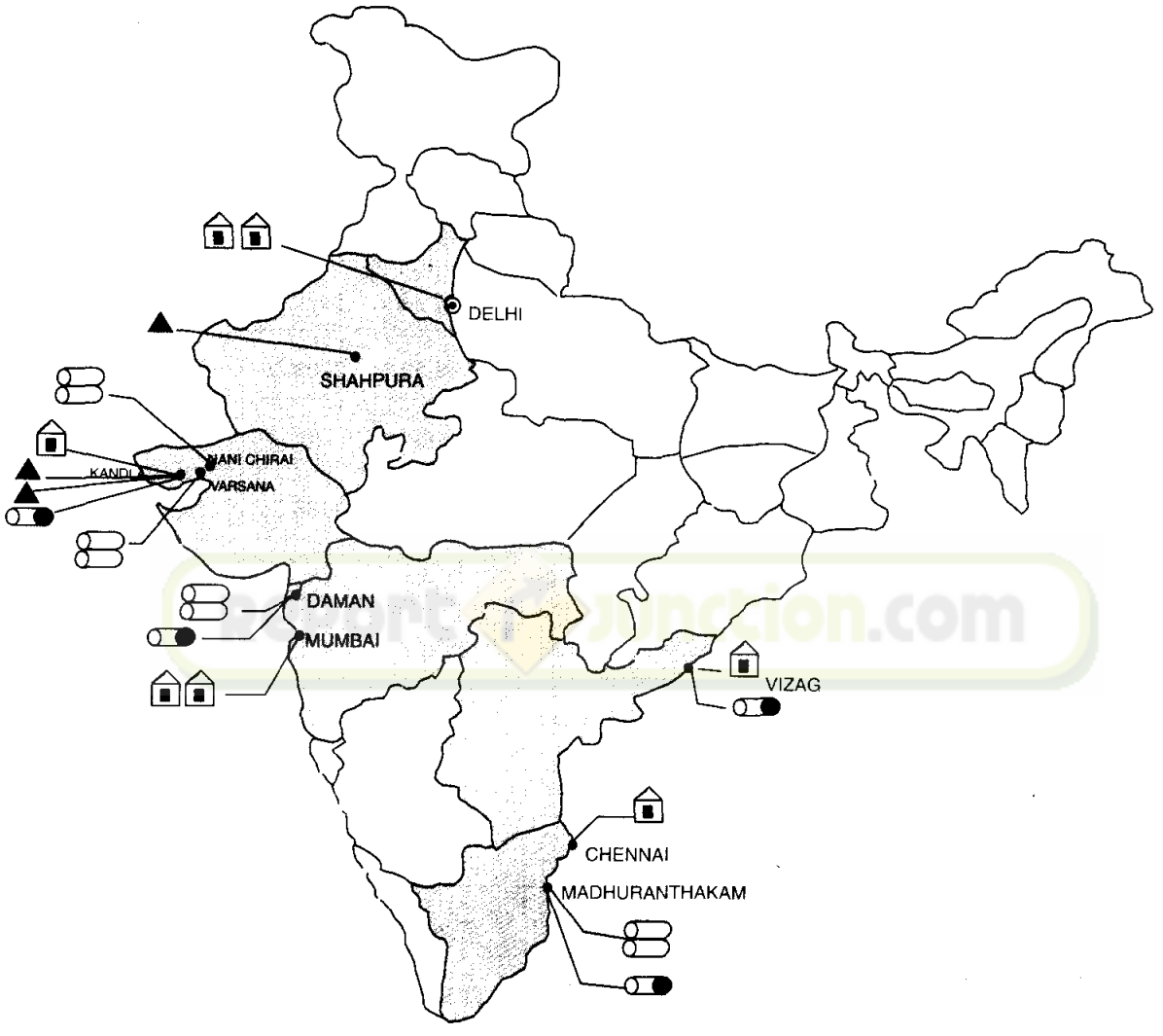
PSL'S PRESENCE



	OFFICE
	PIPE MILL
	COATING PLANT
	OTHER PLANTS

NOT TO SCALE

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HIGHLIGHTS OF LAST SEVEN FINANCIAL YEARS

(Rs. in Lacs)

PARTICULARS	FY 00-01*	FY 99-00	FY 98-99**	FY-97-98	FY 96-97*	FY 95-96	FY 94-95
Income From Operations	67513.85	25805.60	14784.75	8396.71	6967.76	6850.23	6536.45
Other Income	543.48	248.45	1319.07	262.41	307.90	338.14	101.54
Total Income	68057.32	26054.06	16103.82	8659.12	7275.66	7188.37	6637.99
Total Expenditure	59197.51	21341.11	12174.88	6296.79	5072.81	5346.79	4777.40
Operating Profit	8859.81	4712.95	3928.94	2362.33	2202.85	1841.58	1860.59
Interest	3156.91	1608.77	1080.60	251.62	416.19	191.72	190.96
Gross Profit	5702.90	3104.16	2848.34	2110.71	1786.66	1649.86	1669.63
Depreciation	1688.51	1102.62	1246.88	720.44	874.00	446.51	303.54
Profit Before Tax	3714.39	2001.54	1601.46	1390.27	912.66	1203.35	1366.09
Taxation	617.00	265.00	127.53	360.86	45.00	301.48	389.38
Profit After Tax	3097.39	1736.54	1473.93	1029.41	867.66	901.87	976.71
Dividend Rate	40#	35%	35%	35%	35%	25%	20%
Equity	2892.02	2892.02	2892.02	948.71	948.71	941.47	762.68
Reserves	13144.16	12108.96	11528.25	6952.36	6286.74	5760.29	3223.48
Gross Fixed Assets	22770.86	17183.75	15738.74	7220.35	6625.53	5195.02	2734.67

* Period of 18 Months
** After Merger of PSL International Ltd.
# Annualised 40%

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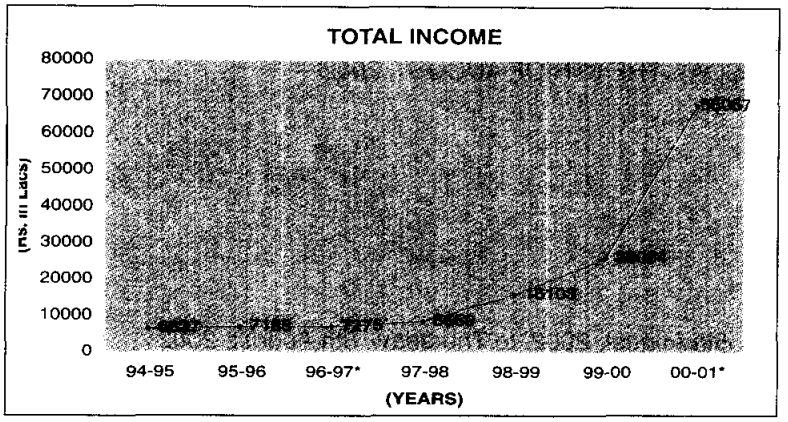

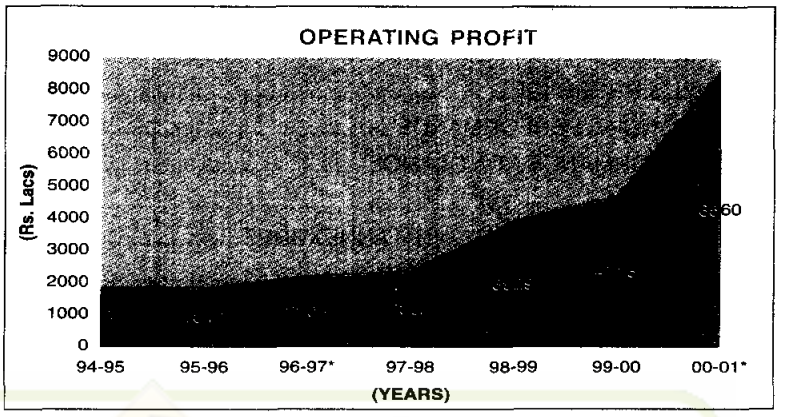

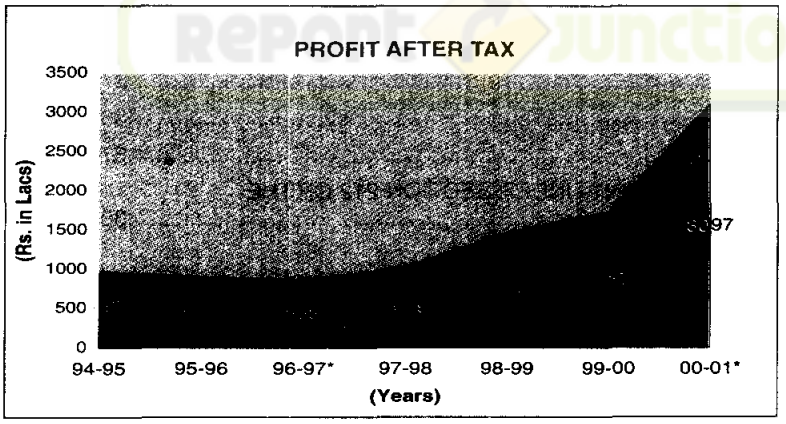

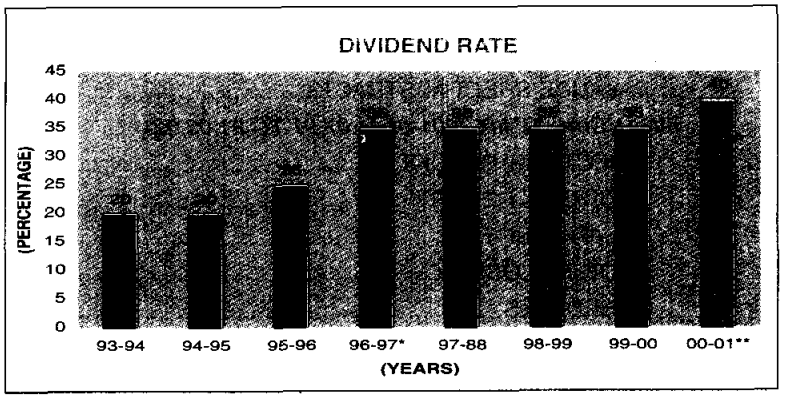

* Represents Period of 18 months
** Annualised

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PROGRAMME AND CONTENTS

FOURTEENTH ANNUAL GENERAL MEETING AT 9.00 A.M. ON THURSDAY, THE 8TH OF AUGUST, 2002

AT
"CIDADE DE DAMAN"
DEVKA BEACH
NANI DAMAN
UNION TERRITORY OF
DAMAN & DIU - 396 210.
Book Closure – Monday, 5th August, 2002 to Thursday, 8th August, 2002

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NOTICE

To all shareholders,

Notice is hereby given that Fourteenth Annual General Meeting of the Company will be held on Thursday, the 8th day of August, 2002 at 9.00 A.M. at "Cidade De Daman", Devka Beach, Nani 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 31st March, 2002 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 extended Financial Year 2000-2001
3. To appoint a Director in place of Shri G.S.Sauhta, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri R.K.Bahri, 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. RE-APPOINTMENT OF SHRI D.N.SEHGAL AS WHOLE-TIME DIRECTOR

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

   "RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, or any amendment and/or modification/s thereof, the consent of the Company be and is hereby accorded and is deemed to have been accorded to the re-appointment of Sh.D.N.Sehgal as a Whole-time Director of the Company, by the Board of Directors for a further period of 5 years, with effect form 17-01-2002, on the terms and conditions, remuneration and perquisites as set out in the Explanatory Statement to this Resolution."

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to fix and/or re-fix the remuneration of the said Whole-Time Director provided that such remuneration does not exceed limits prescribed from time to time under Schedule XIII or any other provisions of the Companies Act, 1956, and/or any Statutory modification/s thereof."

7. APPOINTMENT OF SHRI ARJUN PUNJ AS AN "EXECUTIVE"

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

   "RESOLVED THAT pursuant to Section 314 (1) (b) and other applicable provisions, if any, of the Companies act, 1956, consent of the company be and is hereby accorded and is deemed to have been accorded for the appointment of Shri Arjun Punj as an 'executive', with effect from 1st February, 2002,on the terms and conditions, remuneration and perquisites as set out in the Explanatory Statement to this Resolution."

8. CHANGE OF NAME

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

   "RESOLVED THAT subject to the approval of the Registrar of Companies pursuant to Section 21 of the Companies Act, 1956, the name of the company be changed from "PSL HOLDINGS LIMITED" to **"PSL LIMITED"** and that the name of "PSL Holdings Limited" wherever it appears in the Memorandum of Association, Articles of Association, Share Certificates, letter heads, vouchers and various other documents be substituted by the new name "PSL LIMITED" in due course."

   "RESOLVED FURTHER THAT Shri. G. Gehani, Vice President & Company Secretary be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary or expedient for giving full effect to this Resolution."

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 01/09/2002 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 the 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

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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 01/09/2002 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 the 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 01/09/2002 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 the 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 01/09/2002 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 the Companies Act, 1956, and/or any Statutory modification/s thereof."

13. ENHANCEMENT IN REMUNERATION OF SHRI D. N. SEHGAL, 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 D. N. Sehgal, the Whole-time Director of the Company with effect from 01/09/2002 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 the Companies Act, 1956, and/or any Statutory modification/s thereof."

14. CAPITAL ENHANCEMENT

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

"RESOLVED THAT in terms of Section 81, 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time) and in accordance with the provisions of the 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 the consent of all concerned authorities, if and to the extent necessary and such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed under applicable laws or imposed while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company and/or a duly authorised Committee thereof for the time being exercising the powers conferred by the Board of Directors (hereinafter referred to as "the Board") at its absolute discretion, the consent of the Company be and is hereby accorded to the Board to offer/issue/allot, in one or more trenches Equity Shares, Warrants or any other financial instruments convertible into Equity Shares of Rs.10/- each not exceeding one Crore in aggregate (hereinafter referred to as "Securities") on such terms including such premium as may be decided and fixed having regard inter-alia to the prevailing market price of the Company's Equity Shares at the time of the offer and keeping in view the SEBI Guidelines in this regard to such person or persons, whether or not shareholders of the Company, as the Board may at its absolute discretion decide, including one or more of the members, promoters, debenture holders, employees, financial institutions, banks, mutual funds, foreign investors, non-resident Indians, overseas Corporate bodies (OCBs) foreign institutional investors (FIIs), companies private or public and other entities, or any other person or one or more combinations thereof, through private placement and/or otherwise on such terms and conditions including the amount of premium, number of securities to be issued, face value, redemption, conversion period, number of Equity Shares to be issued on conversion/ redemption and matters incidental thereto."

"RESOLVED FURTHER THAT the minimum issue price of the Securities shall be calculated on the basis of the SEBI Guidelines

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