

REPORT

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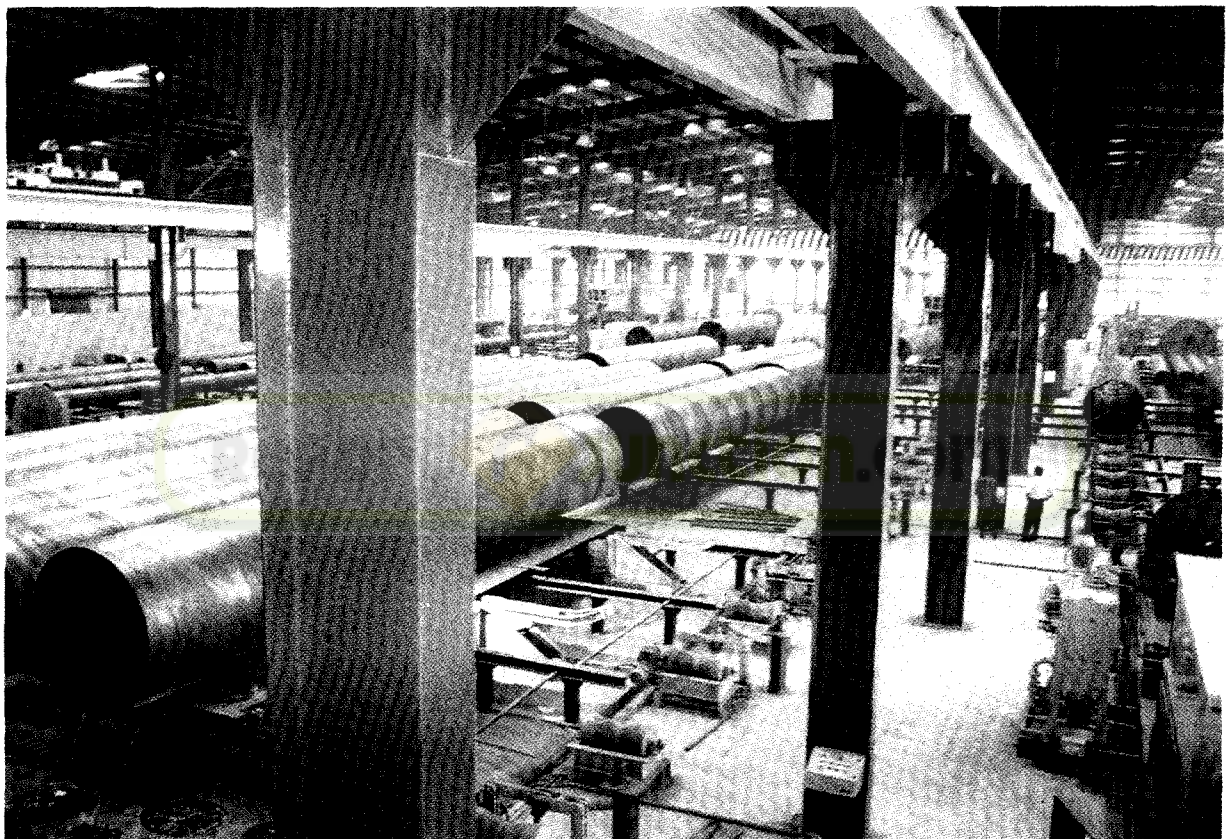
Annual Report

2002-03



PSL LIMITED

www.reportjunction.com



Inside view of Pipe Mill near Chennai



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
Shri Prakash Vinayak Apte
Shri N.C. Sharma

VICE PRESIDENT & COMPANY SECRETARY

Shri G. Gehani

STATUTORY AUDITORS

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

SHARE TRANSFER AGENTS

(Both for physical as well as electronic shares)

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

SUBSIDIARY COMPANY

PSL Corrosion Control Services Limited
 B-96, Greater Kailash -I
 New Delhi - 110 048

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 Limited



PSL'S EXISTENCE

REGISTERED OFFICE

- Kachigam, Daman,
Union Territory of Daman & Diu - 396 210

CORPORATE OFFICE

- 386, Veer Savarkar Marg,
Prabhadevi,
Mumbai - 400 025

MARKETING OFFICES

- "PSL HOUSE"
B-96, Greater Kailash – I,
New Delhi - 110 048
- Meridian House, 8/2, Montieth Lane,
Egmore, Chennai - 600 008

LEGAL & SECRETARIAL OFFICE

- 3rd Floor, 'Punj House',
M-13 A, Connaught Circus,
New Delhi - 110 001

PLANTS

PIPE MILLS & PIPE COATING PLANTS

- Kachigam, **Daman**,
Union Territory of Daman & Diu - 396210
- Survey No. 35 & 37, Varsana,
Anjar, Distt. **Kutch, Gujarat**
- Village Nani Chirai,
Taluka Bhachau, Distt. **Kutch, Gujarat**
- Kandla Road, Gandhidham,
Dist. **Kutch, Gujarat**
- No. 22, Vaiyavur, Taluka **Maduranthakam**,
Distt. Chengai MGR, **Tamil Nadu**
- Industrial Development Area,
Gurrampalan, Near Pendurthi,
Vishakhapatnam, Andhra Pradesh

OTHER PLANTS

REBAR COATING DIVISIONS

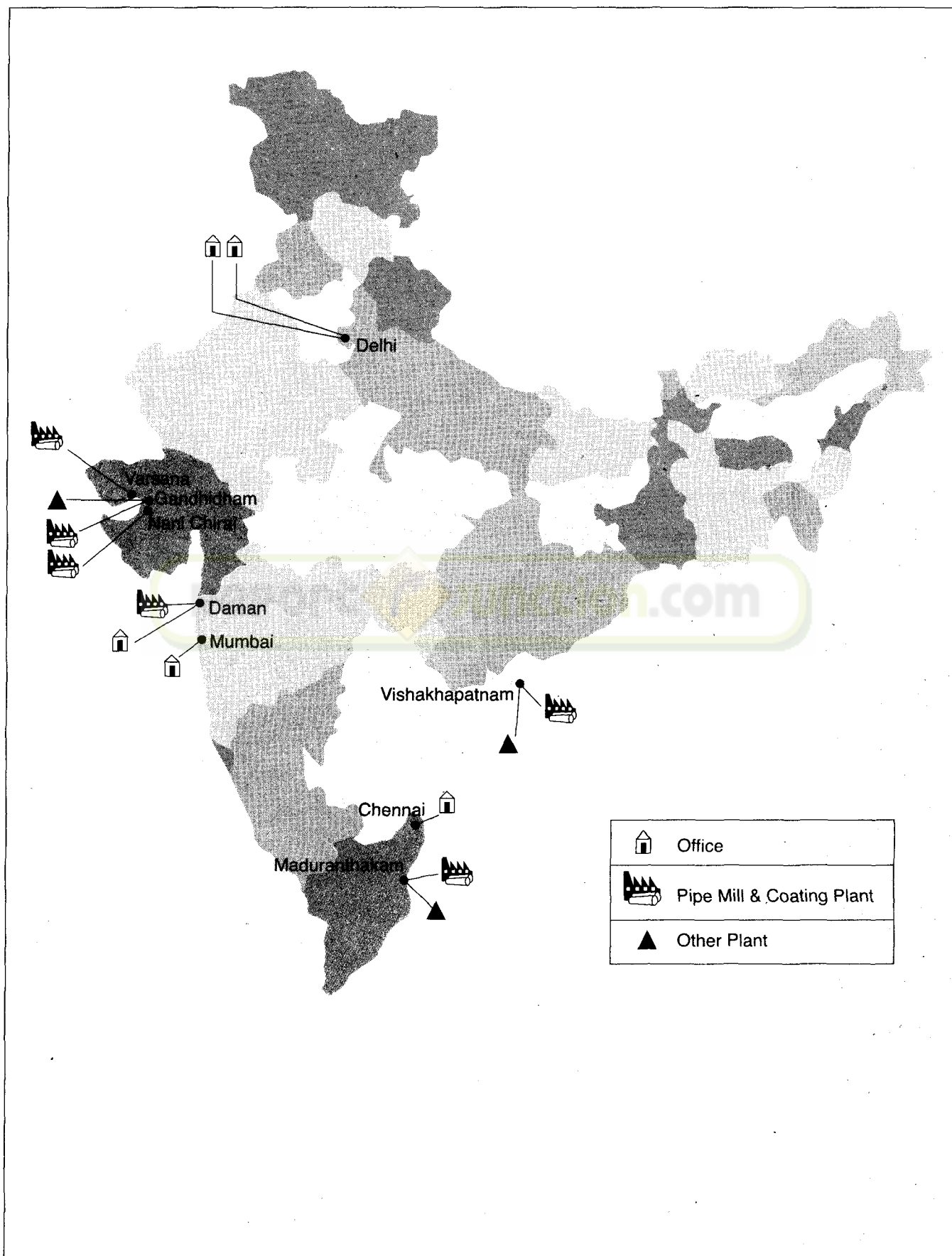
- No. 22, Vaiyavur, Taluka **Maduranthakam**,
Distt. Chengai MGR, **Tamil Nadu**
- Industrial Development Area,
Gurrampalan, Near Pendurthi,
Vishakhapatnam, Andhra Pradesh

ANODES & PIPE BENDS DIVISION

- Plot No.4 & 5, Sector 12/B, Kandla Road,
Gandhidham, Distt. **Kutch, Gujarat**



PSL'S OPERATIONS CENTRES





WORKING RESULTS AT A GLANCE

FINANCIAL HIGHLIGHTS FOR LAST 7 YEARS

(Rs. in Lacs)

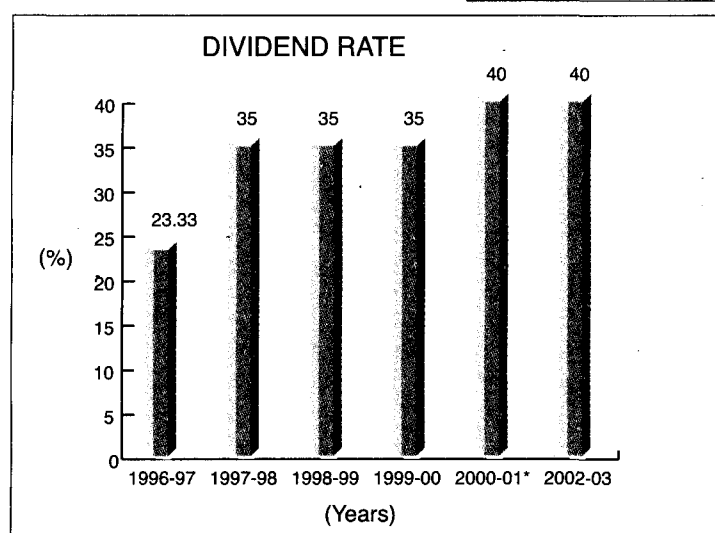
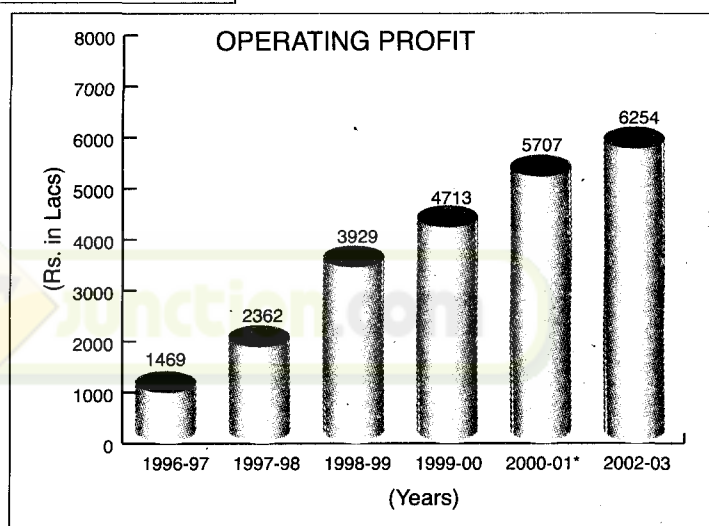
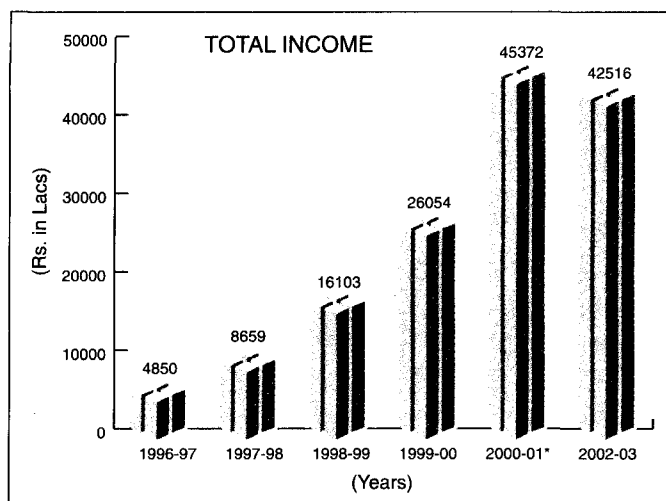
PARTICULARS	2002-03	2000-01**	1999-2000	1998-99*	1997-98	1996-97**	1995-96
Total Income	42516.39	45371.54	26054.06	16103.82	8659.12	4850.10	7188.37
Total Expenditure	36261.96	39665.00	21341.12	12174.88	6296.79	3381.87	5346.79
Operating Profit	6254.43	5706.54	4712.94	3928.94	2362.33	1468.56	1841.58
Interest	2931.39	2104.60	1608.77	1080.60	251.62	277.45	191.72
Gross Profit	3323.04	3601.93	3104.17	2848.34	2110.71	1191.10	1649.86
Depreciation	1601.42	1125.67	1102.62	1246.88	720.44	582.66	446.51
Profit Before Tax	1721.62	2476.26	2001.54	1601.46	1390.27	608.43	1203.35
Taxation	250.00	411.33	265.00	127.53	360.86	30.00	301.48
Profit After Tax	1471.62	2064.92	1736.54	1473.93	1029.41	578.43	901.87
Dividend Rate	40%	40%	35%	35%	35%	23.33%	25%
Equity	2892.02	2892.02	2892.02	2892.02	948.71	948.71	941.47
Reserves	13434.66	13144.16	12108.96	11528.25	6952.36	6286.74	5760.29
Gross Fixed Assets	25332.73	22770.86	17183.75	15738.74	7220.35	6625.53	5195.02

* Post Merger with PSL International Limited

** The data for these financial years has been annualised since the said financial years comprised of 18 months period



GLIMPSE OF PERFORMANCE



* The data for these financial years has been annualised since the said financial years comprised of 18 months period

Notes :

During the Financial Year 1996-97 and 2000-01, each comprising of 18 months period :

- The Total Income was recorded at Rs. 7276 Lacs and Rs. 68057 Lacs respectively.
- The Operating Profit was recorded at Rs. 2203 Lacs and Rs. 8560 Lacs respectively.



PROGRAMME AND CONTENTS

FIFTEENTH ANNUAL GENERAL MEETING AT 10.00 A.M. ON
THURSDAY, THE 25TH OF SEPTEMBER, 2003

AT
"CIDADE DE DAMAN"
DEVKA BEACH, NANI DAMAN
UNION TERRITORY OF DAMAN & DIU – 396 210
Book Closure – Thursday the 18th September, 2003 to Thursday the 25th September, 2003

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NOTICE

To,
the Members of **PSL LIMITED**
(Formerly known as PSL Holdings Limited)

Notice is hereby given that Fifteenth Annual General Meeting of the Company will be held on Thursday, the 25th day of September, 2003 at 10.00 A.M. at "Cidade De Daman, Devka Beach, Nani Daman 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, 2003 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 2002-03.
3. To appoint a Director in place of Shri Y.P.Punjab, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri M.M.Mathur, 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. AMENDMENT TO ARTICLES OF ASSOCIATION

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

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the existing Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below :

- (a) Article 1 of the Articles of Association under PRELIMINARY section shall include the following definitions at the appropriate places and therefore the numbering shall be accordingly changed :

"Abridged Prospectus" means a memorandum containing such salient features of a prospectus as may be prescribed.

"Information Memorandum" means a process undertaken prior to the filing of a prospectus by which a demand for the securities proposed to be issued by the Company is elicited, and the price and the terms of issue for such securities is assessed, by means of a notice, circular, advertisement or document.

"Listed Public Company" means a Public Company, which has any of its securities listed in any recognized Stock Exchange.

"Officer" includes any Director, Manager or Secretary or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act.

"Postal Ballot" has the same meaning as defined under Section 192A of the Act.

"Prospectus" means any document described or issued as a prospectus and includes any notice, circular, advertisement or other document inviting deposits from the public or inviting offers from the public for the subscription or purchase of any shares in, or debentures of, a body corporate.

"Recognized stock Exchange" means, in relation to any provision of this Act in which it occurs, a stock exchange, whether in or outside India, which is notified by the central Government in the official Gazette as a recognized stock exchange for the purposes of that provision.

"Securities" means securities as defined in Clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 and includes hybrids.

"Share with Differential Rights" means a share that is issued with differential rights in accordance with the provisions of Section 86.

- (b) After Article 3, the following Article will be introduced as Article 3A and the same shall be read as follows :

3A The Share Capital of the Company shall be of two types viz.,

- (a) Equity share capital
 - (i) with voting rights or
 - (ii) with differential rights as to dividend, voting or otherwise in accordance with such rules and subject to such conditions as may be prescribed from time to time under the Act.

- (b) Preference share capital

- (c) After Article 41A, the following Articles will be inserted as Article 41AA shall be read as follows :

41AA "Transmission through Nomination"

- (1) Notwithstanding anything contained in these Articles any person who becomes a nominee by virtue of the provisions of Article 41A, upon the production of such evidence as may be required by the Board and subject as hereinafter provided, either elect -

- (a) To be registered himself as holder of the share(s) or debenture(s) as the case may be; or
- (b) to make such transfer of the share(s) or debenture(s) as the case may be as the deceased shareholder or debenture holder as the case may be could have made.



NOTICE

- (2) If the person being a nominee, so becoming entitled, elects to be registered as holder of the share(s) or debenture(s) himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied by the death certificate of the deceased shareholder or debenture holder as the case may be.
- (3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid as if the death of the member had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder as the case may be.
- (4) A person, being a nominee becoming entitled to a share(s) or debenture(s) by reason of the death of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share(s) or debenture(s) except that he shall not before being registered a member in respect of his share(s) or debenture(s) be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share(s) or debenture(s), and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share(s) or debenture(s), until the requirements of the notice have been complied with.

- (d) After Article 54 the following Article will be inserted as Article 54A and shall be read as follows :

54A The amount of Dividend including Interim Dividend shall be deposited in a separate bank account within five days from the date of declaration of such dividend.

- (e) After Article 66 the following Article will be inserted as Article 66A and shall be read as follows :

66A Any money transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the "Investor Education and Protection Fund".

- (f) After Article 71 the following Article will be inserted as Article 71A and shall be read as follows :

"71A The company may pass such Resolutions by postal Ballot in the manner prescribed by section 192A of the Act and such other applicable provisions of the Act and any future Amendments or re-enactments. Notwithstanding anything contained in the provisions of the Act, the company, being a listed company, shall in the case of a resolution relating to such business, which the central Government may, by notification, declare to be conducted only by postal ballot, get such resolution, passed by means of a postal ballot instead of transacting the business in a general meeting of the company."

7. RE-APPOINTMENT OF SHRI ASHOK PUNJ AS MANAGING 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 and 309 read with schedule XIII and all other applicable provisions of the companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the reappointment of Shri Ashok Punj as Managing Director of the company for a period of 5 (five) years with effect from 1st of November, 2003, on the terms and conditions including remuneration as are set out in the agreement to be entered into between the company and Shri Ashok Punj, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to Board of Directors (hereinafter referred to as "the Board" which term also shall be deemed to include the Remuneration committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement, subject to the same not exceeding the limits specified in schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri Ashok Punj."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. RE-APPOINTMENT OF SHRI G.S. SAUHTA 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 and 309 read with schedule XIII and all other applicable provisions of the companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded and is deemed to have been so accorded to the reappointment of Shri G.S. Sauhta as Whole Time director of the company for a period of 5 (five) years with effect from 1st of April, 2003, on the terms and conditions including remuneration as are set out in the agreement to be entered into between the company and Shri Sauhta, a draft whereof is placed before this meeting which agreement is hereby specifically sanctioned with liberty to Board of Directors (hereinafter referred to as "the Board" which term also shall be deemed to include the Remuneration committee constituted by the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration and/or agreement, subject to the same not exceeding the limits specified in schedule XIII to the Companies Act, 1956, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri G.S. Sauhta."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. APPOINTMENT OF SHRI PRAKASH VINAYAK APTE AS DIRECTOR

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

"RESOLVED THAT Shri Prakash Vinayak Apte, in respect of whom the company has received a notice, under section 257 of Companies Act, 1956, in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a "Director" of the company, liable to retire by rotation."