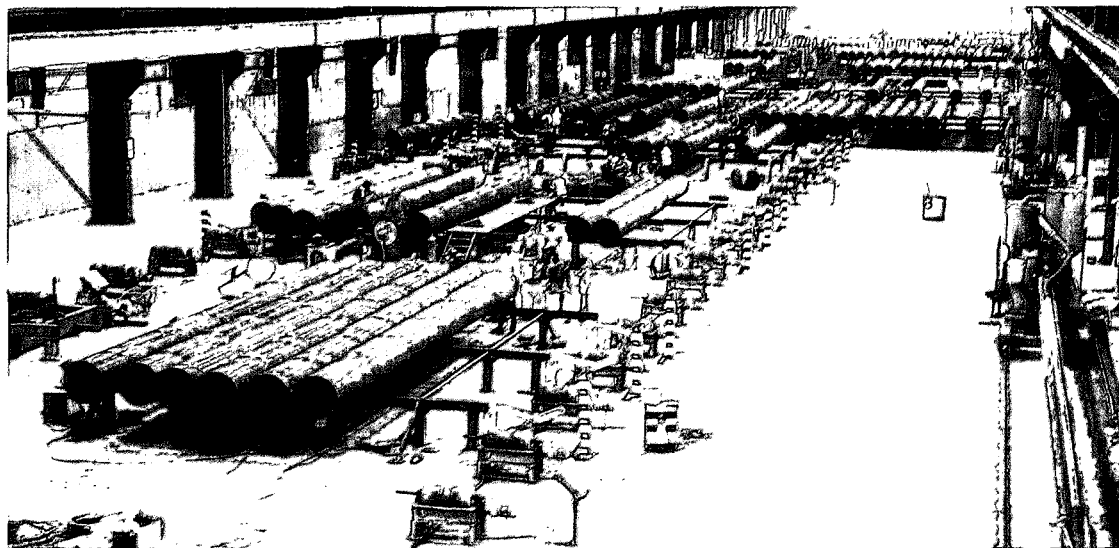




M a r c h i n g a h e a d

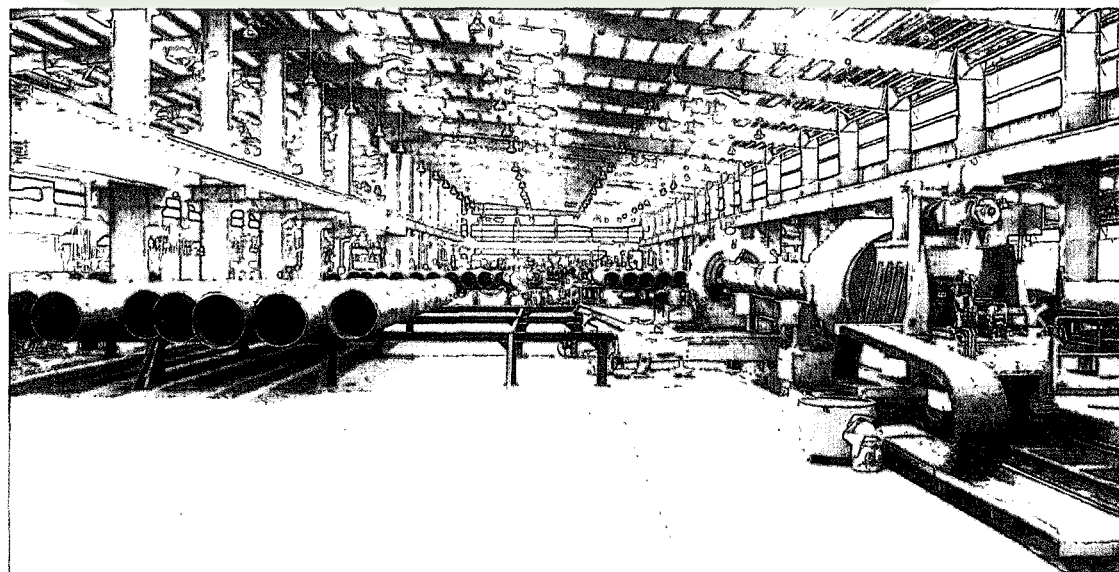
Report  Junction.com

PSL Limited
Annual Report
2006 - 07



Campaign for *GAIL DUPL-2 Project* at Varsana Mill

Report  junction.com

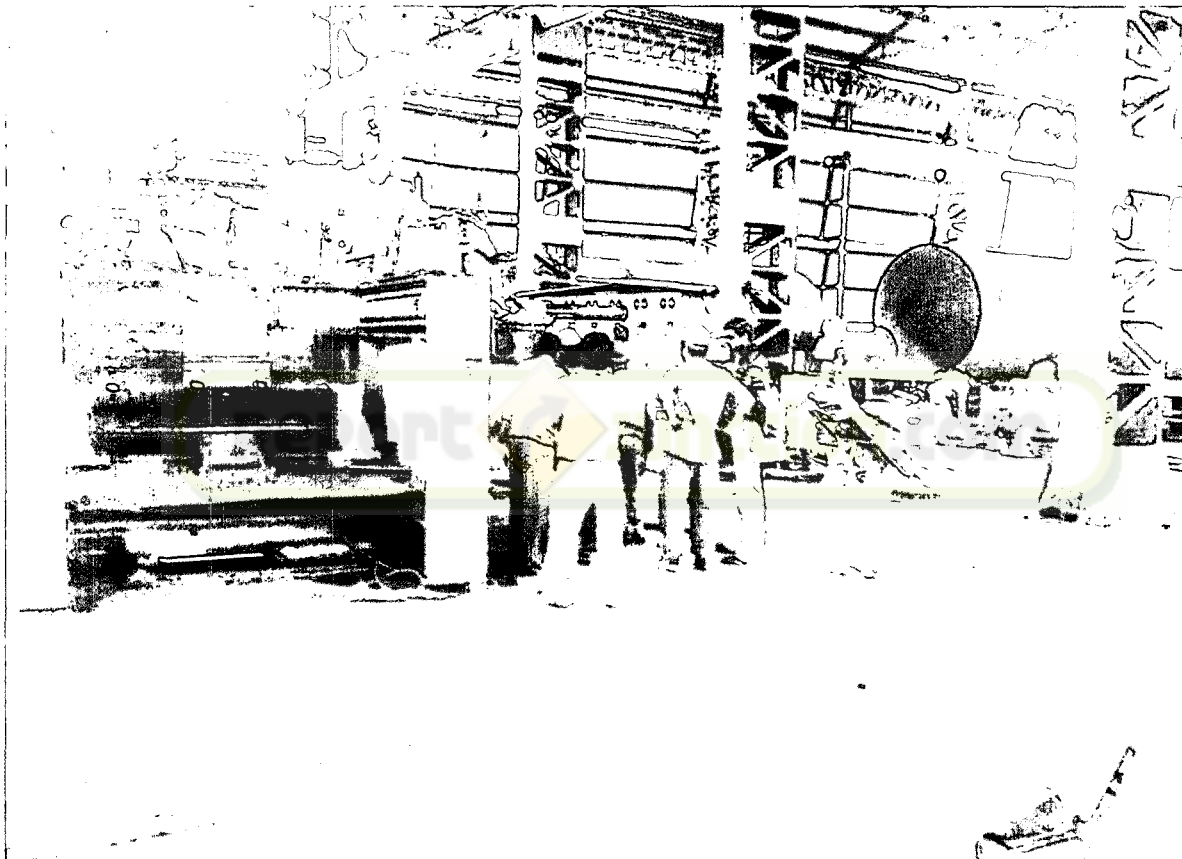


End Beveling Operation at Varsana Mill



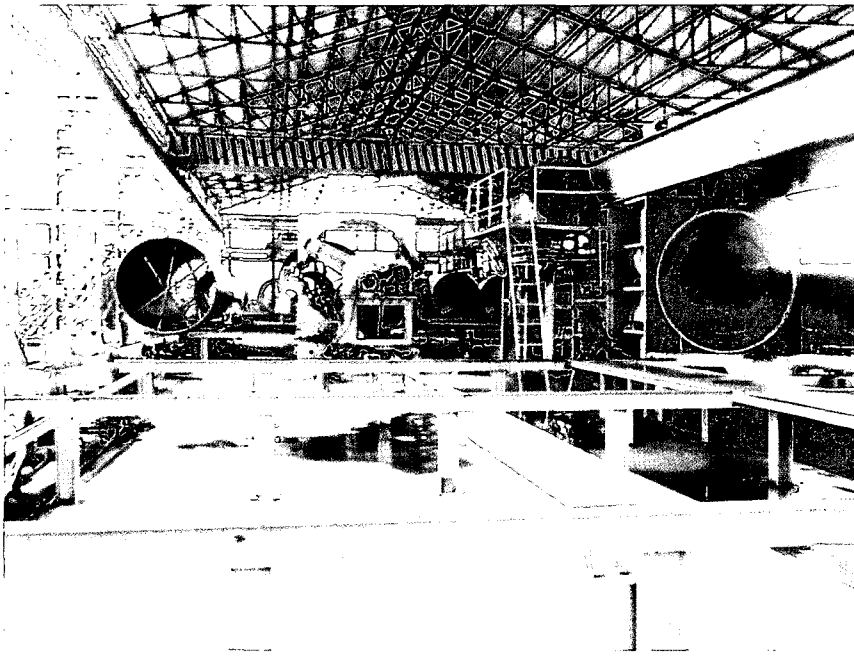
PSL's Cap has another feather...

... a new Pipe Mill at Jaipur, Rajasthan



Pipe Production for '*Bisalpur Jaipur Project*' in progress at 1st Mill

During 2006-07 PSL has added a ***fifth dimension*** to its national pipe manufacturing grid with existing facilities at Kandla and Ahmedabad in Gujarat, Chennai in Tamil Nadu and Vizag in Andhra Pradesh by commissioning a newly installed ***Pipe Mill at Jaipur*** in Rajasthan having a initial output capacity of ***75,000 MT*** per annum expandable to ***1,50,000 MT*** per annum.

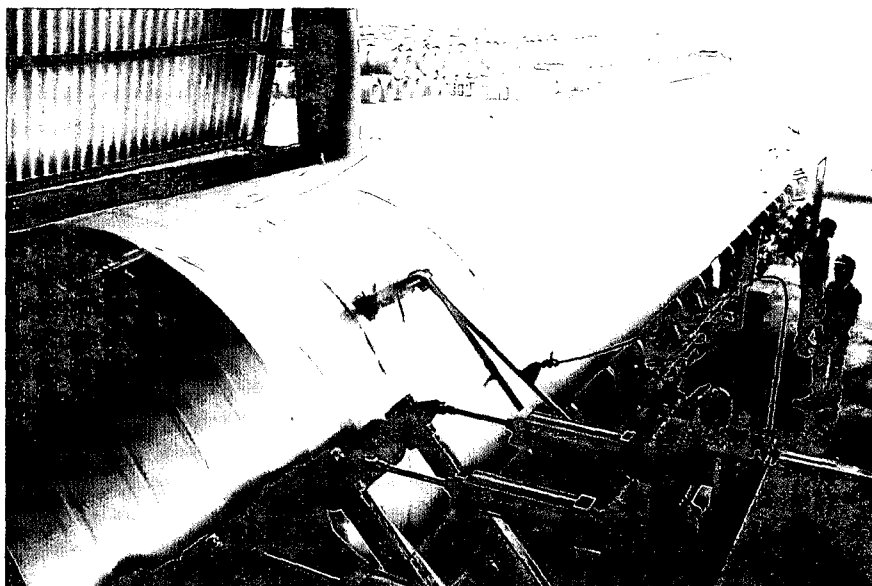


A view of *Hydro Testing Unit* of 1st Mill

With this commissioning PSL shall be fully enabled to meet the requirements from all sectors including the nascent and hyper-active Oil and Gas sectors in Rajasthan,

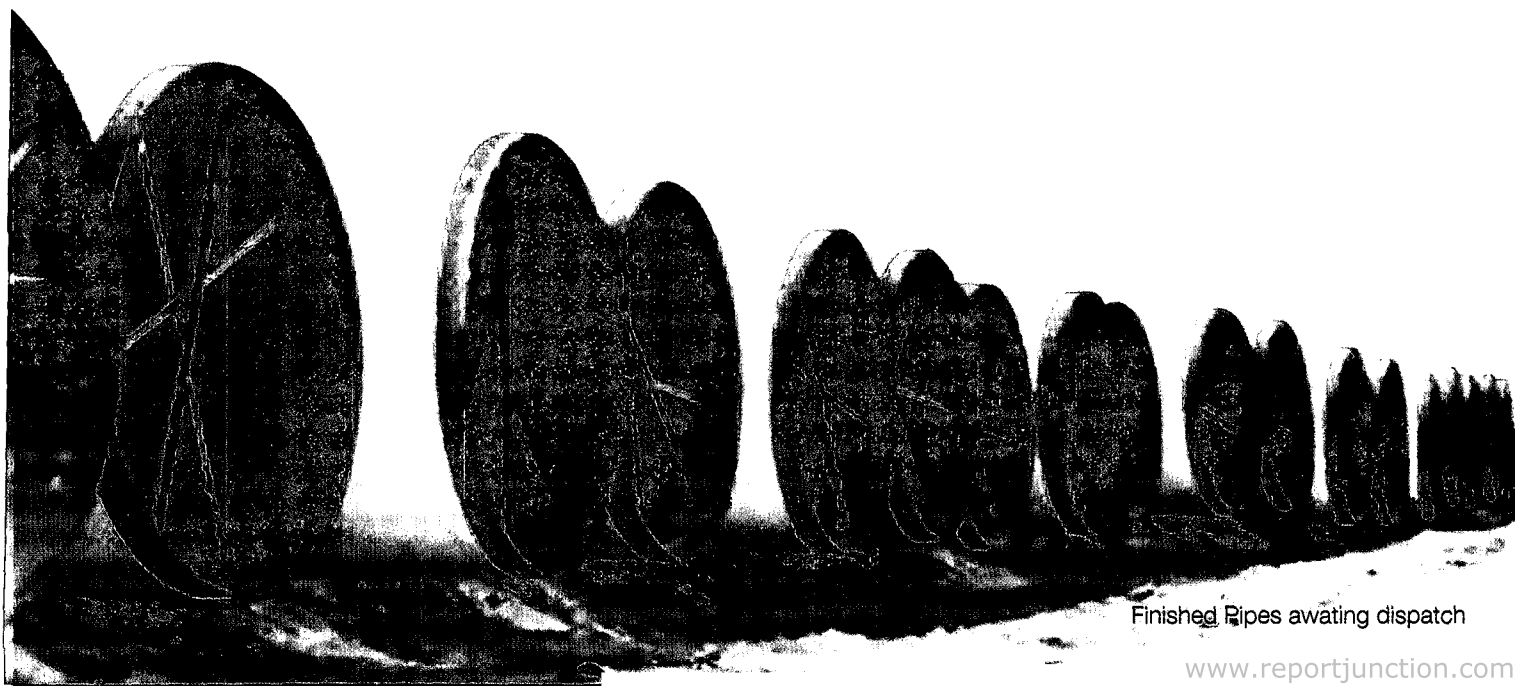
Report  Junction.com



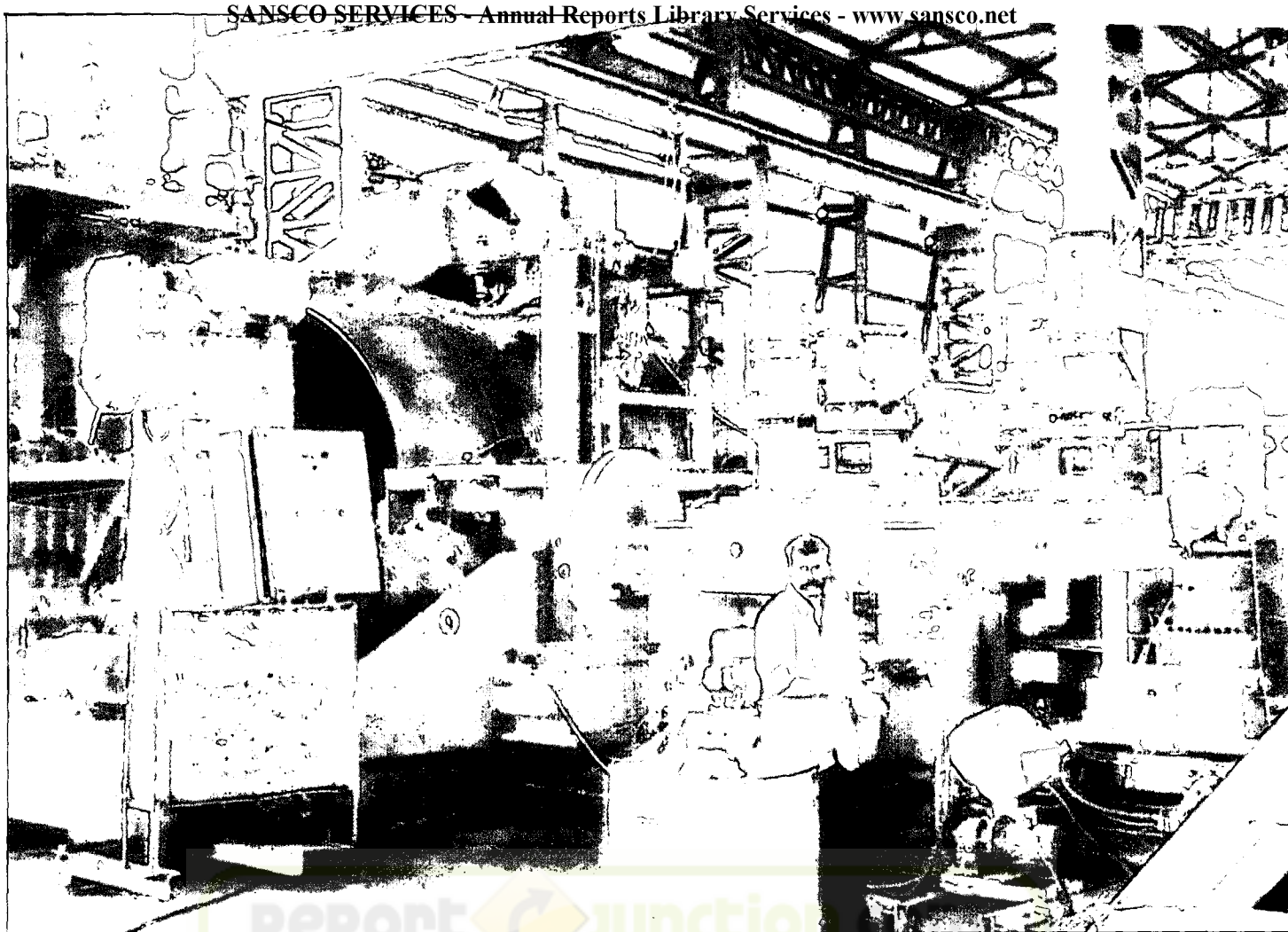


Automatic application of **External Polyethelene Coating**

which, considering the recent plethora of findings in the state should transform into an extensive pipeline program by the Oil companies such as ONGC, GAIL India, Cairn Energy, etc.



Finished Pipes awaiting dispatch



Installation & Commissioning of 2nd Mill

The Jaipur unit, as with all the above units shall be fully configured with **internal and external pipe coating facilities** for meeting specific technical requirement of the Oil, Gas and Water sectors **in conformance with International specifications** such as API, DNI, AWWA and equivalent Indian Standards.



Board of Directors	2
PSL's Existence	3
The Growth Paradigm	4
Key Financial Parameters	5
Notice	6
Directors' Report	17
Corporate Governance Report	22
Management Discussion and Analysis Report	27

Auditors' Report	31
Balance Sheet	34
Profit & Loss Account	35
Schedules	36
Cash Flow Statement	48
Balance Sheet Abstract	49
Statement(s) of Subsidiary Company(s)	
u/s 212 of the Companies Act, 1956	50

Consolidated Statements

Auditors' Report	53
Balance Sheet	54
Profit & Loss Account	55
Schedules	56
Cash Flow Statement	70

Subsidiary Company(s) Statements

PSL Corrosion Control Services Limited's

-Directors' Report	72
-Auditors' Report	74
-Balance Sheet	76
-Profit & Loss Account	77
-Schedules	78
-Balance Sheet Abstract	86

Pipeline Systems Limited's

-Auditors' Report	87
-Consolidated Balance Sheet	88
-Consolidated Profit & Loss Account	89



B
o
a
r
d

o
f

D
i
r
e
c
t
o
r
s

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 Prakash V. Apte
Shri N. C. Sharma
Shri Ashok Sharma
Shri Harry H. Shourie
Shri S. P. Bhatia
Shri C. K. Goel
Shri Paresh J. Shah
Shri G. Gehani ---- Director & Company Secretary

STATUTORY AUDITORS

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

SHARE TRANSFER AGENTS (Both for physical as well as electronic shares)

Karvy Computershare Private Limited
17 - 24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081

SUBSIDIARY COMPANY(S)

- PSL Corrosion Control Services Limited
B-96, Greater Kailash -I
New Delhi - 110048
- Pipeline Systems Limited
C/o IFS, IFS Court, 28 Cybercity,
Ebene, Mauritius
- PSL USA INC
Corporation Trust Center, 1209, Orange Street,
Wilmington, New Castle, 19801,
Delaware, USA
- PSL FZE (Subsidiary of Pipeline Systems Limited)
P.O. Box - 42131, Inner Harbour Plot No. HJ 02,
Hamriyah Free Trade Zone, Sharjah, U.A.E.

PRINCIPAL BANKERS

- ICICI Bank Limited
- State Bank of India
- Standard Chartered Bank
- Export Import Bank of India
- IDBI Bank Limited
- UTI Bank Limited
- BNP Paribas
- State Bank of Patiala
- State Bank of Hyderabad
- Indian Overseas Bank
- Union Bank of India
- Hongkong & Shanghai Banking Corp. Ltd.
- Yes Bank Limited
- DBS Bank Limited
- Deutsche Bank

*As on 31st July, 2007

**REGISTERED OFFICE**

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

CORPORATE OFFICE

— PSL Towers,
615, Makwana Road, Marol, Andheri (E)
Mumbai - 400 059

LEGAL & SECRETARIAL OFFICE

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

MARKETING OFFICES -in Western India

— PSL Towers,
615, Makwana Road, Marol, Andheri (E)
Mumbai - 400 059

-in Northern India

— "PSL HOUSE"
B-96, Greater Kailash - I,
New Delhi - 110 048.

-in Southern India

— Meridian House, 8/2, Montieth Lane,
Egmore, Chennai - 600008.

PROJECTS OFFICE

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

PLANTS**PIPE MILLS & PIPE COATING PLANTS**

- Survey No. 35 & 37, Varsana,
Anjar, **Kutch, Gujarat**
- Survey No. 38/1, 38/2, 39, 40 & 42, Varsana,
Anjar, **Kutch, Gujarat**
- Village Nani Chirai,
Taluka Bhachau, **Kutch, Gujarat**
- East of N.H -8 A, Kandla Road,
Gandhidham, **Kutch, Gujarat**
- Plot No.4 & 5, Sector 12/B, Kandla Road,
Gandhidham, **Kutch, Gujarat**
- Kachigam, **Daman**,
Union Territory of Daman & Diu - 396210
- No. 22 Vaiyavoor, **Maduranthakam Taluk**
Kancheepuram Distt., **Tamil Nadu**
- Survey No. 207, Industrial Development Area
Gurrampalem, Pendurthi,
Vishakhapatnam, Andhra Pradesh
- Survey No.124, Khadat,
Pilwai, Towards Mahudi Road
Taluka - Mansa
Distt. Gandhinagar, **Gujarat**
- Khasra No. 48, 73, 82.
Village - Gadudaphagi
Jaipur, Rajasthan

OTHER PLANTS**REBAR COATING DIVISIONS**

- No. 22 Vaiyavoor, **Maduranthakam Taluk**
Kancheepuram Distt., **Tamil Nadu**.
- Survey No. 207, Industrial Development Area
Gurrampalem, Pendurthi,
Vishakhapatnam, Andhra Pradesh.

ANODES & PIPE BENDS DIVISION

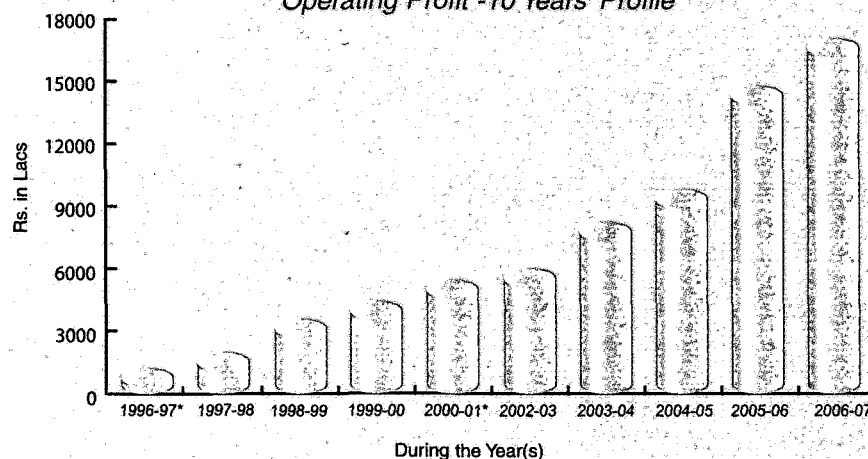
- Plot No.4 & 5, Sector 12/B, Kandla Road,
Gandhidham, **Kutch, Gujarat**

E
x
i
s
t
e
n
c
e



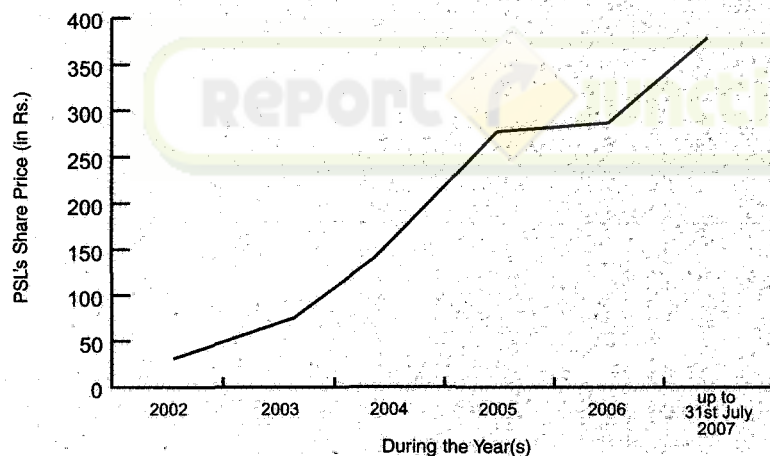
The Growth Paradigm

Operating Profit -10 Years' Profile

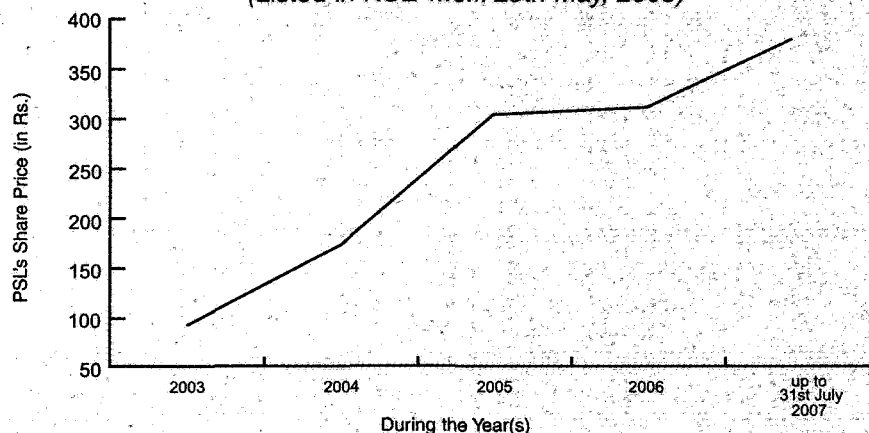


* The data for these financial years have been annualised since the said financial years comprised of 18 months periods

Gradual Growth of Highest Market Price of PSL's Share in Bombay Stock Exchange (During Last Five Years)



Gradual Growth of Highest Market Price of PSL's Share in National Stock Exchange (Listed in NSE w.e.f, 29th May, 2003)



Highlights 2006 - 07

Turnover
Rs. 1583.21 Crs.
(US \$ 366.82 Million)

Operating Profit
Rs. 173.62 Crs.
(US \$ 40.23 Million)

Gross Profit
Rs. 130.12 Crs.
(US \$ 30.15 Million)

Profit Before Tax
Rs. 86.20 Crs.
(US \$ 19.97 Million)

Profit After Tax
Rs. 62.16 Crs.
(US \$ 14.40 Million)

Total Assets
Rs. 1006.66 Crs.
(US \$ 233.24 Million)