



9M FY2007

Revenues at Rs. 11,967 million

PAT increases by 47% to Rs. 492 million, EPS at Rs. 15.33

Q3 FY2007

Revenues better by 22% to Rs. 5,049 million

PAT up 55% to Rs. 208 million, EPS at Rs. 6.48

Mumbai, January 18, 2007: PSL Limited (PSL), the largest manufacturer of high-grade large diameter Helical Submerged Arc Welded (HSAW) pipes in India, announced its results for nine months and third quarter ended December 31, 2006.

Order book position

- Very encouraging order book at Rs. 15,000 million as on December 31, 2006

Recent key orders

- Awarded a Rs. 308 crore contract from Bharat Oman Refineries Ltd for supply of 600 km of pipes for its “Vadinar-Bina Pipeline Project”
- Bagged a contract for supply of pre coated Spiral Weld Pipes worth over US\$ 20 million for meeting the requirements of Ministry Of Housing Electricity & Water (Mhew) – Oman

Key developments

- Completed Dahej-Uran and Dabhol-Panvel pipe supply orders received from GAIL
- 100% subsidiary currently being established at Hamriyah Free Trade Zone in Sharjah, U.A.E is progressing as per schedule and is expected to be commissioned by April 2007



- HSAW mill with an annual capacity of 75,000 MT
- To cater huge demand estimated from Middle East and North East African regions

Commenting on the performance for 9M & Q3 FY2007, Ashok Punj, Managing Director, PSL Limited, said:

“We are pleased to announce a robust order book position that also includes recent contracts received during the quarter from Bharat Oman Refineries for its Vadinar-Bina Pipeline Project in Madhya Pradesh and an overseas order from the Ministry of Housing Electricity & Water (Mhew) in Oman.

Our overseas mill in Sharjah, U.A.E is progressing as per schedule and will provide PSL with a significant footprint in the Middle East and North East African regions where a large number of oil, gas and water projects are planned.

We have demonstrated timely order execution skills time and again and our performance for the quarter reflects completion of some projects ahead of schedule. An excellent order book combined with our ability to handle larger capacities following the expansions implemented over the last few quarters, we are hopeful of not only closing the current financial year on a strong note, but also remain buoyant about the outlook for the next year.”



9M FY2007 performance (compared with 9M FY2006)

- Revenues up by 10.6% to Rs. 11,967.3 million from Rs. 10,818.4 million
- PBIDT enhances by 11.0% to Rs. 1,339.2 million from Rs. 1,206.4 million
- PAT up by 47.2% to Rs. 492.0 million from Rs. 334.3 million
- EPS increases to Rs. 15.33 from Rs. 10.81
- Cash EPS at Rs. 25.67 as compared to Rs. 21.28

Q3 FY 2007 performance (compared with Q3 FY 2006)

- Revenues better by 22.3% to Rs. 5,048.6 million from Rs. 4,128.7 million
- PBIDT higher at Rs. 539.4 million from Rs. 484.8 million, up 11.3%
- PAT increases by 54.5% to Rs. 208.0 million from Rs. 134.6 million
- EPS enhances to Rs. 6.48 from Rs. 4.35
- Cash EPS at Rs. 10.16 as compared to Rs.8.49

Note on quarterly results:

The Company operates in a sector where the major revenues and profit are booked on completion of projects or on completion of specific milestones, which may lead to uneven revenue and profit reporting on a quarter to quarter basis. The performance of the Company is therefore best monitored on an annual basis and the health of the business can be determined more from the order book position / order profile / sector developments, and the Company's ability and capacity to execute large orders.



Attached: Details to announcement and results table

About PSL Limited

PSL Limited (PSL) is the largest manufacturer of high-grade large diameter Helical Submerged Arc Welded (HSAW) pipes in India. The Company manufactures and supplies pipes certified to API (American Petroleum Institute) standards for oil, gas and water transmission as well as structural and piling applications for both onshore and offshore sector.

PSL is one of the largest pipe manufacturers in India with 11 Pipe Mills at multiple and strategically coast based locations in Chennai, Kandla, Visakhapatnam and Daman with an annual capacity of 1,100,000 MT.

Other business segments that PSL caters to, include pipes coating, induction pipe bending and sacrificial anode manufacturing. PSL has over the years successfully demonstrated its ability to simultaneously manage multiple assignments in a qualitatively and timely manner, both within and outside the country.

For further information please contact:

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Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. PSL Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Details to announcement

Financial Overview and Discussions

(All comparisons on a corresponding period basis)

(All rupee figures in Rs. million unless stated otherwise)

Financial overview

Revenues

Particulars	Rs.
9M FY2007	11,967.3
9M FY2006	10,818.4
<i>Shift %</i>	<i>10.6</i>
Q3 FY2007	5,048.6
Q3 FY2006	4,128.7
<i>Shift %</i>	<i>22.3</i>

PSL reported a healthy revenue growth of 11% and 22% during 9M & Q3 FY2007 respectively in line with the Company's business plan for the full year. This was on account of timely execution of key orders during the period further supported by enhanced capacities that are now on stream.

The Company has participated in various domestic and international pipeline bids and expects to win a noticeable number of orders which should get reflected in its order book going forward.

Given the large number of pipeline projects lined up in India and overseas going forward, PSL is in an excellent position to cater and execute these orders in a timely manner as it has already augmented its capacities aggressively.

PBIDT

Particulars	Rs.
9M FY2007	1,339.2
9M FY2006	1,206.4
<i>Shift %</i>	<i>11.0</i>
Q3 FY2007	539.4
Q3 FY2006	484.8
<i>Shift %</i>	<i>11.3</i>

Operating profits were up by 11% to Rs. 1,339 million during 9M FY2007 owing to stable margins as the Company was able to efficiently manage all its costs.

The Company has benefited from its operating policy where it books/procures its steel requirement at time of bidding/ receiving orders. This largely insulates PSL from any major fluctuation in steel prices, while the Company remains strongly focused on cost management. The margins have therefore largely remained stable at 11% during 9M FY2007.

Earnings overview

Particulars	PBT	PAT
9M FY2007	682.2	492.0
9M FY2006	454.3	334.3
<i>Shift %</i>	<i>50.2</i>	<i>47.2</i>
Q3 FY2007	288.5	208.0
Q3 FY2006	159.8	134.6
<i>Shift %</i>	<i>80.5</i>	<i>54.5</i>

Interest expenses for 9M & Q3 FY2007 were substantially lower by 23% and 32% to Rs. 329 million and Rs. 134 million respectively as the Company was able to effectively control both requirement and cost of working capital. In 9M FY2007, depreciation was stable at Rs. 328 million and during Q3 FY2007 it decreased by 9% to Rs. 117 million.

The overall healthy performance has assisted PSL in registering a robust growth in its bottom-line. The Company has considerably expanded its PAT margins to 4.11% from 3.09% and to 4.12% from 3.26% during 9M & Q3 FY2007 respectively.



Particulars	EPS	CEPS
9M FY2007	15.33	25.67
9M FY2006	10.81	21.28
<i>Shift %</i>	<i>41.8</i>	<i>20.6</i>
Q3 FY2007	6.48	10.16
Q3 FY2006	4.35	8.49
<i>Shift %</i>	<i>49.0</i>	<i>19.6</i>

The Company continues to delivered excellent growth in net and cash earnings per share during both periods under review on an expanded capital base.

- ENDS -

PSL LIMITED



Regd. Office: Kachigam, Daman, U.T. of Daman & Diu -396210

UNAUDITED FINANCIAL RESULTS FOR QUARTER ENDED ON 31st DECEMBER, 2006

(Rs.in Crores)

Sr. No.	PARTICULARS	QUARTER ENDED		NINE MONTHS ENDED		YEAR ENDED
		31.12.06	31.12.05	31.12.06	31.12.05	31.3.06
		(Unaudited)		(Unaudited)		(Audited)
1	Net Sales	498.84	408.11	1181.93	1070.28	1539.06
2	Other Income	6.02	4.76	14.80	11.56	17.61
3	Total Income	504.86	412.87	1196.73	1081.84	1556.67
4	Total expenditure	450.92	364.39	1062.81	961.20	1404.62
	(a) Increase/decrease in stock in trade	-70.56	-26.18	-51.51	-85.18	-6.71
	(b) Consumption of raw material	401.13	293.08	822.86	796.18	1055.52
	(c) Staff cost	9.92	9.41	28.51	24.70	31.84
	(d) Other expenditure including transport & Ocean Freight.	110.43	88.08	262.95	225.50	323.97
5	Interest	13.44	19.71	32.87	42.83	48.53
6	Depreciation	11.65	12.79	32.83	32.38	33.86
7	Extraordinary Item	0.00	0.00	0.00	0.00	2.76
8	Profit before tax incl. Fringe Benefits (3-4-5-6-7)	28.85	15.98	68.22	45.43	66.90
9	Provisions for taxation net of Deferred Tax	8.05	2.52	19.02	12.00	17.71
10	Net profit (8-9)	20.80	13.46	49.20	33.43	49.19
11	Paid-up equity share capital (Face Value Rs.10/- per share)	31.95	30.92	31.95	30.92	31.95
12	Reserves excld. Revaluation reserves					230.52
13	EPS (in Rs)	6.48	4.35	15.33	10.81	16.44
14	Agg. Of Non-Promoters' Shareholding					
	-Number of shares	11448432	10424690	11448432	10424690	11448432
	-Percentage of shareholding	35.66%	33.54%	35.66%	33.54%	35.66%

Notes:

1. The above results after their review by the Audit Committee were taken by the Board of Directors in their meeting held today ie. 18th January 2007. These shall be now subjected to Limited Review by the Statutory Auditors of the Company.
2. An interim Dividend of Rs 2.50 per equity share for the financial year 2006-07 has been declared and shall be paid to eligible members on 2nd Feb. 2007.
3. The provision for deferred tax has been made in accordance with the requirement of Accounting Standard (AS 22) Deferred Tax liability for the period upto 31.03.2006 has been adjusted from General Reserve.
4. During the quarter under review the company had received only 45 requests/complaints from investors all of which were disposed off within the quarter itself.

Place: Mumbai
Date: 18.01.2007

By Order of the Board
for PSL LIMITED

(ASHOK PUNJ)
MANAGING DIRECTOR