

37th

वार्षिक रिपोर्ट

ANNUAL REPORT

2001-2002

Leaders on all fronts



इंजीनियर्स इंडिया लिमिटेड
Engineers India Limited

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Our Vision

To become a globally Competitive EPC & Consultancy Organisation.

The Mission

1. To achieve international standards of excellence with a focus on customer satisfaction.
2. To provide high quality, safe & energy-efficient services in Process Design, Engineering, Procurement, Construction with overall Project Management in Hydrocarbon, Metallurgy, Power and Ports & Terminals as well Information Technology and other selected sectors of Industry.
3. To achieve prominence in developing, adopting and assimilating state-of-the-art technology for competitive advantage.
4. To maximise creation of wealth, value and satisfaction for stake-holders.
5. To foster a culture of participation and innovation for employees' growth and contribution through a climate of fairness and transparency in operation.
6. To acquire and provide technology and services through sustained Research & Development and promote linkages among Engineering Organisations, Equipment Manufacturers Operating Companies and R&D Organisations to upgrade technologies on a continuous basis.
7. To cultivate high standards of ethics and quality for a strong Corporate identity and brand equity.
8. To help enrich the quality of life of community and preserve ecological balance and heritage through services provided with a strong environmental conscience.

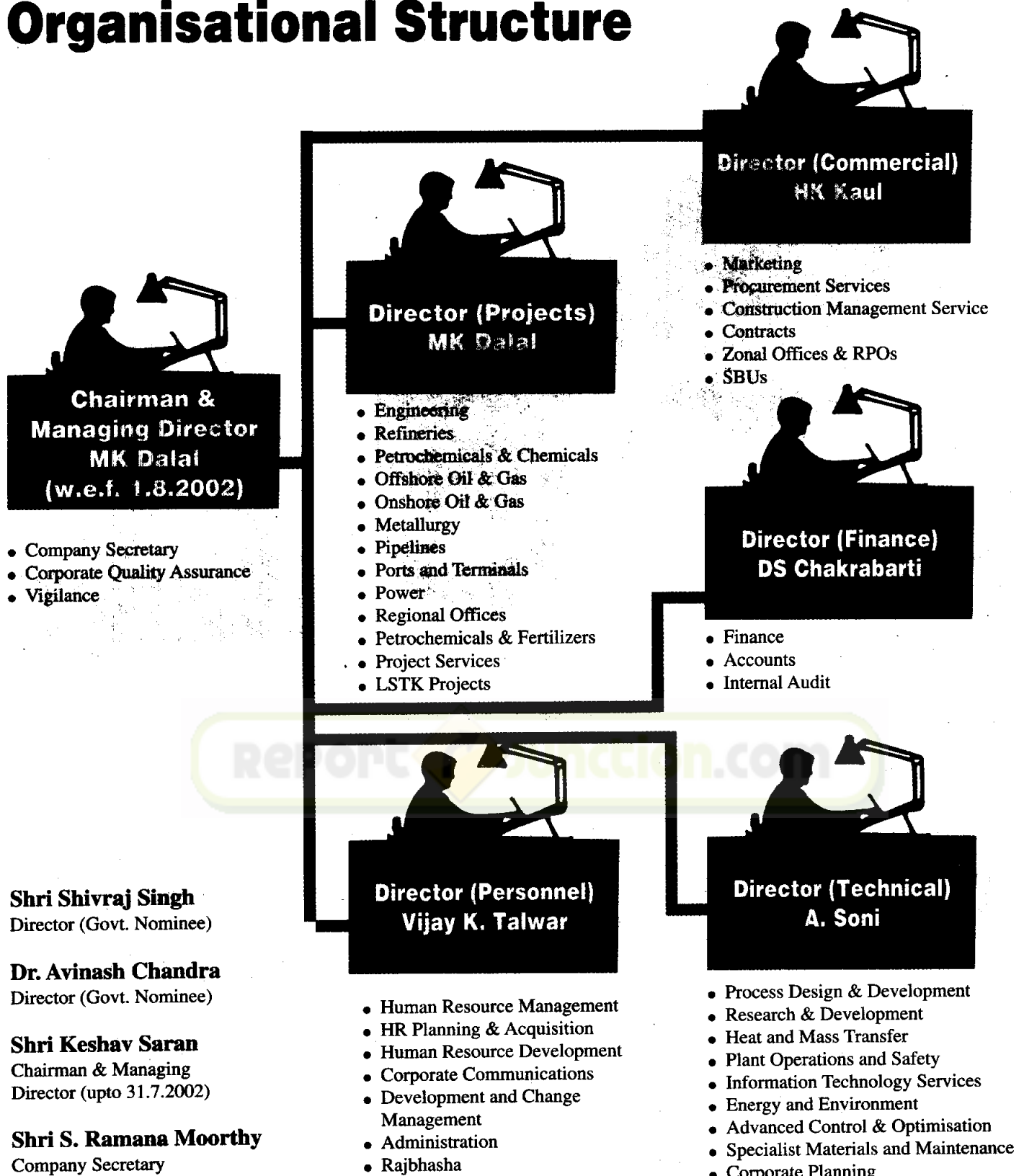


Our Core Values

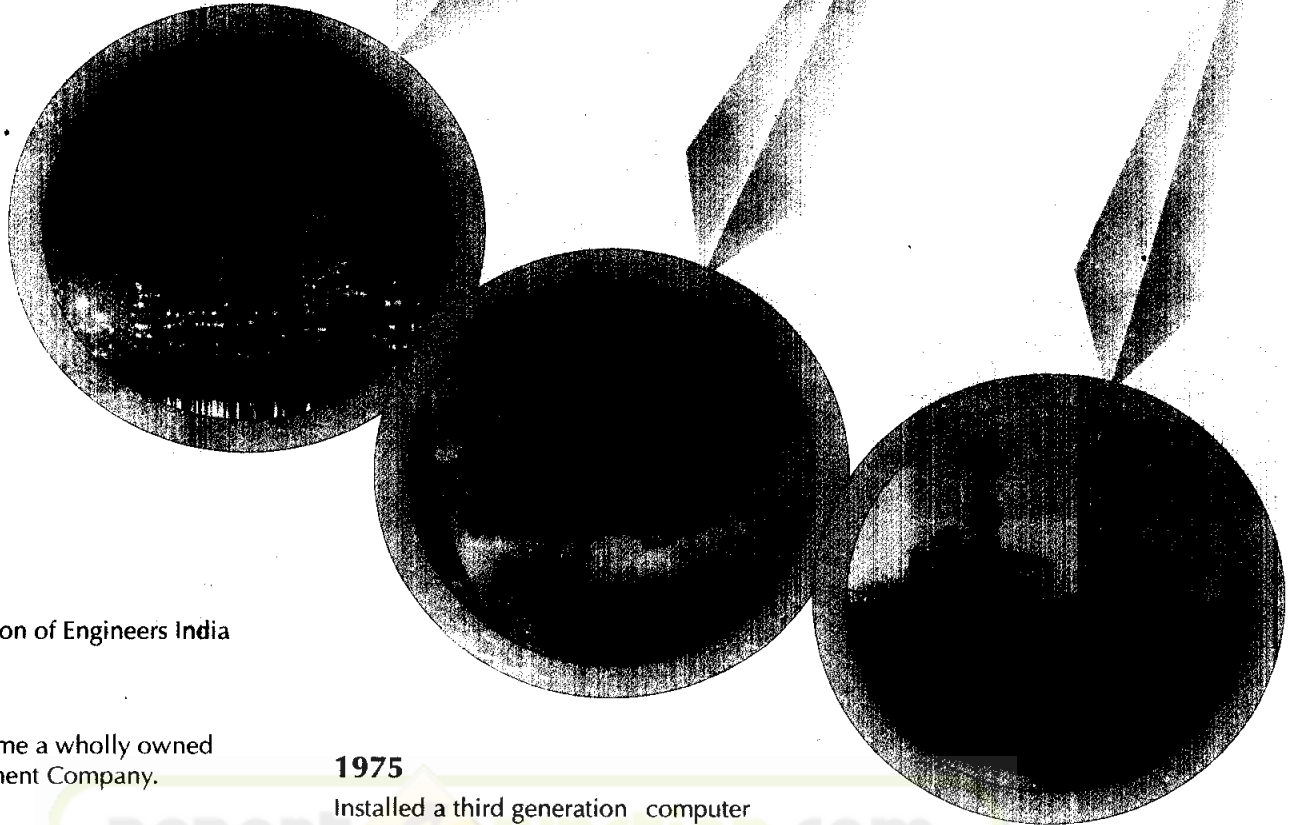
- **Benchmark** to learn from superior role models.
- Nurture the essence of **Customer Relationship** and bonding.
- Foster **Innovation** with emphasis on value addition.
- **Integrity** and **Trust** as fundamental to functioning.
- Thrive upon constant **Knowledge updation** as a learning organisation.
- **Passion** in pursuit of excellence.
- **Quality** as a way of life.
- Collaboration in synergy through cross-functional **Team effort**.
- Sense of **ownership** in what we do.



Organisational Structure



Company History Major Milestones



1965

Foundation of Engineers India Limited.

1967

EIL became a wholly owned Government Company.

1969

Diversification into Petrochemicals.

1970

Creation of Heat & Mass Transfer Design and Computer Services Departments.

1971

Ocean Engineering Department formed.

1972

First Metallurgical Project.

1973

Procurement office opened in London, Entry into Fertilizer and Pipeline projects.

1974

First Overseas assignment, In house process design/engineering, technology development.

1975

Installed a third generation computer system.

1976

ICMA Award for Process Design and Process Engineering of Chemical Plants, Training Division formed.

1977

First Oil & Gas processing project.

1975-1980

Development of skills in the areas of Process Plant services e.g. Operations, Safety, Materials, Environmental Engineering.

1981

Use of computers at construction sites, Procurement office opened in Tokyo.

1983

Own office complex-EIL Bhavan occupied, Independent Certification Division formed.

1989

Own R&D Centre at Gurgaon.

1992

Engineering office opened in Qatar, Joint-Venture with AMEC, UK.

1993

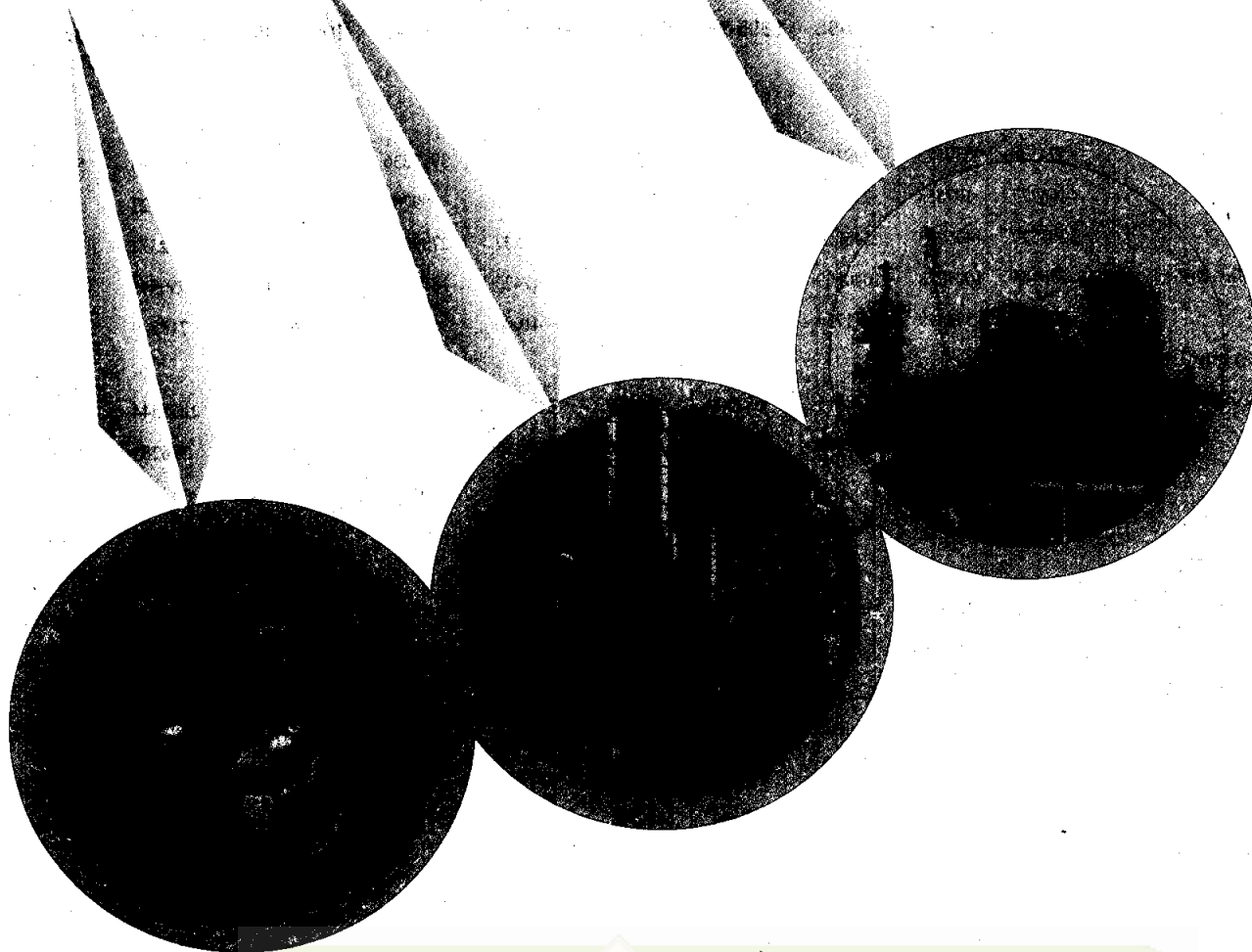
Regional Offices opened in Chennai & Vadodara.

1994

Creation of subsidiary - EIL Asia Pacific Sdn. Bhd, ISO 9001 Certification, Peak export earnings.

1995

Six Percent Disinvestment, Formation of Subsidiary-Certification Engineers International Ltd., National Export Promotion, Quality and ICMA Awards.



1997

Four per cent equity for employees.

1998

Diversification into LNG and Refinery Residue based Power Plants, CSIR Technology-Award.

1999

Prime Minister's MOU merit certificate awarded,
NPMP Creativity and Innovation Award,
Forum of women in Public Sector's Best Enterprise Award,
EIL enters into Turnkey Contracting-Undertakes turnkey projects in the areas of Offshore Platforms and Offsite Automation,

Highest Dividend of 150% paid.

Ranked 98th in Business India's Annual ranking of India's best performing Companies.

2000

CSIR shield for Process Technology Development and several Safety Awards conferred on EIL,

Major diversification into several infrastructure and other new areas.

Strategic Business Units (SBUs) established for these selected areas.

Ranked 82nd by Business India's Annual ranking of India's best performing Companies.

2001-2002

NPMP Award for Finance Management and Certificate for Creativity & Innovation.

Enterprise Excellence Award of Indian Institutions of Industrial Engineering.

7th Most Outstanding National Award of Indian Institution of Bridge Engineers for Liquid Cargo Jetty Project of BPCL at JNPT and the Association of Civil Engineers Award

DSIR Award for Hydrogen Sulphide Removal Process.

Special Commendation Award by Forum of Women in Public Sector Safety Awards by NALCO

MOU Trophy for Excellence, Largest LSTK Project of MNW secured.

Report Junction



Ten years' performance at glance

PARTICULARS/YEARS	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02
	(Rupees in Thousand)									
A. OPERATING STATISTIC										
Turnover*	1574138	2239573	2349127	2599806	2688328	3112046	3917336	6156705	7876293	5369944
Other Income	166277	197858	238268	314780	337460	413916	699709	776478	712927	752034
Expenditure	1205229	1436203	1546826	1836412	1909654	2383537	2739263	5001121	6632377	4997269
Profit Before Tax @@	535186	1001228	1040569	1078174	1140098	1142425	1877782	1932062	1956843	1124709
Tax	241697	398119	441754	395165	419641	41000	697192	670047	718299	382914
Deferred Tax Assets/(Liability)	-	-	-	-	-	-	-	-	-	73320
Profit after Tax @@	293489	603109	598815	683009	720457	732425	1180590	1262015	1238544	247088
Dividend	20000	20000	36000	45000	54000	74856	280757	355475	376283	154440
Dividend Tax					5400	7500	30900	78205	38381	0
Retained Surplus**	273489	583109	562815	638009	661057	650069	868933	828335	823880	92648
B. FINANCIAL POSITION										
Capital Employed***	1435931	2016377	2566855	3199864	3870857	4609977	5479022	6307456	7131336	7124028
i) Fixed Assets****	403708	442996	485144	469162	482519	467319	476786	522241	558102	504559
ii) Net Current Assets	1031560	1118363	1425544	2330435	2952988	2401680	2912074	3692910	4670328	5121093
Shareholders Funds	1415931	1999040	2561855	3199864	3870857	4609977	5479022	6307456	7131336	7124028
i) Share Capital	2000	2000	180000	180000	180000	187173	187181	561562	561562	561562
ii) Reserves & Surplus @	1395931	1979040	2381855	3019864	3680921	4422804	5291841	5745894	6569774	6562466
Loans	20000	17337	5000	-	-	-	-	-	-	-
C. RATIOS										
PBT/Turnover	34.00%	44.71%	44.30%	41.47%	41.52%	36.71%	47.93%	31.38%	24.84%	20.94%
PBT/Capital Employed	37.27%	49.65%	40.54%	33.69%	28.83%	24.78%	34.27%	30.63%	27.44%	15.79%
PAT/Net Worth	20.73%	30.17%	23.37%	21.34%	18.66%	15.89%	21.55%	20.01%	17.37%	3.47%
Turnover/Net Worth										
(Number of Times)	1.11	1.12	0.92	0.81	0.70	0.68	0.71	0.98	1.10	0.75
Sundry Debts/Turnover										
(Month's Turnover)	5.60	5.11	5.97	7.28	6.26	4.23	3.76	3.13	3.39	4.42
Turnover to Total Assets										
(Number of Times)	0.47	0.57	0.44	0.43	0.41	0.37	0.35	0.40	0.61	0.46

NOTES :

- * Turnover includes accretion/decretion to Work-in-Progress.
- ** Figure of Retained Surplus includes amount Written Back pertaining to Provision for Taxation.
- *** Includes Investments.
- **** Fixed Assets include capital Work-in-Progress.
- @ Includes Capital Grant of Rs. 2 crores received in 1984-85 for R&D Centre.
- @@ Profit after Tax for 2001-2002 includes provisions for diminution in the value of long term Investments of Rs. 56.80 Crores.
- Profit after Tax for 1996-97 includes Surplus from Petroleum India International relating to previous period (upto 31.3.95) amounting to Rs. 239.64 lakhs.
- Shareholders funds includes Share Application money of Rs. 99.36 lakhs received in 1996-97 made up of Rs. 7.20 lakhs towards share capital and Rs. 92.16 lakhs towards share premium



Notice 37th Annual General Meeting

Notice is hereby given that the 37th Annual General Meeting of the Members of Engineers India Limited will be held on Thursday, the 19th September, 2002 at 3.00 P.M. at Air force Auditorium, Subroto Park, New Delhi-110010 to transact the following business:

1. To receive, consider and adopt the audited Profit and Loss Account of the Company for the period from 1st April, 2001 to 31st March, 2002 and the Audited Balance Sheet as at 31st March, 2002 together with the Directors' Report and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri HK Kaul who retires by rotation and being eligible, seeks re-appointment.
4. To appoint a Director in place of Shri DS Chakrabarti, who retires by rotation and being eligible, seeks re-appointment.
5. To fix remuneration of Auditors for the financial year 2001-2002.

To ratify remuneration of Auditors and for that purpose to pass with or without modification, the following Resolution as an Ordinary Resolution:

RESOLVED THAT the Statutory Audit fees of Rs. 0.160 Million, Rs. 0.085 Million towards Other services rendered, Rs. 0.040 Million in respect of tax audit fee and Rs. 0.037 Million towards out of pocket including service tax, paid/proposed for the

remuneration of Company's Auditors M/s. ND Kapur & Company (Chartered Accountants) for the year 2001-2002 appointed by Comptroller and Auditor General of India (CAG) be and is hereby ratified.

6. To fix remuneration of Auditors for the financial year 2002-2003.

To fix remuneration of Auditors and for that purpose to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the remuneration, out of pocket and other ancillary expenses of Auditors to be appointed by the Comptroller and Auditor General of India for the financial year 2002-2003".

**By Order of the Board
for and on behalf of Engineers India Limited**

Date: 26.08.2002
Place : New Delhi

S. Ramana Moorthy
Company Secretary



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY AND THE PROXY ENED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
 2. Members / Proxies should bring their attendance slip, duly filled in, to attend the meeting
 3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 16th September, 2002 to Thursday, the 19th September, 2002 (both days inclusive).
 4. For matters relating to Equity Shares of the Company and registering Change of Address,
- Members are requested to contact Registrar and Share Transfer Agent of the Company, M/s. Mas Services Pvt. Ltd, AB-4, Safdarjunj Enclave, New Delhi-110029. Telephone No.6104326,6104142. Fax-6181081.
5. Members holding shares in dematerialized form are requested to bring their client Id and DP.id numbers for easy identification of attendance at the meeting.
 6. On dividend payment, tax shall be deducted at sources at the applicable rate(s). Shareholders are required to inform their PAN/GIR No. immediately to the company if not given earlier to company in case of shares held in Physical Form and to Concerned Depository Participant in case of shares held in Demat Form, for indicating the PAN/GIR No. in Form 16A (TDS Certificate).
 7. NO GIFTS SHALL BE DISTRIBUTED IN THE AGM OR AFTERWARDS.