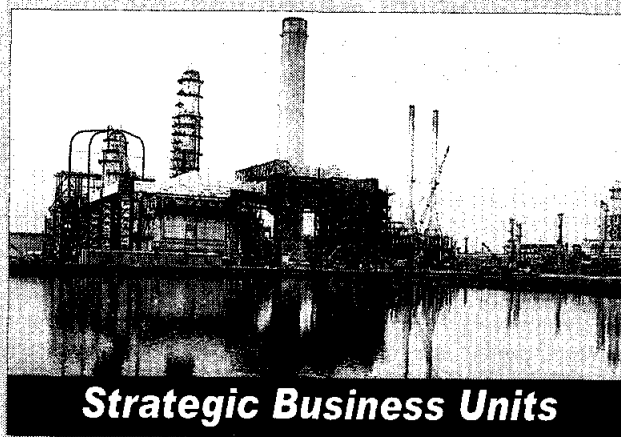


36th

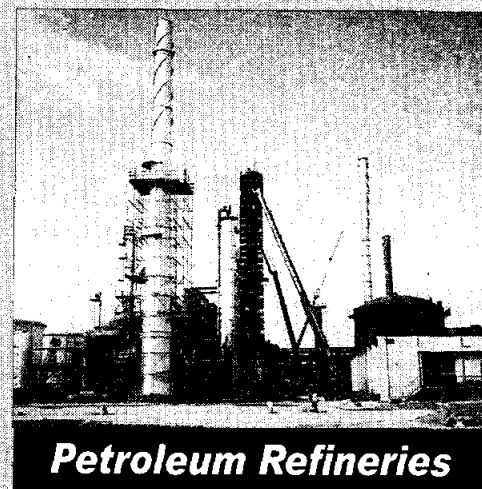
वार्षिक रिपोर्ट

Annual Report 2000-2001

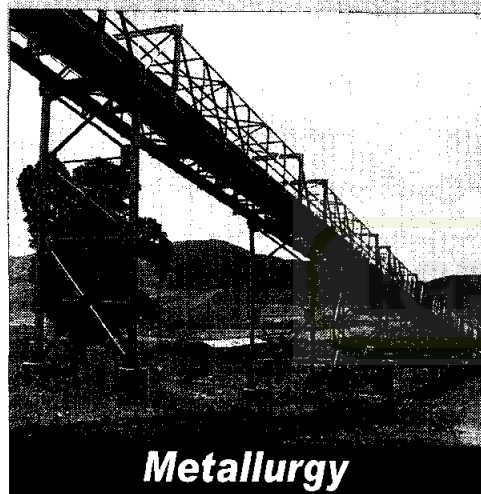
ENGINEERS INDIA



Strategic Business Units



Petroleum Refineries



Metallurgy

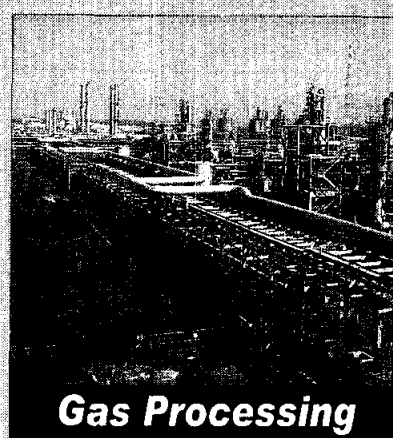
**DIVERSIFYING
INTO
NEW AREAS
TO
MAINTAIN
THE LEAD**



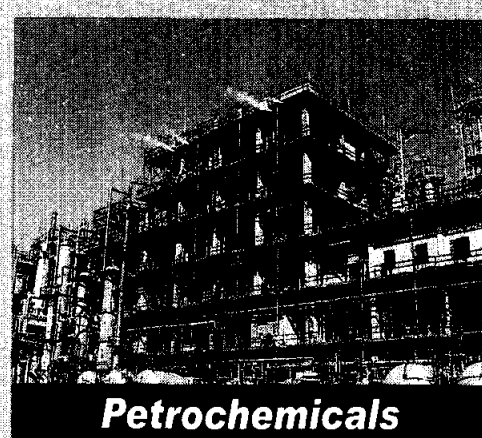
Pipelines



Offshore Platforms



Gas Processing



Petrochemicals



**इंजीनियर्स इंडिया लिमिटेड
Engineers India Limited**

Table of Contents

1. Our Vision, The Mission & Our Core Values	1-2
2. Organisational Structure	3
3. Company History	4-5
4. Ten Years' performance at a glance	6
5. Notice – 36th Annual General Meeting	7-9
6. Shareholders Information	10-11
7. Directors' Report	12-19
8. Auditors' Report	20-21
9. Balance Sheet	22
10. Profit & Loss Account	23
11. Schedules	24-37
12. Significant Accounting Policies	38-39
13. Cash Flow Statement	40-41
14. Statutory Information Pursuant to Part IV of Schedule VI to the Companies Act, 1956	42
15. Statement Pursuant to Section 212 of the Companies Act, 1956 Relating to Subsidiary Company	43-45
16. CAG Comments and Reply of the Board of Directors	46-47
17. Review of Accounts	48-50
18. Human Resource Accounting	51
19. Annual Report of Certification Engineers International Ltd.	52-71
20. Annual Report of EIL Asia Pacific Sdn. Bhd.	72-82
21. Proxy Form	83



Our Vision

To become a globally Competitive EPC & Consultancy Organisation.

The Mission

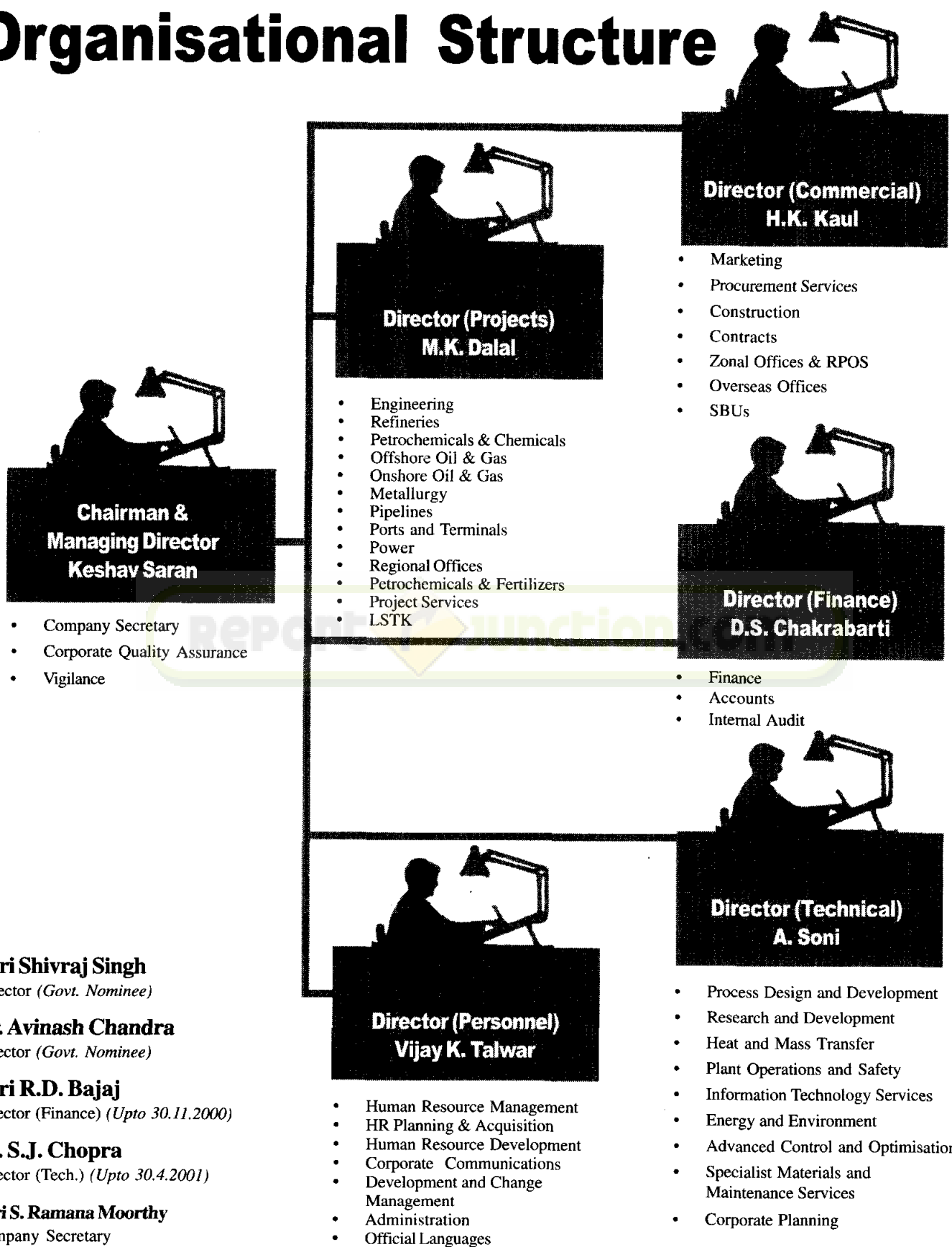
1. To achieve international standards of excellence with a focus on customer satisfaction.
2. To provide high quality, safe & energy-efficient services in Process Design, Engineering, Procurement, Construction with overall Project Management in Hydrocarbon, Metallurgy, Power and Ports & Terminals as well as 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 the 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



1972 ▸ First opened in London,

Entry into Fertilizer and Pipeline projects. **1974** ▸ First Overseas assignment, Inhouse 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.

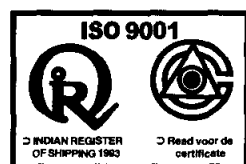
1989 ▸ Own R&D Centre at Gurgaon. **1992** ▸ Engineering Office opened in Qatar, Joint-Venture with AMEC, UK.





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. **2000-2001** ▸ NPMP Award

of Excellence for Finance Management and Certificate of

Recognition for Creativity & Innovation, the Indian Institution of Industrial Engineering's

Enterprise Excellence Award, CSIR shield for Process

Technology Development and several Safety Awards conferred

on EIL, EIL's MOU rating highest amongst all PSUs under

the Ministry of Petroleum & Natural Gas. Major diversification



into several new infrastructure and other areas. Strategic Business Units (SBUs) established for the selected areas.

Ten years' performance at a glance

PARTICULARS/YEARS	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
(Rupees in Thousand)										
A. OPERATING STATISTICS										
Turnover*	1045222	1574138	2239573	2349127	2599806	2688328	3112046	3917336	6156705	7876293
Other Income	125880	166277	197858	238268	314780	337460	413916	699709	776478	712927
Expenditure	829315	1205229	1436203	1546826	1836412	1909654	2383537	2739263	5001121	6632377
Profit Before Tax	341787	535186	1001228	1040569	1078174	1140098	1142425	1877782	1932062	1956843
Tax	82629	241697	398119	441754	395165	419641	410000	697192	670047	718299
Profit after Tax	259158	293489	603109	598815	683009	720457	732425	1180590	1262015	1238544
Dividend & Tax on Dividend@	10000	20000	20000	36000	45000	59400	82356	311657	433680	414664
Retained Surplus**	249158	273489	583109	562815	638009	661057	650069	868933	828335	823880
B. FINANCIAL POSITION										
Capital Employed***	1173271	1435931	2016377	2566855	3199864	3870857	4609977	5479022	6307456	7131336
i) Fixed Assets	372576	403708	442996	485144	469262	482519	467319	476786	522241	558102
ii) Net Current Assets	800029	1031560	1118363	1425544	2330435	2952988	2401680	2912074	3692910	4670328
Shareholders Funds	1145771	1415931	1999040	2561855	3199864	3870857	4609977	5479022	6307456	7131336
i) Share Capital	10000	20000	20000	180000	180000	180000	187173	187181	561562	561562
ii) Reserves & Surplus @	1135771	1395931	1979040	2381855	3019864	3680921	4422804	5291841	5745894	6569774
Loans	27500	20000	17337	5000	-	-	-	-	-	-
C. RATIOS										
PBT/Turnover	32.70%	34.00%	44.71%	44.30%	41.47%	41.52%	36.71%	47.93%	31.38%	24.84%
PBT/Capital Employed	29.13%	37.27%	49.65%	40.54%	33.69%	28.83%	24.78%	34.27%	30.63%	27.44%
PAT/Net Worth	22.62%	20.73%	30.17%	23.37%	21.34%	18.66%	15.89%	21.55%	20.01%	17.37%
Turnover/Net Worth (Number of Times)	0.91	1.11	1.12	0.92	0.81	0.70	0.68	0.71	0.98	1.10
Sundry Debts/Turnover (Month's Turnover)	7.11	5.60	5.11	5.97	7.28	6.26	4.23	3.76	3.13	3.39
Turnover to Total Assets (Number of Times)	0.44	0.47	0.57	0.44	0.43	0.41	0.37	0.35	0.40	0.61

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.

@ @ From 1996-97 onwards figure includes dividend & additional tax on dividend.

- 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

36th Annual General Meeting

Notice is hereby given that the 36th Annual General Meeting of the Members of Engineers India Limited will be held on Thursday, the 20th September, 2001 at 3.00 P.M. at India International Centre, 40, Max Mueller Marg, New Delhi-110 003 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, 2000 to 31st March, 2001 and the Audited Balance Sheet as at 31st March, 2001 together with the Director's Report and Auditors' Report thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri MK Dalal who retires by rotation and being eligible, seeks re-appointment.
4. To appoint a Director in place of Shri Vijay K. Talwar, who retires by rotation and being eligible, seeks re-appointment.
5. **Appointment of Shri Keshav Saran as a Director of the Company :**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"Resolved that Shri Keshav Saran, be and is hereby appointed as a Director of the Company".

6. **Appointment of Shri D.S. Chakrabarti as a Director of the Company :**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"Resolved that Shri D.S. Chakrabarti, be and is hereby appointed as Director of the Company."

7. **Appointment of Shri A. Soni, as a Director of the Company :**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution :

"Resolved that Shri A. Soni, be and is hereby appointed as a Director of the Company."

8. **Fixation of Remuneration of Auditors for the financial year 2000-2001 :**

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

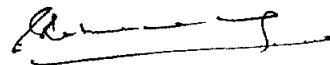
"RESOLVED THAT the remuneration of Company's Auditors M/s ND Kapur & Company (Chartered Accountants) appointed by Department of Company Affairs on the advice of Comptroller and Auditor General of India (CAG) be and is hereby fixed at Rs. 3,10,000 (Rupees three lakhs and ten thousand only) exclusive of service tax of Rs. 15,500/- (Rupees fifteen thousand and five hundred only) and travelling and out of pocket expenses of Rs. 24,833/- (Rupees twenty four thousand, eight hundred and thirty three only), aggregating to a total sum of Rs. 3,50,333 (Rupees three lakhs, fifty thousand, three hundred and thirty three only) for the financial year 2000-2001.

9. **To fix remuneration of Auditors for the financial year 2001-2002.**

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 authorised to fix the remuneration, out of pocket and other ancilliary expenses of Auditors to be appointed by Comptroller and Auditor General of India for the financial year 2001-2002”.

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



S. Ramana Moorthy
Company Secretary

Date : 24.08.2001
Place : New Delhi

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY AND THE PROXY NEED 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 the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 14th September, 2001 to Thursday, the 20th September, 2001 (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. SRG Infotec Ltd., Devraha House, A-256, Okhla Industrial Area, Phase-I, New Delhi-110 020. Telephone No. : 6812434/2364/2365/1978/1979.**
5. Members who hold shares in dematerialized form are requested to bring their client Id and DP.id numbers for easy identification of attendance at the meeting.

