



years of

# engineering excellence



इंजीनियर्स  
इंडिया लिमिटेड  ENGINEERS  
INDIA LIMITED

*Delivering Excellence through People*

# ENGINEERING EXCELLENCE

*A journey that began almost  
half a century ago...*

# VISION

To be a world-class globally competitive EPC and total solutions Consultancy Organization.

# MISSION

- Achieve 'Customer Delight' through innovative, cost effective and value added consulting and EPC services.
- To maximize creation of wealth, value and satisfaction for stakeholders with high standards of business ethics and aligned with national policies.

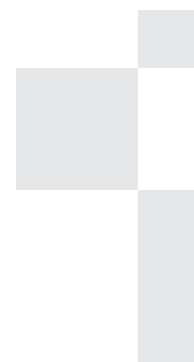
# CORE VALUES

- 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 efforts.
- Sense of ownership in what we do.

# RISK MANAGEMENT POLICY

EIL is committed to effective management of risks across the organization by aligning its risk management strategy to its business objectives through instituting a risk management structure for timely identification, assessment, mitigating, monitoring and reporting of risks.

Risk management at EIL is the responsibility of every employee both individually as well as collectively.





# Engineers India Limited

A Total Solutions Consultancy Company providing services from Concept to Commissioning.

## At a glance

- One of India's leading Consultancy and EPC Companies in Hydrocarbons and Petrochemicals.
- Diversification into other potential sectors:
  - 1972 : Mining & Non-Ferrous Metallurgy
  - 2001 : Infrastructure
  - 2006 : Strategic Crude Oil Storages
  - 2011 : Solar & Nuclear Power
  - 2012 : Oil & Gas Exploration (NELP-IX)
- Technology driven organization with in-house and collaborative R&D strengths.
- International projects in Middle East, North Africa and South East Asia.
- Zero debt firm with consistent record of healthy earnings and dividend payout.



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## Chairman's Statement

**A. K. PURWAHA**  
Chairman & Managing Director

Dear Shareholders,

It gives me immense pleasure to report your Company's performance for the 48th year of its service to the nation.

During the financial year 2012-13, your Company has registered a turnover of ₹2506 Crores. The revenue from consultancy business increased year-on-year to ₹1234 Crores which was driven by a 35% increase in overseas consultancy income from ₹116 Crores to ₹157 Crores. Profit after Tax during the year was ₹629 Crores.

Your Company's MOU performance, for the sixth consecutive year, has been rated "Excellent" with a score of 1.08 which has improved over the previous year's score.

On the business front, your Company secured new business of ₹1438 Crores in FY2012-13 which is 89% more than that secured in the previous year with consultancy segment registering a substantial growth of 106% from ₹629 Crores in FY2011-12 to ₹1296 Crores in FY2012-13.

Hydrocarbon sector continued to be the mainstay of your Company's business having contributed most to the new orders secured followed by Chemicals & Fertilizers sector.

The major consulting orders in the downstream sector secured by your Company during the financial year include Integrated Refinery Expansion Project of BPCL at Kochi. Your Company has been entrusted with various pre-project activities for Greenfield and Brownfield projects including 9 MMTPA Refinery & Petrochemical Complex of HPCL in Rajasthan and Mangala Polymer Project of CAIRN.

In the midstream segment of hydrocarbon value chain, your Company has secured major consultancy services projects for upgradation of Pump Stations/Terminals of OIL's Naharkatiya-Barauni Crude Oil Pipeline and GILL's Mallavaram – Bhilwara – Vijapur Pipeline.

Your Company's efforts to venture into LNG Sector resulted in the award of FEED packages by Petronet LNG for its new LNG Terminal at Gangavaram & Expansion Project of Dahej LNG Terminal and LNG Tank Capacity Expansion Project Phase-II of Shell's Hazira Terminal.

Your Company has also strengthened its presence in the Infrastructure sector by winning new orders for PMC services for canal/pipeline projects from Sardar Sarovar Narmada Nigam Limited (SSNNL), Development of Central University of Punjab at Bathinda and Preparation of Detailed Feasibility Report for MoEF clearance of Bangalore International Airport Expansion Project of AAI.

During FY2012-13, your Company has strengthened its international footprints by securing breakthrough business in new geographies like Bangladesh where the Company has secured a job to provide Consultancy Services for implementation of Shahjalal Fertilizer Project, in Indonesia where the Company has been awarded the job of preparation of BDEP and EPCM Services for Bitumen Plant at Buton Island and in Nigeria where your Company will provide its services for development of facility to produce Fertilizer products in Port Harcourt, River State.

The current growth phase of Indian process industry led by hydrocarbon sector has resulted in transformation of our country from net importer to net exporter of petroleum products. This has largely been due to the rapid growth of refining sector resulting in augmentation of Indian refining capacity to 215 MMTPA thanks to the capacity expansion and construction of major grassroots refineries. The major project achievements of your Company during the year include the foundation stone laying of Integrated Refinery Expansion Project (IREP) of BPCL's Kochi Refinery on January 8, 2013 by the Hon'ble Prime Minister of India. Your Company is providing EPCM services for the project.

Your Company also completed a number of key projects during the year which include PFCCU & Amine Regeneration Unit of SRU Block of MRPL Phase-III Expansion, Integrated Onshore Gas Processing Unit of ONGC





Hazira and LNG Plant at Skikda of SONATRACH, Algeria wherein your Company provided PMC services.

Your Company, over the years, has concentrated on project execution without time and cost overrun while providing quality services to its clients. In order to explore more effective ways of establishing equilibrium between the Time and Cost variant, your Company has developed an innovative project execution solution through Open Book Estimate (OBE) mode. This mode of project execution brings together the advantages of both conventional and EPC mode resulting in benefits for both the Owners and the Contractors. During the year, project for Butene-1 at Panipat Naptha Cracker Complex of IOCL was secured on OBE mode of execution. Sulphur Recovery Unit and PFCC Unit of MRPL Refinery under its Phase –III Expansion were mechanically completed. Other projects like Onshore Gas Terminal Project at Mallavaram of GSPC and Poly Propylene Unit of MRPL are also being executed on OBE mode.

Your Company recently established a joint venture company, Jabal ELIOT Co Ltd along with Jabal Dhahran and IOTL in Saudi Arabia to explore business opportunities in hydrocarbon and infrastructure sector in KSA. While consolidating its footprints in Middle East, your Company is also undertaking project assignments and spreading its presence in African subcontinent, South East Asia and Latin America.

Empowerment of executives is an imperative for improving the project performance on time and cost matrix. Enhanced delegation of powers has been extended to the executives to enable them take instant decisions related to projects and its effective implementation. This will have direct impact on schedule and profitability of the projects.

The business environment in which we are operating today is dynamic and highly competitive. Quest for higher market share and increased margins have propelled competitors to introduce new and innovative business models thereby creating a business environment where the core competencies are becoming imitable and competitive advantages are short lived. Your Company being a technology driven organization lays great emphasis on developing innovative technologies at its Research & Development Centre (R&D) in Gurgaon and has been successful in commercial application of various process technologies. During FY2012-13, a new Patent for “Process for Purification of Liquid Sulphur” was granted and the Company has applied for a Patent for “Process for an Apparatus and Method of Treatment of a Sour Stream.” The Modified Vis-breaker Technology, jointly developed by EIL and Indian Institute of Petroleum (IIP) was successfully implemented in HPCL Vizag Refinery. Your Company’s portfolio has grown to 13 ‘live’ patents and 17 pending patent applications relating to various process technologies and hardware.

In addition to its R&D efforts, your Company continuously reviews the complete project value chain and identifies, develops and adopts the solutions that add value to the systems and processes. Your Company over the years has focused on continuous up-dation of its systems and processes and aligning them with international standards and best practices.

The environmental technology basket with your Company is quite diverse. In the recent past on standalone basis and along with our collaborating partners, your Company has developed a number of technologies that have improved the environmental performance of various process plants. Some of these technologies include Diesel Hydrotreating Technology which is used to upgrade fuel quality and reduce sulphur in the product; Food grade Hexane for upgrading quality and reduce Benzene content of the product; Sulfur Recovery to recover sulphur and reduce atmospheric emissions; Spent Caustic treatment for reducing water and land pollution and Oily Sludge Treatment Technology to reduce contamination of soil—land and associated environmental degradation.

Your Company is also continuously leveraging the strength of Information Technology for enhancing the efficiency & effectiveness of its systems and processes across its operational functions. The process of implementation of ERP across the Company’s functional areas has been initiated. On procurement front, your Company is amongst first few CPSEs to have implemented e-Tendering

and Reverse Auction process in the country. We have been successfully carrying out e-Tendering and Reverse Auction for projects of various clients, in addition to our in-house jobs.

Your Company has taken a number of initiatives towards achieving improved transparency and fairness in the system including implementation of e-payment and e-receipt, ‘Bill Watch System’ with ‘First-in-First-out’ methodology to enable the vendors/contractors to know the status of their bill/payment, facility for online registration of vendors, online Complaint Handling System etc. These initiatives have paved the way towards realization of operational benefits to the clients and suppliers.

Your Company is committed to aligning its business model with the philosophy of sustainable development. Your Company is focused on meeting the present day needs of a growing energy sector in a way that does not compromise the needs of future generations to meet their own needs. This requires the reconciliation of Social, Economic and Environmental Demands – the Three Pillars of Sustainability. Your Company’s sustainability mandate is not just about giving money to a good cause or complying with environmental regulations but rather about operating its business in a manner that is responsible and transparent to all its stakeholders and the society at large. During the year five sustainable development projects in the areas of biodiversity, energy management and carbon footprints were completed.

Your Company’s CSR program aims to assist socially and economically weaker segments of society, thereby projecting EIL as a socially-responsible corporate to its employees, clients, local communities and other stakeholders. The CSR projects of your Company target various activities in education, healthcare, drinking water and electrification of rural areas through solar power. Your Company also focuses on environmental protection and women empowerment as strategic areas for its sustainable initiatives.

Since Human Resources are the core assets in any consultancy organization, your Company is focused on enhancing the value of its human capital. The focus hinges on two basic rules: the organization designs its value offerings by first analyzing and understanding the needs of its employees and then finding strategically prudent ways to meet those needs. To foster better communication between the company management and the employees, your Company has launched an internal two-way communication tool called EIL Connect that allows employees to give feedback to the management and exchange ideas on an open platform. Towards addressing employee needs and to strategically align them with corporate objectives, your Company took number of initiatives to augment its HR best practices, prominent among them is Assessment & Development Centre (ADC), to facilitate your Company’s ambitious growth strategy by developing leaders on an ongoing basis. In FY2012-13, ADC were conducted for 65 senior executives of the Company. Apart from this, your Company has also focused on training and development initiatives this year with a special emphasis on developing Domain Expertise, Soft-skill competencies and leadership development among many other initiatives.

This year also saw the Company being bestowed with a number of prestigious awards, prominent being Petrotech-2012 Special Technical Awards in Project Management Category for Guru Gobind Singh Refinery (GGSR) Project of HMEL and in Greening of Oil and Gas Business Category for India’s first Indigenous DHD Unit jointly developed with IOCL, PMI Award-2012 for GGSR Project of HMEL, ICC PSE Excellence Award-2012 for R&D, Technology Development & Innovation and Performance Excellence Award for Financial and Operational Strength for the year 2010-11 from Indian Institution of Industrial Engineering.

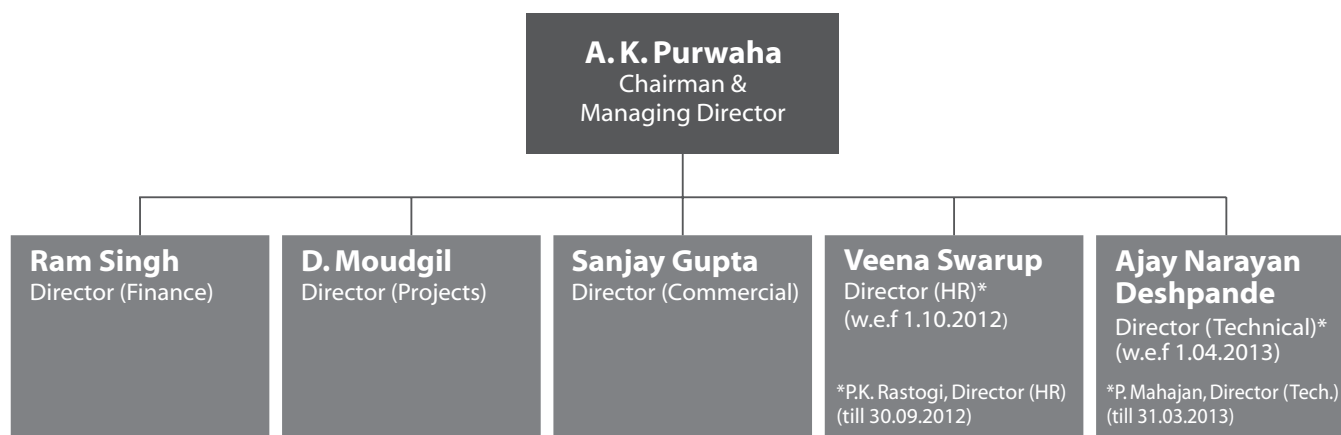
The Company remains committed to good corporate governance and ethical practices as per our listing agreement and Government guidelines.

I thank you for your unflinching faith in the Company’s growth potential and look forward to your feedback and advice. EIL management joins me in wishing you and your families the very best of prosperity and good health.

A.K. Purwaha



## Board of Directors



## Non-Executive Directors

<b>R. N. Choubey</b> Director (Govt. Nominee) (w.e.f. 10.04.2013)	<b>Dr. Archana S. Mathur</b> Director (Govt. Nominee) (w.e.f. 3.08.2012)	<b>Adit Jain</b> Non-official Independent Director
<b>Dr. (Prof.) K. D. P. Nigam</b> Non-official Independent Director	<b>Bijoy Chatterjee</b> Non-official Independent Director	<b>Dr. R. K. Shevgaonkar</b> Non-official Independent Director
<b>Dr. J. P. Gupta</b> Non-official Independent Director		
<b>L. N. Gupta</b> Director (Govt. Nominee) (till 2.08.2012)	<b>Dependra Pathak</b> Director (Govt. Nominee) (till 2.08.2012)	<b>Sushma Taishete</b> Director (Govt. Nominee) (from 3.08.2012 to 9.04.2013)
<b>U. N. Bose</b> Non-executive Independent Director (till 30.11.2012)	<b>Dr. Avinash Chandra</b> Non-official Independent Director (till 29.01.2013)	<b>A. K. Purwar</b> Non-official Independent Director (till 29.01.2013)

Company Secretary  
**Rajan Kapur**



# Brief Profiles

## of the Directors

### Functional Directors



**Mr. A. K. Purwaha** is the Chairman and Managing Director of our Company since October 1, 2009 and is responsible for the management of the Company. He has a Bachelor's Degree in Electrical Engineering from Delhi College of Engineering, Delhi University. Mr. Purwaha has more than 36 years of experience in the hydrocarbon sector. He has served Oil & Natural Gas Corporation Limited for more than eight years and GAIL (India) Ltd. for more than 24 years. He has worked on various projects, including cross country pipelines for gas distribution, gas processing and petrochemical plants, operation and maintenance of gas pipeline systems and was on Board of GAIL (India) Ltd. as Director (Business Development) for 3 years. Further, he had also led Mahanagar Gas Limited (a joint venture of GAIL (India) Ltd., BG Group, (U.K.) and the Government of Maharashtra), as its Managing Director for five years.

**Mr. Ram Singh** is the Director (Finance) of our Company. He has been on the Board since January 28, 2010. He has a Bachelor's Degree in Commerce from Delhi University and is an associate member of the Institute of Cost Accountants of India. He has 32 years of experience in finance and cost accounting in the steel and hydrocarbon sector. His experience includes positions held with the Steel Authority of India Limited, Bharat Petroleum Corporation Limited, Oil Co-ordination Committee and Petroleum Planning and Analysis Cell of the Ministry of Petroleum and Natural Gas. He is currently responsible for the financial management of our Company. He has been associated with various government appointed committees, including Expert Technical Group, Advisory Committee on Synergy in Energy and Committee on Pricing and Taxation of Petroleum Products and the High Powered Committee. Mr. Ram Singh has been conferred with Business Today Best CFO of a PSU (Mid size) Award-2013 and India CFO Award for Excellence in Risk Management by IMA India.



**Mr. Deepak Moudgil** is the Director (Projects) of our Company. He has a Bachelor's Degree in Civil Engineering from Punjab University. He has been associated with EIL for over 37 years. During his professional career with EIL, he has gained extensive experience holding different positions in various departments of EIL, including construction, administration, marketing and projects. He has also successfully led EIL's diversification into infrastructure sector.

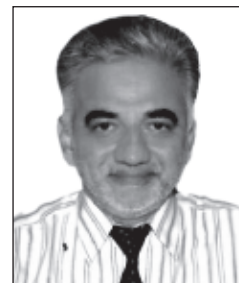
**Mr. Sanjay Gupta** is the Director (Commercial) of our Company. He has a B.E. from the University of Roorkee. He has about 32 years of experience in implementation of various mega projects including pipelines, refineries and petrochemicals. Some of these projects include the Maharashtra Gas Cracker Complex, Tabriz Petrochemicals, Pata Petrochemicals Phase-1 & Phase-2, Panipat Refinery Phase-1, Phase - 2 & Panipat Naphtha Cracker Complex. He was also entrusted with the task of leading the implementation of the OBE mode of project implementation and pioneered the same with CPCL Euro-IV. He was also singularly responsible for implementation of the LSTK Projects of EIL, under implementation, on the OBE route viz. PFCCU at MRPL. He is primarily responsible for strategizing the EPC and business growth initiatives within the Company.





**Ms. Veena Swarup** is the Director (HR) of our Company. She holds a Master's Degree in Business Administration from Lucknow University. She has 30 years of experience in the field of human resource in the petroleum and natural gas sector. Prior to joining EIL, Ms. Swarup was with ONGC since 1983, where she headed the Performance Management and Benchmarking Group, which steers the performance contracts and service level agreements between board level and unit chiefs. Her other assignments included setting up the ONGC Energy Center, Head HR at various units of ONGC, policy making and negotiations with collectives. She also headed the SAP-HR Project for ONGC. She was deputed to MRPL as a change agent to initiate aligning the Company to public sector requirements. She has also had a stint with the Directorate General of Hydrocarbons as the Head of Corporate Affairs and Human Resources.

**Mr. Ajay Narayan Deshpande** is the Director (Technical) of our Company. He has a Bachelor's Degree in Chemical Engineering from Nagpur University and a Master's Degree in Systems & Management from the Indian Institute of Technology, Delhi, securing the first rank in both the programs. He has worked in various capacities in our Company over the past 33 years, including oil and gas, refinery and petrochemicals sector, covering the functions of process design/ development, project management as well as being head of the research and development division, plant operations and safety, heat & mass transfer, environmental engineering, specialist materials and maintenance services and information technology. He has also been responsible for the business growth and technology initiatives of the Company and was also responsible for meeting the company's targets on sustainable development. He has co-authored four patent applications on behalf of the Company. He also served as a director on the Board of CEIL for about two years.



## Government Nominee Directors



**Mr. Rajiv Nayan Choubey** is a Government nominee Director of our Company. He has a Master's Degree in Physics from Delhi University and a Master's Degree in Social & Economic Planning from the London School of Economics. Mr. Choubey is an officer of the Indian Administrative Services from the batch of 1981 in the Tamil Nadu cadre. He is currently also acting as the 'Director General', Directorate General of Hydrocarbons, Ministry of Petroleum & Natural Gas and was earlier posted as the Development Commissioner (Handlooms), Ministry of Textiles; Principal Advisor, Telecom Regulatory Authority of India; and Joint Secretary in the Ministry of Finance. He has also been a director on the Board of BPCL.

**Dr. Archana S. Mathur** is a Government nominee Director of our Company. She has a Master's Degree in Economics from the Delhi School of Economics, Delhi University and Ph. D. in the field of international trade from the Jawaharlal Nehru University, New Delhi. She joined the Indian Economic Service in 1982. Over the course of 29 years in the government service, Dr. Mathur has served in various economic ministries of the Government of India.

