

59th

Annual General Meeting



CMD Speech to Shareholders

Vartika Shukla

(Chairman and Managing Director)

Engineering

Sustainable

Energy Infrastructure

Globally





CMD Speech to

Shareholders

DEAR SHAREHOLDERS,

On behalf of Board of Directors of Engineers India Limited, I extend a warm welcome to each of you at this 59th Annual General Meeting of Engineers India Limited (EIL).

This year, your Company has entered into the 60th year of its dedicated service to the Nation and we all are proud of our contribution towards the growth and development of hydrocarbon sector in the country. Your Company has positioned itself as a preminent global leader in providing total solution engineering and consultancy services, with a distinguished legacy across the hydrocarbon value chain.

Over the years, our expertise has evolved, embracing sectors such as infrastructure, water management, solar and nuclear energy and fertilisers, highlighting our commitment to leveraging our technical acumen across a diverse array of industries.

THE INDIAN ECONOMY - EIL'S BUSINESS POTENTIAL

It is pertinent to reflect on the current economic environment and its implications on our outlook in the fiscal year 2024 and beyond. India's economic trajectory has been nothing short of remarkable. Since the dawn of the 21st century, our nation has showcased an exceptional growth story, with a real GDP growth rate of around 7.0% in FY24 and this growth momentum will continue in future as well.

India's status as the third-largest consumer of primary energy, following USA and China, underscores our crucial role in the global energy landscape. With energy demand set to double in the next two decades and a projected economic growth to \$5 trillion by FY25 and \$10 trillion by FY30, India is moving ahead to realise the vision of "VIKSIT BHARAT" by 2047. This calls for transformative developments across the energy value chain with growing influence of renewables, an important cog in realizing Net Zero commitments of energy companies.

Looking forward, we anticipate a sustained economic momentum, with projections indicating a GDP growth rate of more than 7%. The Indian Government's planned investments in infrastructure and development projects, exemplified by allocations to the National Infrastructure Pipeline and the PM Gati Shakti National Master Plan are expected to invigorate economic activity and enhance our competitive stance. The increasing emphasis on clean energy, particularly hydrogen, renewables and sustainable alternative fuels heralds a multitude of opportunities for innovation and growth. As we navigate this dynamic economic landscape, aligning with emerging global trends will be instrumental in achieving sustained success and realising our vision for the future.

ADDING VALUE - FINANCIAL AND BUSINESS PERFORMANCE

Your Company's financial performance demonstrates resilience and robust financial stability. For the fiscal year under review, our turnover amounted to ₹3,232 crore, marginally down from ₹3,284 crore in the previous year. Our Consultancy and Engineering segment





contributed ₹1,454 crore, while the Turnkey segment delivered ₹1,778 crore. Notably, our Profit After Tax (PAT) increased to ₹357 crore from ₹342 crore and our Earnings Per Share rose to ₹6.35, up from ₹6.09, underscoring the enhanced value that your Company generates for its shareholders.

Our consolidated profit for FY24 surged to ₹445 crore, marking a 29% rise from the ₹346 crore achieved in the previous year. This growth is indicative of our strong performance and our adeptness at capitalising on opportunities.

As a majority government-owned PSU, we have strong dividend policy which is one way of generating wealth for the shareholders. To date, we have distributed ₹4,340 crore in dividends, including ₹3,105 crore to the Government of India, well beyond our statutory requirements. During FY 2024, we have declared interim dividend of ₹2 per share and Final dividend of ₹1 per share which is subject to shareholder approval in this Annual General Meeting. This reflects our commitment to delivering consistent returns to our shareholders while reinforcing our stature as a leading entity in our sector.

Business Trajectory

During the fiscal, our order inflow reached ₹3,406 crore, reflecting our prominent market presence. Our order book, as of March 31, 2024, stood at ₹7,823 crore and within this substantial inflow, the domestic segment emerged as a growth driver, contributing ₹2,907 crore. This includes a diverse range of OBE/LSTK assignments valued at ₹2,111 crore. On the international stage, we have secured ₹499 crore in new contracts and made a re-entry into Algeria and Kuwait. These projects signify our expanding global footprint and enhanced capabilities.

Your Company has also strengthened its Abu Dhabi office resulting in increase in business inflow from ₹93 Cr in 2022-23 to ₹ 146 Cr in FY 2023-24 an increase of 57% on year on year basis. Till 31st August, the order inflow from Abu Dhabi office has already touched ₹141 Cr and we are expecting healthy order inflow in future as well.

In the domestic sector, your company secured number of critical assignments including Site Enabling for Bina Petrochemical and Refinery Expansion Project, Consultancy Services for Setting up of Aqueous Ammonia unit at Numaligarh Refinery for NRL, FEED Engineering Services for unloading pipelines, onshore storage tank farm and associated facilities for Gujarat Chemical Post Limited, Construction of Multi-Storied Building for Integrated Office--Data Centre for Intelligence Bureau, Upgrading of The Institute of Petroleum Safety, Health and Environment Management (IPSHEM) to World-Class Facility" at Goa for ONGC and Replacement & Additional Installation Of Compressors at ONGC, to name a few.

In International geographies, Your Company has secured the FEED assignment for the AGRP revamp at MAA refinery in Kuwait and the Engineering Design Package for the installation of desalters at BAPCO refinery in Bahrain. We have also renewed our collaboration with SONATRAC in Algeria, providing FEED and PMC services for the new NHT/CCR-reforming unit. Expanding further, we are exploring opportunities in Saudi Arabia, Oman and other geographies.

As on date during the current financial year, your Company has secured new business worth ₹4681 Cr and as on 31st August, our orderbook has touched around ₹11,350 crore.

DELIVERING EXCELLENCE IN PROJECT EXECUTION

Your company have always been at the forefront of "DELIVERING EXCELLENCE" to its esteemed which is evident in successfully completion of several high-profile projects, including the modernisation of the HPCL Visakhapatnam Refinery in which the Crude Distillation Units, designed and implemented by your company created global industry benchmark of achieving lowest energy numbers of 1.39 FOE against the design number of 1.47 FOE. Another noteworthy progress includes the revamp of CPCL's Manali Refinery and the provision of EPCM services for MRPL's BS-VI project which further illustrates our compliance with stringent emission standards. Noteworthy among our achievements is the fabrication and erection of one of the largest site-fabricated Reactors and

Regenerators Units in India at the HPCL Rajasthan refinery project. I am happy to share that your company has achieved remarkable progress in this project as well which is now taken up for phase wise commissioning.

It was matter of pride for your Company that Honourable Prime Minister of India laid the foundation stone for the Krishnagiri-Coimbatore Pipeline (KCPL), a project for which EIL is providing its engineering and consultancy services. Your company has also achieved a notable engineering feat with the world's longest Horizontal Directional Drilling (HDD) crossing using the intersection technique for the Paradeep-Numaligarh Crude Pipeline (PNCPL). The commissioning of Kochi-Salem LPG Pipeline project as well as the ongoing execution of major projects like the capacity augmentation of the Jamnagar-Loni LPG Pipeline and the Dobhi-Durgapur-Haldia Natural Gas Pipeline further highlight our ability to deliver critical infrastructure projects.

Our involvement in the coal and metallurgy sector continues to be impactful, with major projects like NLC India Limited's Lignite-to-Methanol project for which your Company is providing its consultancy services. The steel sector, brimming with future potential, represents a significant avenue for EIL's growth. This year, we have secured a consultancy assignment for the new DRI-2 plant at Angul, partnering with M/s JSPL and will continue this momentum in future as well.

Dedication to green business practices and environmental stewardship remains the foundation of your Company. We are leading the transition to cleaner energy with the execution of World's first Bamboo-based Bio-fuel refinery for Assam Bio Refinery Project Limited, rooftop solar project for HMEL Green Energy Pvt. Ltd among various other assignments. We are also undertaking studies for integration of concentrated solar thermal technology with process plants that will be a big step forward towards greening the energy value chain. Further, your Company is also working on the Pre-Feasibility Report for Bamboo-based 2 G Ethanol bio-refinery in Meghalaya and providing its services for the establishment of a 4 MW PEM electrolyser-based green hydrogen plant in Neyvelli, Tamil Nadu.

2024 - YEAR OF COLLABORATION

Collaborative growth is one of the cornerstones of your company's strategic framework. To this affect, your company has declared 2024 as the **'Year of Collaboration'**, reinforcing its focus on cultivating new alliances. This year, EIL has forged several MoUs and MoAs to lay the groundwork for both present and future business opportunities. Our partnership with Sunrise CSP Group positions us at the vanguard of Solar Concentrated Technology and our collaboration with KIIFCON Pvt. Ltd., under the Kerala Infrastructure Investment Fund Board (KIIFB), is set to advance infrastructure consultancy projects. Additionally, our MoU with Munition India Limited (MIL) signifies a major leap into the defence sector with a focus on facility modernisation. We have also signed MoU with Petroleum and Natural Gas Regulatory Board (PNGRB) for natural gas pipeline capacity assessments and our MoA with NTPC Limited is anticipated to drive progress in clean energy initiatives. Our agreement with DEEP.KBB GmbH expands our expertise into underground salt caverns. These alliances not only affirm our commitment to innovation but also establish a formidable foundation for groundbreaking advancements.

EXPANDING GLOBAL PRESENCE

In the fiscal year 2024, your Company has advanced its global footprint and project portfolio. Our international endeavours were highlighted by our role in the Dangote Refinery and Petrochemical Project in Nigeria, the world's largest single-train refinery and our ongoing work on a major refinery project in Mongolia, supported by an Indian government Line of Credit.

The commissioning of the Dangote Oil Refinery Project in Nigeria, a \$20 billion venture reflects our pivotal role in advancing the 'Local to Global' vision articulated by our honourable Prime Minister. These achievements not only enhance our global credentials but also motivate us to extend our international footprint with renewed vigour.

Your Company continue to strengthen its presence in Guyana by providing consultancy services for the Integrated NGL Plant as well as 300 MW CCGT Power Plant and has also expanded its reach in the Middle East with several critical projects for ADNOC and other clients. Furthermore, our participation in India Energy Week 2024 demonstrated our leadership in oil and gas, petrochemicals and green energy. Your Company plans to broaden its global footprint and enhance its position within the global value chain.

INNOVATION THROUGH TECHNOLOGY

In FY24, your Company's Research and Development division has significantly advanced its technological and intellectual capital. Our focus has been on improving energy efficiency, developing environmental and clean technologies and exploring unconventional energy sources and biotechnologies.

Your Company is also spearheading the prestigious Bio-ATF project at MRPL, a step forward to decarbonize the aviation sector, by producing Sustainable Aviation Fuel (SAF) from Used Cooking Oil (UCO). EIL is offering this HEFA-based technology for the project in collaboration with CSIR-IIP, Dehradun.



Moving further, your company has undertaken preliminary studies on the development of 3G biofuel production technology and has been able to identify microalgae species for biofuel production studies.

In order to overcome the challenges of processing NH₃ rich waste stream and to convert the same into a revenue generating stream, your Company has indigenously developed Ammonia recovery technology to recover ammonia from NH₃-rich sour gases and convert it into valuable products like anhydrous NH₃ or aqueous NH₃ and has also executed an MoA with NRL for the execution of this project.

It is matter of grate pride that during the year, your Company was granted 16 patents and 13 new patent applications were filed during the year, thus strengthening its critical role in development of new technologies. As on date, EIL to its credentials has 47 live patents and 36 patent applications are in progress.

CREATIVE SOLUTIONS FOR THE DIGITAL AGE

Your Company's Digital Technology Solutions (DTS) division has introduced groundbreaking tools such as EngAICosting®, an AI-driven procurement cost estimator and EngProjectView®, offering in-depth overview of projects and portfolios, tracking key performance indicators such as project progress, time and cost, resource allocation, key issues and critical activities. Additionally, we have deployed the Earthquake Warning System which is implemented in Delhi Metro network and developed EngCO₂ Chitran®, a sophisticated web-based platform designed for the quantification of greenhouse gas emissions across various scopes.

Your company's partnerships with leading industry and academic institutions, along with active involvement in global research consortia, highlight its commitment to technological advancement. Furthermore, digitalisation of internal workflows through automation and advanced data management has significantly enhanced precision.



In the realm of environmental engineering, we have introduced innovative solutions for water and waste management, air quality control and effluent recycling. These advancements solidify EIL's position as a leader in the engineering sector.

Your company prioritise cybersecurity with the utmost seriousness, ensuring that our IT systems, data and users are protected. Our data centres are ISO 27001 certified, reflecting our commitment to international standards for information security management.

TOWARDS ATMANIRBHAR BHARAT

Since its establishment in 1965, your Company has nurtured India's industrial growth through domestic manufacturing. In FY24, EIL has indulged into a series of initiatives, in line with the Aatmanirbhar Bharat and Make in India initiatives .

EIL's approach to import substitution has been exemplified by a robust enlistment strategy, expanding our network of domestic suppliers. This year, we have integrated new Indian suppliers across numerous categories, strengthening local production and reducing reliance on imports.

At the India Energy Week 2024, your Company showcased its commitment to the Make in India initiative with a dedicated pavilion, featuring 47 enlisted suppliers and advanced industrial products. The Lakshya Bharat Portal, now integrated with real-time data from Oil and Gas companies, enhances visibility into capital goods and maintenance needs.

The Make in India Policy, which encourages foreign firms to establish or expand Indian subsidiaries has witnessed significant progress and in FY24, we have enlisted and upgraded manufacturers across 15 product categories and further, 24 suppliers have been enlisted under this Atamnirbhar Bharat initiative of your Company.

Moreover, your Company's support for startups through prototype development policies has facilitated the growth of new industry players. Through these initiatives, your Company continuous to drive growth and self-reliance in the Indian industrial sector, solidifying our competitive edge and commitment to national progress.



EMPLOYEES FIRST

In FY24, your Company has strengthened its employee-first policy through several initiatives. Our Annual Awards scheme honours exceptional contributions, while regular surveys help us refine our work environment. During 2023-24, your Company was also recognized as **'Great Place to Work'**.

We promote a vibrant work culture with events like Annual Sports Day and marathons as well as support new hires through our Mentorship Development Programme. Our wellness initiatives include flexible hours, comprehensive health programmes and daily yoga sessions via **"Aarogyam"**. Your Company undertakes number of technical training programmes and leadership initiatives such as **"Shikhar"** and **"Aarohan"** to keep our teams up to date with industry trends. We also emphasise diversity, equity by providing opportunity and supporting women employees through specialised development and leadership programmes like **'CruciBOLD'**. Your Company also maintains a zero-tolerance policy towards discrimination. It is a continuous endeavour of your Company to provide welfare facilities for its employees and in this regard to support employees in their role as parents, **'Crèche'** facility is operational in Gurugram Office Complex. By focusing on our employees' well-being and development, your Company ensures a motivated and high-performing and inclusive workforce, driving both individual and organisational success.

GIVING BACK TO THE SOCIETY

In FY24, your Company allocated 2% of its average net profits to CSR initiatives. We enhanced healthcare access with mobile medical units in Rajasthan, established 140 Anganwadi centres in Assam and supported critical cancer treatments and medical infrastructure. We also improved water access through installations of water coolers and ROs in Uttar Pradesh and Bihar.

In education, we upgraded school infrastructure and sanitation facilities to reduce dropout rates. Our vocational training programmes and women's empowerment initiatives furthered economic opportunities and health awareness. Additionally, we promoted environmental sustainability by developing Miyawaki forests to improve air quality and ecological balance. These efforts reflect EIL's dedication to driving meaningful social and environmental progress.



QUALITY AND HEALTH, SAFETY AND ENVIRONMENT (HSE)

In FY24, your Company retained ISO 45001 and ISO 14001 certifications, affirming its commitment to exemplary Occupational Health and Safety (OHS) and Environmental Management standards. Our Management Review Committee, which includes senior leaders, oversees HSE matters and reports incidents through our mobile application.

Your Company's Occupational Health efforts feature health seminars, vaccination campaigns and targeted wellness initiatives, including specialised fitness programmes for women. We have integrated HSE into engineering processes through risk assessments and advanced methods.

Our Green Campaign furthered environmental stewardship with initiatives promoting waste reduction and tree planting, while our updated HSE specifications for construction sites and a new safety observation application enhance performance and accountability. Complemented by ongoing specialised HSE training and a quarterly newsletter, these efforts reinforce our commitment to achieving distinction in Health, Safety and Environment.

RECOGNITION AS INDUSTRY STALWART

In FY24, your Company has been conferred with prestigious industry accolades. We received the Golden Peacock National Training Award 2024. Our project management expertise was validated by the 'Project of The Year' Award in the medium category at the PMI South Asia Awards for the INDJET project. Governance Now's 10th PSU Awards honoured our impactful contributions in digital procurement, nation building and reskilling of employees.

Our superior construction practices were recognised with the CIDC Vishwakarma Awards for Best Construction Project and Construction



Health, Safety and Environment. Moreover, we were celebrated with the National Award for Excellence in PSU for increasing the geo-strategic reach.

Furthermore, ICC honoured our achievements with several awards, including distinctions for Operational Performance Excellence, CSR and Sustainability, and Corporate Governance. Notably, we were also lauded for our inclusion efforts, receiving recognition for the contributions of women and differently-abled individuals in PSEs.

These honours not only validate our leadership and innovation but also reinforce our role as a prominent and forward-thinking entity in the industry.

SUSTAINABILITY

Your Company recognises that preserving environment and promoting sustainable practices are not just ethical imperatives but crucial for long-term success. Our approach integrates sustainability into every aspect of our operations—from resource management and energy efficiency to waste reduction and environmental stewardship. By prioritising these principles, we are not only enhancing our operational resilience but also contributing to the broader goal of environmental preservation. This dedication highlights our role as a responsible corporate citizen and reflects our commitment to creating a sustainable future for generations to come.

CORPORATE GOVERNANCE

Corporate governance is important for your Company's integrity and success. Adhering rigorously to SEBI regulations and DPE guidelines, your Company ensures that the practices meet the highest standards of transparency and accountability. Our strong governance framework is designed to foster ethical behaviour and effective oversight. Through these measures, we not only uphold the trust of our stakeholders but also drive our mission with honesty.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I wish to acknowledge the invaluable support and guidance from the Ministry of Petroleum and Natural Gas, as well as other Government of India ministries and departments.

To our esteemed shareholders and stakeholders, your continued trust and confidence in EIL are profoundly appreciated. With your support and encouragement, I am confident that your Company will continue to achieve remarkable milestones in the future. We remain firm in upholding the highest standards of transparency, integrity and accountability and embracing the finest business practices and ethical norms.

I would also like to extend my gratitude to TEAM EIL, who have been instrumental in steering our Company towards a path of sustainable growth.

I am equally grateful to the distinguished members of our Board for their inspiring leadership and to all our stakeholders for their enduring support. Together, we stand poised to reach new heights and contribute significantly to a stronger, more prosperous and resilient India.

JAI HIND!

VARTIKA SHUKLA
(Chairman and Managing Director)

Note: This does not purport to be a record of the proceedings



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