BEML LIMITED

(CIN: L35202KA1964GOI001530)

BENGALURU

ANNUAL REPORT

2015-16

ANNUAL GENERAL MEETING TO BE HELD ON		
15.09.2016	**11.30 HOURS**	**API BHAVANA** **# 16/F, MILLERS TANK BED AREA** **VASANTHANAGAR** **BENGALURU – 560052**

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BOARD OF DIRECTORS*



D K Hota
Chairman & Managing Director



Smt. Surina Rajan
Government Nominee Director
Additional Secretary (Defence Production)
Ministry of Defence



Shri Sanjay Prasad
Government Nominee Director
Joint Secretary (Land System)
Dept. of Defence Production, Ministry of Defence



Shri Sudhir Kumar Beri
Independent Director



Shri M G Raghuveer
Independent Director



Shri B.P. Rao
Independent Director



Shri Aniruddh Kumar
Director
(Rail & Metro Business)



Shri B R Viswanatha
Director (Mining &
Construction Business)



Shri R H Muralidhara
Director
(Defence Business)

*As on 02.08.2016

Chairman's Letter.....

It is a proud moment for me to inform you that your Company has crossed yet another milestone and achieved an all time high Net Sales of ₹2983.72 Cr during 2015-16, sustaining the tough business environment and conditions that prevailed in the capital goods sector. The Annual Report brings you the audited accounts and other related documents for the year 2015-16 for your consideration and adoption at the ensuing Annual General Meeting.

Performance Overview

The assessment of the Company's performance for the financial year ended 31.03.2016 has been completed.

In Mining & Construction sector despite a de-growth in capital goods industry and slow down in global market, the Company was able to maintain its market share and achieved gross sales of ₹1807.58 Cr which is higher compared to previous year gross sales of ₹1803.02 Cr. The Rail & Metro vertical achieved gross sales of ₹1250.35 Cr, with a growth of 7.55 % over previous year gross sales of ₹1162.60 Cr. The Defence business is back on track and achieved gross sales of ₹368.09 Cr., which is more than double compared to previous year gross sales of ₹164.04 Cr. Your Company generated 88% of its sales achieved from orders obtained through competition mode.

With the above performance, your Company made a Profit before Tax of ₹64.27 Cr during 2015-16. The Company has closed the year with a healthy order book position of ₹6430 Cr.

R&D is a continuous effort being pursued in your Company. The design, development and up-gradation efforts through in-house R&D resulted in the following four new products besides up-gradation of several products. In-house developed R&D products contributed to 54% of sales turnover in the year 2015-16.

Mining & Construction:

- Compact Loader-cum-Excavator BL120H for Construction Sector.
- 117HP Dozer BD50 with Hydrostatic Transmission.

Defence:

- SMERCH 8x8 & 10x10 High Mobility Vehicle with additional Steerable Rear Wheel.

Rail & Metro:

- Catenary Maintenance Vehicle for Navi Mumbai Metro Corporation.

It is a matter of pride that our R&D product 180T Electrical Excavator - BE1800E is running successfully at the customer's place. With the thrust for 'Make in India', this indigenously developed pollution-free Excavator will help to increase productivity in mining operations, both in domestic and global markets.

Towards self-reliance, your Company has achieved over 90% indigenisation in the mainline M&C products, Rail Coaches and EMU's. All out efforts are underway to reach higher level of indigenisation in Heavy Duty High Mobility Vehicles and Metro Cars.

On HR front, your Company has undertaken the 'Skill Development' initiatives in line with Government of India's 'Skill India' initiative. Continuous technical trainings are being organised to train Employees through in-house Centre for Excellence Schools and at reputed technical training Institutes. To hone-up skills, in-house training is also imparted to ITI / NAC, Diploma / Engineering Graduate apprentices. Further, various organizational development initiatives such as Employee Satisfaction Survey, Development of Competency Assessment Framework & Leadership Pipeline, formalization of value statement of the Company; 'BEML FIRST' have been carried out to effect the cultural enhancement aligned with our organizational growth.

On CSR & SD front, your Company has taken forward various initiatives viz., Swachh Bharat campaign, Rain Water Harvesting, Installation of Wind Mills, Planting of trees across campuses not withstanding undertaking other CSR ongoing projects being sensitive and responsible to the Society.

Towards Green Energy, the Company has so far commissioned wind energy of 14 MW. Further the Company is in the process of commissioning additional 9 MW to become self sufficient and a Green Company.

During the year 2015-16, your Company was recognized with the following major awards;

- "Raksha Mantri's Award for Excellence" under the Institutional Award category for Best Performance in Exports during 2012-13.
- Won the "SCOPE Award for Excellence and Outstanding Contribution to the Public Sector Management – Special Institutional Category (Turnaround)" for the year 2013-14.

Plan for the year 2016-17

As per the ICRA report, demand growth during CY2016 is expected to firm up, driven by increased road construction activity, execution of Railway projects (awarded in the current fiscal) and work on the Dedicated Freight Corridors. Further, the Union Budget of 2016-17 provides additional insights into the budgetary allocations for future infrastructure activity. Demand in CY2017 will improve as work in other segments, such as Ports, Airports, etc., join the infrastructure development fray. This is a positive signal for business in the M&C segment. With continued focus on quality, customer demands, after-sales-service combined with concerted efforts, we are confident of capturing maximum out of available business in the domestic and increased sales in export market.

With respect to Defence vertical, the business is back on track and we are putting our best foot forward to maximize sales and contribute significantly to Company's turnover. Plans are in place to execute available orders on hand and also improve the performance of Defence Business segment by generating business for supply of Mine Clearing Systems, Recovery Vehicle, aggregates for Missiles Systems and Fighting Vehicles.

In the Rail & Metro Business, Medium / High Speed Coaches, Light Rail Metro Cars, Maintenance Equipment are emerging as business opportunities. We will pursue orders for the same and continue to progress and be a major player in the Rail Transportation Segment of the Country.

In this projected positive scenario and keeping in view of the present Order Book, we have set ourselves a Net Sales target of ₹3300 Cr., for the year 2016-17.

On HR front, we have tied up with highly reputed institutes for Capability Building of our Engineers to address the requirements of all the three business verticals. Further, pro-active initiatives like outbound training for the Executives are being taken up to develop various skills of leadership, team building, inter-department cohesiveness etc., among the Executives.

In order to focus on `National Skill Development Programme', building the requisite skills, which are of critical importance to the Company's operations, various technical trainings for specific Skill-sets through 'Centres of Excellence' at each Division / Complex are undertaken.

Various competency and leadership development initiatives are taken up to drive the 'Development of Leadership Pipeline' initiated last year.

As a part of 'Swachh Bharath' Campaign, we have taken various initiatives and plans are in place to make it successful.

As a Corporate Citizen, your Company has complied with all rules and regulations dealing in a transparent, fair and corruption free operational environment and a detailed report on compliance of the guidelines on Corporate Governance under the SEBI Listing Regulations and the guidelines issued by the Department of Public Enterprises for CPSEs form part of the Board's Report.

Thus, BEML has put in place appropriate strategies and actions to counter all business challenges and scale new benchmarks.

I am confident that with continuous dedicated efforts, commitment and hard work, and a conducive business environment around BEML, shall move to achieve greater heights in 2016-17 and I assure you, that your Company is committed for enhanced value creation to its Stakeholders and Society at-large by taking up activities and initiatives for sustainable growth with environmental concern.

To conclude, on behalf of Board of Directors of the Company, I would like to express my gratitude to our shareholders, valuable Customers and all other stakeholders for their trust and support and my deep appreciation to all Employees and Executives for their untiring efforts and contribution.

I wish to take this opportunity to thank all my fellow Directors on the Board for their invaluable guidance and support rendered for running the operations of your Company.

I also gratefully acknowledge the support and encouragement extended by our Administrative Ministry, Ministry of Defence and in particular Department of Defence Production, in steering the Company and other Administrative Departments of Government of India and co-operation from partners in progress.

With warm regards,

Sd/-

(D. K. Hota)

Chairman & Managing Director

CORPORATE VISION, MISSION AND OBJECTIVES

A) Vision

Become a market leader, as a diversified Company, supplying quality products and services to sectors such as Mining & Construction, Rail & Metro, Defence & Aerospace and to emerge as a prominent international player.

B) Mission

- Improve competitiveness through collaboration, strategic alliances and joint ventures, to sustain and enhance market share in product groups BEML operates.
- Grow profitably by aggressively pursuing business and market opportunities in domestic and international markets by pursuing atleast 10% of sales in exports.
- Adoption of state-of-the-art technologies and bring in new products through Transfer of Technology and in-house R&D.
- Continue to diversify and grow addressing new products and markets with turnover from in-house R&D developed products at 60%.
- Attract and retain people in a rewarding and inspiring environment by fostering creativity and innovation with attrition levels less than 5%.
- Offer technology and cost effective total solutions for enhanced customer satisfaction.

C) Objectives

(i) To achieve around 10% growth in 2016-17.

(ii) To work to achieve Gross Operating Margin of 8-10% of net sales.

(iii) To provide engineering solutions to customers for enhanced customer satisfaction.

(iv) To achieve minimum 10% of exports sales.

(v) To up-grade all Company products to state-of-the-art technology to meet market needs and benchmark standards through continuous in-house R&D.

(vi) Continuous development of skills and competencies to bring about Employee / Executive effectiveness.

(vii) Effective project implementation for modernization / de-bottlenecking projects.

(viii) Contribute effectively for Corporate Social Responsibility and Sustainable Development.



FINANCIAL HIGHLIGHTS

Sl. No.	PARTICULARS	UNITS	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
A	**Our earnings**									
	Gross Revenue	₹Lakhs	315079	264532	318115	309164	350432	342957	343268	270913
	Export	₹Lakhs	27523	48433	8105	19813	14405	21750	15625	30434
	Total Gross Revenue	₹Lakhs	342602	312965	326220	328977	364837	364707	358893	301347
	Less: Value of Consortium supplies	₹Lakhs	13858	13048	14203	29090	72779	82091	58302	8257
	Revenue net of Consortium Supplies	₹Lakhs	328744	299917	312017	299887	292058	282616	300591	293090
	Less: Excise Duty	₹Lakhs	30372	18998	20866	18996	19409	17392	13641	13373
	Revenue from operations	₹Lakhs	298372	280919	291151	280891	272649	265224	286950	279717
	Change in WIP/SIT	₹Lakhs	(24371)	(20926)	(9706)	6992	42882	14800	15099	28072
	Value of Production (with Revenue from Operations)	₹Lakhs	274001	259993	281445	287883	315531	280024	302049	307789
	Value of Production (with Gross Revenue)	₹Lakhs	318231	292039	316514	335969	407719	379507	373992	329419
B	**Our outgoings**									
	Cost of materials	₹Lakhs	147724	137368	161734	172427	184633	165880	180084	185089
	Emp. Rem. & Benefits	₹Lakhs	76789	76911	71676	73940	72508	68315	55514	56919
	Depreciation	₹Lakhs	5321	5214	5356	5025	4392	3364	3222	2731
	Other Expenses(net)	₹Lakhs	36739	38722	38654	45996	45901	37938	36996	31296
	Interest	₹Lakhs	4903	7051	11046	14099	8843	6127	4893	3925
C	**Our savings**									
	PBDIT	₹Lakhs	16651	12956	17310	6891	19881	28166	40070	45403
	PBIT	₹Lakhs	11330	7742	11954	1866	15489	24802	36848	42672
	PBT	₹Lakhs	6427	691	908	(12233)	6646	18675	31955	38747
	PAT	₹Lakhs	5265	676	468	(7987)	5725	14976	22285	26884
D	**Own capital**									
	Equity	₹Lakhs	4177	4177	4177	4177	4177	4177	4177	4177
	Reserves and surplus	₹Lakhs	206759	203498	203807	203826	213031	209727	199607	187360
E	**Loan capital**									
	Loans from Banks	₹Lakhs	18420	24846	54110	85181	83335	67419	75305	47091
	Other loans	₹Lakhs	37515	39498	41481	40959	12525	14091	15550	9673
F	**Financial Statistics**									
	Net worth	₹Lakhs	210936	207676	207984	208003	217208	213904	203639	190708
	Gross Block	₹Lakhs	134904	122627	120062	118377	112845	94543	79871	74951
	Depreciation	₹Lakhs	80882	75756	70193	65303	59923	55590	52484	49402
	Net Block	₹Lakhs	54022	46871	49869	53074	52922	38953	27387	25549
	Inventories	₹Lakhs	169632	192120	215210	245620	242241	188891	165300	162058
	Trade Receivables	₹Lakhs	124131	124207	115671	122452	100598	128840	136074	154527
	Working capital	₹Lakhs	201395	196967	198422	206756	205462	162399	259646	218771
	Capital Employed	₹Lakhs	255417	243838	248291	259830	258384	201352	287033	244320
	Value added	₹Lakhs	126277	122625	119711	115456	130898	114144	121965	122700
	Dividend-Excl. Tax	₹Lakhs	1666	416	416	1041	2082	4164	4164	4997
	R&D Expenditure	₹Lakhs	6663	8292	8623	9436	9779	9433	9720	3198
	No. of Employees	Nos	8827	9599	10328	11005	11644	11798	12052	12600
G	**Financial Ratios**									
	Revenue from operations per Employee	₹Lakhs	33.80	29.27	28.19	25.52	23.42	22.48	23.81	22.20
	Value Added per Employee	₹Lakhs	14.31	12.77	11.59	10.49	11.24	9.67	10.12	9.74
	PBT to Revenue from operations	%	2.15	0.25	0.31	(4.36)	2.44	7.04	11.14	13.85
	PBIT to Capital employed	%	4.44	3.18	4.81	0.72	5.99	12.32	12.84	17.47
	PAT to Net worth	%	2.50	0.33	0.23	(3.84)	2.64	7.00	10.94	14.10
	Debt Equity ratio	Times	0.27	0.31	0.46	0.61	0.44	0.38	0.45	0.30
	EPS	₹	12.64	1.62	1.12	(19.18)	13.75	35.96	53.51	64.56
	Dividend	%	40.00	10.00	10.00	25.00	50.00	100.00	100.00	120.00
	Revenue from operations to Capital employed	%	116.82	115.21	117.26	108.11	105.52	131.72	99.97	114.49

Notes:

i) For ratios pertaining to Turnover, Revenue from operations has been considered.

ii) Trade Receivables includes Unbilled Revenue amounting to ₹3326 Lakhs shown under Other current assets in the accounts (Previous Year - ₹25038 Lakhs)

FINANCIAL HIGHLIGHTS

Sl. No.	PARTICULARS	UNITS	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
A	**Our earnings**									
	Gross Revenue	₹Lakhs	251273	249106	214435	179745	171316	165972	130872	119760
	Export	₹Lakhs	20062	11073	6149	5856	5259	2145	11543	14980
	Total Gross Revenue	₹Lakhs	271334	260179	220584	185601	176575	168117	142415	134740
	Less: Value of Consortium supplies	₹Lakhs	-	-	-	-	-	-	-	-
	Revenue net of Consortium Supplies	₹Lakhs	271334	260179	220584	185601	176575	168117	142415	134740
	Less: Excise Duty	₹Lakhs	17374	17792	14630	12322	9354	11005	9170	9608
	Revenue from operations	₹Lakhs	253960	242387	205954	173279	167221	157112	133245	125132
	Change in WIP/SIT	₹Lakhs	11360	(1104)	(2627)	2994	(7388)	5899	1195	(423)
	Value of Production (with Revenue from Operations)	₹Lakhs	265321	241283	203327	176273	159833	163011	134440	124709
	Value of Production (with Gross Revenue)	₹Lakhs	282695	259075	217957	188595	169187	174016	143610	134317
B	**Our outgoings**									
	Cost of materials	₹Lakhs	160957	148403	127624	103505	105319	111449	90318	79540
	Emp. Rem. & Benefits	₹Lakhs	44672	36379	33357	35616	34678	33407	32562	36662
	Depreciation	₹Lakhs	1770	1352	1412	2299	1829	1930	2214	2340
	Other Expenses(net)	₹Lakhs	31114	28510	35136	27052	29191	31231	19171	15946
	Interest	₹Lakhs	2309	561	461	179	148	300	2226	3120
C	**Our savings**									
	PBDIT	₹Lakhs	38880	33517	30415	29758	6995	6017	5741	6525
	PBIT	₹Lakhs	37110	32165	29003	27459	5166	4087	3527	4185
	PBT	₹Lakhs	34801	31604	28542	27280	5018	3787	1301	1065
	PAT	₹Lakhs	22565	20493	18693	17528	2417	2610	535	600
D	**Own capital**									
	Equity	₹Lakhs	4177	3687	3687	3687	3687	3687	3687	3687
	Reserves and surplus	₹Lakhs	166393	99661	84284	69781	56437	54827	55978	55689
E	**Loan capital**									
	Loans from Banks	₹Lakhs	30327	2557	2488	7491	3148	3130	27255	23471
	Other loans	₹Lakhs	-	-	-	-	180	220	2778	6288
F	**Financial Statistics**									
	Net worth	₹Lakhs	169176	101459	85390	69439	56888	53219	55559	55700
	Gross Block	₹Lakhs	68028	59643	56512	54395	54334	53425	52851	52695
	Depreciation	₹Lakhs	46970	45257	43992	42738	40949	39213	37648	35805
	Net Block	₹Lakhs	21058	14386	12520	11657	13385	14212	15203	16890
	Inventories	₹Lakhs	92958	72928	64908	62080	57327	74850	63886	63868
	Trade Receivables	₹Lakhs	149606	90426	77021	60820	44356	49418	56730	52067
	Working capital	₹Lakhs	174884	86676	73460	64658	47933	43454	69190	67512
	Capital Employed	₹Lakhs	195942	101062	85980	76315	61318	57666	84393	84402
	Value added	₹Lakhs	104364	92880	75703	72768	54514	51562	44122	45169
	Dividend-Excl. Tax	₹Lakhs	4997	4409	3674	3674	735	735	441	368
	R&D Expenditure	₹Lakhs	1926	1805	1914	1687	1498	1754	1823	1550
	No. of Employees	Nos	12286	11748	11975	12189	12922	13116	13838	14357
G	**Financial Ratios**									
	Revenue from operations per Employee	₹Lakhs	20.67	20.63	17.20	14.22	12.94	11.98	9.63	8.72
	Value Added per Employee	₹Lakhs	8.49	7.91	6.32	5.97	4.22	3.93	3.19	3.15
	PBT to Revenue from operations	%	13.70	13.04	13.86	15.74	3.00	2.41	0.98	0.85
	PBIT to Capital employed	%	18.94	31.83	33.73	35.98	8.42	7.09	4.18	4.96
	PAT to Net worth	%	13.34	20.20	21.89	25.24	4.25	4.90	0.96	1.08
	Debt Equity ratio	Times	0.18	0.03	0.03	0.11	0.06	0.06	0.54	0.53
	EPS	₹	56.19	55.77	50.87	47.70	6.58	7.10	1.46	1.63
	Dividend	%	120.00	120.00	100.00	100.00	20.00	20.00	12.00	10.00
	Revenue from operations to Capital employed	%	129.61	239.84	239.54	227.06	272.71	272.45	157.89	148.26

NOTICE

NOTICE is hereby given that the 52nd Annual General Meeting of BEML Limited will be held on **Thursday,** the **15th September, 2016** at **11.30 hours** at **API Bhavana, No.16/F, Millers Tank Bed Area, Vasanthanagar, Bengaluru - 560052**, to transact the following business:

I. ORDINARY BUSINESS

1. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that the Audited Standalone Financial Statement of the Company for the year ended 31.03.2016 and the Reports of the Board of Directors and Auditors thereon, and also the Audited Consolidated Financial Statement of the Company as on that date and Report of Auditors thereon, be and are hereby received, considered and approved."

2. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that a Dividend of ₹4 per share i.e., 40% on the paid-up value of the equity shares of the Company, absorbing ₹16.66 Crs for the year 2015-16, as recommended by the Board of Directors, be and is hereby considered and declared out of the profits for the year 2015-16 and the same be paid to those shareholders whose names appear on the Register of Members of the Company as on the date of Book Closure and beneficial owners under demat form as per the list furnished by the Depositories based on the said date of book closure."

3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that Shri Aniruddh Kumar (*DIN 06861374*), who retires by rotation and being eligible, offering himself for re-appointment, be and is hereby re-appointed as Director (Rail & Metro Business) of the Company."

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that pursuant to the provisions of Section 142 of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to fix the remuneration and other terms and conditions of the Statutory Auditors of the Company appointed by the Comptroller and Auditor General of India for the year 2016-17."

II. SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that the appointment of Shri Sanjay Prasad (*DIN 01577730*), as Government Nominee Director of the Company with effect from 01.10.2015 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

6. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that the appointment of Shri M G Raghuveer (*DIN 02703301*), as Independent Director of the Company with effect from 02.12.2015 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

7. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED that the appointment of Shri B P Rao (*DIN 00467226*), as Independent Director of the Company with effect from 02.12.2015 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

8. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that the appointment of Shri Sudhir Kumar Beri (*DIN 07367157*), as Independent Director of the Company with effect from 11.12.2015 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

9. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that the appointment of Shri B R Viswanatha (*DIN 07363486*), as Director (Mining & Construction Business) of the Company with effect from 01.02.2016 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

10. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that the appointment of Shri R H Muralidhara (*DIN 07363484*), as Director (Defence Business) of the Company with effect from 01.03.2016 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

11. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that the appointment of Smt. Surina Rajan (*DIN 06699602*), as Government Nominee Director of the Company with effect from 02.06.2016 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

12. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that the appointment of Shri D K Hota (*DIN 06600812*), as the Chairman & Managing Director of the Company with effect from 01.07.2016 on the terms and conditions as stipulated by the Government of India, be and is hereby approved."

13. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the annual remuneration of ₹2,25,956/- inclusive of conveyance and service taxes, payable to M/s Murthy & Co., LLP, Cost Auditors, as duly appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial years 2015-16 and 2016-17, be and is hereby ratified."

By order of the Board
For BEML Limited

Sd/-
M E V Selvamm
Company Secretary

Bengaluru
02.08.2016

Notes :

1. *A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the Company.*

2. *A proxy shall not act on behalf of more than 50 members or represent the members holding more than 10% of the total voting rights.*

3. *A proxy shall not have the right to speak at the AGM.*

4. *The prescribed proxy form is enclosed. The proxy form, to be valid, should be deposited at the Registered Office of the Company 48 hours before commencement of the AGM i.e. 11.30 Hours on 13.09.2016.*

5. *Member / Proxy holder must bring the Attendance Slip to the AGM and hand it over at the registration counter as duly signed and executed.*

6. *Queries on accounts and operations of the Company, if any, may please be sent to the Company at least ten days in advance of the AGM so that the replies may be made available at the AGM.*

7. *Members are requested to bring this Annual Report to the AGM.*

8. *Members may visit the website of the Company* www.bemlindia.com *for more information on the Company.*

9. *Members are requested to address all correspondence in relation to share matters to the Company's Share Transfer Agent (STA), M/s Karvy Computershare Private Limited at the following address :*

   M/s. Karvy Computershare Private Limited
   Karvy Selenium Tower B, Plot 31-32,
   Gachibowli, Financial District,
   Nanakramguda, Serilingaampally,
   Hyderabad-500 032.
   Ph : 040-67161526, Fax: 040-23001153
   E-mail : nageswara.raop@karvy.com,
   einward.ris@karvy.com
   Website : www.karvy.com

10. *Investor Grievance Redressal:*

    The Company has assigned an exclusive e-mail id: investorgrievance@beml.co.in *to enable investors to register their complaints, if not adequately addressed by the STA.*

11. *Members who are holding shares in more than one folio are requested to intimate to the STA the details of all their folio numbers for consolidation into a single folio. Members must quote their Folio Number / Demat Account No. and contact details such as email ID, phone / mobile contact nos., etc., in all correspondence with the Company/STA.*

12. *Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the AGM is annexed hereto.*

13. *Pursuant to Regn. 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'Listing Regulations'], the brief resume/ profile of the Director eligible for re-appointment is attached hereto.*

14. *In terms of Regn. 42 of the Listing Regulations, the Register of Members and Share Transfer Book will remain closed from 09.09.2016 to 15.09.2016 (both days inclusive) for the purpose of the AGM.*

15. *Pursuant to Regn. 44 of the Listing Regulations, e-voting facility is provided to all the members on the web-site at* https://evoting.karvy.com. *E-voting can be exercised by the members from 9.00 A.M. on 10.09.2016 to 5.00 P.M. on 14.09.2016 A distinctive user id and password to individual member are e-mailed / enclosed to the annual report. Necessary instructions on e-voting facility may be accessed on the web-site with*