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29.08.2024

National Stock Exchange of India Ltd. Listing Compliance Department Exchange Plaza, Bandra - Kurla Complex, Bandra (East), MUMBAI - 400 051 Symbol : BEML	The BSE Limited Listing Compliance Department P.J. Towers, 26 th Floor, Dalal Street, MUMBAI - 400 001 Scrip Code : 500048
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Dear Sir / Madam,

Sub: Annual Report for the Financial Year 2023-24

In pursuance to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting the 60th Annual Report of the Company for the Financial Year 2023-24, being sent to shareholders.

The same is also available at the website of the Company at www.bemlindia.in.

Thanking you,
for BEML LIMITED

URMI
CHAUDHURY

Digitally signed by
URMI CHAUDHURY
Date: 2024.08.29
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Urmi Chaudhury
Company Secretary & Compliance Officer
ICSI Mem.: A29400.

Encl: As above

ಪ್ರಧಾನ ಕಛೇರಿ Corporate Office:

'ಬೆಮೆಲ್ಸೊಡ್', ೨೩/೧, ೪ನೇ ಮುಖ್ಯ ರಸ್ತೆ, ಸಂಪಂಗಿರಾಮನಗರ, ಬೆಂಗಳೂರು - ೫೬೦೦೨೭. ದೂರವಾಣಿ ಸಂಖ್ಯೆ : +೯೧೮೦೨೨೯೯೯೨೦೬೫

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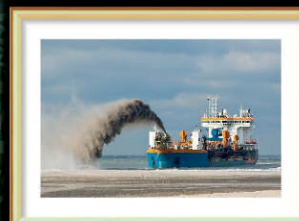
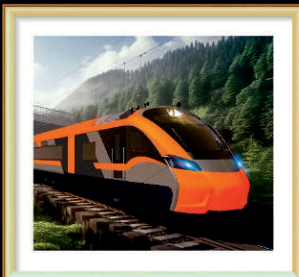
www.bemlindia.in



Six decades of making India self-reliant

60th

Annual Report
2023-24



Vision:

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

Mission:

- ❖ Improve competitiveness through collaboration, strategic alliances and joint ventures.
- ❖ Grow profitably by aggressively pursuing business and market opportunities in domestic and international markets.
- ❖ Adoption of state-of-the-art technologies and bring in new products through Transfer of Technology and in-house R&D.
- ❖ Continue in diversified growth in new products and markets.
- ❖ Attract and retain people in a rewarding and inspiring environment by fostering creativity and innovation.
- ❖ Offer technology and cost effective solutions.

Values

F	Focus on Customer and Stakeholder	Customer Delight by developing products & services is our primary focus. Value creation for all Stakeholders guides all our actions.
I	Innovation & Technology	Being a learning organisation, we leverage Innovation and Technology in all our work
R	Reliability & Quality	We build reliability and quality in our products, processes and people
S	Speed & Responsiveness	We are agile and respond to needs of all Stakeholders promptly
T	Trust & Teamwork	Facilitate through integrity, trust, respect, transparency to become a socially responsible Corporate Citizen

Principles of Transformation 'TCS':

T: Stands for Truth, Trust & Technology

C: Stands for Compassion, Creativity & Climate

S: Stands for Speed, Simplicity & Self-confidence

Chairman's Message

Dear Shareholders,



I am delighted to present the FY 2023-24 Annual Report, which captures our company's journey and achievements over the past year. As Chairman & Managing Director of BEML Limited, I am pleased to share that our company has continued to advance and reach significant milestones during these transformative times.

Despite global uncertainties, the Indian economy has demonstrated remarkable resilience, achieving robust growth rates driven by strong performance across Manufacturing, Services, Information Technology, and Agriculture. As the 5th largest economy with a projected growth rate of around 7%, India offers a wealth of opportunities. Government initiatives such as the Atmanirbhar Bharat Mission, along with efforts in Indigenization, Innovation, and Technology, have created a favorable environment for growth. Having weathered the challenges of COVID-19 and geopolitical turbulence, BEML is now positioned to thrive in the coming years.

In this demanding environment, BEML has exhibited steadfast strength and delivered a



Shantanu Roy
Chairman & Managing Director

resilient performance. Your continued trust and support have been instrumental in our pursuit of excellence, and for this, I extend my heartfelt gratitude.

On behalf of the Board of Directors, I am pleased to present the Company's Annual Report for the fiscal year 2023-24 for your review and approval at the upcoming Annual General Meeting.

Highlights of Success :

Let me start by highlighting the exceptional performance of our Rail & Metro Business Group, which contributed 39% to our sales last year, up from 27% in 2022-23. This group achieved its highest-ever turnover, with an impressive 46% growth compared to the previous year. Notably, we secured a prestigious order for 160 Vande Bharat sleeper trainsets and another for 318 cars for the Bangalore Metro. We're

excited to announce that deliveries for these major projects will begin this year.

Our Defence Business Group also demonstrated remarkable performance, contributing 19% of our total sales despite facing supply chain challenges. The group saw a significant 7.47% increase in the value of production over the previous year and ended the year with a robust order book of Rs 4,790 crore.

The Mining & Construction (M&C) Business Group contributed around 42% to our sales. This strong performance was bolstered by our Spares & Service group, which played a crucial role, contributing over 50% of M&C sales and achieving record-high sales during the year.

Your Company faced several challenges, including supply chain disruptions, rising raw material costs, and increased logistics expenses, which led to delays in projects and supplies. To address these issues, we made strategic decisions to maintain financial stability and manage costs effectively. Our teams thoroughly analyzed our operations, pinpointed areas for efficiency improvements, and optimized supply chain processes. These efforts included streamlining administrative workflows and implementing advanced technologies.

Through these diligent efforts, we achieved significant savings and made sustainable decisions that support long-term growth. Our commitment to prudent financial management has enabled us to navigate uncertainties while continuing to invest in critical areas for the company's future.

The results of these initiatives are reflected in our financial performance. We are proud to report a Profit Before Tax (PBT) of Rs. 383 crore, marking the highest PBT in the last 15 years. This milestone demonstrates our ability

to adapt and excel despite external pressures, underscoring our strong financial health and strategic vision.

Our financial discipline has positioned us well to seize new opportunities, ensuring BEML remains competitive and forward-thinking. As we move ahead, we will continue to build on this solid foundation and strive for excellence in all areas of our business.

Our exports reached Rs. 1,066 crore, with expansion into new markets like Somaliland. As of April 1, 2024, our order book stands at Rs. 11,872 crore, a 39% increase in order bookings. Additionally, the value added per employee has risen to Rs. 39 lakh, up from Rs. 33 lakh in 2022-23, and sales per employee have increased to Rs. 82 lakh, compared to Rs. 74 lakh the previous year.

Navigating Competition:

Despite intense competition across all business verticals, your Company achieved 77% of its sales through competitive means. We have successfully maintained a strong market presence in Dump Trucks, Dozers, and Metro Cars.

Research & Development

Our Research & Development (R&D) efforts have been crucial in driving innovation, growth, and sustainability. In a rapidly evolving industry landscape, our commitment to R&D has remained unwavering, reinforcing our position as a leader. Over the past year, we have introduced new products and upgraded existing ones across all business verticals.

Our dedication to R&D highlights our investment in both physical assets and intellectual capital. We recognize that the knowledge and expertise gained through R&D are essential to our long-term competitive edge. This year, we

were granted 119 Intellectual Property Rights (IPRs), a significant increase from 43 last year. Notably, we secured 92 patents, marking our highest annual total since inception and representing more than an eightfold increase compared to 2022-23.

I am pleased to report that over 87% of our business was generated through in-house developed products, showcasing our robust R&D capabilities. Our R&D expenditure for the year accounted for 2.17% of total sales and 31% of Profit After Tax.

We will continue to invest in top talent, cutting-edge technologies, and innovative ideas, driven by our belief that sustained innovation is crucial to our ongoing success.

Self-Reliance

In a dynamic global environment, self-reliance fosters independence and innovation. It empowers us to shape our own future and drives us to explore new ideas and develop creative solutions without external constraints.

Utilizing the Government of India's Srijan Portal for indigenization, we have achieved over 96% indigenization for High Mobility Vehicles (HMV) 8x8, and efforts are underway to increase indigenization levels for HMV 6x6, HMV 12x12, and Armoured equipment. For other Defence products, the current indigenization level exceeds 95%.

In Mining & Construction, we have achieved indigenization levels of over 90% for most equipment. For Metro Cars, the indigenization level stands at 65%, with ongoing efforts to further increase it. In Rail equipment, all products have achieved indigenization levels above 95%.

This year, we successfully indigenized 267 items, resulting in an imported value reduction

of approximately Rs. 130 crore. Additionally, we have listed 133 major aggregates/Line Replaceable Units (LRUs) in the Positive Indigenization Lists 1, 2, & 3 published by the Ministry of Defence, with 33 items already indigenized.

Digital Transformation Initiatives

Your Company is embracing a comprehensive digital transformation strategy to enhance business processes across all three verticals.

In 2023-24, we implemented several key digital transformation (DT) initiatives that have positively impacted our operations, driving improvements in both top and bottom lines while aligning seamlessly with our people and processes. Our focus areas included:

- **Cyber Security:** Enhanced protection with Antivirus and Data Loss Prevention (DLP) systems.
- **Infrastructure Upgrades:** Refresh of end-point and network devices.
- **Collaboration Tools:** Upgrades to video conferencing facilities.
- **Application Enhancements:** Improvements in both SAP and non-SAP applications.
- **Cyber Security Awareness:** Daily tips to keep our teams informed and vigilant.

These initiatives collectively contributed to a more secure, efficient, and integrated work environment, supporting our commitment to operational excellence and innovation.

Human Resources

We believe that our company's true strength lies in its people. Our employees are not merely workers but innovators, collaborators, and ambassadors of our values.

Our Human Resources department has been pivotal in fostering people-centric policies that reflect our commitment to employee growth and well-being. Recognizing that the company's success is closely tied to employee development, our HR initiatives for 2023-24 focused on transitioning from traditional practices to a modern, dynamic approach.

Key HR initiatives included:

- **Talent Development:** Training programs, mentorship, and leadership development to empower our team members.
- **Performance Improvement:** Strategies designed to enhance individual and team performance.
- **Welfare Programs:** Comprehensive support to ensure employee well-being and job satisfaction.

These efforts have enabled our workforce to excel, drive innovation, and contribute significantly to our company's success.

Vigilance Initiatives

In 2023-24, our vigilance activities were executed comprehensively, encompassing prevention, detection, and enforcement.

Our approach included:

- **Surprise and Periodic Checks:** Regular inspections and audits to ensure compliance and integrity.
- **Contract and Claims Scrutiny:** Detailed examination of purchase orders, contracts, travel allowances, medical reimbursements, and annual property returns.
- **In-House Inspections:** Conducted eight CTE-type inspections and eight system studies to maintain rigorous standards.

These vigilance initiatives are crucial in upholding transparency and accountability within our operations, ensuring that our processes remain robust and effective.

Envisioning 2024-25: The Path Forward

The year 2024-25 has commenced on a promising note with a major order from Northern Coal Fields Limited for dump trucks. With an impressive order book exceeding Rs. 10,000 crore, we have set an ambitious goal to achieve a quantum jump in the top line as compared to last year.

BEML is transforming its operations with the introduction of 11 Strategic Business Units (SBUs) and 2 Micro SBUs, moving away from traditional business verticals. This restructuring is designed to drive growth in emerging markets and harness future opportunities. Each SBU Head now has enhanced authority, promoting agile decision-making and financial autonomy.

To align with our goal of becoming a world-class technology company, we've redefined our Research & Development (R&D) strategy into three distinct layers:

- **Embedded R&D:** Integrated within each SBU, focusing on regular product upgrades.
- **Advanced R&D:** Dedicated to new product development and exploring innovations related to existing products.
- **Corporate R&D:** Concentrated on acquiring cutting-edge technologies and facilitating technology transfers with strategic partners.

Our primary focus this year includes consolidating and simplifying through digitalization, managing unpredictability, and increasing operational efficiency. We are committed to vigilant cost management to

sustain and enhance our financial performance, creating value for stakeholders. Our cost control measures are strategically aligned with our long-term objectives, reinforcing our commitment to sustainable growth.

Defence & Aerospace

The government's proactive efforts to strengthen indigenous design, development, and manufacturing of defence equipment are poised to generate substantial opportunities for the domestic sector. The push for Atmanirbhar Bharat and the Positive Indigenisation List are accelerating our journey towards self-reliance.

Key developments on the horizon include increased defence modernization plans and procurement of Armoured vehicles by the Ministry of Defence. We are exploring new business areas such as overhauling Armoured Recovery Vehicles and High Mobility Vehicles, supplying platforms for gun systems, and developing strategic equipment like Futuristic Wheeled and Armoured Combat Vehicles.

A recent milestone for BEML is the successful design and development of India's indigenous 1500 HP engine prototype for New Generation Main Battle Tanks (NGMBTs). This achievement underscores our engineering excellence and commitment to self-reliance. We aim to continue developing engine variants to meet diverse Defence Service requirements, reinforcing our position as a leader in defence production.

Our development of high-powered engines is also driving advancements in Futuristic Combat Vehicle programs in India. This includes designing engines for various military vehicles and exploring partnerships with global OEMs for indigenous battle tank development.

In the Aerospace sector, we anticipate securing orders for aircraft and helicopter components,

missile components, and space program aggregates. With our state-of-the-art facilities in place, BEML is well-positioned to expand its presence in the aerospace industry. We are collaborating with Defence Public Sector Undertakings (DPSUs) and private sectors on missile and aerospace programs, including GHEs & GSEs for Aerospace Projects and light alloy structure manufacturing for ISRO's Launch Vehicle Mk-III (LVM-3).

Additionally, we are establishing world-class facilities at Aero SEZ Park, Bengaluru, to manufacture aerospace components for global OEMs and provide warehousing and allied services.

Rail & Metro

BEML is at the forefront of meeting the burgeoning demands for Vande Bharat coaches and maintenance equipment. The first prototype of the Vande Bharat Sleeper train set is currently in production, with rollout expected within this year. Significant orders for these train sets are anticipated, poised to drive substantial revenue growth. Additionally, we are strategically positioning ourselves to cater to the emerging needs for semi-high-speed train sets and aluminum coaches for Indian Railways.

We have secured an impressive order for 318 cars for the Bangalore Metro, valued at Rs. 3,177 Crores. The delivery of the first train set is slated to begin in June 2025. As Metro Rail networks extend into Tier-II cities across India, we are optimistic about capturing additional Metro Car projects.

The rising demand for suburban trains—including Electric Multiple Units, RRTS, and upcoming tenders for maintenance vehicles like RBMV and UTV—presents a robust revenue opportunity. To establish a global

footprint, BEML is actively bidding for metro and rail projects internationally. Our expertise in manufacturing and advanced technologies will be leveraged to optimize operations and expand our market presence globally.

Mining & Construction

In response to the Government of India's push to reduce import dependency and enhance coal production, we are intensifying efforts to boost output. The current geopolitical landscape has also prompted CIS countries to seek collaborations with Indian companies for their mining needs.

Given the surge in coal production and infrastructure development, alongside increased export efforts, the demand for Mining & Construction equipment is expected to remain strong. BEML is strategically positioned to capitalize on this growth, with comprehensive plans to expand our product portfolio. We are developing high-capacity Motor Graders, Tyre Handlers, and Loaders to capture a larger share of the high-capacity mining sector. In the construction sector, new product innovations and variants are on the horizon to enhance market penetration.

Underground mining remains vital for extracting valuable minerals like coal, zinc, and uranium in India. With substantial reserves and a rich geological landscape, there is a pressing need for advanced and efficient underground mining techniques. BEML is forging partnerships with technology providers to adopt modern equipment such as Continuous Miners, Surface Miners, and High Walls. Our goal is to drive improvements in productivity, safety, and environmental sustainability through state-of-the-art mechanization and practices.

Maritime: Navigating Tomorrow's Opportunities

Diversification Strategy: To enhance our competitive edge and adaptability, BEML is advancing into the Maritime sector. This diversification strategy aims to capitalize on emerging opportunities and foster indigenous development of marine systems. Our focus will be on designing and developing innovative products, including:

- Hydrogen Aspirated Kits
- Hydrogen Engines
- Hydrogen Fuel Cells
- Stern Drives for Boats
- Non-magnetic Engines for Deep Sea Mining

We plan to invest significantly in the maritime business this year through various joint ventures and development projects.

Exports

Strategic Expansion: Exports are poised to play a crucial role in BEML's growth trajectory. Expanding our global presence, we view exports as a strategic avenue for value creation and market diversification. Key developments include:

- Secured orders from Africa, Central Asia, Indonesia etc for Mining & Construction equipment, with supplies beginning and execution planned for this year.
- Pursuing opportunities valued at Rs. 2,000 crore across all three business verticals.

Corporate Governance

Commitment to Excellence: BEML is dedicated to maintaining the highest standards of Corporate Governance, adhering to the guidelines set by the Department of Public Enterprises (DPE)

for Central Public Sector Enterprises (CPSEs). Highlights include:

- Regular review and update of policies, procedures, and governance structures to align with best practices.
- Consistent “Excellent” ratings from DPE for compliance with Corporate Governance norms.
- Incorporation of a detailed Corporate Governance report in the Board’s report.

CSR & Sustainable Development

Commitment to Community and Environment: At BEML, empathy and social responsibility drive our Corporate Social Responsibility (CSR) initiatives and sustainable development efforts. Our CSR framework includes:

- **Education & Skill Development:** Promoting education and skill-building programs.
- **Health Care:** Providing healthcare services and support.
- **Community Development:** Engaging in various community development projects.
- **Rehabilitation:** Assisting specially-abled individuals.
- **Hunger & Malnutrition:** Addressing hunger and nutritional deficiencies.
- **Afforestation & Sanitation:** Engaging in green initiatives and improving sanitation.
- **Swachh Bharat Mission:** Supporting cleanliness and hygiene initiatives.

Sustainability Initiatives: Sustainability is integral to our strategic vision. Our focus includes:

- **Green Energy:** Powering operations with 23 MW Windmill Projects and 250 KWp Solar Power, meeting 98% of our energy needs.
- **Carbon Mitigation:** Reducing carbon emissions by over 26,565 tons during 2023-24. Further, approx. 48.80 lakh tons of carbon is being saved yearly for the nation through our contribution to the clean urban mobility solutions being provided.
- **Resource Efficiency:** Minimizing environmental impact, reducing waste, and conserving resources.

Our commitment to CSR and sustainability reflects our dedication to creating a positive impact on society while ensuring long-term business success. With continued support from our teams and shareholders, BEML is poised to advance on a path of responsible growth and community contribution.

Customer Experience Excellence:

Customer satisfaction stands at the heart of our business, influencing loyalty, retention, and overall success. At your Company, we deeply value the feedback and experiences of our customers. We have dedicated teams who actively engage with our clients across various platforms, seeking their opinions and insights. These interactions, through surveys, focus groups, and direct conversations, are instrumental in guiding our continuous efforts to improve and innovate.

We understand that the business landscape is ever-changing, and so are our customers’ expectations. By staying attuned to these evolving needs, valuing their feedback, and committing to ongoing improvement, we are confident in our ability to navigate the future successfully.

Recognitions:

We are humbled and honoured to have received several notable accolades:

- CEO of the Year - PSU (Defence & Aerospace) and Most Sustainable & Innovative Manufacturing Practices at the 32nd World HRD Congress.
- Governance Now 10th PSU CMD Leadership Award for Excellence, recognizing our outstanding contribution in leadership.
- "GOLD" Award in the 3rd edition of the EEPC India Quality Awards.
- Rajbhasha Shield awarded to BEML Limited, Corporate Office, Bangalore, by the Town Official Language Implementation Committee (PSU), Bangalore, for our commendable performance in Hindi implementation during 2022-23.

Acknowledgements:

I extend my heartfelt gratitude to the Government of India, particularly the Ministry of Defence, the Department of Defence Production, Ministry of Housing and Urban

Affairs, Ministry of Coal, Ministry of Railway, Prime Minister Office, Coal India Limited, Defence PSUs, Indian Railways and other allied Administrative Departments of the Government of India. Your unwavering support and encouragement have been invaluable.

I also wish to thank my fellow Board members, our clients, partners, employees, and all stakeholders for their trust and confidence. As we look towards the future, we are driven by a deep sense of commitment and excitement. We embrace upcoming challenges with enthusiasm, confident in our collective ability to adapt, innovate, and seize new opportunities.

As we move forward, I am inspired by Socrates' wisdom: "The secret of change is to focus all of your energy, not on fighting the old, but on building the new." This quote resonates deeply with our company's philosophy. Together, we will strive to make this year a remarkable success for BEML Limited and our country.

With dreams in our hearts and determination in our actions, we are poised to achieve great things. Jai Hind!

Warm Regards,

Shantanu Roy
Chairman & Managing Director

Board of Directors (as on 01-08-2024)



Shri Shantanu Roy
Chairman & Managing Director



Smt Nishtha Upadhyay
Government Nominee Director



Shri Ajit Kumar Srivastav
Director (Defence Business)



Shri Anil Jerath
Director (Finance)



Shri Debi Prasad Satpathy
Director (HR)



Shri Vikas Kakatkar
Independent Director



Shri Arun Daga
Independent Director



Shri Siva Makutam
Independent Director



Shri Bipin Kumar Gupta
Independent Director

Brief Profile

SHRI SHANTANU ROY (DIN:10053283) assumed the role of Chairman & Managing Director at BEML Ltd. on August 1, 2023. With over 32 years of extensive experience in the capital goods sectors, including Defence, Mining & Construction, Transportation, Transmission, Renewable Energy, and large-scale power projects, he brings a wealth of knowledge and expertise to his position.

A graduate in Electrical Engineering from NIT Raipur and holding an MBA in Financial Management, Shri Roy's career at BEML has been marked by significant achievements. As Director of the Mining and Construction Business, he drove substantial performance improvements, and led Northern Region operations, strategy, new initiatives, coordination, and International Business Division.

Under his leadership as CMD, BEML has achieved several milestones, including the test firing of India's first indigenously designed and manufactured 1500 HP engine for combat vehicles, the commissioning of the car body

structure for India's maiden Vande Bharat Sleeper trainset, and the launch of the country's first electric rope shovel. He has spearheaded the creation of 13 strategic business units from three main divisions—defence & aerospace, rail & metro, and mining & construction—to reinforce the company's legacy of innovation and indigenization.

Shri Roy has been honoured with prestigious awards such as "CEO of the Year – PSU (Defence & Aerospace)" from the World HRD Congress and the "CMD Leadership Award 2024" from the Governance Now PSU Awards.

As a Six Sigma Black Belt certified professional and a seasoned global executive, Shri Roy excels in project financing, financial closure processes for large projects, international laws, arbitration rules, and legal compliances. In his previous role at BHEL, he was instrumental in securing the largest-ever export order of US\$1.5 billion for the 2X660 MW Maitree STPP in Bangladesh.

Additionally, he strengthened BHEL's presence in Bhutan and Nepal with major hydroelectric power projects, and facilitated BHEL's entry into the subcritical thermal power segment and a significant gas turbine-based power plant in the Middle East.

He is passionate about reading, traveling, playing cricket and motivating youngsters.



Shri Shantanu Roy

Chairman & Managing Director





**Smt Nishtha
Upadhyay**

Government
Nominee Director

SMT NISHTHA UPADHYAY (DIN: 10654030) qualified Indian Civil Services Examination in 1999 and was inducted into Indian Defence Accounts Service (IDAS). Currently serving as Joint Secretary (Training) and Finance Manager (Land Systems) within the Ministry of Defence. Her responsibilities encompass analysis, scrutiny, and processing of cases related to Approval of Necessity (AON) for land system capital acquisitions, contract finalization, and post-contract management.

Prior to her current assignment, she served as the Financial Advisor to several paramilitary forces including ITBP, SSB, SPG, NDRF, and CISF. Her tenure included a pivotal role as a Project Management Unit (PMU) member in establishing a specialized hospital for paramilitary forces. As head of finance for these organizations, she was instrumental in budget management, ensuring compliance with governmental regulations, and providing financial advice crucial to achieving the government's policy objectives.

Earlier in her career, she held the position of Additional Integrated Financial Advisor to the Integrated Headquarters of the Navy within the Ministry of Defence. Her extensive experience spans across all branches of the armed forces—Army, Air Force, and Navy—providing her with a deep understanding of their operational dynamics and earning her widespread respect for her insightful contributions.

She has a keen interest in IT and has undertaken challenging assignments, notably as part of the Controller of Defence Accounts (Officers), Pune. Here, she revolutionized payment systems by implementing IT initiatives inspired by the banking sector, significantly streamlining disbursements to banks since as early as 2002.

Academically distinguished, she has consistently excelled, achieving top rankings throughout her education, including being the university topper during both her undergraduate and postgraduate studies at Delhi University. Her academic background in psychology enriches her professional endeavors, evident in her adept application of psychological insights to her daily work.

To further enhance her expertise, she has completed executive programs from prestigious institutions such as RIPA, London; Lee Kuan Yew School of Public Policy, Singapore; IIM Bangalore, India; and Goldman School of Public Policy, University of CA, Berkeley, USA.

Before joining the civil services, she pursued a career in academia, teaching at I.P. College, New Delhi and later at Jesus and Mary College, New Delhi. Her dedication and exemplary performance during her probationary period as an IDAS officer earned her recognition as the Best Probationer and the prestigious President's Medal.

Her exceptional contributions have been acknowledged with numerous accolades, including 12 commendations, 4 Gold Discs, and 1 Silver Disc for her outstanding performance, alongside multiple letters of appreciation.

Beyond her professional commitments, she enjoys reading, writing, and exploring various regions of the country, activities facilitated by the diverse nature of her service.



**Shri Ajit
Kumar
Srivastav**

Director (Defence
Business)

SHRI AJIT KUMAR SRIVASTAV (DIN: 08741858) is a graduate in Mechanical Engineering from IIT Kharagpur in 1987. He joined BEML as an Engineer Trainee and in his professional career spanning over three decades in BEML, he has worked in various critical functions in the Company. He assumed charge as Director (Defence Business) of the Company on 01.06.2020. Prior to assuming the charge as Director, he served as Chief General Manager (Defence Marketing). He played a significant role in phased indigenization of key products and import substitution. He also created a vendor ecosystem incorporating MSMEs and set up the Regional Quality Assurance Wing covering entire Northern India. As a District /Regional Manager, he has set up the first ever dealer network for construction equipments which lead to considerable boost in sales. As Head of International Business Division, he effectively used buyer's credit opportunities to enhance exports, winning award for the highest exports in 2013-14.

He has been honoured with the distinguished Alumni Award 2023 of IIT Kharagpur on 19th Dec 2023 in the presence of the Smt Droupadi Murmu (15th President of India), is a testament to his notable professional achievements and substantial contribution to the nation's Defence Industry. Such accolades highlight the importance of individuals who make significant impacts in their respective fields, and it reflects positively on BEML Ltd.



**Shri Anil
Jerath**

Director (Finance)

SHRI ANIL JERATH (DIN: 09543904) has been appointed as Director (Finance) and Member on the Board of BEML Limited w.e.f. 22.03.2022. Shri Jerath is a Cost & Management Accountant from the Institute of Cost Accountants of India. Before joining BEML, he has worked as Additional Director with Chhattisgarh State Electricity Board (CSEB) at Raipur and also worked with Bharat Aluminum Company Limited (BALCO) at Korba. He has rich & varied experience of 34 years in Government, Public & Private Sectors with wide exposure in all aspects of Accounting & Financial management, Accounts Finalisation and Audit, Tax Planning and Tax Management, analysing the financial viability of new ventures / new projects and forecast the amount of project finance / fund requirement, conceptualizing and implementing financial procedures including working capital management, internal financial controls and target costing.





**Shri Debi
Prasad
Satpathy**
Director (HR)

SHRI DEBI PRASAD SATPATHY renowned for his distinguished career spanning over three decades in the industry, has recently taken charge as Director (Human Resource) at BEML Ltd, Bangalore.

His remarkable career started at Hindustan Paper Corporation Ltd in 1992, followed by BEML Ltd from 2011 to till now. In between, during 2017-2018 he has worked as General Manager (Personnel) at Odisha Mining Corporation Ltd.

He holds a degree of BSc and a professional with a Postgraduate Degree in Industrial Relations & Personnel Management from Berhampur University. His professional career started as an executive trainee at Hindustan Paper Corporation Ltd, to Executive Director (HR) at BEML Ltd, before assuming the charge of Director (HR).

He possess strong acumen in various HR functions, including Employee Relations, Recruitment, Learning and Development, Succession Planning and digitalization of HR Processes etc.

Mr. Satpathy is well versed with the Labor Legislation and has been instrumental in negotiating significant wage revisions and long-term settlements.

His contributions include implementing ORACLE ERP solution in HR at Hindustan Paper Corporation Ltd & SAP HCM modules, spearheading initiatives such as Building Internal Capability for People Development, Mentoring scheme named "BANDHAN", Assessment Development Centers, Goal Settings, Strength based leadership, Team Building with a vision towards creating a culture of inclusivity and performance, that have greatly benefited organizational growth at BEML Ltd.

Recognized for his employee-centric approach and numerous industry accolades, including a Certified Independent Director from Institute of Directors (IOD) and a Certified Executive Coach from ICF. His leadership and professional skills is remarkable for continued to driving progressive HR policies and practices based on diversity, inclusion and employee well-being.



**Shri Vikas
Kakatkar**
Independent
Director

SHRI VIKAS RAMKRISHNA KAKATKAR (DIN-02372234) is Bachelor of Arts (Hons.), Bachelor of Law and MBA from University of Pune. Shri Vikas Kakatkar worked as Marketing Officer with Kirloskar Consultants Pvt. Ltd, Pune & Statfield Systems (Coating) Pvt. Ltd, Pune from 1979-1981. Since 1982, he is working in the business of construction for Residential and Commercial Buildings in Pune. He is associated as the Management Consultant with Perfect Machine Tools Limited and its group companies. He is also one of the Founder Directors of Jai Hospitals Private Limited, Nashik. He is associated with many Banking, Educational and Social Institutions for upliftment of the society. Since 2001, he is associated with Deccan Education Society and during this period he is instrumental in setting up of new institutions and colleges including setting up of

new Campus and Institute in Andhra Pradesh and also entered into collaborations with various International Universities. In April 2008, he was elected as Managing Committee member with Maharashtra Cricket Association (MCA) and rose to the level of President from October 2019. From 2011, he is Management Committee member with Society of Friends of the Sassoon Hospitals, Pune (SOFOSH) which works for orphan children from all sections of the society and also helps and supports the relatives of the needy patients admitted in the hospital. Shri Vikas Ramkrishna Kakatkar assumed charge as Independent Director on the Board of the Company w.e.f. 24.12.2021.



Shri Arun Daga
Independent
Director

ARUN DAGA CA (DIN-07054958) is a fellow member of the Institute of Chartered Accountants of India (ICAI). He is Master of Commerce and also holds DISA(ICAI) and DIRM (ICAI) diploma and also qualified certification course of Forensics audit, Valuation & Concurrent audit from ICAI. CA Arun Daga is a solution oriented Chartered Accountant with 31 plus years of strong experience and knowledge in Companies, Taxation, Financial Reporting and Accounting. He served in various capacities in Gwalior Branch of ICAI and elected as Chairman during 2003-2004. He is also serving as an Internal Auditor, Statutory Auditor, Management Auditor, Concurrent Auditor and Revenue Auditor of various Banks and Public Companies. He has participated as Speaker in various Seminars, Study Circle meetings organized by Gwalior & Jhansi branch of ICAI, Training programs of IT, GST departments and AG Office Gwalior. He also

composed several articles, write up in Newsletter & Magazines issued by Gwalior Branch of ICAI. Presently He is the Director Nominated by M.P Government on the Board of NHDC Limited, Bhopal. Shri Arun Daga assumed charge as Independent Director on the Board of the Company w.e.f. 24.12.2021.



**Shri Siva
Makutam**
Independent
Director

SHRI MAKUTAM MRUTYUNJAYA SIVA KUMAR LINGAM ALIAS SIVA MAKUTAM (DIN-09450599) is graduated from BITS, Pilani in Electrical & Electronics Engineering (2001). He is a top-notch professional in the area of Semiconductor Electronics & IT for the last 23 years and has great experience right from Specification to Silicon/Product.

He also worked as Principal Consultant to the Department of IT Electronics & Communications, Govt. of Andhra Pradesh during 2017-18. He is a Technocrat currently focused on "Make in India" & adoption of next generation technologies to enable the related eco-system. He is also currently working on developing Semiconductor eco-systems in Tier-2 cities of India.

Shri Siva Makutam assumed charge as Independent Director on the Board of the Company w.e.f. 28.12.2021.



**Shri Bipin Kumar
Gupta**

Independent
Director

SHRI BIPIN KUMAR GUPTA (DIN: 00293673), S/o Late Sri Dharam Paul Gupta aged about 63 years is a resident of Titan Show Room, Bisra Road Rourkela, Odisha. He is Director of M/s Utkal Metallics Limited from Dt.08.01.2003 to till Date which is manufacturing unit of Sponge Iron. He is also Director of M/s Cogent Steel & Pipes Pvt. Ltd. since Dt.22.01.2018 to till Date which is manufacturing unit of MS Pipes. Further to note that he was Managing Director of M/s Ambica Iron & Steel Private Limited from 1988 to 2003 which is a Rolling Mill Unit for production of MS Flat, Channel Etc. He has an enormous Commercial & financial knowledge as per his immense experience in Steel Industries. He is involved in this steel industry for last 44 years. He is very self-oriented, motivated and quick decision maker



Meetings



A momentous occasion to meet Sri Rajnath Singh, Defence minister of India at Delhi- August 17, 2023

Shared BEMLs' vision on rail opportunities with Ms. Jaya Verma Sinha, CEO & Chairperson, Railway Board- August 17, 2023



Visits and Exhibition



BEML's team active participation in the 10th edition of Vibrant Gujarat Summit, Gandhinagar, signals towards strong commitment to contributing to India's growth and development-January 09, 2024

Visits and Exhibition



Raksha Mantri Shri Rajnath Singh
at BEML's pavilion during the
Milan Technical Exposition 2024 in
Visakhapatnam-February 21-23, 2024



Railway Minister unveils body structure of Vande Bharat sleeper variant
at bangalore complex-March 09, 2024



Showcasing rail strength at International
Railway Equipment Exhibition (IREE)-
October 12, 2023



Visits and Exhibition



Contributing towards India's coal vision through advance mining equipment's - November 6-9, 2023

Inauguration



Shri Giridhar Aramane, Defence Secretary, Govt of India, inaugurated the test firing of India's first indigenously made 1500 HP engine on March 20, 2024 at BEML's Engine division in Mysuru complex.

Shri Amrit Lal Meena, Coal Secretary flagging of BRS 21 Rope Shovel consignment-March 22, 2024



Inauguration



BEML inaugurates new district office in Pune-February 22, 2024

Shri Shantanu Roy performed Bhoomi Pujan at its SEZ Land in KIADB Aerospace SEZ, Devanahalli, Bangalore- December 11, 2023



BEML creates history by developing India's first Vande Bharat Sleeper coach structure- October 29, 2023

MOU



The signing of a tripartite Memorandum of Understanding (MoU) between BEML Limited and two major Public Sector Undertakings (PSUs)- March 05, 2024

BEML LTD. Limited and Dredging Corporation of India Limited have forged a powerful alliance through a Memorandum of Understanding (MoU) to drive the indigenous design, development, and manufacturing of spare parts for dredgers-March 06, 2024



BMRCL MD Anjum Parvez, IAS post signing the contract for supply of 318 Coaches- August 19, 2023

Awards



Shri Shantanu Roy has been conferred with the prestigious "CEO of the Year-PSU (Defence & Aerospace)" award at the 32nd World HRD Congress & Awards in Mumbai - February 15, 2024.

BEML LTD.'s Head of HR, Shri Debi Prasad Satpathy has been conferred with the "Corporate Excellence Award" by the National Institute of Personnel Management - Palakkad Chapter during its annual conclave-January 20, 2024



UBS Forums Pvt. Ltd. recognized BEML's tryst for at the 9th Corporate Social Responsibility-December 06, 2023

Parliamentary committee



Parliamentary committee
on welfare of other
backward caste-January
10, 2024

Parliamentary committee on
DEFENCE DURING VISIT TO
BEML MYSORE COMPLEX-
October 31, 2023



Celebration



A walkathon has been arranged
around kanteerava stadium
under the aegis of vigilance
study circle-Bengaluru (VSC-B)-
November 05, 2023

Contents

Page No.

• Financial Highlights	....	001
• Board's Report	....	003
• Report on Corporate Governance	....	040
• Management Discussion & Analysis Report	....	073
• Business Responsibility & Sustainability Report	....	085
• Significant Accounting Policies	....	140
• Balance Sheet	....	151
• Statement of Profit and Loss	....	152
• Statement of Cash Flows	....	153
• Statement of Changes in Equity	....	154
• Notes to Financial Statement	....	156
• Independent Auditors' Report	....	207
• Comments of the C&AG on Standalone Financial Statement	....	225
• Consolidated Significant Accounting Policies	....	229
• Consolidated Balance Sheet	....	240
• Consolidated Statement of Profit and Loss	....	241
• Consolidated Statement of Cash Flows	....	242
• Consolidated Statement of Changes in Equity	....	243
• Notes to Consolidated Financial Statement	....	245
• Statement of Subsidiaries & Joint Venture Company	....	296
• Independent Auditors' Report on Consolidated Financial Statement	....	298
• Comments of the C&AG on Consolidated Financial Statement	....	314
• Corporate Data	....	318

Financial Highlights

S.No	PARTICULARS	UNITS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
A	Our earnings											
	Gross Revenue	₹ Lakhs	289975	296960	353304	306161	296731	346186	327728	280682	314769	264532
	Physical Export	₹ Lakhs	15323	17842	4875	2824	1450	1920	2814	2018	3466	10678
	Deemed Export	₹ Lakhs	91240	65172	51599	43490	4701	-	-	998	24057	37755
	Other Operating Revenue	₹ Lakhs										
	Wind Energy	₹ Lakhs	1719	1680	1628	1800	-	-	-	-	-	-
	Scrap Sales	₹ Lakhs	2132	2267	2891	1446	-	-	-	-	-	-
	Others	₹ Lakhs	5044	5975	19452	4019	-	-	-	-	-	-
	Total Gross Revenue	₹ Lakhs	405432	389895	433749	359740	302882	348106	330542	283698	342292	312965
	Less: Value of Consortium supplies	₹ Lakhs	-	-	-	-	-	-	-	232	13859	13048
	Revenue net of Consortium Supplies	₹ Lakhs	405432	389895	433749	359740	302882	348106	330542	283466	328433	299917
	Less: Excise Duty	₹ Lakhs	-	-	-	-	-	-	5987	33585	30372	18998
	Revenue from operations	₹ Lakhs	405432	389895	433749	359740	302882	348106	324555	249881	298061	280919
	Change in WIP/SIT	₹ Lakhs	5242	(3768)	(15004)	(86)	29194	(1422)	(1866)	12509	(24371)	(20926)
	Value of Production (with Revenue from Operations)	₹ Lakhs	405631	380152	399293	355635	332076	346684	322689	262390	273690	259993
	Value of Production (with Gross Revenue)	₹ Lakhs	405631	380152	399293	355635	332076	346684	328676	296207	317921	292039
	Other Income	₹ Lakhs	4317	2378	674	1997	4855	2311	2490	6245	4216	5950
B	Our outgoings											
	Cost of materials	₹ Lakhs	214747	209885	226957	203825	189051	197062	172544	134573	147724	137368
	Employee Remuneration & Benefits	₹ Lakhs	82223	83976	85764	84865	84387	80193	80850	78072	75453	76911
	Interest	₹ Lakhs	3902	4625	4933	3912	4050	5939	4809	4780	4903	7051
	Depreciation & amortisation exp	₹ Lakhs	6374	6399	6607	7068	7130	6958	6424	6198	5577	5214
	Other Expenses	₹ Lakhs	69458	55760	74584	52700	49907	45747	50160	68768	66829	57720
C	Our savings											
	PBDIT	₹ Lakhs	48563	38884	32114	20262	13586	25993	27612	20807	18272	12956
	PBIT	₹ Lakhs	42189	32485	25507	13193	6456	19035	21188	14609	12695	7742
	PBT	₹ Lakhs	38287	27860	20574	9281	2406	13096	16379	9829	7792	691
	PAT	₹ Lakhs	28302	15878	13459	7480	6838	6349	12945	8444	6366	676
	Other Comprehensive Income (net of tax)	₹ Lakhs	631	1914	2649	7559	4358	1321	7066	1189	1,051	-
	Total Comprehensive income	₹ Lakhs	28933	13964	10811	(79)	2480	5028	5879	7255	5315	676
D	Own capital											
	Equity	₹ Lakhs	4177	4177	4177	4177	4177	4177	4177	4177	4177	4177
	Other Equity	₹ Lakhs	260106	235337	226502	218268	221538	214547	215846	213978	208728	203914

Financial Highlights

S.No	PARTICULARS	UNITS	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
E	Loan capital											
	Loans from Banks	₹ Lakhs	6056	37084	82257	64334	3620	9751	13502	11285	19245	24553
	Other loans	₹ Lakhs	-	-	-	10000	30299	30445	31055	32286	37515	39498
F	Financial Statistics											
	Net worth	₹ Lakhs	264283	239514	230679	222445	225715	218724	220023	218155	212905	208091
	Property, Plant & Equipment and Intangible assets (at cost)	₹ Lakhs	106168	97677	97668	95869	90971	85900	75597	68294	59789	47230
	Accumulated depreciation & amortisation	₹ Lakhs	54639	48504	43361	37484	30752	23913	17312	11208	5344	-
	Net Block	₹ Lakhs	51529	49173	54307	58385	60218	61987	58285	57086	54445	47230
	Inventories	₹ Lakhs	225590	206141	207285	197065	200272	170227	179951	197446	169628	192117
	Trade Receivables	₹ Lakhs	143919	123670	186136	188451	150813	161305	164223	144137	124043	124182
	Working capital	₹ Lakhs	277331	248030	282187	277377	273011	216523	207781	212666	202534	202954
	Capital Employed	₹ Lakhs	328860	297203	336494	335762	333229	278510	266066	269752	256979	250184
	Value added	₹ Lakhs	190884	170266	172336	151810	143025	149622	150145	127817	125966	122625
	Final Dividend-Excl. Tax *	₹ Lakhs	6455	2082	500	1458	1041	3332	3332	1666	416	416
	Interim Dividend-Excl. Tax	₹ Lakhs	2082	2082	2082	1999	1041	1874	-	-	-	-
	R&D Expenditure	₹ Lakhs	8671	7454	10266	13266	10354	7072	10204	7808	6663	8292
	No. of Employees	Nos	4888	5197	5573	6053	6602	7185	7722	8221	8827	9599
G	Financial Ratios											
	Revenue from operations per Employee	₹ Lakhs	82.94	75.02	77.83	59.43	45.88	48.45	42.03	30.40	33.77	29.27
	Value Added per Employee	₹ Lakhs	39.05	32.76	30.92	25.08	21.66	20.82	19.44	15.55	14.27	12.77
	PBT to Revenue from operations	%	9.44	7.15	4.74	2.58	0.79	3.76	5.05	3.93	2.61	0.25
	PBIT to Capital employed	%	12.83	10.93	7.58	3.93	1.94	6.83	7.96	5.42	4.94	3.09
	PAT to Net worth	%	10.71	6.63	5.83	3.36	3.03	2.90	5.88	3.87	2.99	0.32
	Debt Equity ratio	Times	0.02	0.15	0.36	0.33	0.15	0.18	0.20	0.20	0.27	0.31
	EPS	₹	67.96	38.13	32.32	17.96	16.42	15.25	31.08	20.28	15.29	1.62
	Final Dividend *	%	155.00	50.00	12.00	35.00	25.00	80.00	80.00	40.00	10.00	10.00
	Interim Dividend	%	50.00	50.00	50.00	48.00	25.00	45.00	-	-	-	-
	Revenue from operations to Capital employed	%	123.28	131.19	128.90	107.14	90.89	124.99	121.98	92.63	115.99	112.28

* For FY 2023-24, Board has recommended a dividend of ₹15.50/- per equity share (i.e., 155%), this would result in a cash outflow of approximately ₹ 6454.90 Lakhs in FY 2024-25, subject to the approval of shareholders at the Annual General Meeting. Final Dividend for FY 2022-23 is ₹ 5/- per equity share paid in FY 2023-24.

BOARD'S REPORT

Your Board of Directors has pleasure in presenting 60th Annual Report of the Company along with Audited Financial Statement for the year ended 31.03.2024 as under:

Financial results: (₹ in Crs)

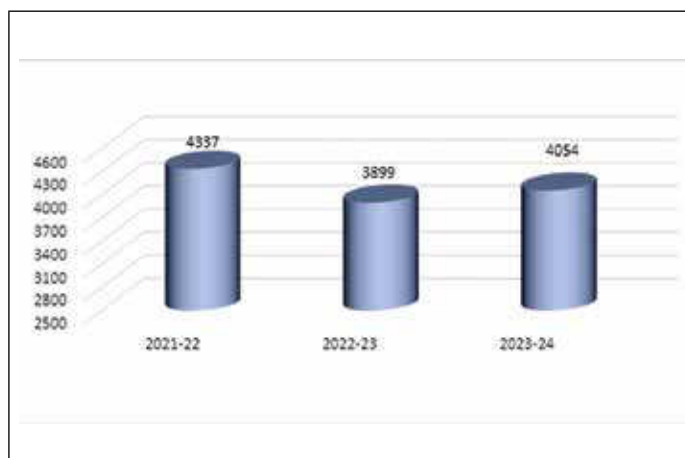
Particulars	2023-24	2022-23
Revenue from Operations	4054	3899
Value of Production	4056	3802
Profit before Depreciation, Interest and Tax	486	389
Finance costs	39	46
Depreciation and amortization expense	64	64
Profit Before Tax	383	279
Tax Expense	100	120
Profit After Tax	283	159
Other Comprehensive Income	6	(19)
Total Comprehensive Income	289	140
Profit available for appropriations	798	550
Net worth	2643	2395

Revenue from Operations & Profitability:

Revenue from Operations

During year, Revenue from Operations is ₹ 4054 crore as against ₹ 3899 crore in the previous year, up by 3.98%.

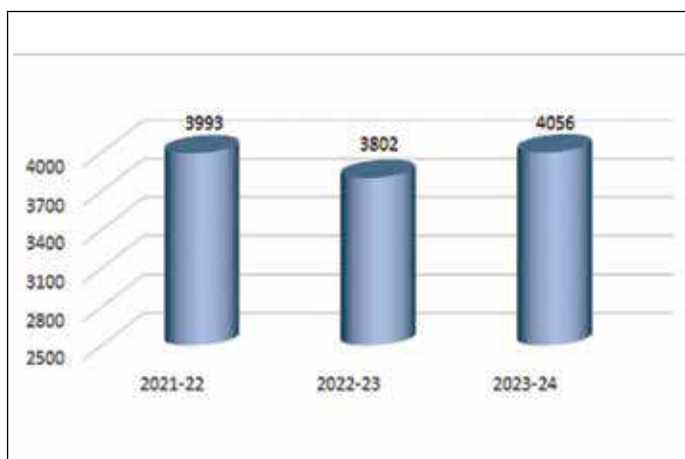
(₹ in crore)



Value of Production

Value of Production is ₹ 4056 crore as against ₹ 3802 crore in the previous year, up by 6.68%.

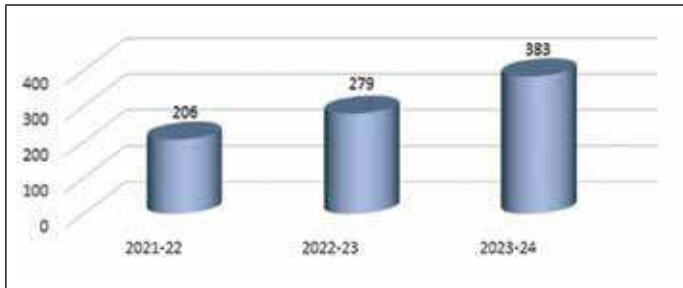
(₹ in crore)



Profit Before Tax

With increased business contribution and continued focus on cost control, your Company registered a Profit before Tax of ₹ 383 crore as against Profit before Tax of ₹ 279 crore in the previous financial year, up by 37.27%.

(₹ in crore)



Improvements/ achievements in other financial/ operational parameters are provided hereunder:

- Revenue of Rail & Metro Business is up by 47.06 % over the previous year.
- Revenue from operations per employee has gone up by 10.67%.
- Value added per employee is ₹ 39 lakhs as against ₹ 33 lakhs in the previous year, a jump of 18.18%.
- Employee cost to revenue from operations is down by 1.25% to 20.29 % from 21.54% in previous financial year.

Exports:

Your company made exports aggregating ₹ 1065.63 crores (which includes physical exports of ₹ 153.23 crores and deemed export of ₹ 912.40 crores) and got export incentive of ₹ 2.54 crores during FY 2023-24 as against exports of ₹ 830.14 crores (which includes physical exports of ₹ 178.42 crores and deemed exports of ₹ 651.72 Crores) and export incentive of ₹ 1.92 Crores during the previous year.

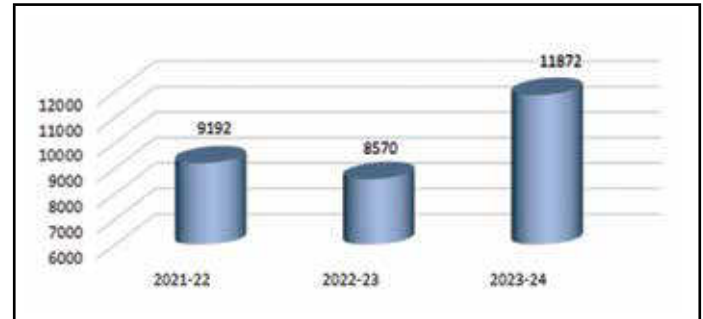
Order Book Position:

The order book position of your Company as on 01.04.2024 is Rs. 11872 crores as against Rs. 8,570 crores in the previous year. The Order book comprises of three business verticals, i.e.,

Defence & Aerospace, Mining & Construction and Rail & Metro.

Order Book Position as on 31st March, 2024

(₹ in crore)



Performance vis-à-vis MoU:

Performance of your Company, in terms of the Memorandum of Understanding (MoU) signed with the Department of Defence Production, Ministry of Defence (MoD), Government of India, was rated as 'Very Good' for the financial year 2022-23 and the rating for the financial year 2023-24 is under self-evaluation.

Transfer to General Reserve

During the year under review, your Company has not transferred any amount to General Reserve.

Dividend:

Your Board of Directors approved an interim dividend of ₹5.00/- per equity share i.e., 50% on equity shares of ₹10 each on 08.02.2024 which was distributed among the eligible shareholders. Further, the Board of Directors have recommended a final dividend of ₹15.50/- per equity share i.e., 155% on equity share of ₹10 each, aggregating to a total dividend of ₹20.50/- (i.e. 205% on equity share capital) for FY 2023-24, keeping in view the future prospects of the Company and at the same time meeting the aspirations of the shareholders.

Your Company formulated a 'Dividend Distribution Policy' which includes the parameters and circumstances in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is posted on the Company's website <https://www.bemlindia.in/writereaddata/Downloads/201806251810Dividend%20Distribution%20Policy.pdf>.

Change in the Nature of Business:

There was no change in the nature of business of the Company during the year.

Material Change/ Commitment affecting the Financial Position:

No material change/ commitment has occurred affecting the financial position of the Company subsequent to the financial year ended 31.03.2024 till the date of this report.

Capital Structure:

There was no change in paid up share and authorized capital of the company during the year.

Finance:

The working capital requirements were met from the internal accruals and credit facilities availed from banks. There was no overdue instalment of principal and/ or interest to the banks.

M/s Care Ratings have revised CARE AA-; Stable/CARE A1+ for fund based facilities (Short term borrowings) and CARE AA-; Stable for non-fund based bank guarantee (Long term bank facilities) & letter of credit facilities for an amount of Rs. 5,500 crores (wherein Rs. 4,500 crores are Secured Working Capital limits and

Rs. 1000 crore are Unsecured Working Capital limits).

Details of credit ratings is being communicated to Stock Exchanges and the same are placed on Company's website <https://www.bemlindia.in/investors/credit-rating>.

Pursuant to SEBI notification and BSE Circular, BEML doesn't qualify under the eligibility criteria as Large Corporate (LC) for the year 2023-24 as per the framework provided. As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended 31.03.2024 have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31.03.2024.

The Company's contribution to Central and State Exchequers were in the order of Rs.636.57 crores during the year by way of Customs Duty (Rs.165.94 Crs), GST (Rs. 324.53 Crs), Dividend (Rs. 41.64 Crs), Other taxes & duties (Rs. 10.26 Crs) and Corporate Tax (Rs. 94.20 Crs).

Internal Financial Controls:

The Company has various manuals such as Accounts, Cost Accounting and Pricing, Stores, Purchase, Audit etc. For easy reference, the manuals are available in 'BEML Bulletin Board' an internal portal, wherein the soft copies of Manuals are loaded. The soft copy of the Manuals can be viewed by employees and officers concerned for compliance thereof. The manuals are in line with the delegation

of powers and are being updated periodically. The changes made, if any, to the manuals are circulated among all concerned and also updated in the portal.

The internal audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. Further the company has put in place adequate Internal Financial Controls (IFCs) with respect to Financial Statements. The adequacy of IFCs over financial reporting is covered by the Statutory Auditors in their Audit Report. In addition, the details of the IFCs are included under the heading 'Internal Control Systems and their adequacy' in the Management Discussion & Analysis Report which forms part of this report.

Fixed Deposits:

The Company did not accept any fixed deposits during the year, and there was no outstanding Fixed Deposits at the beginning/ end of the year. Accordingly, there was no default in payment of deposits/ interest thereon.

Particulars of Loans, Guarantees or Investments:

As per the provisions of Section 186 of the Companies Act, 2013, the details of Loans, Guarantees and Investments are given in the notes to the Financial Statement.

Strategic Disinvestment:

Ministry of Defence (MoD) vide its letter dated 01.12.2016 communicated that Cabinet Committee on Economic Affairs (CCEA) had accorded "in-principle" approval for strategic disinvestment of 26% equity in the Company, out of Government of India shareholding of 54.03% along with management control.

BEML had appointed M/s Deloitte Haskins & Sells LLP, as consultants for advising, undertaking

and implementing the Demerger of identified surplus/ non-core assets of the Company which are not part of BEML strategic disinvestment. For demerger, transfer and vesting of identified surplus/ non-core assets, BEML incorporated "BEML Land Assets Limited".

Later on, petition was filed with MCA for approval of Scheme of Arrangement and on 28.07.2022, MCA had passed order approving Scheme of Arrangement for demerger of "BEML Land Assets Limited" (Resulting Company).

In terms of Scheme of demerger, the identified surplus and non-core assets of BEML Limited has been transferred at its book value to BEML Land Assets Limited on the appointed day of demerger that is on 25.08.2022. However, the title for transfer of the said properties are in progress.

BLAL has requested MOD to provide funds for meeting registration expenses to the tune of Rs.17.54 crore. On receipt of funds, title transfers will be executed.

Mysore Land:

KIADB Mysore had allotted 108 acres of land @ Rs.45,000/- per acre for construction of quarters for employees. BEML had utilized only 21.315 acres of land for housing purpose and kept the balance unutilized. BEML did not execute lease cum sale agreement so far. While approaching the authority for registration for transfer of title deeds, KIADB permitted to execute sale deed only for utilized portion of 21.315 acres and return back the balance unutilized land and agreed to compensate with principal amount plus interest @ 10% p.a.

Further while uploading RTC details at Govt portal (KAVERI) at Sub-Registrar Office at Mysore, there are discrepancies observed on land measurement. Matter was taken up and

now CEO has given instructions to special Land Acquisition Officer, Mysore, to initiate immediate necessary action & coordinate with Revenue Dept., to speed up the matter.

BGML Land:

BEML intends to (outright) purchase a portion of leased out land of BGML at the guidance value prescribed by the Sub-Registrar, KGF, Kolar. The market value was fixed @ Rs 6 Lakhs per acre for the area no 01, 02 and 03. Same has been considered as applicable market rate for year 2024 only for lands of the said survey no 01, 02 and 03.

In this regard, CMD BEML has sent a letter to the Secretary GOI, Ministry of Mines dated 21st March' 2024 requesting to pass necessary directions to BGML authorities to facilitate the transactions for closure of the long pending issue. The total land value works out to Rs.170.10 Lakhs at the current applicable market rate (stamp duty and registration charges extra).

Directors & Key Managerial Personnel:

(1) Appointment/ re-appointment of Independent Directors

During the year 2023-24, No new appointment or re-appointment of the Independent Directors was made. In terms of section 149 of the Companies Act, 2013, the provisions of section 152(6) and (7) in respect of retirement of directors by rotation shall not be applicable to IDs. Pursuant to Schedule IV of the Companies Act, 2013, the appointment/ re-appointment of the Independent Directors would be formalized through a letter of appointment setting out the terms and conditions in case of their appointment, which is also placed on the web-site of the Company at www.bemlindia.in.

(2) Statement on declaration by Independent Directors

Independent Directors had furnished necessary declarations, in terms of Section 149(7) of the Companies Act, 2013, stating that they had fulfilled the criteria of independence as provided under Section 149(6) of the said Act and Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 subject to the exemptions granted to the Government Companies. The Board reviewed the said declarations and noted the same.

(3) Change of Key Managerial Personnel

In terms of Article 97 of the Articles of Association of the Company, the President of India is vested with the power to appoint the Directors of the Company from time to time and also shall determine the term of office of such Directors. Accordingly, the following appointments on the Board of your Company were effected during FY 2023-24 as per the directives of the President of India:

- (i) Shri Shantanu Roy (DIN: 10053283), Director (Mining & Construction Business), appointed as Chairman & Managing Director (CMD) of the Company vide MoD letter No.8 (4)/2022-D (BEML), dated 20.07.2023. He took charge on 01.08.2023.
- (ii) Shri Rajeev Prakash (DIN: 08590061), appointed as Government Nominee Director (Part Time official Director) of the Company vide MoD letter No.8 (32)/2019-D (Coord/DDP), dated 08.12.2023. He took charge on 08.12.2023.

Shri Shantanu Roy (DIN: 10053283) is liable to retire by rotation at the ensuing annual general meeting and being eligible, offer himself for re-appointment.

Shri Amit Banerjee, (DIN 08783660) ceased to be Chairman & Managing Director (CMD) consequent upon attaining the age of superannuation w.e.f. 31.07.2023. Shri Surendra Prasad Yadav (DIN 02267582) ceased to be Government Nominee Director of the Company w.e.f. 08.12.2023. Further, Dr. G. Jawahar (DIN: 10043602) ceased to be Director (Human Resources) of the Company vide MoD letter No. 8(7)/2019-D(BEML) dated 05.07.2023 on account of his resignation. He was ceased from his charge on 06.07.2023. The Board placed on record its deep appreciation for invaluable services rendered by the Shri Amit Banerjee, Shri Surendra Prasad Yadav and Dr. G. Jawahar on the Board.

(4) Remuneration of Director:

As per the provision of section 197(12) of Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, every listed company is required to disclose the ratio of remuneration of each Director to the median employees' remuneration and details of employees receiving remuneration exceeding limit as prescribed from time to time in the Board Report.

However, as per notification dated 5th June' 2015 issued by MCA, Government Companies are exempted from complying with the provision of section 197 of Companies Act, 2013. Therefore, such particulars have not been included in Board Report.

Government Nominee Directors were neither paid any remuneration nor sitting fee for attending Board/ Committee meetings.

Independent Directors are paid sitting fee of ₹ 25,000 per meeting of the Board/ Committee of the Board attended by them.

Neither there was payment of commission to the Board of Directors nor any stock option scheme offered to them during the year. Further, none of the Directors had any pecuniary relationship nor entered into any related party transactions with the Company during the year.

(5) Number of meetings of Board:

During the year, seven meetings of the Board were held on 26.05.2023, 13 & 14.07.2023, 11.08.2023, 26.09.2023, 09.11.2023, 08.02.2024 and 01.03.2024. Requirements on number and frequency of meetings, in terms of Section 173(1) of the Companies Act, 2013, Regulation 17(2) of Listing Regulations, and Para 3.3.1 of the DPE Guidelines, were complied with in full.

(6) Directors' Responsibility Statement:

Pursuant to section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors state that,

- (a) in the preparation of the annual accounts for the year ended 31.03.2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable

and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2023-24 and of the profit of the Company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(7) Board Evaluation:

The Board of Directors of the Company comprises Functional Directors, Government Nominee Directors and Independent Directors appointed by the Government of India from time to time pursuant to Article 97 of Articles of Association of the Company. Further, the Government communication also indicates the detailed terms and conditions of their appointment based on applicability of the relevant rules of the Company.

In view of the above, the performance of all Functional Directors and Government

Nominee Directors is being evaluated by the Administrative Ministry every year based on own evaluation methodology. Further, considering the educational qualifications, age, rich and varied experience of the applicants, the Administrative Ministry/ Department would appoint the IDs on the Board on the recommendation of Search Committee after obtaining approval of competent authority. In addition, the assessment/ evaluation of performance of Independent Directors who will be completing their tenure/ seeking extension was undertaken by the Department of Public Enterprises through Administrative Ministry periodically. As per requirement of SEBI (LODR), Independent Directors in their meeting held on 18.01.2024 undertook the evaluation of performance of functional directors and the minutes of said meeting were placed in the subsequent Board Meeting for information of the Board.

Committees of the Board

The following mandatory Committees required under Companies Act, Listing Regulations, DPE guidelines/ MoD Directives are constituted by the Board to function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility and Sustainability Committee.
- Procurement Committee
- Share Certificate Committee

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report as annexure to the Board Report.

Enterprise Risk Management:

It terms of Section 134 of the Companies Act, 2013, Regulation 17 & 21 of the Listing Regulations and Chapter 7 of DPE Guidelines, your Company has constituted Risk Management Committee (RMC) and implemented Board approved "Risk Management Policy (RMP)" Further, the composition, reconstitution and the terms of reference in line with quorum, minimum number of meetings, gap between two meetings of RMC and Powers, roles and responsibilities of RMC as duly approved by the Board are incorporated/ amended in the RMP as per the SEBI Listing Regulations. With the induction of Independent Director, all Business Group Directors, Director (Finance), Director (HR) and Independent Director will be the members of the Committee and senior most Functional Director will head the Committee. During the year, two meetings of RMC were held on 27.07.2023 and 17.01.2024.

The Corporate Risk Committee prepares the key risks along with mitigation plans and report to the Risk Management Committee constituted in terms of Regulation 21 of the Listing Regulations. The said key risks and mitigation plans will be placed before Audit Committee, which recommends it for review and approval of the Board.

The Board reviews the key risks along with mitigation plans and monitor the status on risk management periodically. The RMP is placed on the Company's website

https://www.bemlindia.in/writereaddata/Downloads/202003302233Risk_Management_Policy.pdf.

Renewable Energy Development, Energy Conservation, Research & Development, Technology Absorption and foreign exchange earnings and outgo:

In terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the information on energy conservation, technology absorption and foreign exchange earnings and outgo including the products developed by the Company during the year is placed at **Annexure-I**.

Related Party Transactions:

Pursuant to Regulation 23 of the Listing Regulations, your Company has formulated a "Policy on Related Party Transactions", to regulate transactions entered into between the Company and its related parties. Further, in terms of Regulation 46(2)(g) of the Listing Regulations, the said policy is placed on the web-site of the Company at https://www.bemlindia.in/writereaddata/Downloads/202003301756Related_Party_Transactions_Policy.pdf

During the year 2023-24, all related party transactions (RPT) that were entered into with the related parties were fair, transparent and at arm's length basis and also in the ordinary course of business of the Company.

The said related party transactions were also duly considered and noted by the Audit Committee. Information as required under section 188 in Form AOC-2, pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is attached to this report as

Annexure-II.**Compliance of applicable Secretarial Standards:**

Your Company has complied with the provisions of applicable secretarial standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India in terms of Section 118(10) of the Companies Act 2013. Further, as stipulated in Standard 9 of SS-1, a statement on compliances of applicable Secretarial Standards is included in the Report of the Board of Directors.

Corporate Governance Report:

In terms of Regulation 34 of the Listing Regulations and Chapter 8 of the DPE Guidelines, a report on Corporate Governance (CG) compliance is included in the Board's Report. M/s Manish Mishra & Associates, Practicing Company Secretaries (PCS) have issued a Compliance Certificate on the same. In terms of Para 8.2.3 of the DPE Guidelines of CPSEs, the Company's compliance level as per the grading report on Corporate Governance is rated as 'Excellent' with 98.68% (average for 4 quarters) for FY 2023-24 based on self-evaluation. The aforesaid report on Corporate Governance along with Compliance Certificate is placed at **Annexure-III.**

Management Discussion and Analysis Report:

In terms of Regulation 34 of Listing Regulations and Chapter 7 of the DPE Guidelines, report on Management Discussion and Analysis Report is placed at **Annexure-IV.**

Business Responsibility & Sustainability Report:

A Business Responsibility & Sustainability Report (BRSR) for FY 2023-24 in terms of Regulation 34 of Listing Regulations, describing the initiatives taken by the Company on environmental, social and governance perspective, in the format as specified by SEBI from time to time is placed at **Annexure-V.**

Corporate Social Responsibility & Sustainability Committee:

Your Company has constituted Corporate Social Responsibility & Sustainability (CSR) Committee and implemented Board approved "CSR Policy" pursuant to Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and DPE Guidelines on MoU. Further, the composition, reconstitution and enhanced terms of reference as duly approved by the Board are incorporated in the CSR Policy.

On 31.03.2024, the Committee comprises of Shri Siva Makutam, Independent Director as Chairperson, Shri Ajit Kumar Srivastav, Director (Defence Business) and Shri Anil Jerath, Director (Finance) as members. The CSR Committee met four times during the year on 12.07.2023, 28.09.2023, 04.11.2023 and 22.02.2024. An amount of ₹ 5.73 crores was spent during FY 2023-24 towards CSR activities which was more than 2% which is ₹ 3.85 crores as stipulated under the Companies Act, 2013 and was in line with the Board's approved projects and the same was certified by the Chief Financial Officer/ Director (Finance) and Chairman of CSR Committee. Annual Report on CSR activities for FY 2023-24 is placed at **Annexure-VI.**

Vigilance:

The Company has a Vigilance Department headed by an independent & full-time Chief Vigilance Officer. The Vigilance Activities were carried out in a holistic manner and covered prevention, detection and enforcement.

Vigilance is basically and admittedly a managerial function and, therefore, it is an integral part of the duties of an executive. CVO advises management on all matters pertaining to Vigilance. As an extended arm of the Central Vigilance Commission in its exercise of superintendence over Vigilance Administration of the Company, CVO provides the link to the Administrative Ministry and the CBI.

Complaints received by the Vigilance Department were handled as per Complaint Handling Policy of the Company & CVC guidelines. Such complaints were registered after owning and investigated only after determining 'Vigilance Angle'. The registered complaints are disposed after detailed investigation. During the year 2023-24 (April to March), three (03) registered complaints were carried forward from 2022-23 and ten (10) fresh complaints were received, out of which twelve (12) complaints were disposed during the year.

Surprise checks, periodic checks, scrutiny of purchase orders/contracts, Scrutiny of TA/DA & Medical reimbursement claims, scrutiny of Annual Property Returns, nine (9) CTE type of in-house inspections and eight (8) system studies were conducted during the fiscal year 2023-24. Based on the outcome of these, Systemic Improvements were recommended to management & implemented, which mainly pertain to process improvements, management of procurement activities, contract, stores/inventory, Vendor assessment, weigh bridge

operation, clearing of bills, quality of products/aggregates etc.

From April 2023 to March 2024, 4013 vigilance clearances have been processed on-line (and some special cases off-line) for executives and employees of BEML on the 'SAMPARK' Portal.

IT initiatives in 2023-24:

Submission of monthly reports through online (Bill receivable & bills payable). Customer LD detail master data in SAP for better monitoring at HQ for both Equipment and Spare parts business – New T-Code developed.

Vigilance Awareness Week-2023 (VAW-2023) with the theme "Say no to corruption; commit to the Nation" was observed in the Company during 30th October 2023 to 5th November 2023 in line with the directives by Central Vigilance Commission (CVC). Citizens Integrity pledge was also administered to the Staff of BEML Limited as well as students and staff at schools and colleges and in some Gram Sabhas where the Company had organized events as part of observance of VAW – 2023. Also, many Guest Lectures by eminent personalities regarding topics of current relevance were organized by Vigilance Dept at the respective locations.

Public Interest Disclosure and Protection Informers (PIDPI) Posters (in 9 Languages) and Banners were displayed in prominent places within the organization & also in public places. Organized the Mobile Vans with display about PIDPI awareness in Mysore, Bangalore and KGF during VAW 2023.

Sensitization programme had been conducted by in-house faculties on the eve of VAW-23 across BEML Ltd and at some vendor premises too.

A 'Vendor Meet' was organised at Corporate Office of BEML on 26th October 2023 virtually

& simultaneously across all divisions of BEML linked through Video Conferencing facility with Corporate/ Divisional Executives and Vendors. There was active participation from vendors (around 130 vendors participated). CMD, CVO and all functional Directors and other senior officers of BEML have addressed the queries/ grievance raised by vendors.

In-house magazine on vigilance awareness 'Vig-Kiran Ver.12' was published and also a booklet on PIDPI was released.

Whistle Blower policy:

In terms of the provisions of Section 177 of the Companies Act, 2013, Regulation 22 of the Listing Regulations and Chapter 4 of the DPE Guidelines, your Company has formulated "Vigil Mechanism/ Whistle Blower Policy" for directors and employees to report genuine concerns. The said policy is placed on the Company's website https://www.bemlindia.in/wp-content/uploads/2023/05/Whistle_Blower_Policy.pdf. The policy provides for adequate safeguards against victimization of director/s or employee/s or any other person who avail the said mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Audit Committee reviews the functioning of the whistle blower mechanism periodically as per Schedule II (A)(18) of Listing Regulations and Chapter 4 of DPE Guidelines, As per the said policy, none of the employees have been denied access to Audit Committee.

Quality:

Quality has been one of the focus areas for the company. The company is committed for continual improvement through process approach as a business strategy and hence remains proactive in the areas of product and service quality. At BEML, Corporate Quality

Policy emphasizing Total Quality Management (TQM), ensures that Products, Services and Processes meet stringent standards and requisite performance criteria. A separate Quality Department spearheads the thrust towards Total Quality Management.

All the manufacturing divisions are accredited with Quality Management System (QMS) to ISO 9001:2015 Standard. Also, all the manufacturing divisions are committed to Environmental Management System (EMS) through ISO 14001: 2015 Standard.

Further, Bengaluru Complex is certified for Occupational Health & Safety standard, as per ISO 45001: 2018 also. BEML Aerospace manufacturing division (ASMD), Mysore complex is certified to AS 9100D Aerospace standard.

BEML Ltd., has won "GOLD" award in the 3rd edition of EEPC India Quality Awards.

BEML has facilitated involvement of executives & non-executives in the Quality movement through Quality Control Circles (QCC). During the year 2023-24, 10 QCC Teams were selected for presenting in the BEML-Nonimara Award Competition. 07 teams participated in National Competitions. **03 teams** were adjudged **Par Excellence** and 04 teams won Excellent award.

Four Quality Circle Teams were nominated for the **ICQCC 2023** held at Beijing, China. Three teams have bagged "**GOLD**" award and one team has been awarded "**SILVER**" award.

Key initiatives/ actions taken during the year for continuous improvement towards Quality Assurance, are as under:

Quality Assurance system is being continuously monitored across all the manufacturing divisions to ensure Quality improvements in Design,

Processes, and Systems. Key initiatives/ actions taken during the year for continuous improvement towards Quality Assurance, are as under:

- 59 personnel have been trained and certified as Six Sigma "GREEN BELT" through CII & Indian Statistical Institute across all manufacturing units
- 357 Kaizen projects were implemented across the divisions
- 184 Quality Improvement projects were implemented to reduce rejection and overcome field issues
- 83 nos. Jigs & Fixtures were added and upgraded to improve manufacturing Quality
- 331 Vendor visits/ audits were carried out to improve Incoming Material Quality.

Division level Field Failure review meetings are being held regularly based on Quality/ service issues reported. Actions are initiated to address the issues and close them.

Make in India Initiatives and Indigenization of products

BEML is committed to the "Make in India" (Atmanirbhar Bharat) policy and considers it an opportunity to boost Indigenisation of Equipments to achieve cost benefits and also complement the strengths of private sector to build a strong industrial base.

BEML has been systematically indigenizing the products through extensive R&D efforts and has achieved 90% in the mainline Mining & Construction products, Rail coaches & EMU's, over 97% in High Mobility vehicles (HMV 8x8) and 91% (HMV 6X6) and over 65% in Metro cars. Further efforts are underway to reach higher levels.

BEML has nominated a Chief Indigenisation officer for Make in India drive and list of items for indigenization are hosted on Srijan portal website: www.srijan.gov.in

Under this initiative Company has designed and developed products as follows

- a. BEML is manufacturing Vande Bharat sleeper coaches. The train set will have best in class interiors with GFRP panels (light weight & corrosion resistant material) combined with aerodynamic exterior looks, crash worthy features, modular pantry, ergonomically designed odor free toilet system and modern passenger amenities for travelers.
- b. BEML has fired India's first indigenously manufactured 1500 HP Engine at BEML's Engine Division, Mysore for Main battle tanks (MBT's).

The 1500 HP engine represents a paradigm shift in military propulsion systems, boasting cutting edge features such as high power-to-weight ratio, operability in extreme conditions including high altitudes of 5000 meters, sub-zero temperatures of -40°C, and desert environments up to +55°C. Equipped with advanced technologies including electronic control with CRDi fuel injection system, self-air filter cleaning, and electronic warning control, this engine stands on par with the most advanced engines globally

- c. Tank transport trailer – 50T has been developed indigenously. 50T trailer is a 12-twin wheeled heavy-duty trailer designed for rough terrain with a payload capacity of 50T. The trailers are used for transporting Battle tanks in Indian army and it is towed by BEML HMV 8X8 vehicle.

Further during the year 2023-24, Our Company has indigenized 108 items.

Continuous efforts are on to reduce the import content further and increase Make in India content.

Integrity pact

Pursuant to the directives from Central Vigilance Commission and Ministry of Defence, Integrity pact is being adopted with all Vendors/ Supplier's/ Contractor's/ service providers for all orders/ contracts of value Rs.1 crore and above.

The pact essentially envisages an agreement between the prospective vendors/ bidders and the Company, committing the persons/ officials of both sides, not to resort to any corrupt practices in any aspect/ stage of the contract.

Only those vendors/ bidders, who commit themselves to such a pact with the principal, would be considered competent to participate in the bidding process.

Integrity pact, in respect of a particular contract, would be operative from the stage of invitation of bids till the completion of contracts. Any violation of the same would entail disqualification of bidders and exclusion for future business dealings.

Two Independent External Monitors (IEMs) have been appointed to review the cases on bi-monthly or quarterly basis.

During the FY 2023-24, Rs.1934.13 Crores of purchase orders were entered into Integrity pact out of total purchase orders value of Rs.3025.23 Crores

e-Procurements

BEML Supplier Relationship Management (SRM) is aiming to establish web based seamless

relationship and collaboration of procurement process with its Global business partners.

BEML endeavors to procure materials and services through e-procurement platform on ERP system. BEML upgraded the e-procurement software i.e. SRM version from SRM-5 to SRM-7, which is having encryption facility for better security.

"Online Vendor payment tracking option" to check status of payments against supplier/ services/ payment orders.

Tender status updates are provided through automatic emails to bidders with reasons for rejections.

After opening of the price bids, all technically qualified/ pre-qualified bidders will be able to see the price details of other bids submitted against the tender.

During the year about 95 % of the total requirement was sourced through e-procurement.

Procurement through GeM:

Government e-Marketplace (GeM) is implemented by the Government with the aim to transform the way in which procurement of goods and services is done by Government Ministries & Departments, Public sector undertakings and other apex autonomous bodies of the Central Government. Procurement through GeM has been authorized by General Financial Rules by making necessary changes in government rules. GeM is a completely paperless, cashless and system driven e-market place that enables procurement of common use goods and services with minimal human interface.

During the year 2023-24, materials worth Rs.2209.86 crores has been procured through GeM out of the target value of Rs 2000 Crores.

The same is being reviewed by Audit Committee & Board regularly.

Micro and Small Enterprises

Company is procuring materials required for production & for other purposes through Micro & Small Enterprises (MSE's). 358 items which are reserved are being procured exclusively from MSEs.

Appropriate weightage has been given for MSEs in the MoU from the year 2015-16 onwards.

As per the directive of Government, minimum 25% (Notified From 9th Nov' 2018) of procurements have to be made from MSE's amended from 20% earlier. Provided a minimum 3% reservation for women owned MSE's and 4% for SC/ST Enterprises.

Further MSE procurement data is uploaded on "MSME SAMBANDH" portal on monthly basis.

During the year 2023-24, Company has procured Rs 651.39 Crores from MSE's out of Rs.2128.09 Crores local procurement which constitutes 31% from MSE's

Vendor Development

Vendor development is a continuous process to identify and develop new vendors to bring in competition among the vendors and to reduce costs. The following methods are generally followed to identify potential new vendors.

- Publication of Expression of Interest (EoI) in BEML Website
- Listing of imported items in Srijan portal for Indigenisation
- Participation in exhibitions and seminars (Including Virtual)
- Organize Vendor meets (Including Virtual)

Further to encourage parts development following EoI's has been published

EoI's Published: (For Vendor Development/ Make in India)

- EoI for Critical 242 parts & components has been published in BEML Website to identify potential vendors for development
- Open ended Expression of Interest (EoI) has been published in BEML website for registering the new vendors.
- EoI for development of the critical items.
- Import items have been listed in Srijan portal to identify potential Vendors for indigenization with details of photo, brief specifications, annual quantities required etc. Further Vendors showing interest in SRIJAN PORTAL is taken forward for evaluation & development of parts.

The procurements from Single source are being reviewed Quarterly by Audit Committee & Board Level.

The objective of Outsourcing & Vendor Development policy is to achieve cost effectiveness & improve competitiveness of Company in global market.

BEML recognizes outsourcing as one of the strategic tools to achieve cost benefits and also complement the strengths of private sector to build a strong industrial base. BEML is well on its journey to become a system integrator by outsourcing a substantial part of manufacturing activities from Indian vendors, enabling BEML to enhance the capacity, attain cost effectiveness and improve competitiveness in the global market. As a policy BEML is not making any capital investments where facilities are available in the Indian industry. To facilitate

outsourcing, the company has well established policies, procedures and guidelines.

- New vendors are supported by way of imparting knowledge on manufacturing processes, specifications, quality plans, etc.
- BEML also extends its testing facilities to its vendors wherever required.
- To enhance transparency in all its procurement processes, BEML has well established e-Procurement Portal.

Further as per the directives of Ministry of Defence, BEML has framed an "Outsourcing and Vendor Development Policy" as duly approved by the Board. The objective of the policy is to enhance cost effectiveness and improve competitiveness of the Company in Global market. The other significant objective of this Outsourcing and Vendor Development Policy is to build a manufacturing eco system in the Country to attain self-reliance. On the other hand, participation of Indian private industry will be an enabler in building technological and manufacturing capability inside the country. Based on the policy so framed, a Road Map for Vendor Development has been prepared with yearly targets and monitored at the Board level periodically.

Rajbhasha:

The Hindi cell is functioning in the Corporate office of the Company and also in all Complexes & Divisions. It is responsible for ensuring the compliance of the Official Languages Act, the Rules made there under and the administrative instructions regarding use of Hindi received from the Ministry of Defence and the Department of Official Language from time to time, under its manufacturing complexes and Regional/ District Offices.

Compliance of Section 3(3) of Official Languages (OL) Act, 1963

Section 3(3) of Official Languages Act, 1963 has been complied with fully during the period under review and all the documents covered under this section have been issued bilingually. The position of the same is being monitored through the quarterly meetings of the Official Language Implementation Committee.

Hindi Fortnight Celebrations:-

Hindi Fortnight was observed in the Corporate Office, all Complexes and ROs/DOs from September 14, 2023 to September 28, 2023. During this period, executives and employees were motivated to do their maximum work in Hindi and competitions such as Hindi Crossword, Hindi Administrative Terminology, Hindi Quiz, Hindi Antakshari and Hindi Essay Competitions were organised. Instructions were issued to all offices to take the pledge on Hindi Day i.e. on September 14, 2023 in accordance with the guidelines issued by the Ministry of Defence and Department of Official Language, Ministry of Home Affairs.

Hindi Training :-

Training in Hindi Prabodh, Praveen and Pragya courses were conducted for January-May, 2023 and July-November, 2023 and a total of 214 executives/ employees (Prabodh:64; Praveen: 63 and Pragya: 87) have been trained in these two sessions.

Incentive scheme for original work in Hindi:-

Cash incentive scheme for original work in Hindi has been implemented in the Company.

Hindi Online Workshop:-

In continuation of the practice of conducting all india level Hindi workshop through Online by BEML, the Corporate office and other offices on turn basis have conducted a total of 10

Hindi workshops and a total of 556 executives/ employees across BEML were trained.

PARLIAMENTARY COMMITTEE ON OFFICIAL LANGUAGE INSPECTION:-

The first sub-committee of the Parliamentary Committee on Official Language has inspected the following offices and expressed their satisfaction over the progress achieved in Hindi across BEML.

Office	Date of Inspection
Regional Office, Bilaspur & District Office, Bhilai	19.02.2024
Regional Office, Delhi	25.08.2023
District office, Vishakhapatnam	11.07.2023
Regional Office, Kolkata	27.04.2023

MOD inspection on Official language:-

The Joint Director (OL), DDP, MoD, New Delhi inspected our Bangalore Complex on 12.06.2023 on Official Language aspects and suggested some more implementation measures for the progressive use of Official Language Policy.

Internal Rajbhasha Inspection:-

A total of 10 internal Official Language Inspections have been conducted by Sr. Executives of Corporate office at various offices of BEML during the year 2023-24.

Rajbhasha Awards:

BEML Limited, Corporate Office, Bangalore has bagged Rajbhasha Shield from Town Official Language Implementation Committee (PSU), Bangalore for commendable performance

in implementation of Hindi during the year 2022-23.

Bilingual Equipment Manuals:-

The manuals of User Hand Book (English) for BEML High Mobility Vehicle 6x6 BEML T815-28RR36 22 270 6x6 received From KGF Complex has been completed and submitted on time.

Other achievements:

- Hindi version of the Questionnaire has been prepared for submission to the Committee on study visit of the Parliamentary Committee on Welfare of Other Backward Classes
- Translation work of Company's Annual report has been completed and submitted on time.

All translation work and Hindi typing work relating to Annual Reports, Comptroller and Auditor General Audit Paras, Technical Reports, Memorandum of Understanding, Reports on SC/ ST, RTI, Reservation policy, Standing orders, Product Profiles, Advertisement Materials and important standard forms was printed and published bilingually.

Manpower:

The number of employees of the Company as on 31.03.2024 stood at 4884 as against 5191 for the previous year resulting in over 5.91% reduction.

The category-wise number of SC/ ST and Ex-Servicemen employees as on 01.04.2024 and representation of SC/ ST and Ex-servicemen as of the same date as compared to total strength is as under:

Category/ Group	Total Strength as on		No. of SC/ ST and Ex-Servicemen					
	31.03. 2024	31.03. 2023	SC		ST		Ex-Servicemen	
			31.03. 2024	31.03. 2023	31.03. 2024	31.03. 2023	31.03. 2024	31.03. 2023
Group A*	1755	1816	325	340	108	102	17	19
Group B	111	86	29	14	12	2	0	0
Group C	3012	3283	732	772	210	208	192	192
Group D	6	6	4	4	0	0	0	0
Total	4884	5191	1090	1130	330	312	209	211

* excluding Board level Executives & CVO on deputation

Recruitment of SC/ ST/ OBC/ Economically Weaker Section (EWS)

The Company has adopted the best practices for providing equal opportunities and harmonious environment for advancement of SC, ST, OBC and EWS. During the year, 54 employees were appointed under Group A, 8 Employees under Group B and 94 employees on contract basis belonging to SC, ST, OBC and EWS.

Particulars of Employees

There were no employees of the Company who received remuneration in excess of the limits prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Industrial Relations:

The transparent and continuous communication with all Employees in the shop floor is the driving mantra of smooth and peaceful Industrial Relations scenario in the Company. The thrust was given to participatory culture which was instrumental in maintaining a

constructive harmonious relationship between the Management and the Unions/ Associations. Regular Meetings with the representatives of the recognized Unions/ Officers Associations at the Divisional, Complex and Corporate Levels were held and employee related issues were resolved amicably. The functioning of various bi-partite Committees at Complex level focused on improvement of overall performance of the Company and resolved the issues in production related matters.

Skill Development Initiatives (SDI)

BEML in its journey of 60 years and being an Engineering Company, facing aggressive competitions from MNCs. BEML has to be on a continuous training-path to learn, absorb & apply latest technology across its product lines under various business verticals.

Employees and their Knowledge & Skills are the key factors for retaining the Competitive edge. Thus, Training has become a vital part of every business activity at BEML and its importance would increase with the fast-changing technology, product life and market requirements.

The Highlights of Skill Development initiatives during the year 2023-24:

a) Training Programme on Six-Sigma Green Belt:

Training Programme on Six-Sigma Green Belt was conducted in two batches. The first batch was conducted through M/s CII and the second batch was conducted through M/s ISI, Bangalore covering 60 participants. The participants have taken the live projects as the part of the certification programme.

b) DPE Sponsored Training Programmes & Workshops:

- Department of Public Enterprises (DPE), Ministry of Finance takes initiative to tie-up with top Academic institutions (including IIMs, IITs, ASCI) and Professional Bodies (ICMI, NPC, NIFM etc.) for Training Programmes & Workshops (through Classroom & on-line sessions).
- The above process involves deep scanning of PMS/ TNI data, ADC Reports, HOD inputs & approval process, post-which the registration process involves Aadhaar seeding, OTP verification, seats availability (among the 300 participating organisations).
- As approved, total 15 Executives have been nominated for various programmes (8 Training Programmes) and registered through OTNS.

c) Induction Programme for Management Trainees:

- Induction process plays a vital role in integrating new joinees to BEML family.

The Management Trainees (MTs) are provided orientation/ induction programme at all Manufacturing Complexes (Bangalore, Mysore, Palakkad & KGF Complexes).

- In addition to the above, 3-days special Technical Focused Training was organized for Technical MTs and Non-technical MTs were exposed to 3-days exclusive familiarisation in their domain at KGF Complex.
- At Corporate Office, the HODs of all Functions have made presentation.

d) Knowledge Sharing Sessions:

In order to leverage the knowledge & skills acquired by the participants after attending DPE Sponsored Training Programmes, Knowledge Sharing Sessions (KSS) were organized on every Friday for the Bemlians to embrace the change and sustain the Journey towards Excellence. The KSS on topics like Building Competencies for Personal Excellence, Project Management etc were organized.

e) Centre of Excellence (CoE):

BEML established its Centres for Excellence (CoE) at all major manufacturing Complexes to continuously learn, train and improve the technology, be it in field of Engine development, Metro Coach Fabrication, Aerospace etc. BEML also believes in developing people capability across the value chain including the Contract Workmen to retain their relevance and employability.

KGF Complex: At KGF, School of Hydraulics & Welding is specialized in Hydraulic

System and Welding Process Training on BEML Equipments.

Bangalore Complex: CoE at Bangalore Complex imparts Training in Stainless Steel Welding and Wire-Harnessing to support the Metro Car manufacturing. This CoE also provides Skill Training on Crane operations to Contract Operators & BEML Employees.

Mysore Complex: Mysore Complex houses specialized CoE in Electrical & Electronics systems for heavy equipments like Dumper, Motor Grader etc. The Centre also provides intensive practical & theoretic Training on Calibration, Wire-Harnessing, Trouble Shooting of Equipments.

Palakkad Complex: CoE at Palakkad specializes on Power-Train mechanism including Axle, Engine, Transmission, Differential Assembly & Electrical system of heavy vehicles like TATRA and other equipments used for Defence Applications.

f) Apprenticeship Mela:

- Ministry of Skill Development & Entrepreneurship (MSDE) has organized "Apprentices Mela" at different location towards developing Technical manpower for the industry by providing opportunities to the Apprentices.
- BEML has actively participated in this unique initiative of MSDE Apprenticeship Mela, to engage candidates as apprentices under the Apprentice Act, 1961.

g) Azadi Ka Amrit Mahotsav (AKAM):

As per Ministry directives, various programmes were conducted towards celebrating the occasion of 'Azadi Ka Amrit

Mahotsav (AKAM)' as appended below:

- Debate / Slogan / Extempore Competition on "Empowerment of Women and Children" by Executives/ Employees (inclusive of Apprentices),
- Circulation of Pamphlets/ Brochure on "Unity of Country" through digital mode to all Executives & Employees including Apprentices (IT Announcement)
- Lecture on "Language (Bhasha) of India for Executives/ Employees/ Apprentices
- Webinars on Shram Dhaan move by Executives/ Employees/ Apprentices on 'Swachta'
- Lecture on "Health and Wellness (with emphasis on Ayush)" for Executives/ Employees/ Apprentices or Lecture on "Health and Wellness (with emphasis on Ayush)" for BEML Family members.
- Skill competition on 'Atmanirbhar Bharat' for Executives/ Employees/ Apprentices

h) Kaushal Connect:

As an initiative towards creating a culture of Learning among BEML-ians a monthly magazine under the name "KAUSHAL CONNECT" was introduced during May, 2023. The magazine highlights the training programmes conducted during the month across BEML.

- i)** Apart from the regular training programmes at all locations (KGF, Bangalore, Mysore, Palakkad Complexes, Marketing Division & Corporate Office), the Executives/ Employees participated in the specific training programmes are as follows:

Sl. No.	Title of the programme	From	To	No. of Days	Venue/ Platform	Organiser	No. attended
1	Short term training in Manual Small Incision Cataract Surgery at Aravind Eye Hospital, Madurai	01-04-2023	30-04-2023	30	Aravind Eye Hospital, Madurai	Aravind Eye Hospital Madurai	1
2	Training on Electric Vehicle Development	20-04-2023	22-04-2023	3	Pune	Society of Automotive Engineers	1
3	Certification Training Programme on QMS-ISO-9001-2015 Internal Auditor Training	24-04-2023	25-04-2023	2	Centre of Excellence, KGF Complex	M/s Bureau Veritas (India) Pvt Ltd, Blore	18
4	Master Class on 'Building Better Boards'	24-04-2023	26-04-2023	3	Kochi, Kerala	IICA, Ministry of Corporate Affairs	1
5	Training Programme on Laboratory Management and Internal Audit as per ISO/IEC-17025-2017	24-04-2023	27-04-2023	4	CMTI Institute, Bangalore	CMTI, Bangalore	4
6	Training Programme on 'Vigilance Administration'	24-04-2023	28-04-2023	5	CBI Academy, Ghaziabad	CVC, New Delhi	1
7	Workshop on sharing Best Practices	25-04-2023	25-04-2023	1	SCOPE Complex, Tagore Hall, New Delhi	Capacity Building Commission	2
8	Refresher Codification Training Course for Gp A, B & C Officers	25-04-2023	27-04-2023	3	DSC, Rist Badarpur	Directorate of Standardization, MoD, GoI	1
9	12th Annual Conference on Mining Technology in India	02-05-2023	03-05-2023	2	Le-Meridien, Connaught Place, New Delhi	India Infrastructure Publishing Pvt Ltd, New Delhi	4
10	Programme on Automotive steering technology	11-05-2023	11-05-2023	0.5	Conference Centre Hall, PC	BOSCH	2
11	Workshop on Sub-Conventional Aerial Threat	12-05-2023	12-05-2023	1	Airforce Station, Blore	Wing Commander, Airforce station, Blore	38
12	Training on Strategic Management	15-05-2023	16-05-2023	2	BEML Soudha	Dale Carenegie	23
13	Skill Dev.Trng Prog for Welders	16-05-2023	17-05-2023	1	M/s. Praxair, Hosakote, Bangalore	M/s. Praxair, Hosakote, Bangalore	40
14	5S, Internal Auditor Course	18-05-2023	19-05-2023	2	Centre of Excellence, KGF Complex	M/s Bureau Veritas (India)Pvt Ltd, Blore	13
15	G20 Seminar on Technology & Trade	23-05-2023	23-05-2023	1	Hotel Taj westend, Blore	EPECINDIA, Vandhana, New Delhi	1
16	Artificial Intelligence	23-05-2023	24-05-2023	2	BEML Soudha	Dale Carenegie	23
17	Overview of GFR & Public Procurement through GeM	25-05-2023	26-05-2023	2	Indian Habitat Centre, New Delhi	Indian Railway Institute of Logistic & Material Management	3

Sl. No.	Title of the programme	From	To	No. of Days	Venue/ Platform	Organiser	No. attended
18	Session on IC Engine & Field Failure	25-05-2023	25-05-2023	1	Training Centre, MC	Quality Engg, MC	30
19	MDP on 'New Labour Codes'	04-09-2023	05-09-2023	2	IPE Hyderabad	IPE Hyderabad	2
20	Training The Trainers Prog. on Public Procurement	04-09-2023	06-09-2023	3	AJNIFM, Faridabad	CVC	2
21	14 th Annual Conference on 'Dredging in India'	04-09-2023	05-09-2023	2	Hotel President, Mumbai	IIPPL, New Delhi	2
22	Electrical Drives & Control for Surface Mining Equipment	04-12-2023	07-12-2023	4	IMTMA	Indian Institute of Technology, Kolkata	2
23	SIX Sigma Green Belt	27-11-2023	01-12-2023	5	ISI, Bangalore		
24	MDP on Effective Negotiation Skills	19-01-2024	20-01-2024	2	XIME, B'lore	XIME	2
25	IIM- Ahmedabad Flagship programme on "3TP: Senior Leaders Programme"	08-01-2024	31-01-2024	24	IIM - Ahmedabad	IIM - Ahmedabad	2
26	Design Validation & Testing Of Airborne Stores, Payloads and Sensors- Challenges And Way Forward	10-02-2024	10-02-2024	1	New Hma Bangalore	Sidm, New Delhi	2
27	Medical (Drug Abuse)	12-02-2024	12-02-2024	1	Beml Soudha	Corporate Training	21
28	POSH	06-02-2024	06-02-2024	1	Beml Soudha	Corporate Training	20

Compliance under Persons with Disabilities Act, 1995:

In terms of various provisions under The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 (PWD Act), your Company has ensured reservation of vacancies for the posts identified for each disability and carry forward of vacancies which could not be filled up due to non-availability of suitable persons with disability during the year.

Grievance Redressal System for SCs/ STs:

The Company has constituted SC/ST Cell at all Complexes/ Divisions in terms of Department of Personnel & Training (DOPT) guidelines and Cell Officers are nominated at each Complexes, wherein the HR heads, being Liaison Officers

of the respective Complex/ Division are conducting periodical meetings with respective representatives of SC/ ST Employees Welfare Associations to redress the grievances/ issues appropriately. Further, the Chief Liaison Officer who is in the rank of Executive Director/ Chief General Manager/ General Manager meets all the Cell Officers, Liaison Officers and Office Bearers of SC/ST Welfare Associations periodically and monitor the status on redressal of grievances.

Public Grievance Redressal through CPGRAMS:

The Department of Administrative Reforms and Public Grievances under the Ministry of Personnel, Public Grievances and Pensions has initiated Centralized Public Grievance Redress and Monitoring System (CPGRAMS), which is

the platform based on web technology primarily aims to enable submission of grievances by the aggrieved citizens for scrutinizing and acting for speedy redressal of these grievances.

For this purpose, your Company has nominated Chief General Manager (HR) as the Nodal Officer to deal with various public grievances and to ensure prompt and proper feedback to the concerned persons.

Prohibition of Sexual Harassment of Women at Workplace:

Internal Complaints Committee (ICC) has been constituted as per Sec 4(1) of the Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013. The same is functional in all the Complexes/ Divisions for receiving complaints of Sexual Harassment if any, and it has been displayed in all the prominent locations across the Complex/ Divisions for the information of all the Women employees. No Complaint has been received under this Act, during the year 2023-24.

Also, the Sexual Harassment of Women at Work place is notified as Misconduct as per BEML CDA Rules, 2019 applicable to Officers and Certified Standing Orders applicable to Workmen.

Environment and Pollution Control and Afforestation Measures

i. Joint Tree Plantation Program:

The Company in association with the State Forest Department had undertaken planting of saplings at its Manufacturing Complexes and Townships on a regular basis. During the period from April 2023 to March 2024 a total of 5504 Nos. of Tree Saplings have been planted/ distributed at Corporate Office, KGF, Bangalore, Mysore and Palakkad Complexes.

ii. Energy use and Conservation Measures:

Clean & Green Energy: The Company's 5 MW Windmill at Gadag and 18 MW Windmill at Bagalkot Districts in Karnataka, 200kW Solar Power Plant at Mysore in Karnataka and 50kW at Palakkad in Kerala have contributed towards ensuring clean & green energy by mitigating 26565 Tons (approx) of Carbon up to March, 2024.

"PAVI" distribution of Solar High Mast Lights through the Parichay Foundation: The Company has distributed two high mast lights in the Pahadpur village CLS school campus, Odhisha, where 125 underprivileged girls are studying. The second high mast light installed at local sarpanch Rukmini Murmu. The lights will help the communities make use of the sustainable and green energy as there is scarcity of electricity in the village.

Swachh Bharat Abhiyan:

The Company in continuing with its endeavor towards being a Socially Responsible entity had undertaken the various initiatives under Swachh Bharat Campaign & Swachh Vidyalaya Abhiyaan during the current year 2023-24. Important Swachh Bharat Initiatives at BEML Limited for the year 2023-24 are as under:

i. Swachh Bharat Initiatives:

BEML has undertaken various activities as per the Annual Action Plan based on the recommendations of the Group of Secretaries (GoS) on 'Swachh Bharat & Ganga Rejuvenation' for the year 2023-24. The main activities are: Conducting awareness programmes, Construction of Toilet Blocks under Swachh Vidyalaya

Campaign, Collection, Segregation and Disposal of Waste especially Plastic waste Horticultural activities, planting and distribution of Tree Saplings in association with the State Forest Department and cleanliness activities within the Factory premises, Townships and Public places.

ii. Special Campaign between 15.09.2023 to 31.10.2023:

Under the Special Campaign 3.0, Outdoor cleanliness was undertaken in BEML Corporate Office, Manufacturing Complexes, Townships and Regional & District Offices. The Special Campaign was carried out in two phases viz., Preparatory and Implementation phase. In the Preparatory phase from 15th to 30th September, 2023, sites were identified for carrying out the outdoor cleanliness drive and in the Implementation phase, the outdoor cleanliness activity was carried out with much publicity towards creating awareness among the general Public and the surrounding communities.

Painting/ Drawing and Essay competitions on the subject of "Garbage Free India" was organized for Executives/ Non-Executives, their children, Spouse and contract personnel.

In order to make the work place safe and clean, "Innovative practices on Swachhta" by way of Mechanized cleaning as a part of Special Campaign 3.0 was carried out at all Complexes.

Branding and publicity of Special Campaign 3.0 activities in electronic and print media platforms at both field and central level has been done through social media such as myGov, Twitter and Facebook extensively.

iii. Celebration of Swachh Bharat Pakhwada:

BEML had organized 'Swachh Bharat Pakhwada' from 1st to 15th Dec, 2023. Various activities in line with the Action plan were held at Corporate Office, Manufacturing Complexes, Townships and Regional & District Offices.

● **Cleanliness Drive:**

As part of the Swachhta Pakhwada, all Complexes, had organized "Cleanliness Drive" at various prominent public places in BEML Township & Brindvan Garden Mysore. The drive was carried out by carrying out cleanliness of all type of plastic wastages, Garbage and other wastages and created the awareness of the public in the market place of DK Halli – Bangarpet. Mass social movements on cleanliness were carried out within the office premises and peripheral areas, with an intention to realizing the importance of Swachhata across public places, where more than 500 officers, employees, contract persons participated with great enthusiasm by cleaning around 20-25 sites towards the creation of clean and garbage free surroundings. At Kanjikode Railway Station, Palakkad the team cleared large bushes and tree branches to create better movement space.

● **Organizing Plogging Like Activities (Picking of Single Use Plastic During Jogging) And Collection of Plastic Waste**

All Complex undertook Plogging and collected plastic waste in and around the factory premises, Quarters, Shopping areas and disposed off the same. The consumption of a wide range of plastic

products has generated a huge amount of plastic waste. More than 500 persons including Safai Karmacharis participated for carrying out this drive by collecting the waste products. Also, for reuse and recycle the products segregation process started. In the end, this Plastic waste initiative would bring a challenge with multiple opportunities.

- **Tree Plantation in Township Area, Residential Complexes and Factory Premises etc.**

As part of the celebrations, Planting/ distribution of tree saplings were carried out across all the Complexes/ Divisions, Regional & District Offices.

Trees play a crucial role in environmental conservation, and their planting aligns with Mahatma Gandhi's vision of sustainable living.

Medical/ Healthcare & Nutrition

- i. **The Medical facilities to Ex-BGML Employees and their Dependents:**

The Company has been extending free medical facilities by conducting free Mobile Medical camps to the Ex-BGML Employees and their families after the closure of BGML Hospital. The Company is also extending Out-patient medical facilities by deputing Doctor and Para-medical staff to BGML areas such as Marikuppam, Champion Reef and Oorgaam. Medicines prescribed by the Doctors are being dispensed free of cost for general illness.

- ii. **Eradication of TB**

As a part of Pradhan Mantri TB mukt Bharath Abhiyan, A government initiative - In order

to achieve the goal of TB elimination by 2025 a health camp and TB screening camp was organized at occupational health center Mysore Complex BEML on 23rd, 24th and 25th January 2024. The camp was conducted in coordination with District health authorities - DHO and team, NCD team, NTEP team, Doctors from Mysore medical college, JSS medical college and government hospital [PHC and taluk hospital] also participated in the camp. The workers were examined in batches at the allotted time.

- iii. **Medical Assistance:**

Medical Centers for Executives/ Non-Executives and dependent family members at all the three Manufacturing Units viz., Bangalore, Mysore and KGF are operational. Medical facilities are also extended to the villagers in Company adopted Dasarahosahalli, Ajjapalli village near KGF. Medical facilities are also being extended to all the Contract Labour, in the Company Medical Centre.

The Company is also extending the Medical Insurance facilities for the benefit of retired Executives/ Non-Executives & their spouses for Medical treatment/ Hospitalization.

- iv. **Mobile Medical Dispensary (Advance Life Support Ambulance)**

Camps were organized by Viswa Kalayan Trust for one day in a week and four days in a Month. The Medical camp and Social camp organized in rural, hilly, socially backward, tribal and poor villages at East Singhbhum, Jharkhand & Jhargram districts, West Bengal and Mayurbhanj of Odisha.

International Year of Millets (IYoM) between 1st to 14th December 2023

BEML had organized International Year of Millets (IYoM). Various activities were held at Manufacturing Complexes. The Complexes conducted Seminar on the innovative ideas for Millets promotion and adaption in daily life & Nutritionists explained the importance of Millets, how these millets are beneficial for human. How many types of millets are available in India- viz jowar, bajra, ragi, barri, kangni etc., Millets are one of the oldest food grown and eaten in India. Most of the millets are non-acid forming, non-glutinous, highly nutritious and easily digestible foods. Millets are rich source of minerals.

Contribution to Armed Forces Flag Day Fund.

Keeping in view the sacrifice of the war heroes of the country, the Company has contributed towards the 'Vocational Training Grant of Widows'. The Company has expressed its solidarity for the welfare of the family of the War Heroes.

Education

i. Educational Programme:

BEML runs one Junior College and two Primary & Nursery Schools at KGF and one at Bangalore. These Institutions, although meant primarily for the children of the employees but also caters to a large extent to the Local population. BEML also runs a Kendriya Vidyalaya at KGF, for the benefit of the employees' children and also for the local population. The Company also provided School building, Furniture, Attender for Mid-day Programme and Security Personnel for the Government English Model Higher Primary School. For the Academic Year 2023-24, the Company

is providing education to 3029 students, out which 1933 non-BEML Students have enrolled at BEML Schools for their education during the current academic year and have availed online education.

ii. Promotion of Health, welfare, and all-round development of orphan and poor children and youth-enhancing employability through vocational and skill development training:

The Company has associated with Matru Chaya to promote Health, welfare, and all-round development of orphan and poor children and youth-enhancing employability through vocational and skill development training. In this endeavour, Grameen Kousal Vikas Kendra is established in Guntur District of Andhra Pradesh in association with Matru Chaya to empower and enhance employability through vocational and skill development training to underprivileged youth of the surrounding villages.

iii. Improving Infrastructure in Government Senior Primary School, Tadimalangi, T. Narasipura Taluk, Mysuru, Karnataka.

The company has generously supported school through IAHV with essential materials such as chairs, tables, bookshelves, six computers, one printer, an RO water filter and book racks for the library.

Labour Welfare Activities:

The Company has extended all help and support to the Labour Welfare Funds functioning in the production units for the benefits of Employees, their dependents and local population. The LWF conducted training programmes in Tailoring,

Driving, Computer, Typing/ Shorthand course, diploma course in Laboratory Technology, Para-medical, Job Oriented courses, Music/ Dance classes, spoken English Course, summer camps for art/ painting and sports and various entertainment activities.

Welfare Activities:

Welfare Activities like Medical Facilities, Housing facilities, Canteen facilities at Complexes, Educational facilities at KGF and Bengaluru for Employee's children, Facility for Sports events etc. has been extended for welfare of Employees. Moreover, various Schemes are in operation for benefit of Executives and Employees including Insurance benefits viz., BEML Executive Superannuation (Pension) Scheme, BEML Post Superannuation Medical Benefit Scheme, Group Insurance Scheme, BEML Life Risk Coverage Insurance Scheme, BEML Death Relief Fund (DRF) etc.

Compliance under the Right to Information Act, 2005

"The information required to be provided to citizens under Section 4(1)(b) of RTI Act, 2005 is available on our company website, i.e., www.bemlindia.in". It contains general information about the Company, functions, powers and duties of employees/ officers, decision making process, relevant rules, regulations, manuals & records held by BEML, directory of the Company's officers, pay scales of officers/ employees etc., and procedure for seeking information and inspection of Records. The Company has nominated a Central Public Information Officer, Appellate Authority, Transparency Officer and Six Central Assistant Public Information Officers representing for Complex/ Divisions to attend to the Applications & Appeals. Further, during the year 2023-24 the Company received 229 applications seeking information pertaining

to human resources, personal, recruitment, contracts, tenders, business related matters etc., and the same are being disposed.

Digital Transformation Initiatives:

Our Company is dedicated in digitising the business processes for increasing efficiency and productivity along with user experience.

Many DT initiatives with respect to Business Applications, Systemic Improvements, Cyber Security and Infrastructure were implemented during the year 2023-24.

Some of the initiatives are Antivirus with DLP implementation for Cyber Security, Refresh of end-point and network devices, Improvements in Video Conference, Improvements in SAP and Non-SAP Applications and Daily Cyber Security Tips.

Report on the performance and financial position of subsidiaries and Joint Venture Company

Subsidiary Companies:

- **M/s Vignyan Industries Limited (VIL):**

MoD vide letter dated 10.09.2021 informed that the union cabinet has accorded approval for closure of VIL. Accordingly, Members of the Company at its Extraordinary General Meeting held on 11.10.2021 accorded approval for Voluntary Liquidation and appointed Shri Venkataraman Jayagopal as liquidator.

Inter-Ministerial Committee (IMC) meeting was held on 19th Dec 2023 under the chairmanship of Principal Adviser, DPE (representative of Secretary, DPE) to deliberate/ discuss the status of closure and way forward with respect to CPSEs under D/o Defence Production (DoDP). Subsequently in Minutes of meeting issued

on 15th Feb 2024, it was recorded with respect to VIL that DoDP will pursue MoD (Finance) for loan to BLAL to purchase VIL's Land. Basis above, a letter no. BLAL/MoD/2024/CFO/1 dated 19.03.2024 has been sent to MoD for requirement of funds for purchase of immovable properties (land) based on current guidance value of VIL by BLAL for Rs.164.49 crore (Land Value for Rs.162.86 crore + registration charges for Rs.1.63 crore).

● **M/s MAMC Industries Limited (MIL):**

Your Company entered into a Consortium Agreement with M/s Coal India Limited (CIL) and M/s Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets of M/s Mining and Allied Machinery Corporation Limited (under liquidation). The agreement, inter-alia, provided for formation of a Joint Venture company (JV) with a shareholding pattern of 48:26:26 among BEML, CIL and DVC respectively. The Company has paid the proportionate share of ₹48 crore towards the total bid consideration of ₹100 crore for the said acquisition, based on the order passed by the Hon'ble High Court of Calcutta. The said assets were taken possession by the MAMC Consortium. Further up to 2023-24, the Company has incurred a sum of ₹24.88 crore (Previous Year - ₹23.98 crore), towards maintenance, security and other related expenditure. The total sum of ₹72.88 crore (Previous Year ₹71.98 crore) is disclosed as 'Advance to MAMC Consortium' due to delay in conversion of MIL into a JV.

A company in the name of 'MAMC Industries Limited' (MIL) was formed and incorporated by your Company as a wholly owned subsidiary for the intended purpose of JV formation.

Shareholders' agreement, as duly approved by the Boards of all three members of the consortium, has been submitted to MoD for necessary approval. Further, MoD has directed to submit 'Business Plan' and 'Financial Viability Report' of the proposed JV. Preparation of the said report has not materialized due to exorbitant fee quoted by the consultant firms.

Further, it was proposed to register all properties in the name MAMC Industries Limited' and accordingly, M/s Fox & Mondal Advocates & Solicitors have prepared the final draft sale deed of the Mining and Allied Machinery Corporation Limited properties at different locations for registration purpose.

Valuation of Asset for MAMC consortium has started by the firm R K Patel & Company, 314, Phoenix

Complex, Near Suraj Plaza, Sayajigunge, Vadodara-390020. Work is under progress and expected the report by end of April 2024. Action initiated to get Sale certificate from Kolkata High court Valuation of Asset for MAMC consortium has started by the firm R K Patel & Company, 314, Phoenix

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Vadodara. Work is under progress and the valuation report is expected by May' 2024. Further, action has been initiated to get Sale certificate from Kolkata High court.

Joint Venture Company –

- **M/s BEML Midwest Limited (BMWL):**

BMWL was formed and registered with the Registrar of Companies at Hyderabad on 18.04.2007. BEML holds 45% share and M/s Midwest Granite Pvt. Ltd. (MGPL) and P T Sumber Mitra Jaya of Indonesia as partners hold the balance 55% share. The Company was established to capitalize on the growing business opportunities in the contract mining segment. However, due to certain unauthorized transactions and the oppression and mismanagement by the nominees of MGPL, your Company had filed an application before Hon'ble Company Law Board (CLB) seeking for suitable relief. As a counter measure, MGPL had also filed a petition on the matter. CLB vide its common order dated 01.06.2012 directed the Central Government to appoint an inspector to investigate the affairs of BMWL and take appropriate action. Based on the legal advice, your Company preferred two appeals before Hon'ble High Court of Andhra Pradesh at Hyderabad against the said common order of CLB. The Hon'ble High Court passed the order on 19.08.2013, thereby setting aside the said common order and directing CLB to proceed with a fresh enquiry, and decide the issue in accordance with law and merits, also taking into consideration the report of investigation as directed by CLB and pass appropriate orders without getting influenced by the impugned common order of CLB. In the meanwhile, the Government has constituted National

Company Law Tribunal (NCLT) by dissolving CLB and notified that the jurisdiction is shifted to Hyderabad from Chennai. The case files were transferred to NCLT. Regional Director-MCA has submitted the investigation report dated 29.03.2022 to NCLT. Hon'ble NCLT after hearing the submissions of the respective Counsels vide orders dated 25.07.2023, disposed off the petition as follows:

"In the light of the ruling by the Hon'ble High Court of Calcutta in re Avani Projects & Infrastrures Ltd. Vs Ornate Tradcom Pvt. Ltd CA 92 of 2019 ("Para 22), held that the continuation of proceedings against the Respondents being impermissible under law, the present CP No. 55/2008 is hereby returned, giving liberty to the Petitioner to pursue this petition after a decision is taken on approval/ rejection of the resolution plan in the ongoing CIRP process against the first respondent Company. Accordingly, Company Petition is disposed of. After disposal of the Company petition, no cause of action survives in all pending IAs, hence the same are also disposed of. In the result, the Company Petition is returned."

Vide NCLT orders dated 26.09.2022, Corporate Insolvency Resolution Process (CIRP) was initiated and Smt. Padma Priyanka Vangala was appointed as the Resolution Professional. Based upon the report of the Resolution Professional, that resolution was not possible, and to initiate liquidation of BEML Midwest Ltd, the Hon'ble NCLT vide orders dated 20.10.2023, ordered liquidation of BEML Midwest Ltd and appointed Smt. Padma Priyanka Vangala as the Liquidator. The liquidation of BMWL is under process.

Consolidated Financial Statement:

Your Company has prepared the Consolidated Financial Statement of its subsidiaries in terms

of Section 129(3) of the Companies Act, 2013, excepting consolidation with respect to JV Company, M/s BEML Midwest Limited due to complete cessation of activities as the matter is sub-judice, which is attached to this report.

Statutory Auditors:

M/s G Natesan & Co., Chartered Accountants, were appointed as the Statutory Auditors for the financial year 2023-24 by the Comptroller & Auditor General of India.

Observations made in the Independent Auditors' Report on the financial statement including consolidated financial statement and the reply of the Board of Directors thereto are placed by way of an addendum at page No. 313 to the annual report.

Cost Auditors:

In terms of Section 148 of Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, M/s R M Bansal and Co, Cost Accountants, were appointed as Cost Auditors for the year 2023-24 to conduct the audit of the cost records of the Company. The Company maintains Cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, in respect of the Railway and Rolling Stocks (Bengaluru Complex), other Machinery (Truck, Engine, EM, H&P Divisions) and Power (EM Division).

Further, as required under the said Rules, the remuneration payable to the Cost Auditor for FY 2023-24 was ratified by the members in the 59th Annual General Meeting held on 27.09.2023.

Secretarial Auditors:

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed

M/s Manish Mishra & Associates, Practicing Company Secretaries (PCS), to undertake the Secretarial Audit of the Company for the year 2023-24. The Secretarial Audit Report issued by the PCS and the replies to the observations made in the said Report are annexed to the Board's Report as **Annexure-VII**.

In addition, an Annual Secretarial Compliance Report issued by the PCS has been filed with the Stock Exchanges within the due date from the end of financial year 2023-24.

C&AG Audit:

The Comments of the Comptroller & Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the financial statement including consolidated financial statement and reply thereto, if any, are appended at page No 225 to 228 & 314 to 317 to the annual report.

Frauds Reported by Auditor:

No frauds are reported by the auditors which fall under the purview of sub-section 12 of section 143 of Companies Act, 2013.

General disclosure:

Your Directors confirm that no disclosure or reporting is required in respect of the following items as there was no transaction on these items during the year under review:

- No Significant and Material order was passed by any regulators or courts or tribunals that may impact the going concern status and company's operations in future.
- Official Liquidator in the IBC case No. CP(IB) No. 237/9/HDB/2020 filed before NCLT, Hyderabad seeking Corporate Insolvency of M/s BEML Midwest Limited has filed Application bearing No. CP/IB/151/2023

stating that as per the Books of Account of BEML, there was an outstanding amount of Rs. 230 Lakhs and out of which, an amount of 94.49 Lakhs has been paid to the BEML Midwest and thus, an amount of Rs. 135.51 Lakhs is due and payable to the BEML Midwest by BEML. In the said application Official Liquidator has requested for admission of the application and also appointment of Resolution Professional. Hence this falls under 'application made or any proceeding pending under Insolvency and Bankruptcy Code, 2016'.

- In the matter BEML has filed detailed Objection Statement contending that there is no due from BEML to BEML Midwest and the Petition is not maintainable. The Petition is partly heard and posted for final hearing on 05.06.2024.
- Details of difference between the amount of valuation at the time of one-time settlement and valuation done while taking loan from banks or financial institutions are not applicable to the company.

Extract of Annual Return

An extract of the Annual Return in the prescribed form in terms of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is placed at https://www.bemlindia.in/Annual_Report_Investors.aspx.

Acknowledgements

Your Directors express their hearty thanks to the Company's valued customers, Government of India, Administrative Ministry, the Ministry of Defence and in particular, the Department of Defence Production, M/s Coal India Limited and its Subsidiaries, M/s Singareni Collieries Company Limited, M/s Steel Authority of India

Limited, Railway Board, M/s Delhi Metro Rail Corporation Limited, M/s Bengaluru Metro Rail Corporation Limited, M/s Jaipur Metro Rail Corporation, M/s Kolkata Metro Rail Corporation, M/s Maha Metro Rail Corporation Limited, Integral Coach Factory-Chennai, M/s Bharat Electronics Limited, M/s Bharat Dynamics Limited, Ordnance Factory Board, Defence Research & Development Organization (DRDO), M/s Brahmos Aerospace Pvt. Ltd., Indian Space Research Organization, M/s Hindustan Aeronautics Limited, Aeronautical Development Agency for their patronage and confidence reposed in the Company. The Directors also acknowledge and thank all collaborators, vendors and other service providers for their valuable assistance and cooperation extended to the Company.

The Directors express their appreciation to the members of Company's Consortium of Banks and other Bankers and Financial Institutions for their continued support to the Company's operations. The Directors also thank all the shareholders/ investors for reposing continued confidence in the Company.

The Directors wish to thank the Comptroller & Auditor General of India, the Principal Director of Commercial Audit & Ex-officio Member, Audit Board and Statutory Auditors for their valued co-operation.

The Directors also acknowledge the valuable support and assistance received from various Ministries of Government, in particular Ministry of Defence, Ministry of Coal, Ministry of Mines, Ministry of Steel, Ministry of Railways, Ministry of Housing and Urban Affairs, Ministry of External Affairs and Ministry of Home Affairs. The Directors are also grateful to the Government of Karnataka and Kerala for the support and co-operation extended to the Company.

Your Directors take this opportunity to place on record their appreciation for the invaluable contribution made and excellent co-operation extended by the employees and executives at all levels for the continued progress and prosperity of the Company.

For and on behalf of the Board of Directors

Place: Mysore
Date: 12.05.2024

Sd/-
Shantanu Roy
Chairman & Managing Director

Annexure-I

Annexures to Board's Report for the FY 2023-24

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) CONSERVATION OF ENERGY

(a) Steps taken or impact on conservation of Energy

- (i) The conventional lights like HPMV/ HPSV/ fluorescent tube lights in office lighting, street lighting, shop high bay lighting and perimeter lighting have been replaced by energy efficient LED lights, besides introduction of energy saver units & timer circuits for lighting system at various locations across the Divisions, resulting in conservation of energy and consequent cost savings.
- (ii) Replaced 731 Nos. of energy efficient BLDC fans in place of conventional fans, thereby saving the energy cost.
- (iii) Replacement of 3-star AC Units, with energy efficient 5 star 1.5Ton AC Inverter type at various offices across the Divisions, resulting in energy cost saving.
- (iv) Reconditioning of High Temperature Tempering Furnace at HT shop to reduce heat loss and to improve thermal efficiency & achieve energy conservation.
- (v) Reduction of Thermal Loss by revamping/ replacement of Insulation of INDAID High Heat Furnace.

(b) Steps taken by Company for utilizing alternative sources of Energy

- (i) Utilisation of Green Energy from Wind Mill Projects (23MW) and solar Project (250 KW) to an extent of 98% of Grid Power Consumption by all the Production Division.
- (ii) 200 KWp roof top solar power system has been installed to utilize alternate source of energy generating 2.20 Lakhs units p.a. valuing Rs. 17.60 Lakhs p.a. (approx.).
- (iii) Optimum operation of 50 KWp grid connected Roof top Solar Power plant for utilization of Solar energy. During the year 2023-24, 0.68 Lakh units of energy were generated through the said Solar Power plant.
- (iv) 5MW Windmill at Gadag, 18 MW Windmill at Bagalkot Districts, 200kW Solar Power Plant at Mysore in Karnataka and 50kW at Palakkad in Kerala have contributed towards ensuring clean energy by mitigating 26565 Tons (approx) of Carbon up to March, 2024.
- (v) Achieved GHG emission reduction of about 26565 tons of Co2 equivalent by utilisation of Green Energy from Windmill Projects and additionally, approx. 48.88 Lakh Tons of carbon is being saved yearly for the nation through our contribution to the

clean urban mobility solutions being provided.

(c) Capital investment on energy conservation equipment

During the year under review, your Company has invested ₹4.33 crore for implementing various energy saving measures.

(B) TECHNOLOGY ABSORPTION

Research & Development (R&D) undertaken for technology absorption is as below:

1. Efforts made towards technology absorption:

R&D has absorbed the collaborator technology and further developed on it, which has resulted in development of new products & technologies and up-gradation of existing products. Some of the major new product developments & product up-gradation which have resulted because of in-house R&D efforts during the year 2023-24 are: -

Defence:

New products Development

- Design & Development of BEML ARV
- Overhauling of ARV WZT-3 pilot projects
- Design & Development of TWMP for Arjun Tank

Mining & Construction:

- Engineering of CEV Stage-IV Engine on BD14W
- Engineering of Direct Mounting Transmission on BL200-1 Wheel loader
- Engineering of Hydraulic Brake on BL200-1 Wheel loader

- Design & Development of Wet multiple brake along with Parking Brake in C- Crane
- Design & Development of Dry caliper Disc for Rear Axle in C-Crane
- Design of Automatic Transmission for C-Crane
- Design and Development of Aesthetically Improved Machinery House for BRS21
- Engineering of High Capacity Dipper for BRS21
- Engineering of Swing Mechanism for BRS21
- Engineering of manual AC system (M/s Aries make) as part of alternate source in BH60M
- Introduction of TPMS (Tire pressure mentoring system) to meet CIL tender BH60M
- Design & Development of BEML BSAA6D140EG Engine to meet CEV STAGE IV Emission Norms
- AI based Oil Condition Monitoring System on HEMM

BEML R&D - KGF has published the following papers during FY2023-24

- Stability Analysis of a Rope Shovel Through Multibody Dynamic Simulation
- Design, CFD Simulation and validation of Hydraulic Torque Converter for 60 Ton Off-highway Rear Dump Truck
- Adaption of stacked conical disc spring on wet multiple disc brake equipped on OFF-HIGHWAY Dump Truck for improved parking brake performance

- Development of the proportional controlled closed loop steering control system for crawler dozers with SAHR Clutches

Rail & Metro:

- Air-conditioned sleeper cars with assorted classes based semi-high speed Vande Bharat trains for Indian Railways.
- Catenary Maintenance Vehicle (CMV) interfaced with CBTC based Signaling system

2. Intellectual Property Rights (IPR)

Totally 23 IPRs have been submitted for registration, out of which 09 are patents, 06 are Designs, and 08 are Trademarks

3. The benefits derived like product improvement, cost reduction, product development or import substitution:

Major R&D initiatives like new product/ aggregates development, product up-gradation, indigenization etc. have ensured the good position of BEML in the industry and the existing Mining product range is enhanced with cutting edge technology features that will help in sustaining the existing market and also in exploring the new emerging markets. There has been a considerable foreign exchange savings on account of the indigenization plan.

The skill sets, knowledge & expertise of R&D personnel have been enhanced and it has induced confidence in taking up future challenges.

Further, Smart yard implemented in MRS1 project for providing seamless accessibility of trains' data for maintenance activities.

4. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Nil

5. Future plan of action:

Keeping in view the emerging trends in technology and also in line with the unfolding business scenario, R&D has put in place, plan of action to take up a number of projects with enhanced allocation of resources. To achieve this, R&D infrastructure and resources are being continuously strengthened/ upgraded to handle and cope up with the latest technologies effectively.

R&D has also planned to develop a series of production/ aggregates covering all the three business segments as under:

Defence

R&D Defence has taken up the design and development of HMV 12x12 GVW class, Light armored Multi-purpose vehicle 4x4, Gun towing vehicle 6x6 and Mounted Gun system 6x6 base vehicle.

Mining & Construction

R&D M&C has taken up the design & development of 21 cu.m. Rope Shovel required for Mega Coal Projects and 8 Ton Tyre Handler. Further keeping in view of future technology trends with changing business scenario, R&D-M&C has taken up initiatives to launch new products and upgrade existing products in line with the latest emission norms as mandated by the government and safety features as per IS17055/ISO20474 & DGMS for Dump Trucks, Dozers, Excavators, Wheel Loaders and

Underground Mining Equipment apart from up gradation of existing Products with innovative and new features in line with major global competitors.

In Mining & Construction vertical the following new projects are in progress/ planned for future:

- Design and Development of Electric Rope Shovel BRS21
- Design and Development of BL40TH Tyre handler
- Design and Development of BG1205 Motor grader
- Design and Development of BWS50 water sprinkler.
- BH100 L Transmission Torque converter and Axial assembly with Wet Multiple Disc
- BG1205 Tandem Axial Assembly for Low temperature applications
- BE1000 – Swing mechanism, PTO and Final Drive suitable for Low temperature applications
- BE1800 Backhoe with new work attachment for Russian applications.
- BE1800 – Swing mechanism, PTO and Final Drive suitable for Low temperature applications
- BH60ML Transmission Torque converter modifications
- Design and Development of transmission, Torque converter PTO & Final drive for BD155 & BD355 Low temperature applications.

- Engineering CEV stage IV engine on BH35-2.
- Development of alternate/ indigenous sources for Electrical drive system.
- Development of Hybrid technology for Dump trucks
- Development of AI and IOT based products for mining equipment.

Rail & Metro

R&D Rail & Metro has taken up the design and development of Driverless Trains for Bangalore Metro's 5RS-DM project.

R&D Rail & Metro is working on the upcoming Metro projects like Chennai Metro and Mumbai Metro Line #4, #5 & #6 tenders, Patna Metro and Bhubaneshwar Metro tenders.

Under maintenance vehicle segment, R&D Rail & Metro is working on upcoming requirements for NCRTC, Delhi Metro, Mumbai Metro Line #3, Chennai Metro and Nagpur Metro. Similarly, R&D Rail & Metro is working on the tenders of Indian Railways for supply of 'self-propelled ultrasonic rail test' Cars, Rail Borne Maintenance Vehicles, Rail Inspection Vehicle and Utility Track Vehicles.

6. Expenditure on R&D

Company has spent ₹ 86.71 crores on R&D during FY 2023-24 which is about 2.14% of Revenue from Operations.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the Company's foreign exchange earnings stood at ₹ 555.37 crore and the total foreign exchange utilized was ₹ 542.47 crore.

A sum of ₹ 1.69 crore was incurred towards deputation of personnel abroad for business/export promotion, after-sales-services and training purposes.

For and on behalf of the Board of Directors

Sd/-

Shantanu Roy

Chairman & Managing Director

Place: Mysore

Date: 12.05.2024

Annexure-II

FORM No. AOC-2

[Pursuant to clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: Not applicable
 - (b) Nature of contracts/ arrangements/ transactions: Not applicable
 - (c) Duration of contracts/ arrangements/ transactions: Not applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not applicable
 - (e) Justification for entering into such contracts or arrangements or transactions: Not applicable
 - (f) Date(s) of approval by the Board: Not applicable
 - (g) Amount paid as advances, if any: Not applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not applicable
2. Details of material contracts or arrangements or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: Not applicable
 - (b) Nature of contracts/ arrangements/ transactions: Not applicable
 - (c) Duration of contracts/ arrangements/ transactions: Not applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not applicable
 - (e) Date(s) of approval by the Board: Not applicable
 - (f) Amount paid as advances, if any: Not applicable

For and on behalf of the Board of Directors

Place: Mysore
Date: 12.05.2024

Sd/-
Shantanu Roy
Chairman & Managing Director

Annexure-III

REPORT ON CORPORATE GOVERNANCE

BEML Limited is a Mini-ratna (Schedule-A) enterprise of Government of India. The company has established a sound framework of Corporate Governance. The particulars of company's report on Corporate Governance are as under:

1. COMPANY'S PHILOSOPHY

Your Company firmly believes in the importance of ethics among the employees and strives for developing a work culture that fosters accountability, fairness, integrity and transparency in its dealings, while adhering to the fundamental principle of enhancing the trust and value of all stakeholders. Good corporate governance strengthens the investor's trust and ensures long term relationship with other stakeholders which help the Company to achieve its objectives.

Your Company complies with the requirements of the Corporate Governance standards as stipulated under SEBI (Listing obligations and disclosure requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and the Department of Public Enterprises Guidelines on Corporate Governance for Central Public Sector Enterprises-2010 (hereinafter referred to as 'DPE Guidelines') from time to time.

2. BOARD OF DIRECTORS

The Board of Directors is the highest governance body of the company. The Board of Directors consist of professionals from diverse fields having rich knowledge and experience in the industry and related sector for providing the strategic guidance and directions to the company.

(i) Composition:

As on 31.03.2024, the Board consisted of 3 Whole-time Directors including the Chairman & Managing Director, 1 Government Nominee Director and 4 Independent Directors. There is no inter-se relationship among the directors.

(ii) Meetings and Attendance:

During the year, seven meetings of the Board were held on 26.05.2023, 13 & 14.07.2023, 11.08.2023, 26.09.2023, 09.11.2023, 08.02.2024 and 01.03.2024. Requirements on number and frequency of meetings, in terms of Section 173 of the Companies Act, 2013, Regulation 17 of Listing Regulations, and Chapter 3 of the DPE Guidelines, were complied with in full.

The details of attendance of the Directors at the Meetings of Board, Annual General Meeting (AGM) and their other directorships and Committee memberships held by them across all companies as on 31.03.2024 are given below:

Sl. No	Name of the Director (Director Identification No.)	Attendance at board meetings/ Total meetings after appointment as Director	Whether attended last AGM (Yes/ No/ NA)	No. of other directorships held	Number of Committee Memberships in other companies	Listed entities where the person is a director and the category of directorship
Functional Directors including CMD:						
1	Shri Shantanu Roy <i>Chairman and Managing Director, Additional Charge - Director (Rail & Metro Business)</i> ¹ (DIN 10053283)	7/7	Yes	1	--	BEML Land assets Limited – <i>Chairman and Managing Director</i>
2	Shri Amit Banerjee ² <i>Chairman and Managing Director</i> (DIN 08783660)	2/2	N/A	--	--	--
3	Shri Ajit Kumar Srivastav <i>Director (Defence Business)</i> (DIN 08741858)	7/7	Yes	--	--	--
4	Shri Anil Jerath <i>Director (Finance)</i> (DIN 09543904)	7/7	Yes	1	--	BEML Land assets Limited – <i>Non-executive Director</i>
5	Dr. Gunaseelan Jawahar ³ <i>Director (Human Resources)</i> (DIN 10043602)	1/1	N/A	--	--	--
Government Nominee Director:						
6	Shri Surendra Prasad Yadav ⁴ (DIN 02267582)	2/5	No	--	--	--
7	Shri Rajeev Prakash ⁵ (DIN 08590061)	1/2	N/A	1	--	Garden Reach Shipbuilders & Engineers Ltd. – <i>Govt. Nominee Director</i>
Independent Directors:						
8	Shri Arun Daga (DIN 07054958)	7/7	Yes	--	--	--
9	Shri Vikas Ramakrishna Kakatkar (DIN 02372234)	7/7	Yes	--	--	--
10	Shri Siva Makutam (DIN 09450599)	7/7	Yes	--	--	--
11	Shri Bipin Kumar Gupta (DIN 00293673)	7/7	Yes	--	--	--

1. Change in designation from Director (Mining & Construction) to Chairman & Managing director w.e.f. 01.08.2023.

3. Ceased to be Director w.e.f.06.07.2023

5. Appointed as Director w.e.f. 08.12.2023

2. Ceased to be Chairman & Managing Director w.e.f. 31.07.2023

4. Ceased to be Director w.e.f. 08.12.2023

Notes:

Does not include Directorship in private Companies, Section-8 Companies and Foreign Companies.

Does not include chairmanship/ Membership in the committees other than Audit Committee and Stakeholder Relationship Committee.

The above number of directorships in committees is as per the Companies Act, 2013 and SEBI (LODR) Regulation, 2015

The details of specific service contracts, notice period and severance fees etc. are governed by the appointment letter issued by Government of India to respective Director at the time of his/ her appointment/ re-appointment.

During the Financial Year 2023-24, no loans and advances in the nature of loans to firms/ companies in which directors are interested was given by the Company and its subsidiaries.

(iii) List of Core Skills/ Expertise/ Competencies identified by the Board in the context of the business of the Company and the names of Directors who have such skills/ expertise/ competence:

S. No.	Skill Area	Description	Name of Directors having such skills/ expertise/ competence
1	Strategy and planning	Ability to think strategically, identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of BEML relevant policies and priorities.	The above Directors of the Company are appointed by the Government of India considering the requisite skills/ expertise/ competencies in their respective area of operations and having reasonable knowledge in the other skill areas to safeguard the interest of the Company. Further, the business/ commercial decisions taken at the meetings of Board and Committee of Functional Directors are being implemented towards the growth of the Company
2	Governance, Risk and Compliance	Experience in the application of corporate governance principles in the Company. Ability to identify key risks to BEML in a wide range of areas including legal and regulatory compliance.	
3	Technical competence	Application of technical knowledge and skills for successful performance of specific job or group of jobs.	
4	Commercial Assessment	A broad range of commercial/ business assessment in areas of accounting, finance, marketing, branding and business systems, practices and improvement.	
5	Legal	Overseeing compliance with numerous laws as well as understanding an individual director's legal duties and responsibilities.	
6	Human Resource Management	Specialized in human resource management with an understanding of employment law.	

S. No.	Skill Area	Description	Name of Directors having such skills/ expertise/ competence
7	Information Technology/ Digital Skills	Knowledge in IT and/ or Digital issues with an ability to apply new IT technology in the Company.	
8	Integrity (ethics)	<p>A commitment to</p> <ul style="list-style-type: none"> • Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development; • Putting BEML interests before any personal interests; • Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict; • Maintaining Board confidentiality at all times. 	

(iv) Directors' Shareholding

None of the Directors is holding equity shares in your Company as on 31.03.2024.

(v) Familiarization/ Training of Board Members

In terms of Regulation 25 of the Listing Regulations, Chapter 3 of the DPE Guidelines and applicable provisions of the Companies Act, 2013, a 'Policy on Familiarization/ Training Programs to Board Members' was formulated and approved by the Board of Directors.

As per the terms of the said policy, the Board members including Independent Directors are provided with the familiarization programs on their roles, rights, responsibilities, nature of industry, Company's business model, procedures and practices and also provided with necessary documents, brochures and reports to keep the Directors abreast of

the necessary information relating to the Company. Further, the Board members participate in various training programs on corporate governance and other Board related topics from time to time.

Further, the aforesaid policy along with familiarization and training programs imparted to the Independent Directors are placed on the Company's web-site https://www.bemlindia.in/wp-content/uploads/2024/04/Policy_Training.pdf and https://www.bemlindia.in/wp-content/uploads/2024/04/Training_ID.pdf, in terms of Regulation 46 of the Listing Regulations.

(vi) Confirmation from Board of Director:

Based on the declarations submitted by the Independent Directors, the Board hereby confirms that the Independent Directors fulfill the condition specified in Companies Act, 2013 and SEBI (LODR), Regulation, 2015 and they are independent from the management.

(vii) Detailed reason for resignation of Independent Director:

During the year under review none of Independent Directors resigned or vacated their office before expiry of the tenure.

(viii) Code of Conduct and Fair Disclosure to Regulating, Monitoring and Report Trading by Insiders in BEML securities:

The Board of Directors of your Company had approved "Code of Conduct and Fair Disclosure for Regulating, Monitoring and Report trading by Insiders in BEML Securities", pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, and the same is placed on the Company's website https://www.bemlindia.in/writereaddata/Downloads/202105111712BEML_PIT_CoC-23042021.pdf. The insiders as defined under the Code should obtain permission from the Competent Authority to deal in securities during the trading window/ restriction period beyond the specified limits. Periodical disclosures are also made as provided under the Code through the Digital Database system, for keeping the track of the flow of Unpublished Price Sensitive Information (UPSI) and simultaneously maintaining the record of the nature of UPSI and name of the executives sharing the same to prevent the instance of insider trading.

Further, the Board of Directors and Senior Management personnel comply with the aforesaid code of internal procedures and conduct for prevention of Insider Trading in terms of DPE Guidelines.

(ix) CEO/ CFO Certification

The Chairman & Managing Director and Director (Finance), have issued necessary certificate to the Board of Directors with respect to the financial statement for the year 2023-24 in terms of Regulation 17 of

the Listing Regulations. The said certificate was reviewed and recommended by the Audit Committee in terms of Chapter 4 of the DPE Guidelines and was taken on record by the Board in its meeting held on 12.05.2024.

(x) Review of Compliance of Laws

In terms of Regulation 17 of the Listing Regulations, Chapter 3 of the DPE Guidelines and applicable provisions of the Companies Act, 2013, the Board reviewed the compliance reports relating to various laws applicable to the Company for the year 2023-24, and noted that there was no instance of non-compliance. Further, there was no significant or material order passed during the year by any regulator or court or tribunal impacting the going concern status and Company's operations in future. The applicable compliances are being monitored across the Company periodically.

3. BOARD COMMITTEES:

The constitution/ reconstitution of various Board Committees together with their terms of reference by the Board of Directors are detailed hereunder. Further, the composition of the said Committees is also placed on the Company's website <https://www.bemlindia.in/investors/board-committees/>, in terms of Regulation 46 of the Listing Regulations:

(i) Audit Committee:

The constitution/ reconstitution and the terms of reference of the Audit Committee are as per the applicable provisions under the Companies Act, 2013, Listing Regulations, DPE Guidelines as amended from time to time and except to the extent of exemptions granted to the Government

Companies. Further, the terms of reference also comply with the directives of the Board of Directors, Department of Defence Production, Central Vigilance Commission and such other competent authority.

The brief terms of reference of the Audit Committee are as follows:

- (a) *Oversight of financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible;*
- (b) *to review with the management, the quarterly financial statements before submission to the board for approval;*
- (c) *to discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;*
- (d) *to review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to (a) matters required to be included in the director's responsibility statement forming part of the board's report in terms of Section 134(5) of the Companies Act, 2013; (b) changes, if any, in accounting policies and practices and reasons for the same; (c) major accounting entries involving estimates based on the exercise of judgment by management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) disclosure of any related party transactions; and (g) modified opinion(s) in the draft audit report;*
- (e) *to recommend to the Board, fixation of remuneration to statutory auditors and to approve payment to statutory auditors for services rendered other than statutory audit as may be permitted under law;*
- (f) *to recommend to the Board the fixation of remuneration, re-imburement of out-of-pocket expenses and other allowances, if any, to cost auditors and transaction auditors;*
- (g) *to evaluate internal financial controls and risk management systems;*
- (h) *to review with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;*
- (i) *to review the adequacy of internal audit function of the Company, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;*
- (j) *to discuss with internal auditors of any significant findings and follow up there on; and to review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and make suitable recommendation to the board;*
- (k) *to review the functioning of the whistle blower mechanism;*
- (l) *to meet compulsorily at least once in every two months and inter-alia look at all cases of procurements which are made from single sources;*

- (m) to review the follow up action on the audit observations of the C&AG audit;
- (n) to review inventory position periodically and also review and recommend the cost audit reports for the consideration and approval of the Board;
- (o) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rs.100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

Members of the Audit Committee and the details of their attendance in the meetings are given below:

Sl. No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Arun Daga	Independent Director	6/6
Members:			
2	Shri Bipin Kumar Gupta	Independent Director	6/6
3	Shri Ajit Kumar Srivastav	Director (Defence Business)	6/6

During the year, the Audit Committee met six times on 25.05.2023, 12.07.2023, 10.08.2023, 09.11.2023, 07.02.2024 and 01.03.2024. Accordingly, the Audit Committee complied with the requirements on number and frequency of meetings in terms of Regulation 18 of the Listing Regulations and Chapter 4 of the DPE Guidelines. Further, the Board accepted all the recommendations made by the Audit Committee during the year in terms of section 177 of the Companies Act, 2013.

The Company Secretary acts as Secretary of the Audit Committee. The Chairman of the Audit Committee had attended the AGM of the Company held on 27.09.2023 for answering the securities holder's queries.

(ii) Nomination and Remuneration Committee

Pursuant to the provisions under Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, a Committee by name and style "Nomination and Remuneration Committee" was constituted.

The terms of reference of Nomination and Remuneration Committee would include, recommending to the Board the annual bonus/ variable pay pool and policy for its distribution across the executives and non-unionized supervisors of the Company, and also recommending special/ exclusive allowances and provisions to the personnel serving in remote areas including Jammu & Kashmir and North Eastern Region, in addition to the terms of reference specified under the provisions of the Companies Act, 2013 and Listing Regulations, subject to the exemptions granted to the government companies from time to time.

Further, the appointment and other matters in respect of Key Managerial Personnel and Senior Management Personnel are governed by the BEML Recruitment Rules and Procedures and subject to the policies and directives that may be issued by the Board of Directors and/ or CMD as the case may be from time to time. Fixation of Pay scales for the executives are governed by Presidential Directives issued by the Ministry of Defence. Performance evaluation of Independent Directors was undertaken by Department of Public Enterprises through Administrative Ministry periodically.

Members of the Nomination and Remuneration Committee and the details of their attendance in the meetings are given below:

Sl. No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Vikas Kakatkar	Independent Director	1/1
Members:			
2	Shri Arun Daga	Independent Director	1/1
3	Shri Siva Makutam	Independent Director	1/1

The Nomination and Remuneration Committee met once during the year on 26.03.2024. Further, the Company complied with the requirements on number of meetings of the Committee in terms of Regulation 19 of the Listing Regulations.

(iii) Stakeholders Relationship Committee

In terms of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board of Directors have constituted the "Stakeholders Relationship Committee".

The terms of reference would include, resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate share certificates, general meetings etc., review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent, review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

The Committee consists of following Directors:

Sl. No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Vikas Kakatkar	Independent Director	1/1
Members:			
2	Shri Ajit Kumar Srivastav	Director (Defence Business)	1/1
3	Shri Anil Jerath	Director (Finance)	1/1

During the year, the Stakeholders Relationship Committee met once on 17.01.2024. Further, the Committee complied with the requirements on number of meetings in terms of Regulation 20 of the Listing Regulations.

The Company has an exclusive platform on its website to enable investors for on-line registration of their complaints. The Company endeavors to reply to the complaints within a period of 3 working days. Other relevant details are placed on the Company's web-site <https://www.bemlindia.in/investors/investors-complaints/>, in terms of Regulation 46 of the Listing Regulations.

Further pursuant to SEBI Circulars, M/s Kfin Technologies Limited (formerly M/s Kfin Technologies Private Limited), the Registrar & Share Transfer Agent of the Company (RTA), is authorized to monitor the on-line complaints placed by SEBI on SEBI Complaints Redress System (SCORES). From the inception of the said system on 18.07.2011, there were 37 complaints placed and there was no complaint pending as on 31.03.2024. Further, the redressal status of the said complaints is reviewed by the Board of Directors from time to time.

A quarterly statement on investor complaints received and redressal thereof as submitted with BSE and NSE, in terms of Regulation 13 of the Listing Regulations, is placed before the Board for information. Accordingly, the status of total investor complaints and redressal thereon during the year are as under:

No. of complaints pending beginning of the year	:	0
No. of complaints received during the year	:	28
No. of complaints resolved during the year	:	28
No. of complaints pending at the end of the year	:	0

(iv) Risk Management Committee

In terms of Regulation 21 of the Listing Regulations, the Board of Directors had constituted a Committee with the nomenclature as 'Risk Management Committee':

The terms of reference of the Risk Management Committee (RMC) are as follows:

(1) *To formulate a detailed risk management policy which shall inter alia include:*

(a) *A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the RMC.*

(b) *Measures for risk mitigation including systems and processes for internal control of identified risks.*

(c) *Business continuity plan.*

- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (7) The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

The Committee consists of following category of Directors:

Sl. No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Ajit Kumar Srivastav	Director (Defence Business)	2/2
Members:			
2	Shri Anil Jerath	Director (Finance)	2/2
3	Shri Vikas Kakatkar	Independent Director	2/2

The Risk Management Committee met twice during the year on 27.07.2023 and 17.01.2024. Further, the Committee complied with the requirements on number of meetings in terms of Regulation 21 of the Listing Regulations.

In terms of Section 134 of the Companies Act, 2013, Regulation 17 of the Listing Regulations, and Chapter 7 of DPE Guidelines, your Company has formulated "Risk Management Policy". The objective of the Policy is to ensure sustainable business growth with stability and to promote a proactive approach in identifying, evaluating, reporting and managing or mitigating risks associated with the business. In order to achieve the key business objectives, the policy establishes a structured and disciplined approach to risk management in order to mitigate the risk related issues. The Corporate Risk Committee (CRC) consolidates the key risks along with mitigation plans and report to the Risk Management Committee for review and apprising the Board. The Audit Committee also reviews and monitors the key risks along with mitigation plans and status of risk management and recommend to the Board for approval. The said policy is placed on the Company's website https://alumni.bemlindia.in/writereaddata/Downloads/202107051916Risk_Management_Policy.pdf.

(v) Corporate Social Responsibility & Sustainability Committee

In terms of Section 135 of the Companies Act, 2013 and DPE Guidelines on MoU, the Corporate Social Responsibility & Sustainability (CSR) Committee has been constituted.

The terms of reference of CSR Committee would include -

(a) to formulate and recommend to the Board, CSR Policy of the Company which shall indicate the activities to be undertaken by the company in the areas or subject, specified in Schedule VII.

(b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above.

(c) to monitor the CSR Policy of the Company from time to time.

The Committee consists of the following directors:

S.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Siva Makutam	Independent Director	4/4
Members:			
2	Shri Ajit Kumar Srivastav	Director (Defense Business)	2/4
3	Shri Anil Jerath	Director (Finance)	4/4

The Board of Directors of your Company has formulated "Corporate Social Responsibility Policy (CSR) and also Sustainable Development Policy (SD)" to ensure commitment at all levels in the organization, and to operate the Company's business in an economically, socially and environmentally responsible and sustainable manner, while recognizing the interests of all stakeholders. Further, the CSR & SD policies of the Company along with the activities undertaken are placed on the Company's web-site [https://alumni.bemlindia.in/writereaddata/Downloads/202105141405Corporate%20Social%20Responsibility%20\(CSR\)%20Policy.pdf](https://alumni.bemlindia.in/writereaddata/Downloads/202105141405Corporate%20Social%20Responsibility%20(CSR)%20Policy.pdf).

The CSR Committee met four times during the year on 12.07.2023, 28.09.2023, 04.11.2023 and 22.02.2024. Annual report on CSR activities undertaken during the year 2023-24 is enclosed at **Annexure-VI**.

(vi) Share Certificate Committee

In terms of Regulation 39 of the Listing Regulations, the Board of Directors have constituted a Committee with the nomenclature as "Share Certificate Committee".

The terms of reference of Share Certificate Committee would be considering the request for issue of (i) duplicate, (ii) remat share certificates and (iii) Transmission of shares and Deletion of name and approve the same as duly complying with the provisions of the Companies Act, 2013 and Listing Regulations.

The Committee consists of following Directors:

Sl.No	Name of the Director	Category
1	Shri Ajit Kumar Srivastav	Chairman - Director (Defence Business)
2	Shri Anil Jerath	Director (Finance)

The Share Certificate Committee did not meet during the year.

(vii) Procurement Committee

The Board of Directors have constituted a Committee in the name and style as 'Procurement Committee' in terms of the guidelines issued by the Ministry of Defence, Government of India, for considering and approving all procurements exceeding Rs.100 lakhs from single sources and Rs.1,000 lakhs through open/ limited tenders.

The Committee consists of following directors:

Sl. No.	Composition
1	Chairman & Managing Director – Chairman
2	All other Functional Directors – Members

The Procurement Committee met 23 times on, 01.05.2023, 16.05.2023, 02.06.2023, 12.06.2023, 23.06.2023, 07.07.2023, 07.08.2023, 14.08.2023, 21.08.2023, 02.09.2023, 11.09.2023, 30.09.2023, 18.10.2023, 04.11.2023, 17.11.2023, 28.11.2023, 18.12.2023, 19.12.2023, 12.01.2024, 05.02.2024, 21.02.2024, 16.03.2024 and 29.03.2024 during the year under review.

(viii) Independent Directors Meeting

In terms of the provisions under the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Independent Directors met on 18.01.2024, wherein they had evaluated the performance of functional directors, reviewed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties. All four Independent Directors have attended the meeting.

Further, pursuant to Regulation 34 along with other requirements specified in Schedule V of the Listing Regulations, based on the declarations submitted by the Independent Directors the Board hereby confirms that the Independent Directors have fulfilled the conditions specified in the Listing Regulations and are independent of the management.

(ix) Remuneration of Directors and KMP

Your Company being a Central Public Sector Enterprise, the appointment, tenure and remuneration of Directors are decided by the Government of India. The Government communication appointing the Functional Directors is followed by the detailed terms and conditions of their appointment including a provision for the applicability of the relevant rules of the Company.

Pursuant to Schedule IV of the Companies Act, 2013, the appointment of Independent Directors was formalized through a letter of appointment setting out the terms and conditions of their appointment, which inter-alia, includes remuneration/ sitting fees and re-imbusement of expenses for participation in the meetings of Board and Committees of Board. Further, the said terms and conditions are placed on the web-site of the Company https://alumni.bemlindia.in/documents/BEML_Ind_Director_TnC.pdf, in terms of Schedule IV and Regulation 46 of the Listing Regulations.

(i) *Details of Remuneration paid to Functional Directors including Chairman & Managing Director and KMP during the year 2023-24:*

(Rs. in lakhs)

Name	Salary	Benefits	PF Contribution	Perquisites	Pension Contribution	2023-24	2022-23
						Total	Total
Shri Shantanu Roy Chairman and Managing Director & Director (Mining & Construction)	53.15	9.22	4.91	6.34	3.10	76.72	8.28
Shri Amit Banerjee Chairman and Managing Director*	13.60	33.05	1.37	3.92	0.80	52.74	57.51
Shri Ajit Kumar Srivastav Director (Defence Business)	39.49	8.87	3.98	3.56	2.32	58.22	49.63
Shri Anil Jerath Director (Finance)	34.00	6.66	3.62	8.72	2.35	55.35	49.61
Shri Gunaseelan Jawahar Director (HR)*	13.02	3.10	1.26	2.19	0.81	20.38	14.75
Shri. Malayala Venkata Rajasekhar - Director (M&C)	--	--	--	--	--	--	45.64
Shri Jai Gopal Mahajan Company Secretary	34.01	5.42	2.96	6.71	1.97	51.07	20.23
Shri. S.V. RAVI SEKHAR RAO-Company Secretary	-	-	-	-	-	-	30.05
TOTAL	187.27	66.32	18.10	31.44	11.35	314.48	275.70

*Part of the year

(ii) *Government Nominee/ Independent Directors compensation:*

- (a) Government Nominee Directors are not entitled for any remuneration including sitting fee for attending Board/ Committee meetings. Further, none of the Government Nominee Directors had any pecuniary relationship or transactions with the Company during the year.
- (b) None of the Independent Directors had pecuniary relationship or transaction with the Company excepting receipt of sitting fee of Rs.25,000/- per meeting of the Board/ Committee of the Board attended by them. Details of sitting fees paid to the Independent Directors during the year 2023-24 are given below:

Name of the Director	Sitting fee for the meeting(s) of		Total (Amount in INR)
	Board	Committees	
Shri Arun Daga	1,65,000	1,85,000	3,50,000
Shri Vikas Ramakrishna Kakatkar	1,65,000	1,20,000	2,85,000
Shri Siva Makutam	1,40,000	1,40,000	2,80,000
Shri Bipin Kumar Gupta	1,40,000	1,10,000	2,50,000
Total	6,10,000	5,55,000	11,65,000

Neither there was payment of commission to the Board of Directors nor any stock option scheme offered to them during the year.

4. GENERAL BODY MEETINGS

- Annual General Meeting

Details of last three Annual General Meetings are as follows:

Year	Location	Date & Time
2022-23	Hotel The Lalit Ashok Bangalore, Kumar Krupa Road, High Grounds, Bengaluru- 560001	27.09.2023 at 11:30 hrs
2021-22	BEML Soudha' 23/1, 4th Main Road, Sampangi Rama Nagara, Bengaluru -560027 through VC	23.09.2022 at 11:30 hrs
2020-21	BEML Soudha' 23/1, 4th Main Road, Sampangi Rama Nagara, Bengaluru -560027 through VC	24.09.2021 at 11:30 hrs

There was one special resolution passed in the 59th Annual general meeting held on 27.09.2023.

- Postal Ballot

During the year under review, no resolutions were passed by way of special resolution through postal ballot.

5. MEANS OF COMMUNICATION

- The Quarterly, Half-yearly and Annual financial results of the Company are submitted to NSE and BSE through on-line platform immediately after the same are approved by the Board in terms of Regulation 33 of the Listing Regulations, Further, the said results are simultaneously posted on the Company's website <https://www.bemlindia.in/investors/quarterly-results/>.
- The financial results of the Company are published in English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily published in Kannada newspaper, being the regional language in terms of Regulation 47 of the Listing Regulations.

- c) BEML NEWS - a House Journal brought out periodically is posted on the Company's web-site <https://www.bemlindia.in/beml-news/>.
- d) All material events and information including corporate announcements and press releases are promptly notified to NSE and BSE and the same are placed on the Company's web-site https://www.bemlindia.in/beml_videos.aspx#.
- e) The notice along with the audited financial statements forming part of the Annual Report is sent to the members within the statutory period for the Annual General Meeting.
- f) The presentations made to Institutional Investors/ Analysts giving an analysis of the performance and performance highlights of the Company are sent to NSE and BSE and also placed on the Company's website <https://www.bemlindia.in/investors/presentation-information-to-investors-analysts/> for the information of the institutional investors, analysts and other shareholders.
- g) Company's Website:

The website of the Company, www.bemlindia.in, in English & Hindi languages gives comprehensive information including the details of business, facilities, vision, mission and values, management, research and development, indigenization, quality, sales and service network, human resources, corporate social responsibility and sustainability, purchases, vigilance, RTI, Investors and other updates and news. The section on 'Investors' informs the shareholders/ investors, details about the financial results and annual reports, Company's codes and policies, various stock exchange disclosures, investor grievance redressal system, presentations made to investors/ analysts, details of board committees, unpaid or unclaimed dividends, online investor complaints, complaints status, details of debenture trustee and other material events or information relating to the Company.

6. POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Your Company has formulated a "Policy for Determining Material Subsidiaries" and the same is placed on the Company's web-site https://www.bemlindia.in/wp-content/uploads/2024/04/Material_Subsidiaries.pdf, as required under Regulation 46 of the Listing Regulations. However, none of the subsidiaries of the Company would come under the purview of 'Material Subsidiary' in terms of Regulation 16 of the Listing Regulations and Chapter 6 of the DPE Guidelines.

In terms of Regulation 24 of the Listing Regulations, the Audit Committee periodically reviews the financial statements of the subsidiaries of the Company excepting JV, M/s BEML Midwest Limited accounts which are not consolidated due to complete cessation of activities as the matter is sub-judice. Further, the minutes of the meetings of Board of subsidiary companies are also periodically placed before the Board of the Company along with significant transactions and arrangements entered into between the Company and its subsidiaries.

7. DISCLOSURES

The following disclosures are made in terms of Regulation 34 of the Listing Regulations and Chapter 7 of the DPE Guidelines:

- a) Your Company has formulated a "Policy on Related Party Transactions" to regulate transactions entered into between the Company and its related parties. In terms of Regulation 46 of the Listing Regulations, the said policy is placed on the web-site of the Company at https://www.bemlindia.in/wp-content/uploads/2024/04/202003301756Related_Party_Transactions_Policy.pdf. During the year 2023-24, all related party transactions that were entered into with the related parties were fair, transparent and at arm's length basis and also in the ordinary course of business of the Company. The said related party transactions were duly considered and noted by the Audit Committee. Further, details of related party transactions as required under Ind-AS 24 issued by the Institute of Chartered Accountants of India is given in Note No.39(C) of the Notes forming part of Accounts. It may be noted that no related party transaction was reported during the year involving the Directors, Key Managerial Personnel and other Designated Executives under Related Party Transactions Policy.
- b) In terms of the provisions of Section 177 of the Companies Act, 2013, Regulation 22 of the Listing Regulations and Chapter 4 of the DPE Guidelines, your Company has formulated "Vigil Mechanism/ Whistle Blower Policy" for directors and employees to report genuine concerns. The said policy is placed on the Company's website https://www.bemlindia.in/wp-content/uploads/2024/04/Whistle_Blower_Policy.pdf. The policy provides for adequate safeguards against victimization of director/s or employee/s or any other person who avail the said mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Audit Committee reviews the functioning of the whistle blower mechanism periodically as per Schedule II (A)(18) of Listing Regulations and Chapter 4 of DPE Guidelines, As per the said policy, none of the employees have been denied access to Audit Committee.
- c) The Company has prepared the financial statement, including consolidated financial statements based on the applicable Ind-AS issued by the Institute of Chartered Accountants of India from time to time excepting the accounts of JV, M/s BEML Midwest Limited, which are not consolidated due to complete cessation of activities as the matter is sub-judice.
- d) The Company has complied with Presidential Directives, if any, issued by the Central Government during the year and also in the last three years.
- e) Company is under non-compliance with regulation 17(1) of SEBI(LODR), 2015 during FY 2023-24 and for the same Stock Exchanges have imposed a penalty of Rs.10.74 Lakhs (Incl of GST) during the FY 2023-24.

In respect of penalty so imposed, the Company has submitted an application to BSE & NSE seeking wavier of fine and reply is awaited.

- f) Disqualification of appointment of directors shall not apply to Government companies under the Companies Act, 2013. Accordingly, requirement of certificate from the Company Secretary in practice that 'None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by SEBI or the Ministry of Corporate Affairs or any such statutory authority, will not apply to the company.
- g) Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor of the Company and all entities in the network firm/ network entity of which the statutory auditor is a part is ₹ 28 lakhs.
- h) The Company has not entered into any contract or arrangement in which the Directors are interested in terms of section 184 and 188 of the Companies Act, 2013.
- i) Senior management personnel have affirmed to the Board that their personal interest in all material financial and commercial transactions had no potential conflict with the interest of the Company at large.
- j) There were no transactions of the Company with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company.
- k) The expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management were – NIL.
- l) There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.
- m) Finance cost has come down by 15.61% during the year 2023-24 as compared to the previous year mainly due to reduction in short-term borrowings and redemption of Non-Convertible Debentures.
- n) There were no items of income and expenditure arising out of transactions of exceptional nature.
- o) In terms of the provisions of the Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013, an Internal Complaints Committee is functional in all Complexes/ Divisions for receiving complaints of Sexual Harassment if any, and it has been displayed in all the prominent locations for the information of all women employees. No complaints were filed during the year and there was no complaint pending at the end of the year 2023-24.

8. RECONCILIATION OF SHARE CAPITAL AUDIT:

'Reconciliation of Share Capital Audit Report' was submitted on quarterly basis to BSE and NSE within 30 days of end of each quarter pursuant to Regulation 76 of SEBI (Depositories & Participants) Regulations, 2018, and also placed on the website of the Company at <https://www.bemlindia.in/investors/reconciliation-of-share-capital-audit/>. The said report is issued by a Practicing Company Secretary, after reconciliation, confirming that the share capital

issued in physical and de-mat form tally with the issued, paid-up, listed and admitted share capital of the Company and also that the Register of Members is up-to-date and the dematerialization requests, transfers, transmissions etc., are completed within the stipulated period. Further, in terms of SEBI Circular the aforesaid report is placed before the Board of Directors of the Company on quarterly basis for information. The said audit reports confirmed that no exceptional issues were reported during the year under review.

9. YEARLY COMPLIANCE CERTIFICATES:

- a) A compliance certificate for the year 2023-24 was submitted to BSE & NSE within the stipulated time in terms of Reg.7(3) of Listing Regulations and also placed on the website of the Company <https://www.bemlindia.in/investors/compliance-certificates/>. As per the said compliance certificate, your Company has ensured all activities in relation to transfer facilities maintained by M/s KFin Technologies Limited, a SEBI registered Category-I Registrar & Share Transfer Agent (RTA).
- b) Your Company has ensured that the RTA has issued an yearly compliance certificate under Regulation 40(9 &10) of the Listing Regulations within thirty days of the date of lodgment for transfer, sub-division, consolidation, renewal, exchange etc. Accordingly, the said certificate for the year 2023-24 was submitted to BSE & NSE within the stipulated time and also placed on the website of the Company <https://www.bemlindia.in/investors/compliance-certificates/>.
- c) GENERAL SHAREHOLDER INFORMATION
 - (i) Corporate Identification Number (CIN) of your Company: LA35202KA1964GOI001530.
 - (ii) The 60th Annual General Meeting for the year 2023-24 is scheduled on Friday 20th September, 2024 at 11.30 Hours at the Hotel Shangri-La, No. 56-6B, Palace Road, Bengaluru-560001. in Bengaluru in physical mode.

MCA vide General Circular No.09/2023, dated 25.09.2023 intimated that with reference to the relaxations provided in its General Circulars dated 05.05.2020,13.01.2021, 08.12.2021, 14.12.2021 and 05.05.2022, the Companies' are allowed to conduct their AGMs which are due in the year 2024, in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020. In view of the above, the notice along with Annual report will be circulated to the shareholders electronically and the Annual General meeting will be held in physical mode.

Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07.10.2023, intimated that the requirements of Regulations 36 (1) (b) and (c) and Regulation 58 (1)(b) &(c) of the LODR, relating to sending physical copies of annual report to shareholders and appointment of proxies are dispensed with for listed entities who conduct their AGMs during the calendar year 2024 (i.e. till September 30, 2024) through VC/ OAVM. Accordingly, your Company will dispatch the annual reports through electronic mode. However, the Company will send physical copy of annual report to those

who request for the same by sending request letter at Company's registered office or by email to cs@beml.co.in

(iii) Tentative calendar for declaration of results for FY 2024-25 is given as below:

Quarter/ Year ending	On or before
30.06.2024	14.08.2024
30.09.2024	14.11.2024
31.12.2024	10.02.2025
31.03.2025	30.05.2025
61 st Annual General Meeting	30.09.2025

(iv) The Register of Members and Share Transfer Books shall remain closed from Saturday 14.09.2024 to Friday 20.09.2024 (both days inclusive).

(v) Your Board of Directors had declared an interim dividend of ₹ 5 per share, i.e., 50% of the equity share capital on 08.02.2024, which was distributed among the eligible shareholders. Further, your Board of Directors has recommended final dividend of Rs. 15.50 per share, i.e., 155% on the equity shares of ₹ 10 each (par value) for the year ended 31.03.2024 and the Dividend, if approved at the 60th Annual General Meeting, will be distributed among the shareholders as per requirement.

(vi) Company's equity shares are listed on the following stock exchanges:

The BSE Limited ('BSE')

P.J. Towers, 26th Floor,

Dalal Street, MUMBAI - 400 001

National Stock Exchange of India Limited ('NSE')

Exchange Plaza, Bandra-Kurla Complex

Bandra (East), MUMBAI - 400 051

Listing fee for the year 2023-24 was paid to BSE and NSE during April, 2023.

(vii) Stock Code:

BSE	500048
NSE	BEML

(viii) Custody/ Issuer charges to Depositories:

Your Company has paid custody/ issuer charges for the year 2023-24 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

(ix) Details for non-compliances:

At the beginning of Financial Year, the Board of Directors of the Company was not duly constituted in line with the Regulation 17 of the SEBI Listing Regulations with requisite balance of Executive Directors, Government Nominee Director and Independent Directors. Stock exchanges have imposed a penalty of Rs. 10.74 lakhs during the FY 2023-24.

During FY 2022-23, Rs.12.03 Lakhs (Incl of GST) i.e. fine of Rs.2.59 Lakhs (including GST) levied by stock exchanges for non-compliance during period 10.10.2022 to 31.10.2022 and further fine of Rs. 9.44 lakhs (including GST) levied by stock exchanges for the period 11.01.2023 to 31.03.2023 due to non-compliance of Reg 17 regarding composition of Directors. Out of the fine for Rs. 2.59 lakhs, Rs. 1.30 lakhs (including GST) levied by NSE for non-compliance during period 10.10.2022 to 31.10.2022 was waived off vide their mail dated 14.09.2023. The Company has submitted an application to BSE & NSE for seeking wavier of fine, wherein reply is awaited.

Further, Company has written letter to Ministry of Defence to take necessary action for the appointment of requisite number of Executive Directors and Independent Directors on Board.

(x) Compliance with discretionary requirements:

The status on the compliance with the discretionary requirements as specified in the Listing Regulations are as under:

- The Company has Chairman & Managing Director who is an Executive Chairman.
- Process of communicating with shareholders is very robust and the procedure has been explained under "Means of Communication".
- The consolidated financial statements are disclosed with modified opinion in the audit report.
- The Chief of Internal Audit is reporting directly to Chairman & Managing Director and is a permanent invitee to the meetings of Audit Committee.

(xi) Commodity price/ Foreign exchange risk and hedging activities:

Relevant information in this regard is disclosed in Note No. 39L of the Financial Statements.

(xii) Market Price Data:

The details of monthly high and low market prices of the shares of the Company during the year on BSE and NSE are as under:

(a) BEML Share price on BSE vis-a-vis BSE 500 Index from April 2023 to March 2024:

Month	BSE 500 Index	BSE (Rs. per share)		
	Close	High	Low	Close
April, 2023	24209	1300	1184	1217
May, 2023	25060	1461	1214	1438
June, 2023	26079	1749	1437	1620
July, 2023	27069	2059	1520	2021
August, 2023	26849	2536	1910	2465
September, 2023	27408	2716	2275	2318
October, 2023	26605	2445	1905	2018
November, 2023	28442	2488	2001	2467
December, 2023	30720	2915	2385	2828
January, 2024	31303	3658	2710	3506
February, 2024	31777	4139	2680	3122
March, 2024	32043	3333	2675	3184

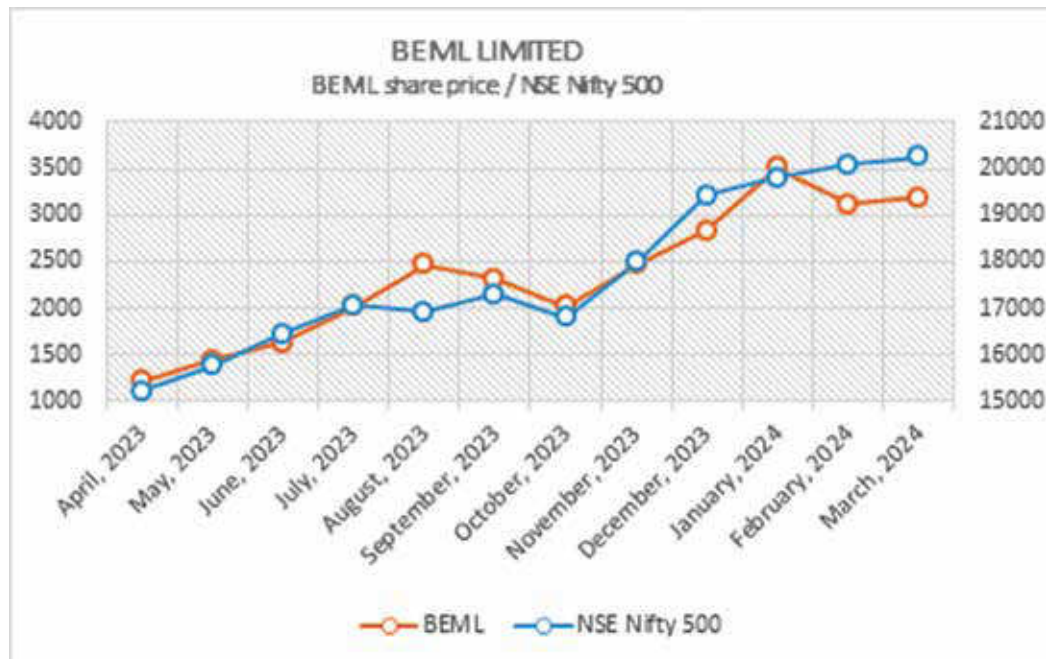
Performance in comparison to broad-based BSE Index based on closing price of last trading day of each month is as under:



(b) BEML Share price on NSE vis-a-vis NSE NIFTY 500 Index from April 2023 to March 2024:

Month	NSE Nifty 500 Index	NSE (Rs. per share)		
	Close	High	Low	Close
April, 2023	15220	1300	1184	1217
May, 2023	15766	1460	1214	1437
June, 2023	16430	1750	1437	1620
July, 2023	17059	2057	1519	2015
August, 2023	16924	2535	1908	2467
September, 2023	17293	2720	2275	2318
October, 2023	16801	2446	1905	2021
November, 2023	17988	2484	2001	2468
December, 2023	19429	2916	2382	2829
January, 2024	19802	3661	2703	3505
February, 2024	20090	4144	2681	3120
March, 2024	20255	3333	2672	3183

Performance in comparison to broad-based NIFTY Index based on closing price of last trading day of each month is as under:



(xiii)Registrar and Share Transfer Agent (RTA):

M/s KFin Technologies Limited (Formerly M/s Kfin Technologies Private Limited), a SEBI registered Category-I RTA, is engaged as Share Transfer Agent of the Company. The contact details of the RTA are as under:

M/s. Kfin Technologies Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli,
 Financial District, Nanakramguda, Hyderabad - 500032.
 Ph: 040 - 67161526, Fax: 040 - 23001153
 E-mail:nageswara.raop@kfintech.com, einward.ris@kfintech.com
 Website: www.kfintech.com

(xiv) Share Transfer System:

SEBI vide its circular dated 25.01.2022 has mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing service requests for issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition purposes.

Members holding shares in physical mode are requested to convert their holdings into dematerialized mode.

(xv) Shareholding pattern as on 31.03.2024:

Sl. No	Description	No. of Cases*	Total Shares	% Equity
1	GOVERNMENT OF INDIA	1	22500000	54.0287
2	MUTUAL FUNDS	45	6803017	16.3359
3	RESIDENT INDIVIDUALS	117853	6238081	14.9794
4	FOREIGN PORTFOLIO - CORP	145	4125371	9.9062
5	BODIES CORPORATES	914	601911	1.4454
6	QUALIFIED INSTITUTIONAL BUYER	12	523703	1.2576
7	NON RESIDENT INDIANS	1381	274809	0.6599
8	H U F	2232	247759	0.5949
9	NON RESIDENT INDIAN NON REPATRIABLE	1092	139859	0.3358
10	ALTERNATIVE INVESTMENT FUND	8	77458	0.1860
11	I E P F	1	73793	0.1772
12	TRUSTS	16	26996	0.0648
13	CLEARING MEMBERS	10	5031	0.0121
14	NBFC	7	4167	0.0100
15	FOREIGN PORTFOLIO INVESTORS	3	1745	0.0042
16	BANKS	3	800	0.0019
	Total	123723	41644500	100.0000

*Folio based

(xvi) Top 10 shareholders excluding Promoter (President of India) as on 31.03.2024 based on PAN:

Sl. No.	Name of the shareholder	No. of shares	% holding
1	HDFC TRUSTEE COMPANY LIMITED-HDFC FLEXI CAP FUND	3364759	8.08
2	KOTAK EQUITY OPPORTUNITIES FUND	1999789	4.80
3	ICICI PRUDENTIAL MIDCAP FUND	572009	1.37
4	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	366534	0.88
5	NATIONAL INSURANCE COMPANY LTD	353094	0.85
6	ASHOKA WHITEOAK ICAV - ASHOKA WHITEOAK INDIA OPPOR	273212	0.66
7	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	248359	0.60
8	ABU DHABI INVESTMENT AUTHORITY - MONSOON	236776	0.57
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERI	234708	0.56
10	ISHARES CORE MSCI EMERGING MARKETS ETF	209128	0.50
	Total	7858368	18.87

(xvii) Distribution of shareholding as on 31.03.2024:

Range of equity shares held	No. of Shareholders*	% to total holders	No. of Shares	% to total equity
1-5000	120790	99.82	6241150	14.99
5001- 10000	93	0.08	676959	1.63
10001- 20000	46	0.04	650793	1.56
20001- 30000	12	0.01	296455	0.71
30001- 40000	14	0.01	482982	1.16
40001- 50000	9	0.01	408860	0.98
50001- 100000	17	0.01	1225584	2.94
100001& Above	20	0.02	31661717	76.03
Total	121001	100.00	41644500	100.00

*PAN based

(xviii) Details of Shares held in Unclaimed Suspense Account:

Your Company made Follow-on Public Offer during 2007 and certain shares could not be delivered/ credited to investors due to reasons such as incomplete/ wrong/ invalid demat account details, incomplete address etc. In terms of Regulation 39 of the Listing Regulations, 245 unclaimed shares were kept in a separate Suspense Account and all 245 shares held by 17 shareholders were transferred to the IEPF during 2017-18 established by the Central Government pursuant to the applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)

Amendment Rules 2017. Any shareholder whose unclaimed shares are transferred to the IEPF may approach RTA/ Company for claiming back such shares by following due procedure.

(xix) Dematerialization of shares and liquidity:

The Company's shares are being traded under International Securities Identification Number (ISIN) - INE258A01016. Further, the Company's shares are admitted into both the depositories i.e. National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). As on 31.03.2024, 4,15,72,139 equity shares of the Company constituting 99.83% are in electronic form leaving a balance of 72,361 shares constituting 0.17% in physical form.

The Equity Shares of the Company are traded on NSE and BSE only in dematerialized form. Considering the advantages of scrip-less trading, including enhanced marketability of the shares and security of the investments, shareholders holding shares in physical form have been requested to consider dematerializing their shareholding so as to avail the advantages of dematerialization of shares.

(xx) Investor safeguards:

In pursuit of the Company's objective to mitigate/ avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members:

(a) Open Demat Account and dematerialise your shares:

Members should convert their physical holdings into electronic holdings as per SEBI circular dated 25.01.2022, which is mandatory.

(b) Consolidate your multiple folios:

Members are requested to consolidate their shareholdings held under multiple folios and open demat account. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

(c) Confidentiality of security details:

Folio Nos./ DP ID/ Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds or delivery instruction slips should not be given to any unknown persons.

(d) Dealing with Registered Intermediaries:

Members should transact through a registered intermediary, who is subject to the regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, Members can take up the matter with SEBI.

(e) Obtain documents relating to purchase and sale of securities:

A valid Contract Note/ Confirmation Memo should be obtained from the broker/ sub-broker, within 24 hours of execution of the trade. It should be ensured that the Contract Note/ Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.

(f) Update your address and email IDs:

To receive all communications and corporate actions promptly including dividends, please update your address and email ID with the Company, RTA or DP, as the case may be.

(g) Prevention of frauds:

There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, email ID of stay abroad or demise of any Member, as and when required.

(h) Monitor holdings regularly:

Do not leave your demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.

(i) Mode of Dispatch:

Share certificates and high value dividend warrants/ cheques/ demand drafts should not be sent by ordinary post. It is recommended that Members should send such instruments by registered post or courier.

(xxi) There are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact thereof on equity shares.

(xxii) There are no outstanding Bonds/ Debenture/ Commercial Paper at the end of financial year.

(xxiii) During year, company has not raised fund through preferential allotment or qualified institutional placement.

(xxiv) Credit Rating on Working Capital facilities/ Debt Securities:

(a) M/s Care Ratings have revised CARE AA-; Stable/CARE A1+ for fund based facilities (Short term borrowings) and CARE AA-; Stable for non-fund based bank guarantee (Long term bank facilities) & letter of credit facilities for an amount of Rs. 5,500 crores (wherein Rs. 4,500 crores are Secured Working Capital limits and Rs. 1000 crore are Unsecured Working Capital limits).

(b) Any change in the credit ratings is being communicated to Stock Exchanges and the same are placed on <https://www.bemlindia.in/investors/credit-rating/>.

(xxv) Plant Locations:

1. Bengaluru Complex, New Thippasandra Post, Bengaluru - 560 075.
2. KGF Complex, BEML Nagar, Kolar Gold Fields - 563 115.
3. Mysuru Complex, Belavadi Post, Mysuru - 571 186.
4. Palakkad Complex, Kinfra Park, Kanjikode, Palakkad - 678 007

(xxvi) Address for correspondence with the Company:

Shri Jai Gopal Mahajan,
Executive Director (Finance) and Company Secretary & Compliance officer,
M/s BEML Limited,
BEML Soudha, No. 23/1,
4th Main, S.R. Nagar,
Bengaluru - 560 027, Karnataka State, India.

(xxvii) National Electronic Clearing Service/ Mandates/ Bank Details:

Shareholders may note that Bank Account details given by them to their Depository Participants (DP) would be used for payment of dividend under National Electronic Clearing Service and National Electronic Fund Transfer facilities. Shareholders are advised to ensure that their banking particulars are properly recorded in the DP account for timely crediting of dividend payments made by the Company.

(xxviii) Green Initiative

As part of the Green Initiative, the Ministry of Corporate Affairs (MCA) and SEBI have permitted companies to send official documents to their shareholders electronically. The Company has already embarked on this initiative.

In view of the above, the Company provides an opportunity to shareholders to register their email address and changes, if any, from time to time, with the RTA/ DP in terms of the provisions of the Companies Act, 2013 and Listing Regulations. This would enable the Company to send notices and documents to the shareholders through e-mail. Out of 1,23,723 shareholders, about 1,17,948 shareholders constituting about 95% have registered their e-mail IDs as on 30.03.2024 with the depositories for communication purpose to whom the notice, annual reports, dividend communication etc., can be sent in e-mode.

We are confident that the shareholders will appreciate the "Green Initiative" taken by MCA and more and more would give consent for this noble cause of conservation of mother earth with 'green cover'.

(xxix) Unclaimed Dividends

Any amount that remains unpaid/ unclaimed in the Unpaid Dividend Account of the Company for a period of 7 years from the date of transfer to the said account, will be transferred to

the Investor Education and Protection Fund (IEPF) administered by the Central Government in terms of the provisions of the Companies Act, 2013.

Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred to IEPF pursuant to provisions of Section 124 of the Companies Act, 2013 and MCA Notifications and amendments thereon issued from time to time. Accordingly, all the unclaimed dividend amounts declared prior to 31.03.2016 along with shares are transferred to IEPF. Any shareholder whose shares are transferred to the IEPF may approach RTA/ Company for claiming back the shares along with the unpaid dividend amount by following due procedure.

The unpaid dividends that are due for transfer to the IEPF pursuant to Section 124 of the Companies Act, 2013, are as follows:

Dividend for the financial year	Date of Declaration	Unclaimed as on 31.03.2024 (Rs. in lakhs)	Due for transfer on
2016-17	21.09.2017	10.57	27.10.2024
2017-18	26.09.2018	11.48	02.11.2025
2018-19 (Interim)	21.03.2019	6.41	26.04.2026
2018-19 (Final)	26.09.2019	3.25	02.11.2026
2019-20 (Interim)	13.03.2020	4.92	18.04.2027
2019-20 (Final)	25.09.2020	5.30	31.10.2027
2020-21 (Interim)	10.02.2021	5.03	18.03.2028
2020-21 (Final)	24.09.2021	1.11	30.10.2028
2021-22 (Interim)	22.03.2022	3.49	27.04.2029
2021-22 (Final)	23.09.2022	3.44	29.10.2029
2022-23 (Interim)	10.02.2023	3.67	18.03.2030
2022-23 (Final)	27.09.2023	3.25	07.11.2030

(xxx)Details of Compliance with mandatory requirements and adoption of non- mandatory requirements

Mandatory Requirements:

The company is in compliance with all the mandatory requirement related to Corporate Governance, except Regulation 17 of Listing Regulation applicable for minimum number of Independent Director in Board.

Non- Mandatory Requirements:

Board: Chairman of Board is Executive Director.

Shareholder rights: Financial Results for Quarterly/ half yearly/ yearly during year 2023-24, were published in English and vernacular language newspaper.

Reporting of Internal Auditor: Internal Auditor report to the Audit Committee.

(xxxii) Code of Conduct

In terms of Regulation 17 of the Listing Regulations and Chapter 3 of the DPE Guidelines, the Board of Directors of your Company has laid down a 'BEML Code of Conduct and Business Ethics for Board Members and Senior Management' and the same is also placed on the Company's web-site, https://alumni.bemlindia.in/writereaddata/Downloads/20170807074332BEML_CoC.pdf as required under Regulation 46 of the said Regulations. Board Members and Senior Management, i.e. Directors, Key Managerial Personnel, Executive Directors and Chief General Managers have affirmed compliance with the said Code. A declaration to this effect signed by the Chairman and Managing Directors produced hereunder:

To the Members of BEML Limited,

I, Shantanu Roy, Chairman & Managing Director of the Company, hereby declare that the Board of Directors and Senior Management personnel have affirmed their compliance with the Code of Conduct for the financial year ended 31.03.2024.

On behalf of the Board of Directors

Sd/-

Shantanu Roy

Chairman & Managing Director

Place - Mysore

Date - 12.05.2024

(xxxii) Compliance with Corporate Governance:

Your Company submitted quarterly compliance report on Corporate Governance as per prescribed format to the Ministry of Defence (MoD), BSE and NSE and also on half-yearly/ yearly basis to BSE and NSE, within the stipulated timelines from the close of relevant period.

Further, your Company submitted quarterly grading reports on the compliance with the Corporate Governance to MoD. In addition, annual grading report for the FY 2023-24 (average of four quarters) is submitted to MoD with a copy to Department of Public Enterprises. As per the consolidated grading report for the year 2023-24, your Company was rated as 'Excellent' in adhering to the corporate governance standards with a score of about 98.68%, whereas the score for quarter ended 31.03.2024 was 100%.

Compliance of the conditions of Corporate Governance have also been audited by Practicing Company Secretaries and after being satisfied of the above compliances, they have issued a compliance certificate in this respect. The said certificate is annexed with this report and the same will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

For and on behalf of the Board of Directors

Place: Mysore
Date: 12.05.2024

Sd/-
Shantanu Roy
Chairman & Managing Director

CEO / CFO CERTIFICATION FOR THE YEAR ENDED 31ST MARCH, 2024

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Board of Directors
BEML Limited

This is to certify that:

- (A) We have reviewed financial statements and the cash flow statement for the year 2023-24 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee that:
- (1) there are no significant changes in internal control over financial reporting during the year;
 - (2) during year under Significant Accounting Policies, company has added an accounting policy on LD/ penalty in customer contracts, and
 - (3) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

for BEML Limited

Sd/-
Anil Jerath

Director (Finance) and CFO

Sd/-
Shantanu Roy

Chairman & Managing Director and CEO

Mysore
12.05.2024

CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members,
BEML Limited,
BEML Soudha 23/1, 4th Main Rd,
Sampangi RamaNagara, Bengaluru,
Karnataka 560027**

We have examined the compliance of Corporate Governance by BEML Limited (CIN: L35202KA1964GOI001530) (hereinafter called 'the Company') having its Registered Office at "BEML Soudha 23/1, 4th Main S R Nagar, Bangalore KA 560027 IN., for the Financial Year 2023-24 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises. We have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The Compliance of Conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulation.

On the basis of our findings from the examination of the records produced and explanations and Information furnished to us, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises except:

1. As per 2nd proviso to Sec 149(1) of the Companies Act 2013 and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014, the Company was required to appoint One Women Director. The Company being a Government Company, appointments of Women or Independent Directors are made based on the Orders issued by the Government of India through the Ministry of Defence. The Company has requested Government of India to issue necessary order for appointment of Women Independent Director and response from the Government of India is awaited.
2. As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/Non-Executive Directors, the aforesaid requirement was not met from 01.04.2023 till 31.07.2023. After 01.08.2023 the compliance of Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 was met by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Manish Mishra & Associates,
Company Secretaries
(F.R. N. P2015UP081000)**

Sd/-

**CS Manish Mishra
Managing Partner
Practicing Company Secretary
CP. No.: 15281
M. No F: - 10316**

**UDIN: F010316F000330339
Peer Review Cert. No. 3163/2003
Date- 08.05.2024
Place-Lucknow**

Annexure-IV

MANAGEMENT DISCUSSION & ANALYSIS REPORT**(i) Industry structure and developments:**

The Company is Schedule-A Public Sector Enterprise under the administrative control of Department of Defence Production, Ministry of Defence, operating in three distinct business verticals namely Defence & Aerospace, Mining & Construction and Rail & Metro.

Organization

The three major Business verticals viz., Defence & Aerospace, Mining & Construction and Rail & Metro are headed each by a Business Group Director. The International Business Division exports equipment & spares and also provides services to all the three verticals. The Company's manpower strength stood at 4,888 as on 31.03.2024.

Production Units

The Company has four manufacturing complexes located at Bengaluru, Kolar Gold Fields (KGF), Mysuru and Palakkad.

Bangalore Complex: Bangalore Complex manufactures Stainless Steel Metro Cars for the Delhi Metro, Bengaluru Metro, Jaipur Metro, Kolkata Metro and Mumbai Metro. The Complex also manufactures various types of railway products such as Vande Bharat Sleeper cars, Rail coaches, AC Electrical Multiple Units (ACEMUs), Diesel Electric Multiple Units (DEMUs), Main Line Electric Multiple Units (MEMUs), Stainless Steel Electrical Multiple Units (SSEMUs), Overhead Equipment Inspection Cars (OHE Cars)/ Diesel Electric

Tower Cars (DETC), Treasury Vans, etc., for Indian Railways and Metro Corporations. Bengaluru Complex also manufactures defence products such as Military Rail coaches and Military Wagons.

KGF Complex: KGF Complex encompasses Earth Movers Division, Hydraulics and Powerline Division, Rail Unit-II and Heavy Fabrication Unit. Earth Movers Division produces a wide range of equipment such as Bulldozers, Electrical & Hydraulic Excavators, Wheel Loaders and Dozers, Pipe Layers, Tyre Handlers, Engineering Mine Ploughs, Trailers, Hulls for Battle Tanks and Armoured Recovery Vehicles. Also, the Earth Movers Division has infrastructure to manufacture Electric Rope Shovels and Walking Draglines. Hydraulic & Powerline Division produces Transmissions, Axles, Hydraulic aggregates and allied assemblies required for the manufacturing units of BEML, Transmissions for Infantry Combat Vehicles and aggregates for battle tanks to other DPSUs. Rail Unit – II manufactures Rail Coaches, Rail Grinding Machines, aggregates for Railway EMUs and structures for Aero-bridges. Heavy Fabrication Unit manufactures fabrication of structures, assembly of equipment and manufacture of components for Mining & Construction and Defence business verticals.

Mysore Complex: Mysore Complex encompasses Truck Division, Engine Division and Aerospace Manufacturing Division. The Truck Division manufactures off-highway Rear Dump Trucks, Motor Graders, Water Sprinklers and High Mobility Vehicles. The Engine Division

manufactures a wide range of Diesel Engines powering BEML's product range and air-cooled engines for High Mobility Heavy Duty Trucks for Defence applications.

Palakkad Complex: Palakkad Complex manufactures ground support equipment such as High Mobility Trucks of various combinations and aggregates for Rail & Metro Products.

Marketing: BEML's products are sold and serviced through its wide marketing network comprising 3 Zonal Offices, 12 Regional Offices, and 19 District Offices across the Country. The Company also establishes temporary Activity Centers at customer locations to support and service equipment. Further, 'Service Training Centers' at KGF Complex and Mysuru Complex are offering variety of programs, scheduled round-the-year. All the three business segments are equipped with a dedicated marketing setup which undertakes business development, tender participation and oversees project management related activities under its ambit.

International Business Division: Company exports its products through its International Business Division. The major markets are Middle East countries, African countries and South East Asian countries. During the year 2023-24, Company has exported goods and services to new Country i.e., Somaliland in addition to 70 countries supplied over the years.

Developments & Performance during the year 2023-24:

As per the second advanced estimates of Central Statistical Organization, the growth in real GDP during the year 2023-24 is estimated at 7.6 percent as compared to 7.0 percent in the year 2022-23.

The Company achieved important landmarks during the year and some of them are mentioned here under:

Defence & Aerospace

- Development and Maiden test-firing of India's First indigenously made 1500 HP engine for Main Battle Tank was accomplished at Mysore Complex.
- Successfully handed over the first Strap on Base Shroud (SBS) structure to VSSC, ISRO for LVM 3 Program.
- Contract awarded by MoD for manufacture and supply of 56 numbers of Mechanical Minefield Marking Equipment (MMME) Mark-II, under Buy (Indian-IDDM) category, in order to enhance defence capabilities and ensuring safety of military personnel in border areas.
- MoU signed with
 - ◆ Aeronautical Development Agency for manufacturing of Ground Handling/ Ground Support equipment for Light Combat Aircraft.
 - ◆ M/s MIDHANI to explore the areas of co-operation, indigenization, and future business.
 - ◆ MoD along with BEL & Midhani for development of Advanced Fueling & Control System for Engines for heavy duty applications.

Mining & Construction

- Commencement of supply of India's first indigenously designed and developed 21 cu.m electrical Rope shovel Model: BRS21 from BEML, Kolar Gold Fields Complex.

- MoU signed with M/s DCIL for indigenous design, development, and manufacturing of Dredger Spare Parts.

Rail & Metro

- Commencement of production of India's maiden Vande Bharat sleeper trainset prototype at BEML's Bangalore complex.
- Received order worth Rs. 3200 Cr. for supply of Metro cars from Bangalore Metro Rail Corporation Limited in spite of stiff competition from MNC's.
- BEML handed over the first rake of indigenously built Rail Grinding Machine (RGM96) to M/s LORAM, USA from its manufacturing facility Rail Coach Unit II, located in KGF.
- Trial run of BEML designed & manufactured metro coaches was commenced through India's first underwater river tunnel at Howrah.
- MoU signed with
 - ◆ M/s Konkan Railway Corporation Limited to synergize each other's strengths to address the business opportunities in Indian & Overseas markets.
 - ◆ M/s Umeandus Technologies India to identify opportunities in Domestic & Export market for Rolling Stock.

General

- Formation of Strategic Business Units (SBUs) within BEML Limited with an aim to enhance organizational focus, management effectiveness, operational control, and overall growth.

- Received the awards - CEO of the year - PSU (Defence & Aerospace) & Most Sustainable & Innovative Manufacturing Practices, at 32nd World HRD Congress.

- Conferred with Governance Now 10th PSU CMD Leadership Award for Excellence (For outstanding Contribution in Leadership).

- Conferred with second EEPIC India Quality Awards for outstanding performance in the PSU category.

(ii) Strengths and Weakness:

Strengths

- Established manufacturing infrastructure and knowledge base.
- Established R&D base with dedicated test facilities. Over 70% of Sales is through R&D developed products.
- Extensive expertise in the design and development of high-performance engines for main battle tanks.
- Capability to design & manufacture of high-end Mining equipment.
- Expertise in Heavy Fabrication, Machining and manufacturing Metro Cars, Stainless Steel Coaches, EMUs, etc.
- More than 75% of Sales is achieved on Competition mode.
- Extensive Sales and Service infrastructure – Established Zonal, Regional, District Office & Activity centers across India.
- Major Market Share in High-Capacity Dozers and Metro Cars in India.
- Strong relationship with Services, Defence Labs and Government agencies and PSUs.

- Green Company – Use of Renewable energy sources. More than 98% of energy requirement met through green energy.
- Good Brand value, Large Customer base and Work Ethics Culture.
- Long-term commitment to customers.

Weakness

- Depletion of Skilled Manpower & Ageing Workforce
- No assured business from GoI unlike some of the other DPSUs.
- Uncertainty in orders for Rolling stock from Indian Railways
- Low Market Share in Construction Equipment.

(iii) Opportunities and Threats:

Opportunities

Defence & Aerospace:

- To advance and strengthen the abilities of Indian Army, the modernization budget has been increased by 13.6 per cent in FY 2024-25 (Budget Estimate), as against FY 2023-24 (Estimate).
- Growing opportunities in Maintenance, Repair, Overhaul and Upgrade programs.
- Emphasis on establishment of Aero and Space clusters in India
- 'Make in India' policy of Government of India and 'promulgation of five positive list' would benefit Indian defence industry boosting Indigenous production.
- Also, to reduce import dependence and modernise Defence Forces with our home-grown technology, the Government has

gradually increased the domestic industry's capital procurement budget,

- MoD is embarking on procurement of major weapon platforms/ equipment for which BEML has requisite capability.
- Thrust on Exports thru LoC for Defence Products.

Mining & Construction:

- Government plans to almost double the coal production in next 10 years.
- Coal India plans to produce 42 million tons through Under Ground Mining during FY 2024-25.
- Increased thrust by Government in infrastructure development and exports.
- Thrust on indigenisation of High-Capacity Mining equipment.
- As per ICEMA, Construction equipment industry is on track and is slated to clock more than 20% growth on a year-on-year basis.
- Use of Artificial Intelligence features on Mining equipment

Rail & Metro:

- Implementation of three major economic railway corridor programmes namely energy, mineral and cement corridors; port connectivity corridors; and high traffic density corridors.
- Forty thousand normal rail car bodies will be converted to Vande Bharat standards for enhanced safety, convenience, and passenger comfort.
- Expansion of Metro network in LATAM and MENA region.

- Expansion of railway network and increased demand of Electric Multiple units in suburban routes.
- Extension of existing Metro networks in Tier-I & Tier-II cities and new metro projects planned. Light Rail Metro is also catching up as a revenue line which is expected to emerge from Tier-II & Tier-III cities.
- Increasing pressure on reducing Life Cycle costs.
- Increased FDI caps in Coal & Defence sector.
- Manifold increase in competition from Indian Private industry and foreign OEMs including their JVs in Defence sector.

New Areas:

- New Opportunities in Marine and Naval sector
- Vande Bharat Sleeper Cars
- Upcoming prospects in Aerospace Business and ISRO.
- Unmanned ground vehicles.
- Unmanned Aerial Vehicles (UAVs)
- Manufacture of Fixed wing aircraft and Helicopter Aggregates.
- Demand for high end Electric Drive Dump Trucks, Excavators and Bull-Dozers.
- AI and Robotics enabled systems
- Medium speed EMUs and High-speed trains.
- Emerging business opportunity for Light Rail.
- New opportunities in Maintenance equipment viz. Rail Grinding machines, Track Cleaning Machine, etc.
- Rolling stock for e-freight corridors

Threats

- Difficulty in sourcing of critical items & technologies.

(iv) Segment-wise or Product - wise performance:

SEBI vide its letter dated 21.07.2003 granted exemption to the Company from publishing segment-wise information in quarterly/ half yearly and annual audited financial results. Further, the Ministry of Corporate Affairs vide Notification dated 23.02.2018 granted exemption to the Companies engaged in defence production to the extent of application of relevant Accounting Standard on segment reporting. Hence, the Segment-wise or Product-wise performance is not appended to this report.

(v) Outlook:

BEML has restructured its operations into 11 Strategic Business Units (SBUs) and 2 Micro SBUs, transitioning from its previous business verticals to drive growth in emerging markets and capitalize on future opportunities. Each SBU Head has been granted appropriate delegation of powers, ensuring financial autonomy for faster decision making within their respective units.

To meet customer requirements and aspire to be a world-class technology company, BEML's Research & Development (R&D) is organized into three layers. The first layer, embedded within each SBU, focuses on regular product upgrades. The second layer is dedicated to new product development and exploring new

areas related to existing products. The third layer, at the Corporate Level, is responsible for acquiring new technologies and facilitating technology transfers with partners.

Defence & Aerospace:

The government's proactive measures to bolster indigenous design, development, and manufacturing of defence equipment, aimed at fostering a sustainable defence industrial ecosystem, will undoubtedly create numerous opportunities for the domestic sector. The call for Atmanirbhar Bharat and positive indigenisation list has further catalyzed efforts toward achieving self-reliance.

The increased defence modernization plans, including the procurement of Armoured vehicles by the Ministry of Defence, are in the pipeline. Additionally, exploring new business domains such as overhauling Recovery/ High Mobility Vehicles, Combat Engineering Equipment, Platforms for gun systems and Strategic Equipment like Futuristic Wheeled & Armoured Combat Vehicles will contribute significantly to revenue growth.

Recently, BEML achieved a significant milestone by completing the groundbreaking project of designing and developing India's indigenous prototype 1500 HP engine for New Generation Main Battle Tanks (NGMBTs). This remarkable feat marks a pivotal moment in India's defence capabilities, highlighting the nation's engineering excellence and dedication to self-reliance in defense technologies. BEML aims to continue developing engine variants to meet various requirements of the Defence Services, demonstrating its commitment to realizing the vision of Aatmanirbhar Bharat and establishing itself as a leader in defence production.

The development of a high-powered engine by BEML has provided significant momentum for the advancement of the Futuristic Combat Vehicle development programs in India. This has paved the way for design & development of engines for usage in MBT's, Howitzers, armored recovery vehicles, armored fighting vehicles, NGMBTs, combat vehicles, Infantry vehicles and crew protection vehicles which are presently being imported. The company is actively pursuing partnerships with a globally renowned Original Equipment Manufacturers (OEM) for the indigenous development of the complete battle tank.

In Aerospace sector, orders for aircraft, helicopter components, and aggregates for space programs are anticipated to materialize in the near future. The requisite facilities are already established and BEML is poised to capitalize on these opportunities.

In the Aerospace sector, BEML anticipates securing additional orders for aircraft and helicopter components, missile components as well as aggregates for space programs of national importance in the near future. With the necessary facilities already established, BEML is well-positioned to capitalize on these upcoming opportunities and expand its footprint in the aerospace industry. As part of company's strategic initiatives, BEML is collaborating with other Defense Public Sector Undertakings (DPSUs) and Private Sectors for various Missile and Aerospace Programme like GHEs & GSEs for Aerospace Projects

Also, BEML is collaborating with ISRO for New Space Programmes like

- Light alloy structure manufacturing and integration for Launch Vehicle Mk-III (LVM-3) for ISRO

- Entering into Small Satellite Launch Vehicle (SSLV) segment
- Working closely with ISRO into futuristic launch vehicles.

Also, the Company is establishing world class facilities at Aero SEZ Park, Bengaluru.

- Warehousing & Allied Services:
 - ◆ Being a Customs Free Trade Zone, Customers to gain on Imports & Exports using our SEZ services for Warehousing & Logistic supports
- Aerospace Exports:
 - ◆ Start as a Tier-III/ Tier-II suppliers to global OEMs in the areas of Airborne components, Offset business & MRO activities.
 - ◆ Set-up customised manufacturing plant & processes meeting specific customer requirement and have long terms business association.

Furthermore, BEML is actively pursuing business opportunities aligned with its product portfolio and overhauling services.

Futuristic BEML Maritime Business:

Diversification plan is in place in Maritime sector to capitalize on opportunities and promote indigenous development of marine systems including engines, various structures of boats etc.

- Joint Development of Cutter suction dredger for Inland waterways/ river dredging by BEML & DCIL through technology tie-up with a reputed dredger manufacturer.
- Green initiative: Development of Hydrogen Aspirated kits, Hydrogen Engine & Hydrogen Fuel Cell.

- Electric conversion kits for small Inland vessels/ Boats under "Harita Nauka" guidelines of MoPSW
- Design and development of Stern drive for Boats.
- Design and development of Non-magnetic engines for deep sea mining involving development of iron free parts like Carbon fiber, aluminum alloys, titanium alloys, high strength steel and carbon fiber reinforced polymers along with IIT, Madras etc.

Mining & Construction:

Given the Government of India's emphasis on reducing the import dependency for mining equipment and ramping up annual coal production, there's a concerted effort to enhance output. Further, amidst the current geopolitical landscape, CIS countries are seeking collaborations with Indian companies to fulfill their requirements.

With the outlined coal production and infrastructure development strategies, coupled with efforts to boost exports, the demand for Mining & Construction equipment is projected to remain strong in the coming years. The company has devised comprehensive strategies within its product portfolio to seize opportunities in this promising market. Also, the Company is developing high-capacity Motor Graders, Tyre Handlers and Loaders to increase the market share in Higher capacity mining & sector. Further in the Construction sector BEML is planning to introduce new products and new variants to increase the market share.

Underground mining in India plays a crucial role in extracting valuable minerals and resources such as coal, zinc and uranium. With a rich geological landscape, India possesses significant reserves that require efficient and

advanced underground mining techniques for sustainable and safe extraction. In this sector, BEML is actively pursuing partnerships with technology partners for equipment like Continuous Miner, Surface Miner, High Wall etc. to adopt modern know-how and mechanization, aiming to enhance productivity, safety and environmental sustainability.

Rail & Metro:

BEML is actively meeting the upcoming demands for Vande Bharat coaches and maintenance equipment. The first prototype of the Vande Bharat Sleeper train set is currently under production and is expected to roll out in the first quarter of FY 2024-25. Major orders for these train sets are in the pipeline, which will substantially increase the company's revenue. Additionally, plans are underway to cater to the demand of semi-high-speed train sets and aluminum coaches for Indian Railways.

BEML has signed Contract on 19 Aug 2023 for supply of **BMRCL 5RS-DM - 318 cars**.

The approximate order value is equivalent to Rs. 3,177 crores for 318 metro cars. The delivery of the first trainset will commence from June 2025 and the last trainset has to be delivered by May 2027.

As Metro Rail expands into Tier-II cities across the country, BEML is hopeful of securing orders for upcoming Metro Car projects.

Furthermore, the rising demand for suburban trains, such as Electric Multiple Units, RRTS and the forthcoming tenders for maintenance vehicles like RBMV, UTV etc, in this regard are expected to positively impact the company's revenue.

To enter the global market, the company is pursuing bids for several metro projects in partnership with industry leaders.

Additionally, addressing port congestion is a priority for the Government of India, prompting BEML to design rolling stock for cargo/ bulk transport.

Futuristics Rail & Metro Projects

- **Vande Bharat Trainsets**
- **K-RIDE**
- **Energy Efficient Vande Bharat (push pull Aluminum Train)**
- **Argentina Metro**
- **Track Maintenance**
 - ◆ Self-Propelled Ultrasonic Rail Testing (SPURT)
 - ◆ Rail Borne Maintenance Vehicle

Metro Projects: MMRDA Mumbai Metro Rail Project issued tender for design, manufacture, supply, installation, integration, testing and commissioning of rolling stock, communication-based signaling & train control, telecommunication, platform screen doors and depot machinery & plant, including 15 years of comprehensive maintenance after 2 years of defect liability maintenance period for Line 4 -234 cars, Line 5 -132 cars, Line 6 -232 cars. Similarly, Chennai Metro Rail Limited issued tender for phase II requirement for Line ARE0 4A – 96 cars, & ARE02A - 210 cars.

Exports:

On the export front, the Company has secured export orders from Russia, with supplies commencing during the fiscal year 2023-24. Additionally, orders have been received from M/s BEL & M/s BDL for the supply of High Mobility Vehicles for exporting their Missile systems on BEML HMV platform.

The Company is actively pursuing various business opportunities in the Defence, Mining & Construction, and Rail & Metro segments across SAARC, AFRICA, ASEAN, LATAM and MENA regions.

With this strategic approach, BEML aims to explore opportunities for exporting High Mobility Vehicles and Aircraft towing tractors in the Defence sector, as well as Metro Cars, Rail coaches and Maintenance vehicles in the Rail & Metro business. This initiative also extends to the export of Mining & Construction equipment.

(vi) Challenges, Risks and Concerns:

The major challenges to the Company are:

- Supply Chain Disruptions due to global socio-economic scenario
- Dumping price strategy adopted by global players for Mining & Metro projects
- Continuity in receipt of orders from Indian Army and Indian Railways
- Indigenisation of parts/ components due to MOQ, Quality and Cost
- Coping with superannuation of employees
- Growing raw material costs

(vii) Internal control systems and their adequacy:

The Company has an internal control system designed to provide high degree of assurance

regarding optimization and safeguarding of resources, quality and reliability of financial and operational information, compliance with applicable statutes and corporate policies. It is the Company's endeavor to align all its processes and controls with global best practices.

The internal audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. The internal audit department performs risk-based audits, based on an internal audit plan which is reviewed every year in consultation with statutory auditors and the Audit Committee. The Audit Committee reviews audit reports submitted by internal auditors and follow up on the implementation of corrective actions periodically.

The Statutory Auditors submit a report on internal financial controls over financial reporting along with their Audit Report on the financial statement every year. BEML being a Government Company, it is subject to audit by Comptroller and Audit General of India also.

A comprehensive Delegation of power exists for smooth decision making which is being periodically reviewed to align it with changing business environment and for speedier decision making. The Company has implemented an enterprise-wide ERP. The Company has end to end SAP platform to provide a robust foundation to address several emerging business needs.

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(viii) Discussion on financial performance with respect to operational performance:

(₹. in crore)

Particulars	2023-24	2022-23
a. Revenue from Operations (Incl. of other operating income)	4054	3899
b. Revenue from Operations (sale of products and services)	3965	3800
c. Value of Production		
d. Profit before Depreciation, Interest and Tax	4056	3802
e. Finance costs	486	389
f. Depreciation and amortization expense	39	46
	64	64
g. Profit Before Tax		
h. Tax Expense	383	279
i. Profit after Tax	100	120
	283	159
j. Other Comprehensive Income		
k. Total Comprehensive Income	6	(19)
	289	140
l. Net worth		
m. Inventory	2643	2395
n. Trade Receivables (Net)	2256	2061
	1439	1237
Total Inventory in no. of days of VoP		
Trade Receivables/ Revenue from Sale of Products and services (including GST)	203	198
Profit before Tax to Revenue from operations (%)	112	99
Profit after Tax to Net worth (%)	9.44%	7.15%
	10.71%	6.63%

Your Company achieved Revenue from Operations of ₹ 4054 crore as against ₹3899 crore in the previous year, up by 3.98%. Value of Production is ₹4056 crore as against ₹3802 crore in the previous year, up by 6.68%. With increased business and continued focus on cost control, your Company registered a Profit before Tax of ₹ 383 crore as against Profit before Tax of ₹279 crore in the previous financial year, up by 37.27%

There was no change in the nature of business of the Company during the year. Further, there was no material change/ commitment occurred affecting the financial position of the Company subsequent to the financial year ended 31.03.2024 till the date of this report.

(ix) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

Key Financial ratio	2023-24	2022-23	% Change	Explanation
(i) Debtors Turnover	3.50 times	2.91 times	20.00	--
(ii) Inventory Turnover	1.84 times	1.87 times	-2.00	--
(iii) Interest Coverage Ratio	10.80 times	7.02 times	54.00	Increase in profits
(iv) Current Ratio	2.47 times	2.39 times	3.00	--
(v) Debt Equity Ratio	0.02 times	0.15 times	-87.00	Decrease in borrowings
(vi) Operating Profit Margin (%)	9.00%	8.00%	13.00	Increase in operating profit
(vii) Net Profit Ratio (%)	7.12%	4.18%	70.82	Increase in profit

(x) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

Key Financial ratio	2023-24	2022-23	% Change	Explanation
Return on net worth	10.71%	6.63%	65.00%	Increase in profits

(xi) Material developments in Human Resources, Industrial Relations front, including number of people employed:

Relevant information in this regard is disclosed in the Board's Report.

(xii) Environmental Protection and Conservation, Technological conservation, Renewable energy developments, Foreign Exchange conservation:

Relevant information in this regard is disclosed in the Board's Report.

(xiii) Corporate Social Responsibility and Sustainability (CSR):

Relevant information in this regard is disclosed in **Annexure-VI** to the Board's Report.

Cautionary Statement - *Certain statements made in the Management Discussion and Analysis Report related to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether*

expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

For and on behalf of the Board of Directors

**Place: Mysore
Date: 12.05.2024**

**Sd/-
Shantanu Roy
Chairman & Managing Director**

Annexure-V
Business Responsibility and Sustainability Report for the Financial Year 2023-24
Section A: General Disclosures
I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L35202KA1964GOI001530
2.	Name of the Listed Entity	BEML Limited
3.	Year of incorporation	1964
4.	Registered office address	BEML Soudha, 23/1, 4 th Main, S R Nagar, Bengaluru – 560027
5.	Corporate address	BEML Soudha, 23/1, 4 th Main, S R Nagar, Bengaluru – 560027
6.	E-mail	cs@beml.co.in
7.	Telephone	080-22963211
8.	Website	www.bemlindia.in
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 41,64,45000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	1. Smt Urmi Chaudhury Designation - Company Secretary Telephone - 080-22963142 Email id- urmi.chaudhury@bemltd.in 2. Shri Vinay Kumar P Designation - Head of Corporate Planning Telephone - 080-22963151 Email Id- vinay.kumar@bemltd.in

13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Stand alone
14.	Name of Assurance provider	NA*
15.	Type of Assurance provider	NA

*As per requirement under para 3.4.2 of SEBI Circular No. **SEBI/HO/CFD-SEC-2/P/CIR/2023/122** dated 12th July, 2023, BEML does not fall under top 150 listed entities, thus the provisions relating to undertaking reasonable assurance do not apply to BEML for FY 2023-24.

II. Product/ Services

16. Details of business activities:

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover
1.	Manufacturing of Mining & Construction Products	Manufacturing, Supplying & after sales- service of Mining & Construction Products for Open Cast Mines, Construction segment and for exports requirements	43%
2.	Manufacturing of Rail & Metro Products	Manufacturing & Supplying Metro cars to Mumbai Metropolitan Regional Development Authority and Delhi Metro Rail Corporation and Maintenance Vehicles to Indian Railways	38%
3.	Manufacturing of Defence Products	Manufacturing, Supplying & after sales- service of High Mobility Vehicle for various applications, Recovery Vehicles, Aerospace components and Tank aggregates to Defence Services and other DPSUs/ Private players.	19%

17. Products/Services sold by the entity:

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Dozers/ Dump Trucks/ Excavators/ Loaders/ Water Sprinklers	28243	43%
2.	Metro Cars/ Maintenance equipment	30202	38%
3.	High Mobility Vehicles, Armoured Recovery Vehicles, Aerospace components, Mine ploughs & Tank aggregates	30400	19%

III. Operations
18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of offices	Total
National	4	36	40
International	-	-	-

19. Markets served by the entity:
a. Number of Locations

Locations	Number
National (No. of States)	28 states and 8 Union Territories
International (No. of Countries)	71 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

During 2023-24 the contribution of exports as percentage of total turnover is 26%.

c. A brief on types of customers

BEML Limited operates under three Business Verticals, i.e. Defence & Aerospace, Mining & Construction and Rail & Metro, we supply the products for core sectors of the economy.

Our domestic customers include Ministry of Defence, Ministry of Railways, Coal India Limited, Defence Public Sector Units, Indian Space Research Organisation, Defence Research Development Organisation, Metro Rail Corporations i.e. Delhi, Bengaluru, Jaipur, Mumbai, CPSEs and large private sector entities.

Also, our overseas customers are typically national governments, government companies and large private entities across the globe.

IV. Employees
20. Details as at the end of Financial Year:
a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1770	1640	92.7%	130	7.3%
2.	Other than Permanent (E)	100	82	82.0%	18	18.0%
3.	Total employees (D + E)	1870	1722	92.1%	148	7.9%
WORKERS						
4.	Permanent (F)	2959	2873	97.1%	86	2.9%
5.	Other than Permanent (G)	59	57	96.6%	2	3.4%
6.	Total workers (F + G)	3018	2930	97.1%	88	2.9%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	30	27	90.0%	3	10.0%
2.	Other than Permanent (E)	1	0	-	1	100.0%
3.	Total differently abled employees (D + E)	31	27	87.1%	4	12.9%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	69	64	92.8%	5	7.2%
5.	Other than Permanent (G)	0	0	...	0	-
6.	Total differently abled workers (F + G)	69	64	92.8%	5	7.2%

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	0	0
Key Management Personnel (KMP)*	3	0	0

* KMP include CMD and Director (Finance) besides Company Secretary.

22. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

Category of Personnel	2023-24			2022-23			2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.77%	6.08%	3.85%	3.00%	4.03%	3.07%	2.51%	2.36%	2.50%
Permanent Workers	0.10%	0.00 %	0.01%	0.13%	0.00 %	0.12%	0.08%	2.04%	0.14%

V. Holding, Subsidiary and Associate Companies (including joint ventures)
23. (a) Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1.	Vignyan Industries Limited	Subsidiary	96.56%	No
2.	MAMC Industries Limited	Subsidiary	100%	No
3.	BEML Midwest Limited	Joint Venture	45%	No

VI. CSR Details
24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover = Rs.3965 Crores

(iii) Net worth = Rs. 2643 Crores

VII. Transparency and Disclosures Compliances

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	2023-24			2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	NA	Through CPGRAMS portal	22	1	Through CPGRAM portal
Investors (other than shareholders)	Nil	Nil	Nil	----	Nil	Nil	Nil
Shareholders	Yes	28	Nil	----	16	0	
Employees and workers	Yes	12	Nil	Through CPGRAMS portal	Nil	Nil	Nil
Customers	Yes	2295	Nil	Complaints reported through Email, Telephone and internal complaint handling mechanism (SAP)	1724	11	Complaint are being received through E-Mail and Telecom. Presently, Customer complain Mobile and Web app is under Development.
Value Chain Partners	Yes	Nil	NA	"Grievance redressal" chapter is available in company's Purchase Manual	Nil	Nil	"Grievance redressal" chapter is available in company's Purchase Manual
Other (please specify) like Vendors	Yes	8	Nil	Through CPGRAMS portal	Nil	Nil	Nil

Note: CPGRAMS means an on-line portal "Centralised Public Grievance Redressal and Monitoring System" managed by the Department of Administrative Reforms & Public Grievances.

26. Overview of the entity's material responsible business conduct issues:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Design & development of high-capacity electric equipment	Opportunity	Equipment which uses non-conventional/ renewable energy.	Not Applicable	Positive
2	Energy Management and Emission reduction	Opportunity	Move towards energy efficiency, use of LED lightings, BLDC Fans and 5 star rated AC across all offices, use of renewable energy, more efficient use of materials, biofuels, and hybrid technology. Achieving Carbon Neutral status.	Not Applicable	Positive
3	Health and Safety	Risk	Non-compliance of safety measures by employees.	Training/ Awareness and review at Senior Most Level.	Negative
4	Human capital development	Opportunity	Talent development & retention leading to improvement in productivity and intellectual property.	Not Applicable	Positive

Section B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
Policy and management processes										
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y	
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y	
c. Web Link of the Policies, if available	https://alumni.bemlindia.in/writerreaddata/Downloads/202110081131BEML_CSR_Policy_2021.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/Purchase%20Manual%20-2022.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/202007211540BEML_SUSTAINABLE_DEVELOPMENT_POLICY.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/202110081131BEML_CSR_Policy_2021.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/202007211540BEML_SUSTAINABLE_DEVELOPMENT_POLICY.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/202110081131BEML_CSR_Policy_2021.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/202110081131BEML_CSR_Policy_2021.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/202110081131BEML_CSR_Policy_2021.pdf	https://alumni.bemlindia.in/writerreaddata/Downloads/202110081131BEML_CSR_Policy_2021.pdf	https://www.bemlindia.in/complaint-policy-procedures/

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001 -2015 ISO 14001 – 2015 BS OHSAS 18001 – 2017 AS9100C – for Aerospace & Space components/ aggregates https://alumni.bemlindia.in/writereaddata/Downloads/202110081131BEML_CSR_Policy_2021.pdf								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	To become a 'Green Company'.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Installed 23MW Wind Mill Power Plants and 250 KWp Roof Top Solar Power Plant for captive consumption. Further efforts are being made to improve efficiency of electrical appliances used and promoting the solar energy for captive use.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	The Company has sincere concerns regarding ESG and is making all out efforts to mitigate ESG related challenges.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Shantanu Roy, Chairman & Managing Director, Phone No: 080 - 22963111 Email: coord@bemltd.in								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Board of Directors collectively take decisions on sustainability related issues periodically. There is Corporate Social Responsibility and Sustainability Committee chaired by Independent Director which monitors all issues including ESG.								

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
10. Details of Review of NGRBCs by the Company:										
Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee	Frequency (Annually/ Half Yearly/ Quarterly/ Any other)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Relevant Committee(s)	Regularly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board periodically reviews the compliance of all the principles and take rectification action on noncompliance (If any).	Periodically								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
	Yes, various regulatory bodies, auditors and agencies evaluate these policies from time to time. Further, all the policies related to ESG have been reviewed by the outside agency M/s Care Edge during FY 2022-23.									

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)	NA								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	Principle 1 & 3	25% (2 Directors)
Key Managerial Personnel	5	Principle 1, 3 & 8	100%
Employees other than BoD and KMPs	84	Principle 1, 2, 3, 8 & 9	52.99%
Workers	36	Principle 1, 2, 3 & 8	29.42%

2. Details of fines/ penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of Regulatory/ enforcement agencies/ judicial institutions
Not applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has Whistle Blower Policy and suitable provisions have been incorporated in BEML Conduct, Discipline and Appeal Rules, 2019 and the Company follows certified Standing Orders, 1969 to deal with corruption cases. The company has also adopted Integrity pact.

https://www.bemlindia.in/wp-content/uploads/2023/05/Whistle_Blower_Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	2023-24	2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	2023-24		2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable X 365)/ Cost of goods/ services procured) in the following format:

	2023-24	2022-23
Number of days of accounts payables	129	108

9. Open-ness of business

Parameter	Metrics	2023-24	2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	4%	4%
	b. Number of trading houses where purchases are made from	138	171
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	61%	47%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	NIL	NIL
	b. Number of dealers/ distributors to whom sales are made	NIL	NIL
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	NIL	NIL
Share of RPTs	a. Purchases (Purchases with related parties/ Total Purchases)	NIL	NIL
	b. Sales (Sales to related parties/ Total Sales)	NIL	NIL
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances) – Rs. in Lakh	1240.19	1162.2
	d. Investments (Investments in related parties/ Total Investments made)	NIL	NIL

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/ Principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
14	1. About BEML manufacturing facilities & products 2. Vendor Registration Procedure 3. About MSE procurement & GeM procurements 4. Achieved Indigenisation levels, process of Indigenisation, SRIJAN Portal 5. New products development etc.,	100%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. All Board members are required to provide the details of related entities to identify the related party transactions. Besides, they are required to disclose the conflict of interest, if any.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators			
1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.			
	2023-24	2022-23	Details of improvements in environmental and social impacts
R&D	Nil	Nil	
Capex	Nil	3.20%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company has put in place a well-devised procedure for sustainable sourcing. Company has a well-documented Purchase Manual. This Manual has been placed on the Company's website link- <https://alumni.bemlindia.in/writereaddata/Downloads/Purchase%20Manual%20-2022.pdf>

that helps in sourcing the requisites for operations and business activities in a steady, continuous, and sustainable manner. The Company has policies of long-term contracts and rate- contracts.

BEML Limited is marching in the direction of becoming a "Green Company" and contribute towards our Hon'ble Prime Minister National Green Energy Mission of increasing Renewable Energy Capacity to 175 GW to become World's clean energy capital.

b. If yes, what percentage of inputs were sourced sustainably?

During the year 2023-24, Ninety-eight (98) % of energy requirement of BEML Limited was met through "Green Energy" projects viz. 23MW Windmill Projects and 250KWp Solar Power, resulting in mitigation of 24512 Tons (approx..) of carbon mainly from windmill project. Additionally, approx. 48.88 Lakh Tons of carbon is being saved yearly for the nation through our contribution to the clean urban mobility solutions being provided

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

BEML Limited has well established mechanism to channelize for disposal of waste generated during the manufacture of product/ equipment through authorized recyclers/ handlers to respective pollution control approved agencies. In addition, left over food waste is used for the generation of Biogas for being used in the Biogas plant which is in turn used for light cooking application. Further, the Company has coolant recycling plant used for subsiding the heat generated during the manufacturing process. Sewage treatment plants are also established for recycling the water which is being used for production purposes. All these facilities would contribute to about 5-10% of recycling of products and waste. The e-Waste disposal across all complexes are being done from centralized location.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No) If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

Leadership Indicators

- 1. Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
NIL					

- 2. If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/ Service	Description of the risk/ concern	Action Taken
NA		

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Company's manufacturing processes generate a fair amount of metal scrap, however various engineering measures are taken to minimize waste generation. Reusable material is also used in packaging manufactured goods. The value of such recycled/ reused items is not being captured at the moment.

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Company's manufacturing processes generate a fair amount of metal scrap, however various engineering measures are taken to minimize waste generation. Reusable material is also used in packaging manufactured goods. The value of such recycled/ reused items is not being captured at the moment.

- 5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1640	NIL	NIL	1640	100%	NA		16	0.98%	NA	
Female	130	NIL	NIL	130	100%	2	1.54%	NA	--	2	1.54%
Total	1770	NIL	NIL	1770	100%	2	0.11%	16	0.90%	2	0.11%
Other than Permanent employees											
Male	82	82	100%	NA	NA	NA	--	NIL	--	NA	--
Female	18	18	100%	NA	NA	1	5.56%	NA	--	1	5.56%
Total	100	100	100%	NA	NA	1	1%	NIL	--	1	1%

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	2873	Nil	Nil	2873	100%	NA	--	12	0.42%	NA	--
Female	86	Nil	Nil	86	100%	1	1.16%	NA	--	1	1.16%
Total	2959	Nil	Nil	2959	100%	1	0.03%	12	0.41%	1	0.03%
Other than Permanent workers											
Male	57	57	100%	NA	NA	NA	--	NIL	--	NA	--
Female	2	2	100%	NA	NA	NIL	--	NA	--	NIL	--
Total	59	59	100%	NA	NA	NIL	--	NIL	--	NIL	--

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	2023-24	2022-23
Cost incurred on well-being measures as a % of total revenue of the company	1.62%	1.83%

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	2023-24			2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	Nil	Nil	NA	Nil	Nil	NA
Others - BEML executive superannuation pension scheme	100%	Nil	Y	100%	Nil	Y

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company has provided a separate accessible facility to differently abled employees and workers in the premises/ office of the Company as required by the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

In reference to Right of Persons with Disabilities Act, 2016, a Committee has been formed by the Company for the purpose, which has identified positions under Group 'A', Group 'B', Group 'C', suitable for employing personnel with disability. Under the open recruitment cycles, BEML offers opportunities to the personnel with disabilities to apply and get employed against such identified positions.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	NA	Nil	NA
Female	Nil	NA	Nil	NA
Total	Nil	NA	Nil	NA

Note: The Company did not have Paternal leave facility during the year.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Workers – 3018 Nos	Yes
Employees – 1870 Nos	Yes

The Company has Grievances redressal mechanism covered under the certified standing order GB No.278 by which a complaint affecting an Individual workman is considered in regard to payment of wages, overtime, leave, transfer, promotion, seniority, work assignment, working conditions, designation, non-extension of any welfare amenity or benefit due under the rules, but does not include representations concerning matters of policy and grievances arising out of punishments imposed in accordance with the Certified Standing Orders of the Company.

Further, the Officers can seek redressal of grievance arising out of the implementation of the policies/ rules or decisions of the Management. It includes matters relating to leave, increment, officiating/ acting arrangement, seniority, work assignment, non-extension of any welfare amenity or benefit due under the Company's rules, interpretation of service rules, etc., of an individual nature.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	2023-24			2022-23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1770	1770	100%	1826	1826	100%
- Male	1640	1640	100%	1702	1702	100%
- Female	130	130	100%	124	124	100%
Total Permanent Workers	2959	2959	100%	3277	3277	100%
- Male	2873	2873	100%	3184	3184	100%
- Female	86	86	100%	93	93	100%

8. Details of training given to employees and workers:

Category	2023-24					2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1640	127	7.74	1513	92.26	1086	50	4.60	1037	95.59
Female	130	47	36.15	83	63.85	246	67	27.24	169	78.82
Total	1770	174	9.83	1596	90.17	1332	117	8.78	1206	90.54
Workers										
Male	2873	37	1.29	2836	98.71	961	81	8.43	880	91.57
Female	86	17	19.77	69	80.23	46	17	36.96	29	63.04
Total	2959	54	1.82	2905	98.18	1007	98	9.73	906	89.97

9. Details of performance and career development reviews of employees and worker:

Category	2023-24			2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	884	454	51.4 %	800	294	36.75%
Female	144	37	25.7 %	42	17	40.48%
Total	1028	491	47.8 %	842	311	36.94%
Workers						
Male	575	575	100%	553	553	100%
Female	15	15	100%	19	19	100%
Total	590	590	100%	572	572	100%

10. Health and safety management system:
a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

An occupational health and safety management system has been implemented by the Company which covers all employees and workers.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company identify department-wise hazardous areas and non-hazardous areas. The instructions related on to how to work/ operate in the such areas have been communicated to the employees/ workers as well as have been displayed in the relevant Complex areas.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the Company provides non-occupational medical and healthcare services for all employees & workers.

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	2023-24	2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	1.40
	Workers	Nil	0.06
Total recordable work-related injuries	Employees	Nil	1
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company provides a healthy and safe environment to employees and interested parties, the Company complies with all the applicable legal & regulatory requirements. The Company endeavors to conserve natural resources and initiate to achieve energy saving, minimal process waste, promote recovery, reuse and recycle material and develop eco-friendly waste disposal practices. The Company is taking steps to improve and minimize environmental health & safety hazards and hazardous processes and to train & build awareness among all employees on Employee Health & Safety (EHS) issues on a continuous basis.

13. Number of Complaints on the following made by employees and workers:

	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% by the concerned departments of the company.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

All possible safety measures have been taken as per the applicable Acts which are monitored by the safety officer and safety committee functioning at respective Complex/ Division.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the company has extended the Life Insurance/ compensatory packages in the event of death of employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The company ensures that statutory dues have been deducted and deposited in respect of contract labour.

3. Provide the number of employees/ workers having suffered high consequence work related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2023-24	2022-23	2023-24	2022-23
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Management continuously conducts training programmes on skilling, re-skilling, up-skilling and refresher courses for all of its employees, so as to improve their efficiency while on job and also make them employable after superannuation. Such employees are also engaged post superannuation based on their area of proficiency as per the company’s policies in this regard.

Management also provides training to the superannuating employees on topics like Financial Management and Health Management i.e. Yoga, Meditation, how to prevent age related health issues, food habits etc. to enable them to plan their life post superannuation, in a better manner.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% in respect of contract labour by Government Labour Department through the contractors
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Health & Safety Measures have been undertaken for contract labourers.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Yes, based on its experience, the Company has mapped its internal and external stakeholders which includes

- (i) Government & Regulatory authorities.
- (ii) Customers
- (iii) Investors
- (iv) Employees
- (v) Local Community and other stakeholders

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, email, social media, press release	Annual, Quarterly, Regular	Understanding Shareholder's expectations and Providing guidance on future prospects of the company
Investors	No	Investor/ Analyst Meet, email, Exhibitions, social media, press release	Annual, Quarterly, Regular	Engagement with investors to brief on financial performance of the company and clarifying on their observations, providing guidance to the investors during the meeting
Customers	No	Personal Meetings and virtual communications, social media, email, website, SMS, Advertisement, Exhibitions, press release	Continuous	Understanding customer requirement and feedback and creating awareness about varied segments
Employees	No	Sampark / BEML Connect Portal, Management Communication, Periodic employees meet, email, Video Conferences, one-on-one counselling, social media, press release	Continuous	Employee engagement, Performance Management, Career Management, Employee feedbacks, suggestions, reviews and grievance redressal
Vendor/ Contractor	No	Vendor Meet, email, calls, vendor events, social media, press release	Continuous	Vendor engagement, their feedback suggestions reviews and grievance redressal
Communities	Yes	CSR activities, social media, Site visits, press release	Continuous	Sustainable Development
Regulators	No	Conferences, Seminars, Surveys, Website, social media	Continuous	Ensure Compliance and providing inputs for policy development to various authorities

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Periodic Stakeholders' Relationship Committee meeting are being held and the same is being appraised to Board.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

As per the inputs provided by stakeholders in meetings and various forums, policies are being framed and modified by the company.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

No such concern has been received or observed during the year.

The CSR policy of BEML Limited covers CSR Projects/ Programmes preferably towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment. Many projects related to infrastructure development, education and healthcare have been undertaken in remote areas mainly populated with disadvantaged groups. The Company has carried out baseline survey and need assessment around a few of our areas of operation to have greater insight into the needs of the community through structured interactions and feedbacks.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

- 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	2023-24			2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	Nil	Nil	Nil	Nil	Nil	Nil
Workers						
Permanent	Nil	Nil	Nil	Nil	Nil	Nil
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Workers	Nil	Nil	Nil	Nil	Nil	Nil

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2023-24					2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/ A)	No. (C)	% (C/ A)		No. (E)	% (E/ D)	No. (F)	% (F/ D)
Employees										
Permanent	1770	0	0	1770	100	1826	0	0	1826	100
Male	1640	0	0	1640	100	1702	0	0	1702	100
Female	130	0	0	130	100	124	0	0	124	100
Other than permanent	100	0	0	100	100	82	0	0	82	100
Male	82	0	0	82	100	69	0	0	69	100
Female	18	0	0	18	100	13	0	0	13	100
Workers										
Permanent	2959	0	0	2959	100	3277	0	0	3277	100
Male	2873	0	0	2873	100	3184	0	0	3184	100
Female	86	0	0	86	100	193	0	0	193	100
Other than permanent	59	0	0	59	100	12	0	0	12	100
Male	57	0	0	57	100	12	0	0	12	100
Female	2	0	0	2	100	0	0	0	0	100

3. Details of remuneration/salary/wages, in the following format:
a. Median remuneration/ wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in Rs.)	Number	Median remuneration/ salary/ wages of respective category (in Rs.)
Board of Directors (BoD)	3	47,17,169	NIL	NIL
Key Managerial Personnel	1	41,73,471	NIL	NIL
Employees other than BoD and KMP	1707	16,64,740	120	17,67,839
Workers	2966	8,00,093	87	9,02,038

Note:

1. Data collated for those who were on regular roll for entire financial year 2023-24.
2. Annual Gross salary has been considered for remuneration

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2023-24	2022-23
Gross wages paid to females as % of total wages	4.78	4.49

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No)

Yes, BEML has a Nodal Officer to address the human rights impact or issues caused or contributed by the business raised through CPGRAMS Portal and other sources, which are addressed promptly and appropriately.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

There are several committees constituted to redress the grievances of employees including the human rights issues. In BEML, we follow the "Open Door Policy" i.e. an employee can register their grievances to the higher management if he/she does not wish to register it with the respective committee or is not satisfied with the decision of the respective committee.

6. Number of Complaints on the following made by employees and workers:

	2023-24			2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format

	2023-24	2022-23
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	NA	NA
Complaints on POSH upheld	NA	NA

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a grievance redressal mechanism, complaint handling policy and whistle blower policy to protect the complainant. The whistle blower policy is available at https://www.bemlindia.in/wp-content/uploads/2023/05/Whistle_Blower_Policy.pdf on our website.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, Human right requirements are part of the business agreements and contracts. BEML has a strict policy against child labour and bonded labour which is stipulated in the tender conditions and also ensures timely payment of wages to the employees and contractual engagements.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The relevant authorities under Central Government Labour Acts inspect and monitor labour related compliances at the Complex or Division.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/complaints.

The company has not received any Human Rights related grievance/ complaints. However, company is following a proactive approach towards changing/ modifying the Business processes, if required, to address any Human Rights related issues which comes to the notice of the Management.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The company is conducting periodical Audits and due diligence to ensure the observance of basic Human Rights. HR Audits have been conducted to have an overall perspective of employee’s well-being and satisfaction.

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Most of the contractual provisions facilitate assessment of value chain partners on these parameters. Further, Central Labour Department Authorities are assessing these parameters in respect of the contract labours through contractor(s).
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

There were no significant risks/concerns arising from human rights assessment.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
Essential Indicators
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	2023-24 (MJ)	2022-23 (MJ)
From Renewable sources		
Total electricity consumption (A)	6,66,09,386	5,61,66,061
Total fuel consumption (B)	14,612	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	6,66,23,998	5,61,66,061
From non-renewable sources		
Total electricity consumption (D)	4,25,85,212	2,51,09,157
Total fuel consumption (E)	98,65,693	57,43,413
Energy consumption through other sources (F)	2,07,03,178	1,98,27,800
Energy consumed from non-renewable sources (D+E+F)	7,31,54,083	5,06,80,370
Total energy consumed (A+B+C+D+E+F)	13,97,78,081	10,68,46,431
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (MJ/ Rs.)	0.0030	0.0028
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	NA	NA
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – (MJ/ Rs. in Crore)	30155	27830

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. M/s Aditech industrial service private limited.

2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company is not identified as designated consumer (DC).

3. Provide details of the following disclosures related to water, in the following format:

Parameter	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	1,89,037	2,12,430
(iii) Third party water	1,27,350	1,39,413
(iv) Seawater / desalinated water	0	0
(v) Others	1,23,208	1,29,056
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,39,325	4,80,899
Total volume of water consumption (in kilolitres)	4,39,325	4,80,899
Water intensity per rupee of turnover (Water consumed/ turnover) (KL/ Rs.)	0.00001	0.00001
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	NA	NA
Water intensity in terms of physical output	-	-
Water intensity (optional) (KL/ Rs. in Crore)	110	125

No independent assessment/ evaluation/ assurance has been carried out by an external agency.

4. Provide the following details related to water discharged:

Parameter	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	NIL	Nil
-With treatment – please specify level of treatment	105160	Nil
(ii) To Groundwater		
- No treatment	NIL	Nil
- With treatment – please specify level of treatment	3958	24090

Parameter	2023-24	2022-23
(iii) To Seawater	NIL	NIL
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	NIL	NIL
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	NIL	NIL
- No treatment		
- With treatment – please specify level of treatment	1,96,960	259554
Total water discharged (in kilolitres)	3,06,078	283644

No independent assessment/ evaluation/assurance has been carried out by an external agency.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

All Complexes have installed Sewage Treatment Plants (STP) of about 900 KLD (Kilo Litre Discharge Per Day) and Effluent Treatment Plant (ETP) of a capacity of almost 8 KLD for the treatment of Domestic Sewage and for treatment of effluents respectively. The treated water meets the requirement and reused for gardening.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	2023-24	2022-23
NOx	µg/m ³	12.80	22.50
SOx	µg/m ³	14.17	16.98
Particulate matter (PM)	µg/m ³	53.58	71.54
Persistent organic pollutants (POP)	-	Nil	Nil
Volatile organic compounds (VOC)	-	Nil	Nil
Hazardous air pollutants (HAP)	-	Nil	Nil
Others – please specify	µg/m ³	Nil	0.24

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The Emission tests are carried out through one of the Kerala Pollution Control Board authorized agency and it is M/s Standard Environmental & Analytical Laboratories, Cochin., M/s Hubert Envirocare System which is Approved by MoEF&CC

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	2023-24	2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	26565	26099
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	10559	5305
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.0000009	0.0000008
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		NA	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) per crore rupee of turnover		9.36	8.18

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The Emission tests are carried out through one of the Kerala Pollution Control Board authorized agencies viz. is M/s Standard Environmental & Analytical Laboratories, Cochin., M/s Hubert Envirocare System which is Approved by MoEF&CC

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. Implementation of Energy Conservation Projects like replacement of conventional MHL/ CFL fittings with LED lights, replacement of conventional/ obsolete split ACs with energy efficient inverter ACs, replacement of conventional ceiling fans with energy efficient BLDC fans, usage of energy efficient equipments like inverter based Welding machines, VFD based welding manipulators, Solar Power plant etc. The Company also has 5 MW wind energy plant at Gadag and 18 MW wind energy plant at Bagalkote/ Koppal.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2023-24	2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	6.23	7.78
E-waste (B)	28.07	9.98
Bio-medical waste (C)	6.79	1.70
Construction and demolition waste (D)	48.00	20.00
Battery waste (E)	22.41	16.83
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. Please specify, if any. (G)	265.11	149.54
Used Oil	66.88	60.23
Used Coolant Oil	0	6.31
Waste Cutting Oil	0	15.31
Empty Barrels	175.32	21.22
PVC Copper wire end bits	6.88	27.62
Empty Paint Drums	10.20	
Misc. Others	5.83	18.85
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	5670.00	4400.31
Metal Scrap	4746.00	3034.08
Wooden Scrap	632.00	1095.61
Rubber Waste	188.00	50.00
Forging Scrap	0	80.00
Electrical Waste	40.50	28.00
Cables	3.00	
Misc. Others	61.00	112.62
Total (A+B + C + D + E + F + G + H)	6046.61	4606.14
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (Ton/ Rs.)	0.0000001	0.0000001
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	NA	NA
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – (Ton/ Rs. in Crore)	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0.4	Nil
(ii) Re-used	0.2	Nil

Parameter	2023-24	2022-23
(iii) Other recovery operations		Nil
Total	0.6	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	4437.6	12.52
Total	4437.6	12.52

Note: No independent assessment/ evaluation/ assurance has been carried out by an external agency.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company is certified for ISO 14001:2015 Environment Management System. The Company stores the Hazardous wastes in separate hazardous waste storage area. Used oil and other liquid hazardous waste are stored with secondary containment. Different types of wastes such as Metal scraps, damaged packing woods, Paint sludges, used oil, batteries, e- waste etc are segregated and stored separately in scrap yard. These wastes are disposed through authorized waste handlers through proper documentation. Wet waste is converted into composites. The non-hazardous wastes such as metal scraps, damaged packing woods etc. are sold through MSTC as per the guidelines. Sludge from STP is used for gardening purpose

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The Company is compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder. Therefore, there is no such non-compliances during the year.

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the noncompliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility/ plant located in areas of water stress, provide the following information:

- (i) Name of the area - NA
- (ii) Nature of operations - NA
- (iii) Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	2023-24	2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(ii) Into Ground water	Nil	
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) Into Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	Nil	Nil

No independent assessment/ evaluation/assurance has been carried out by an external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	2023-24	2022-23
Water discharge by destination and level of treatment (in kilolitres)			
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

No independent assessment/ evaluation/assurance has been carried out by an external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Not applicable			

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

The Company is having Onsite Emergency/ Emergency Preparedness Plan as per ISO 14001: 2015 and ISO 45001:2018:

The main objective of the same is:

- To overcome any emergency in its initial stage and to handle disaster in most effective manner.
- To maintain essential supplies at the time of natural calamities and/or public disturbances.
- To protect the environment.
- To eliminate any chance of loss to human life.

- e. To minimize damage of property in the plant and surrounding areas.
- f. To preserve the evidence for use in the subsequent enquiries by the Regulatory Authorities.
- g. To bring down the number of near-miss accidents to a minimum.
- h. To ensure there is a proper mitigation plan for identified emergencies.
- i. Roles and responsibilities of Emergency response team has been defined

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Nil

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

Nil

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company has association with 25 trade and industry chambers and associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	CII - Confederation of Indian Industry	National
2.	FICCI - Federation of Indian Chambers of Commerce and Industry	National
3.	FIEO - Federation of Indian Export Organisation, New Delhi	National
4.	SCOPE-Standing Conference of Public Enterprises, New Delhi	National
5.	EEPC - Engineering Export Promotion Council, Kolkata	National
6.	SODET- Society of Defence Technologists	National
7.	NIPM - National Institute of Personnel Management	National
8.	ICEMA - Indian Construction Equipment Manufacturers' Association, New Delhi	National
9.	FKCCI - Federation of Karnataka Chamber of Commerce & Industries, Bangalore	State
10.	PMA - Palakkad Management Association, Palakkad	State

- 2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	brief of the case	Corrective action taken
There has been no anti-competitive conduct by the company and there are no adverse orders received from any regulator.		

Leadership Indicators

- 1. Details of public policy positions advocated by the entity:**

BEML Limited actively advocates and participates in activities for advancement of public good as a stakeholder of FICCI - Capital Goods Sector, CCI – PSE Council, SODET on policies related to Capital Goods Industry, Economic Reforms, Sustainable Business Principles (Sustainable Supply Chain Management) and Defence Procurement Policy. When opinions are sought on subjects like Securities Law and Corporate Laws, the Company also contributes through the Confederation of Indian Industry, FICCI and SCOPE.

Also, whenever policy guidelines are issued, suggestions are being provided. In addition, seminars/workshops are also attended for facilitating our view on the policies.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

- 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

- 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Currently, there are no projects for which Rehabilitation and Resettlement (R&R) may be required. However, in the past, Rehabilitation and Resettlement (R&R) has been ensured to the land loser, whose land was required for setting up of Manufacturing plants.

3. Describe the mechanisms to receive and redress grievances of the community.

BEML has Grievance Redressal Mechanism to address both for its Internal and External stakeholder. The Grievances are addressed by the respective Nodal Officer nominated in the respective Complex/ Division as per the timeline specified in the policy. Apart from this, the grievances received from CPGRAM, Vigilance Portal are also being addressed well within the specified time.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2023-24	2022-23
Directly sourced from MSMEs/ small producers	31%	32%
Sourced directly from within India	76%	74%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost

Location	2023-24	2022-23
Rural	NIL	NIL
Semi-urban	NIL	NIL
Urban	NIL	NIL
Metropolitan	NIL	NIL

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1.	Odisha	Dhenkanal, Odisha	Rs. 4,00,000/-

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Yes.

- It is mandated to procure 25% of local procurement from MSEs (Micro & small enterprises)
- There is also a sub-target of 4% out of 25% target of annual procurement earmarked for procurement from MSMEs owned by SC/ST entrepreneurs and 3% from MSME's owned by women entrepreneurs.
- MSEs quoting price within price band L-1 + 15%, when L1 is from someone other than MSE, shall be allowed to supply at least 25% of tendered value at L-1 rates subject to lowering of price by MSEs to L-1 rates.

b. From which marginalized/ vulnerable groups do you procure?

The following preference are made while procuring Micro & Small Enterprises:

- 358 items are reserved for exclusive procurement from MSMEs.
- Payment terms for MSEs is "payment is within 45 days from the date of acceptance"

c. What percentage of total procurement (by value) does it constitute?

It constitutes 31% of total local procurement from Micro & Small Enterprises during FY 2023-24.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

The Company has owned or acquired NIL intellectual properties based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	BEML Education Society- Providing of Education to local population at KGF	1933	100
2.	BEML Medical Centre- Mobile Medical Camp at KGF & Mysore	2586	100
3.	Contribution to Armed Forces Flag Day Fund	50	100
4.	Eradication of TB- In association with MoHF	924	100
5.	Providing Financial Assistance for improving medical facilities at Government Family, Health Centre	150	100
6.	Solar Energy Security Lights (50*2000), COD Dehu Road-Mumbai Pune Highway	350	100
7.	Development and living in Slums upliftment of children	260	100
8.	Improvement of infrastructure facilities at Government Senior Primary School, Tadi Malangi Village, T Narasapura Taluk, Mysore	100	100
9.	Improvement of infrastructure facilities covering construction of school compound wall at Sri Saraswathi Shishu Mandir Buchireddy Palem SPSR, Distt Nellore (A.P)	200	100
10.	Mobile Medical Dispensary (Advance Life Support Ambulance)	1630	100
11.	Plantation of 2500 Trees at Army Ammunition Depot Bharatpur	1000	100
12.	Pavi Solar High Mast Lights	125	100
13.	Enhancing Employability through vocational and skill Development Training among under privileged youth of the villages surrounding Matru Chaya and the inmates who are competing SSC	36	100
14.	The NGO working on revival of heritage of Tribal and traditional art and culture: Drishyam Mantram House Living Cottage and Kuteeras Amphitheatre	25	100
15.	Annadana Programme towards feeding the poor and needy people in association with ISKCON	12500	100
16.	Indian Army to commemorate 25 years of victory in Kargil	100	100

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At present in BEML, customer complaint and feedbacks are received through, emails, letters, phone calls and service reports.

Further, BEML customer complaint handling system is developed and soon will be launched. After the launch customers will be able to raise complaint and provide feedback through mobile app and website.

BEML responds through email, our well-established network will handle to address the issues of Defence Equipment's through Pan India

2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints

	2023-24		Remarks	2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL	NIL	NIL
Delivery of essential services	NIL	NIL	NIL	NIL	NIL	NIL
Restrictive Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL	NIL	NIL

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	NIL	NIL
Forced recalls	NIL	NIL

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has Policy on cyber Security which is available at weblink: https://www.bemlindia.in/wp-content/uploads/2023/06/Cyber_Security_Policy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.

Nil

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers - Nil
- Impact, if any, of the data breaches - Nil

Leadership Indicators

1. Channels/ platforms where information on products and services of the entity can be accessed.

Information on products and services offered are available on BEML website <https://www.bemlindia.in>. Also, BEML is participating in various Defence exhibitions for Advertisement of products and services.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

BEML offered Defence Equipment are being used to provide Training to Users as per SO requirement. BEML is also providing service/ Training Camp to Indian Army personnel's for Defence Equipment

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Customers are informed about disruption/ discontinuation of services through emails, letters, and service bulletins. The effective contract management of BEML ensures that customers

are informed regarding the status of supplies and issues of obsolescence if any. As BEML products have very high level of indigenisation backed by its robust supply chain and vendor ecosystem; the concerns of disruption and discontinuation are handled well in advance and customer is given sufficient opportunity for end of life procurements.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, product information is displayed on the product as per local laws. e.g., on BEML Dumpers 'Not Meant for Plying on Public Roads' is displayed, suitable reflectors stickers and caution sticker are put. This information is discussed with the customers and placed suitably. The Products are supplied with feedback form, designed by quality and customer inspection teams, to seek valuable feedback from customer which is further processed as per extant rules. BEML carries out consumer satisfaction survey for product and services periodically. Further, BEML is governed by Contractual obligations after the completion of which Customer issues the Performance Certificate.

For and on behalf of the Board of Directors

Sd/-

Shantanu Roy

Chairman & Managing Director

Place: Mysore

Date: 12.05.2024

Annexure-VI

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]
1. Brief outline on CSR Policy of the Company:

The CSR Policy is formulated to commit for enhanced value-creation for the Society, shareholders, other stakeholders and the communities by taking-up activities and initiatives for sustainable growth for the Society, with environmental concern. To pursue this vision, the Company has set the objectives as under:

To ensure an increased commitment at all levels in the organization, operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

To directly or indirectly take up programs that benefit the communities in & around its Units/ Zonal offices/ Regional/ District offices/ Work Centres and results, over a period of time, in enhancing the quality of life & economic well-being of the local population.

To generate through its CSR initiatives, a community goodwill for BEML and help reinforce a positive & socially responsible image of BEML as a corporate entity.

Further, the CSR Policy and details of the projects/ programmes may be accessed on Company's website at www.bemlindia.in.

2. Composition of CSR Committee:

The Committee consists of the following directors:

S.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Siva Makutam	Independent Director	4/4
Members:			
2	Shri Ajit Kumar Srivastav	Director (Defense Business)	2/4
3	Shri Anil Jerath	Director (Finance)	4/4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on Company's website at www.bemlindia.in

4. Provide the executive summary along with web-link of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

NA

5. (a) Average net profit of the company as per Sub-section (5) of section 135: ₹ 192.38 crores

(b) Two percent of average net profit of the company as per section 135(5): ₹ **3.85 crores**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(d) Amount required to be set off for the financial year, if any: **Nil**

(e) Total CSR obligation for the financial year [(b)+ (c)-(d)]: ₹ **3.85 crores**

6. (a) Amount spent on CSR projects (both On-Going Project and Other than On-Going Project): ₹ 5.73 crores

(b) Amount Spent on Administrative overheads: **Nil**

(c) Amount Spent on impact Assessment, if applicable : **NA**

(d) Total amount spent for the Financial year [(a)+(b)+(c)] : ₹ **5.73 crores**

(e) CSR Amount spent or unspent for the Financial Year :

Total amount spent for the Financial Year. (₹ in crores)	Amount Unspent (₹ in crores)				
	Total amount transferred to Unspent CSR Account as per Sub-Section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5.73 crores	Nil	NA	NA	Nil	NA

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (Rs. in crores)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per Sub-Section (5) of section 135	3.85
(ii)	Total amount spent for the Financial Year	5.73
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.88
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. (a) Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (Rs. in crores)	Balance Amount in unspent CSR Account under Sub-Section (6) of Section 135 (Rs. in crores)	Amount spent in the Financial Year (Rs. in crores)	Amount transferred to any fund specified under Schedule VII as per Second provision to Sub-section (5) of Section 135 if any		Amount remaining to be spent in succeeding financial years. (Rs. in crores)	Deficiency if any
					Amount (Rs. in crores)	Date of transfer		
1	2022-23	Nil	Nil	4.28	Nil	NA	Nil	Nil
2	2021-22	Nil	Nil	5.66	Nil	NA	Nil	Nil
3	2020-21	Nil	Nil	4.04	Nil	NA	Nil	Nil
	TOTAL			13.98				

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

If yes, enter the number of Capital assets created/ acquired: **NA**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial year:

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin code of the property or asset(s)	Date of creation	CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
					NA		

(All the fields should be captured as appearing in the revenue record. Flat no., house no., Municipal Offices/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

NA

Sd/- Director (Finance)	Sd/- (Chairman - CSR Committee)
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For and on behalf of the Board of Directors

Place: Mysore
Date : 12.5.2024

Sd/-
Shantanu Roy
Chairman & Managing Director

Annexure-VII

FORM No. MR.3

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
BEML Limited,
BEML Soudha 23/1, 4th Main Rd,
Sampangi RamaNagara, Bengaluru,
Karnataka 560027

We have conducted Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BEML Limited (CIN: L35202KA1964GOI00 1530) (hereinafter called 'the Company') having its Registered Office at "BEML Soudha" 23/1, 4TH Main S R Nagar, Bangalore KA 560027 IN. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon after considering the following facts:

- i. BEML Limited is a Government Company as defined in Sec 2 (45) of the Companies Act 2013 with certain provisions of the Companies Act 2013 being exempted for Government Companies pursuant to Section 462(2) of the Companies Act, 2013 read with applicable notification issued by Ministry of Corporate Affairs from time to time.
- ii. Guidelines on Corporate Governance for Central Public Sector Enterprises issued

by Department of Public Enterprise and Directions issued by the Government of India from time to time.

- iii. BEML Limited manifolds in various segments of manufacturing business i.e Defence & Aerospace, Rail & Metro, Mining & Construction etc.
- iv. BEML Limited securities are listed on Bombay Stock Exchange and National Stock Exchange.

MANAGEMENT RESPONSIBILITY FOR SECRETARIAL COMPLIANCES

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

SECRETARIAL AUDITOR RESPONSIBILITY

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company nor taxation laws. This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report

We have examined the books, papers, minute books, forms and returns filed and other records

maintained by the Company for the financial year ended on March 31, 2024, according to the applicable provisions of-

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- There were no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the financial year under Report.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- There were no instances of Substantial Acquisitions of Shares and takeovers during the financial year under report.
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not applicable to the Company during the Audit period.
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021- Not applicable to the Company during the Audit period.
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015-Not applicable to the Company during the Audit period.
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - h. The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993- Not applicable to the Company during the Audit period.
 - i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
 - j. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and The SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999- There were no instances of Share Based Employee Benefits and Sweat Equity during the financial year under report.
 - k. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021. There were no instances of Delisting of Equity Shares during the financial year under report.

- i. Standard Operating Process under Regulations 3(5) and 3(6) of SEBI (PIT) Regulations, 2015 for ensuring Compliance with Structured Digital Database (SDD).

We have also examined compliance with the applicable clauses of the following:

- i. With respect to The Secretarial Standards SS-1 and SS-2 issued by the ICSI and as notified by the Ministry of Corporate Affairs (MCA) and report that the Company has generally Complied with the said Standards
- ii. The Listing Agreements entered into by the Company with BSE Limited

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed above and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We further report that as per the information provided to us, the company has complied with the provisions of the other laws applicable to the company subject to the observations mentioned below:-

- 1- The Employees Provident Funds & Miscellaneous Provisions Act, 1952

- 2- Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
- 3- Equal Remuneration Act, 1976
- 4- Employees Compensation Act, 1923
- 5- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.
- 6- Arbitration and Conciliation Act, 1996
- 7- Apprentices Act, 1961
- 8- Child Labour (Prohibition and Regulation) Act, 1986
- 9- Contract Labour (Regulation & Abolition Act), 1970.

We have not verified the compliances of the above specific laws applicable to the Company, we have relied upon the information provided by the concerned official looking after the compliances of the aforesaid laws.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors except that: -

1. As per 2nd proviso to Sec 149(1) of the Companies Act 2013 and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014, the Company was required to appoint One Women Director. The Company being a Government Company, appointments of Women and Independent Directors are made based on the Orders issued by the Government of India through the Ministry of Defence. The Company has requested Government

of India to issue necessary order for appointment of Women Independent Director and response from the Government of India is awaited.

2. As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/ Non-Executive Directors, the aforesaid requirement was not met from 01.04.2023 till 31.07.2023 After 01.08.2023 the compliance of Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 was met by the Company.

The changes in the Composition of the Board of Directors that took place during the period

under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were generally sent seven days in advance (except for meeting/s held at shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman / Chairman of the meeting, the decisions of the Board and Committees meetings were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Manish Mishra & Associates,
Company Secretaries
(F.R. N. P2015UP081000)**

Sd/-

**CS Manish Kr Mishra
Managing Partner
Practicing Company Secretary**

**CP. No.: 15281
M. No: F 10316
UDIN: F010316F000324707
Peer Review Cert. No. 3163/2003**

**Date-06.05.2024
Place-Lucknow**

ANNEXURE-A

**To,
The Members,
BEML Limited,
BEML Soudha 23/1, 4th Main Rd,
Sampangi RamaNagara, Bengaluru,
Karnataka 560027**

My report of even date is to be read along with this letter.

- 1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Wherever required, I have obtained the Management representation about the Compliance of Laws, Rules and Regulations and happening events etc.
- 5) The Compliance of the Provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Manish Mishra & Associates,
Company Secretaries
(F.R. N. P2015UP081000)**

Sd/-

**CS Manish Kr Mishra
Partner
Practicing Company Secretary**

**CP. No.: 15281
M. No: F 10316
UDIN: F010316F000324707
Peer Review Cert. No. 3163/2003**

**Date-06.05.2024
Place-Lucknow**

Company's reply to the comments of Secretarial Auditors:

Sl. No.	Observation	Company's Reply
1	As per 2 nd proviso to Sec 149(1) of the Companies Act 2013 and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014, the Company was required to appoint One Women Director. The Company being a Government Company, appointments of Women and Independent Directors are made based on the Orders issued by the Government of India through the Ministry of Defence. The Company has requested Government of India to issue necessary order for appointment of Women Independent Director and response from the Government of India is awaited.	BEML Limited is a Government Company. The appointment of Directors including Independent Directors is made by Government of India through Administrative Ministry i.e., Ministry of Defence. The Company is following up with Ministry of Defence on regular intervals for the appointment of requisite Independent Directors including Women Independent Director on its Board. Communication in this regard from Ministry is awaited.
2	As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/ Non-Executive Directors, the aforesaid requirement was not met from 01.04.2023 till 31.07.2023. After 01.08.2023 the compliance of Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 was met by the Company.	

For and on behalf of the Board of Directors

Sd/-

Shantanu Roy

Chairman & Managing Director

Place: Mysore

Date: 12.05.2024

BEML LIMITED

BEML SOUDHA, 23/1, 4TH MAIN ROAD, S.R. NAGAR, BENGALURU-560027

Significant Accounting Policies - Standalone**Note no. 1: Corporate Information:**

The accompanying financial statements comprise of the financial statements of BEML Limited (the Company) for the year ended 31 March 2024. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is a Schedule-A public sector enterprise and is under the administrative control of the Department of Defence Production, Ministry of Defence. BEML manufactures and supplies defence ground support equipment such as Tatra based high mobility trucks, aircraft towing tractors etc. Under Mining and Construction business, the company manufactures and supplies equipment like bull dozers, excavators, dumpers, shovels, loaders and motor graders to various user segments and under Rail and Metro business, manufactures and supplies rail coaches, metro cars, ACEMUs, OHE cars, steel and aluminium wagons to the rail and metro sector. Information on other related party and nature of relationships of the Company is provided in Note 39C. These financial statements were authorised for issue in accordance with a resolution of the directors on **12.05.2024**.

Note no. 2: Significant accounting policies**2.1. Basis of preparation and Statement of Compliance**

- a. The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements for the year ended 31 March 2024 with comparatives of year ended 31 March 2023 are prepared in accordance with Ind AS.

- b. The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:
 - Derivative financial instruments,
 - Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
 - Defined benefit and other long-term employee benefits obligations.

- c. The financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Company and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.
- d. Preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates.
- e. Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company's operating cycle is considered as twelve months for the purpose of current / non-current classification of assets and liabilities.
- f. The Company revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively. A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to profit or loss is

applied prospectively in the period(s) of change. Discovery of errors result in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

2.2 Summary of significant accounting policies

A. Revenue Recognition:

Sales is exclusive of GST.

Revenue from contracts with customers:

Revenue is recognized, on the transfer of promised goods or services, by way of allocating transaction price, being amount of consideration which an entity expects/entitles in exchange for transferring promised goods or services to a customer, to the extent of performance obligation satisfied in a contract.

i. Satisfaction of performance obligation over time

- a. Revenue is recognised overtime where the transfer of control of goods or services takes place over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:

- the company's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
- the company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced

- the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.
- b. Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognized to the extent of costs incurred.
- c. For measurement of satisfaction of performance obligation over time, input cost method is adopted.

ii Satisfaction of performance obligation at a point in time

- a. In respect of cases where the transfer of control does not take place over time, the company recognizes the revenue at a point in time when it satisfies the performance obligations.
- b. The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:
 - the company has transferred physical possession of the asset
 - the customer has legal title to the asset
 - the customer has accepted the asset
 - when the company has a present right to payment for the asset

- the customer has the significant risks and rewards of ownership of the asset. The transfer of significant risks and rewards ownership is assessed based on the Inco- terms of the contracts.

c. Bill and hold Sales

Bill and hold sales is recognized when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the company does not have the ability to use the product or to direct it to another customer.

Penalties & Liquidated damages:

Penalties, including levy of liquidated damages for delay in delivery, specified in customer contracts, are not treated as inherent part in determination of the Transaction price as per para 51AA of Ind AS 115 if the same is subject to review by customer.

Escalation:

Escalation in prices is recognized as revenue as per the escalation formula provided in the contract. In the absence of such a clause in the contract, any claim for the same is recognized on acceptance by the customer.

Duty Drawback:

Duty drawback claims on exports are accounted on preferring the claims.

Revenue from wind energy:

Revenue from generation of electricity from wind mill is recognized when the electricity is supplied to industrial electricity distribution license holder as per the terms of agreement.

Other Income

(i) Interest income:

Interest Income is recognized using the effective interest rate (EIR) on a time proportion basis and as per the terms of the relevant instrument.

(ii) Dividends:

Dividend income is recognized when the Company's right to receive the payment is established.

(iii) Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the non-cancellable lease term unless increases in rentals are in line with expected inflation.

B. Investments in associates and joint venture

The Company accounts for its interests in associates and joint ventures in the separate financial statements at cost.

C. Foreign Currencies:

Transactions in foreign currencies are initially recorded by the Company at their respective currency exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date. Differences arising on settlement

or translation of monetary items are recognized in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

D. Fair value measurement:

The Company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy.

E. Discontinued operation:

Classification of an operation as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit and loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

F. Government Grants:

Government Grants are recognized as follows when there is reasonable assurance that the grant will be received and all attached terms and conditions will be complied with.

- (i) Grant towards meeting expenditure is recognized as income as and when the expenditure for which the grant is sanctioned is incurred.

- (ii) Grant towards procurement of an asset is recognized as income in equal amounts over the expected useful life of the related asset.
- (iii) Grant towards non-monetary assets are recognized at fair value and released to Statement of profit and loss over the expected useful life.
- (iv) The subsidized portion of interest rate provided by the Government on loans or similar financial assistance is recognized as grant.

G. Income Taxes:

Current income tax:

Current tax assets and liabilities are measured at the amount to be recovered from or paid to the taxation authorities as per the applicable tax laws at the reporting date in Statement of profit and loss.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

For the items directly recognized in Equity, the current and deferred tax pertaining to such item is recognized through Equity.

H. Property, Plant & Equipment:

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost includes expenditure on acquisition of asset, present value of expected cost for

the decommissioning of an asset, cost of replacing part of Plant and Equipment and borrowing costs.

Depreciation is calculated on a straight-line basis over estimated useful lives as prescribed in schedule II of the companies Act 2013. In respect of the following assets, useful lives are different than the useful lives indicated in Schedule II of Companies Act 2013, based on technical assessment and management estimates depending on the nature and usage of the respective assets.

- (a) Special tools up to the unit value of ₹ 5,000 are charged off in the year of incurrence and Special tools to the unit value above ₹ 5,000 are amortised over a period of 3 years.
- (b) Jigs and fixtures up to the unit value of ₹ 5 Lakhs are charged off in the year of incurrence and Jigs and fixtures of unit value above ₹ 5 Lakhs are amortised over a period of 3 years.

When parts of an item of property, plant and equipment have different useful lives, they are treated as separate components and depreciated over their estimated useful lives.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Any gain or loss arising out of derecognizing of an asset is included in statement of Profit and Loss of the relevant period.

Products given under No Cost No Commitment are capitalised appropriately under the relevant asset category and

amortised over the useful life of that asset. They are also tested for impairment periodically.

Expenditure incurred on Developmental Projects for participating in trials, based on Request from customers, are carried forward till conclusion of the trials and will be amortised over the orders to be received. In case customer order does not forthcoming or on discontinuation of project, the balance amount will be either capitalised if further economic benefit is expected from its use or will be charged off.

I. Investment Property:

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any. The fair value of the Investment property is disclosed in the notes.

J. Intangible Assets:

- (i) Intangible assets acquired are stated at acquisition cost, less accumulated amortization and accumulated impairment losses if any
- (ii) Research costs are expensed as incurred
- (iii) Development expenditure is recognized as Intangible assets and tested for impairment annually during the period of development
- (iv) Expenditure on development of products intended for sale is included in inventory.
- (v) Intangible Assets referred above includes the cost of materials, direct labour, overhead costs, borrowing

costs that are directly attributable to the respective asset for its intended use.

Amortization

Intangible assets are amortized over useful economic life and assessed for impairment if any. Where it is not possible to assess the useful economic life of an intangible asset, the same is not amortized and reviewed annually for impairment if any.

K. Borrowing Cost:

Borrowing costs directly attributable to creation of an asset are capitalized as part of the cost of the asset. General borrowing costs are capitalized by apportioning the same to qualifying assets.

L. Lease:

Contracts with third party, which give the company the right of use in respect of an identified Asset, are accounted in line with the provisions of Ind AS 116 – Leases, if the recognition criteria as specified in the Accounting standard are met.

A lease is classified at the inception date as a finance lease or an operating lease by lessor whereas lessee will follow the Single lease accounting (i.e. same as finance lease).

Company as a lessee:

Lessee will recognize right-of-use asset and lease liability, for all leases, except short term lease and leases for which underlying asset is of low value.

Short term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not contain a purchase option.

An underlying asset can be of low value only if:

- (a) the lessee can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and
- (b) The underlying asset is not highly dependent on, or highly interrelated with, other assets.

The initial value of lease liability shall be determined at the present value of the lease payments due. The interest rate implicit in the lease or lessee's incremental borrowing may be used to arrive at the present value of the lease payments due. The lease liability is subsequently measured by **increasing** the carrying amount to reflect interest on the lease liability and **reducing** the carrying amount to reflect the lease payments made.

Leases will be recognized where the value of new individual asset is more than Rs.2 Lakhs.

At the commencement date, the company as lessee measures the right of use asset at cost. The cost of "right of use" asset is determined at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment schedule in the Balance Sheet.

Lessee would recognize depreciation expense on the right of use asset using the straight-line method from the commencement date to the end of lease term or useful life of the asset, whichever is earlier.

Company as a lessor:

In case of an operating lease, initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the leased asset. In case of finance leases, amounts due from lessees are recorded as receivables.

M. Inventory:

Inventories are valued at the lower of cost and net realizable value. Cost for the purpose of the above is accounted as under:

- (i) Raw materials, Components, Stores and Spare parts: weighted average cost
- (ii) Finished goods and Work in Progress: Cost of materials, labour and production overheads

Scrap is valued at estimated realizable value.

Based on ageing assessment, on a periodic basis an allowance is recognized for obsolete, non-moving inventory.

N. Impairment of non-financial assets:

The company assesses at each reporting date for impairment of asset or cash generating units (CGU). If on assessment, the asset or CGU is considered impaired they are written down to the recoverable amount.

O. Employee Benefits:

Short-term employee benefits:

Short-term employee benefits are expensed as the related service is rendered.

Defined benefit plans:

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by actuarial valuation conducted annually by a qualified actuary using the projected unit credit method.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is recognized in the statement of profit and loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss.

Other long-term employee benefits:

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

Defined contribution plan:

For defined contribution plans, the Company contributes to independently administered funds as per relevant scheme. These contributions are recorded in the statement of profit and loss. The Company's liability is limited to the extent of contributions made to these funds.

P. Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted. Contingent liabilities and contingent assets are not recognized in the financial statements but are disclosed in the notes.

Warranty provisions:

Provision for warranty related costs are recognized on sale of product or service rendered based on historical experience and technical assessment and reviewed annually.

Onerous contracts:

A provision for onerous contracts other than construction contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Q. Financial Assets:

Recognition and measurement:

All financial assets are recognized initially at fair value. Subsequently, financial assets are measured at fair value or amortized cost based on their classification.

Embedded derivative:

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. If the hybrid contains a host that is not an asset within the scope of Ind AS 109, the embedded derivative is separated and accounted at fair value.

Derecognition:

A financial asset or part of a financial asset is derecognized when the rights to receive cash flows from the asset have expired.

Trade and other receivables:

Receivables are initially recognized at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those assets may be impaired, they are reviewed for impairment.

Cash and cash equivalents:

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Impairment of financial assets:

In accordance with Ind-AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

R. Financial Liabilities:

Recognition and measurement:

Financial liabilities are classified, at initial recognition, at fair value through statement of profit and loss as loans, borrowings, payables, or derivatives, as appropriate.

Financial liabilities are measured based on their classification at fair value through statement of profit and loss, amortized cost or fair value through other comprehensive income.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Trade and other payables:

Liabilities are recognized for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

S. Financial Assets and Liabilities

Reclassification:

Reclassification of financial Assets and Liabilities:

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For other financial assets, a reclassification is made prospectively only if there is a change in the business model for managing those assets.

Offsetting of financial Assets and Liabilities:

Financial assets and financial liabilities are offset and the net amount is reported in

the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis.

T. Earnings per share:

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

Diluted earnings per share is determined by adjusting profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

U. Cash dividend and non-cash distribution to equity shareholders:

The Company recognizes a liability to make cash or non-cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company.

V. Events after the reporting period:

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

As per our report of even date attached For and on behalf of the Board of Directors

For G Natesan & Co,

Chartered Accountants

Firm Registration Number: 002424S

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

Sd/-

ANIL JERATH

Director (Finance)

(DIN 09543904)

Sd/-

SHANTANU ROY

Chairman & Managing Director

(DIN 10053283)

Place: Mysore

Date: 12.05.2024

Sd/-

JAI GOPAL MAHAJAN

Company Secretary

STANDALONE FINANCIAL STATEMENTS 2023-24



Balance Sheet

				(₹ in Lakhs)	
Particulars	Note No.	As at 31 March 2024	As at 31 March 2023		
I. Assets					
(1) Non-current assets					
(a) Property, Plant and Equipment	3	48,061.41	46,626.30		
(b) Right of Use Asset	3 A	862.64	926.27		
(c) Capital work-in-progress	4	3,670.94	886.38		
(d) Other Intangible assets	5	3,467.42	2,546.54		
(e) Intangible assets under development	6	-	1,384.94		
(f) Financial assets					
(i) Investments	7	257.64	257.64		
(ii) Loans	8	14.69	13.34		
(iii) Other financial assets	9	88.56	88.42		
(g) Deferred tax assets (net)	10	11,348.00	10,828.00		
(h) Non-Current Assets held for sale	3 B	-	-		
(i) Other non-current assets	11	8,279.42	8,166.94		
Total non-current assets		76,050.72	71,724.78		
(2) Current assets					
(a) Inventories	12	2,25,590.38	2,06,140.93		
(b) Financial Assets					
(i) Investments	13	-	-		
(ii) Trade receivables	14	1,43,918.70	1,23,670.02		
(iii) Contract Assets	14a	65,174.39	61,265.72		
(iv) Cash and cash equivalents	15	800.32	907.28		
(v) Bank Balance Other than (iv) above	15a	65.56	3,009.18		
(vi) Loans	16	1,776.18	1,354.30		
(vii) Other financial assets	17	384.71	531.66		
(viii) Current tax assets (Net)	17a	10,719.60	6,466.79		
(c) Other current assets	18	17,569.08	23,301.98		
Total current assets		4,65,998.93	4,26,647.86		
Total Assets		5,42,049.64	4,98,372.64		
II. Equity and Liabilities					
Equity					
(a) Equity share capital	19	4,177.22	4,177.22		
(b) Other Equity		2,60,105.90	2,35,337.12		
Total Equity		2,64,283.12	2,39,514.34		
Liabilities					
(1) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	20	-	-		
(a) Lease Liability		949.10	980.97		
(ii) Other financial liabilities	21	112.63	112.63		
(b) Provisions	22	23,697.81	24,619.66		
(c) Other non-current liabilities	23	64,339.18	54,527.51		
Total non-current liabilities		89,098.72	80,240.78		
(2) Current liabilities					
(a) Financial liabilities					
(i) Short term Borrowings	24	6,056.10	37,083.50		
(a) Lease Liability		82.45	80.70		
(ii) Trade payables	25				
(a) Micro & Small Enterprises		14,374.22	9,928.23		
(b) Other than Micro & Small Enterprises		61,578.98	57,897.72		
(iii) Other financial liabilities	26	2,039.80	1,529.89		
(b) Other current liabilities	27	66,277.40	37,090.02		
(c) Provisions	28	27,541.32	28,468.68		
(d) Current tax liabilities (Net)	29	10,717.53	6,538.79		
Total current liabilities		1,88,667.80	1,78,617.53		
Total Equity and Liabilities		5,42,049.64	4,98,372.64		

Note nos. 1 to 39 include Significant Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached

For and on behalf of the Board of Directors

For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA. K MURALI
Partner
Membership No.: 024842

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Place : Mysore
Date : 12.05.2024

Sd/-
JAI GOPAL MAHAJAN
Company Secretary

Statement of Profit and Loss

(₹ in Lakhs)			
Particulars	Note No	For the year ended 31 March 2024	For the year ended 31 March 2023
I Revenue from operations	30	4,05,432.45	3,89,894.69
II Other income	31	4,317.01	2,378.16
III Total Income (I+II)		4,09,749.46	3,92,272.85
IV Expenses:			
Cost of materials consumed	32	2,14,747.43	2,09,885.35
Purchase of stock-in-trade	33	-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(5,242.27)	3,767.65
Employee benefits expense	35	82,222.74	83,976.04
Finance costs	36	3,902.19	4,624.55
Depreciation and amortization expense	3,5	6,374.21	6,399.36
Other expenses	37	69,458.07	55,759.80
Total Expenses (IV)		3,71,462.36	3,64,412.74
V Profit / (Loss) before exceptional items and tax (III-IV)		38,287.10	27,860.11
VI Add/ (Less) : Exceptional items	38	-	-
VII Profit / (Loss) before tax (V-VI)		38,287.10	27,860.11
VIII Tax expense:			
(1) Current tax	10 a	10,505.18	6,997.40
(2) MAT credit entitlement	10 a	-	-
(3) Deferred tax	10 a	(520.00)	4,984.49
IX Profit / (Loss) for the year from continuing operations (VII-VIII)		28,301.92	15,878.22
X Profit / (Loss) from discontinuing operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit / (Loss) from discontinued operations (after tax) (X-XI)		-	-
XIII Profit / (Loss) after tax for the year (IX+XII)		28,301.92	15,878.22
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit (liability) / asset		843.67	(1,822.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss	10 b	(212.35)	(91.68)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the year (XIII+XIV)		28,933.24	13,964.48
XVI Earnings per equity share: (₹ 10/- each) in ₹			
Basic and diluted	39(A)	67.96	38.13

Note nos. 1 to 39 include Significant Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached

For and on behalf of the Board of Directors

For G Natesan & Co

Chartered Accountants

Firm Registration Number: 002424S

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

Sd/-

ANIL JERATH

Director (Finance)

(DIN 09543904)

Sd/-

SHANTANU ROY

Chairman & Managing Director

(DIN 10053283)

Sd/-

JAI GOPAL MAHAJAN

Company Secretary

Place : Mysore

Date : 12.05.2024


Statement of Cash Flows

Particulars	For the year ended		For the year ended	
	31 March 2024		31 March 2023	
	Sub items	Main items	Sub items	Main items
(₹ in Lakhs)				
A. Cash flow from operating activities				
Net profit before tax and extraordinary items		38,287.10		27,860.11
<i>Adjustments for</i>				
Depreciation and amortization expense	6,374.21		6,399.36	
(Gain)/loss on disposal of property, plant and equipment	(66.43)		(1,312.59)	
Financing Cost	3,902.19		4,624.55	
Interest income	(359.89)		(129.90)	
Allowance for Inventory	4,870.69		(684.36)	
Allowance for bad and doubtful Trade receivables	93.22		(2,202.90)	
Allowances for other current assets	(43.82)		(286.21)	
Allowances for other non-current assets	-		-	
Allowance for Provision - current	(927.37)		3,574.54	
Allowance for Provision - non-current	(921.85)		187.02	
Actuarial gain / (loss) on Gratuity & PRMS	843.67	13,764.61	(1,822.06)	8,347.46
Operating Profit / (Loss) before changes in working capital		52,051.71		36,207.57
<i>Adjustment for</i>				
Inventories	(24,320.15)		1,828.21	
Trade receivables	(20,341.90)		64,668.99	
Other current assets	1523.91		(2,688.88)	
Other non-current assets	(632.48)		5,184.77	
Other financial current assets	(4,183.60)		(1,731.83)	
Other financial non-current assets	(1.49)		(27.11)	
Trade payables	8,127.25		11,768.65	
Other current liabilities	29,187.39		3,633.10	
Other non-current liabilities	9,811.67		(52,574.90)	
Other financial current liabilities	511.66		(842.22)	
Other financial non-current liabilities	(31.87)		87.59	
Income Tax & Deferred Tax	(6,018.79)	(6,368.40)	(9,051.97)	20,254.39
Net cash flow from / (used in) operating activities		45,683.30		56,461.96
B. Cash flow from investing activities				
Purchase of property, plant and equipment	(9,707.87)		(3,096.89)	
Proceeds from sale of property, plant and equipment	54.59		2,009.65	
Purchase of intangible assets	(412.87)		(1,162.95)	
Proceeds from sale of intangible assets	(0.01)		(0.01)	
(Gain)/loss on disposal of property, plant and equipment	66.43		1,312.59	
Investments in subsidiaries	0.00		1.00	
Interest Received	359.89		129.90	
Asset held for De-merger	-		(614.30)	
FDRs maturity beyond 3 months	2,942.96		(2,765.51)	
Net cash flow from / (used in) investing activities		(6,696.88)		(4,186.52)
C. Cash flow from financing activities				
Repayments of Non-Convertible Debentures	-		(10,000.00)	
Repayments of export credit	-		(17,933.00)	
Proceeds / Repayments from Bill discounting	(4,896.57)		4,896.57	
Financing Cost	(3,902.19)		(4,624.55)	
Dividend paid	(4,163.79)		(3,214.17)	
Net cash flow from / (used in) financing activities		(12,962.55)		(30,875.15)
Net increase/(decrease) in cash and cash equivalents		26,023.87		21,400.29
Cash and Cash Equivalents, Beginning of the year		(31,279.65)		(52,679.94)
Cash and Cash Equivalents, Ending of the year (Refer Note 15 d)		(5,255.78)		(31,279.65)

As per our report of even date attached

For G Natesan & Co

Chartered Accountants

Firm Registration Number: 0024245

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

Place : Mysore

Date : 12.05.2024

For and on behalf of the Board of Directors

Sd/-

 ANIL JERATH
 Director (Finance)
 (DIN 09543904)

Sd/-

 JAI GOPAL MAHAJAN
 Company Secretary

Sd/-

 SHANTANU ROY
 Chairman & Managing Director
 (DIN 10053283)

Statement of Changes in Equity for the year ended 31.03.2024

A. Equity share capital

Particulars	No. of shares	Amount (₹ in Lakhs)
Balance as on 01.04.2023	4,16,44,500	4,164.45
Changes in equity share capital during the period	-	-
Balance as on 31.03.2024	4,16,44,500	4,164.45

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Items of OCI	Nonimara Excellence Award Reserve	Debenture Redemption Reserve	Total Equity
	Capital Reserve	Share Premium	General Reserve	Retained Earnings	Other items of OCI			
Balance as on 01.04.2023	105.66	61,204.07	1,19,033.62	82,098.50	(27,106.18)	1.44	-	2,35,337.12
Reinstatement Adjustment on account of prior period items	-	-	-	-	-	-	-	-
Reinstated Balance as on 01.04.2023	105.66	61,204.07	1,19,033.62	82,098.50	(27,106.18)	1.44	-	2,35,337.12
Reversal of PPA adj Profit / (Loss) for the year	-	-	-	28,301.91	-	-	-	28,301.91
Other Comprehensive Income for the year	-	-	-	-	631.32	-	-	631.32
Total comprehensive income for the period	-	-	-	28,301.91	631.32	-	-	28,933.23
Transfer to - General Reserve/ Retained Earnings	-	-	-	-	-	-	-	-
Transaction with owners - Dividend - Tax on Dividend	-	-	-	(4,164.45)	-	-	-	(4,164.45)
Balance as on 31.03.2024	105.66	61,204.07	1,19,033.62	1,06,235.96	(26,474.86)	1.44	-	2,60,105.90

As per our report of even date attached

For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA. K MURALI
Partner
Membership No.: 024842

Place : Mysore
Date : 12.05.2024

For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
JAI GOPAL MAHAJAN
Company Secretary

Statement of Changes in Equity for the year ended 31.03.2023

A. Equity share capital

Particulars	No. of shares	Amount (₹ in Lakhs)
Balance as on 01.04.2022	4,16,44,500	4,164.45
Changes in equity share capital during the year	-	-
Balance as on 31.03.2023	4,16,44,500	4,164.45

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Items of OCI	Nonimara Excellence Award Reserve	Debenture Redemption Reserve	Total Equity
	Capital Reserve	Share Premium	General Reserve	Retained Earnings	Other items of OCI			
Balance as on 01.04.2022	105.66	61,204.07	1,19,033.62	68,849.20	(25,192.44)	1.44	2,500.00	2,26,501.55
Reinstatement Adjustment on account of prior period items	-	-	-	-	-	-	-	-
Reinstated Balance as on 01.04.2022	105.66	61,204.07	1,19,033.62	68,849.20	(25,192.44)	1.44	2,500.00	2,26,501.55
Reversal of PPA adj Profit / (Loss) for the year	-	-	-	15,878.22	-	-	-	15,878.22
Other Comprehensive Income for the year	-	-	-	-	(1,913.74)	-	-	(1,913.74)
Total comprehensive income for the year	-	-	-	15,878.22	(1,913.74)	-	-	13,964.48
Transfer to - General Reserve/ Retained Earnings	-	-	-	2,500.00	-	-	(2,500.00)	-
Transaction with owners - Dividend - Demerged assets	-	-	-	(4,164.45) (964.47)	-	-	-	(4,164.45) (964.47)
Balance as on 31.03.2023	105.66	61,204.07	1,19,033.62	82,098.50	(27,106.18)	1.44	-	2,35,337.12

As per our report of even date attached

For and on behalf of the Board of Directors

For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA. K MURALI
Partner
Membership No.: 024842

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Place : Mysore
Date : 12.05.2024

Sd/-
JAI GOPAL MAHAJAN
Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 3: Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the year	Deduction / Re-classification & Adjustments during the year	As at 31.03.2024	As at 01.04.2023	For the year	Deduction / Re-classification & Adjustments during the year	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Land										
Free Hold	1,398.42	-	-	1,398.42	-	-	-	-	1,398.42	1,398.42
Lease Hold	5,902.16	-	-	5,902.16	(2.33)	5.61	-	3.28	5,898.88	5,904.50
Buildings	15,801.75	999.90	(0.01)	16,801.64	4,926.42	601.08	29.15	5,556.65	11,245.00	10,875.35
Plant and Equipment	47,669.43	2,027.58	(54.28)	49,642.73	23,844.52	3,147.38	(61.35)	26,930.55	22,712.18	23,830.21
Furniture and Fixtures	909.56	168.46	(2.06)	1,075.96	564.61	56.93	(1.68)	619.86	456.10	344.95
Vehicles										
Given on Lease	685.24	-	(84.60)	600.64	218.48	84.73	(60.36)	242.85	357.80	466.77
Own Use	563.76	245.70	(11.51)	797.95	380.05	64.57	(11.52)	433.10	364.85	178.36
Office Equipment	717.46	79.86	(1.28)	796.04	499.81	71.82	(3.23)	568.41	227.63	217.64
Roads and Drains	1,930.53	311.37	-	2,241.90	1,698.90	49.59	-	1,748.49	493.41	231.62
Water Supply Installations	384.33	8.82	(0.04)	393.11	162.79	23.35	-	186.14	206.97	221.54
Railway sidings	1,011.40	-	-	1,011.40	660.95	50.82	-	711.77	299.63	350.45
Electrical Installation	2,803.88	163.62	(1.50)	2,965.99	1,893.84	236.13	(1.50)	2,128.47	837.52	910.04
Jigs and Fixtures	2,767.72	495.00	-	3,262.72	2,659.39	81.75	-	2,741.15	521.58	108.33
Special Tools	3,014.17	399.89	-	3,414.06	2,462.86	315.11	-	2,777.97	636.09	551.31
Computers and Data processing units	2,705.36	1,967.86	(19.77)	4,653.45	1,668.55	589.50	(9.97)	2,248.09	2,405.37	1,036.81
Total	88,265.17	6,868.06	(175.05)	94,958.18	41,638.86	5,378.37	(120.46)	46,896.77	48,061.41	46,626.30
Previous Year	88,824.05	2,589.09	(3,147.97)	88,265.17	37,301.90	5,475.28	(1,138.32)	41,638.86	46,626.30	51,522.14

Note 3A: Right of use Assets

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the year	Deduction / Re-classification & Adjustments during the year	As at 31.03.2024	As at 01.04.2023	For the year	Deduction / Re-classification & Adjustments during the year	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
ROU Assets										
Buildings	1,196.25	55.25	(73.18)	1,178.32	269.98	118.89	(73.18)	315.68	862.64	926.27
Total Right of use Assets	1,196.25	55.25	(73.18)	1,178.32	269.98	118.89	(73.18)	315.68	862.64	926.27
Previous Year	1,094.68	212.91	(111.34)	1,196.25	263.46	117.86	(111.34)	269.98	926.28	831.22

A. Carrying value of Plant & Equipment includes equipment offered to customers for trials on No Cost No Commitment (NCNC) basis ₹ 244.46 Lakhs (Previous Year - ₹ 318.28 Lakhs).

B. Property, Plant and Equipment

i) Buildings include carrying value of building at Ranchi pending registration / khatha transfer at ₹ 10.12 Lakhs (Previous Year ₹ 10.49 Lakhs)

ii) The Company has taken land measuring 1109 acres and two workshops on lease for a period of 10 years vide Lease Agreement dated 5th May 2004, w.e.f. 28.04.2004 from M/s Bharat Gold Mines Limited (BGML) (A Company under orders of winding up by BIFR), and a sum of ₹100 Lakhs was paid as non-refundable deposit, (included under Other non-current

assets (Note no.11)). As per the terms of the Lease agreement, this deposit shall be adjusted against the outright sale/transfer of ownership that may be fixed for the property and lessee shall be free to construct new building/alter the existing building/lay roads/fence the land in the interest of furthering its business to suit its use and on expiry of the lease the said building shall vest with the lessor on payment of consideration based on value prevailing on the date of handing over of the property. The Company had incurred on the above land a sum of ₹1452.95 Lakhs (with carrying value - ₹ 724.70 Lakhs) on Buildings (Previous Year - ₹ 769.48 Lakhs) included in Property, Plant and Equipment as at year end.

Vide order dated 09.07.2013, the Hon'ble Supreme Court of India upheld the decision of the Union Government to float a global tender of BGML assets with an observation about the existence of sub-lease of a portion of the land to BEML Ltd expiring on 28.04.2014 to be included in the tender documents. The Company filed an Interlocutory application before the Hon'ble Supreme Court of India, praying for exclusion of land leased to BEML from the purview of global tender, which was dismissed. Since the lease agreement provides for the continuation of the lease even after the expiry of lease period on 28.04.2014 till the final decision of the Company / Government in this regard, the operations of the company on the above land is continued. Appropriate accounting action will be considered

based on the outcome of the tender process.

Meanwhile, BEML has proposed to surrender 1080.65 Acres out of 1109 Acres of land to BGML and to enter into a fresh lease agreement for the balance operational area of 28.35 Acres. However, BGML has offered BEML to outrightly purchase the land of 28.35 acres at mutually agreed price. The matter is under discussion between BGML and BEML.

- iii) Lease Hold Land includes land measuring 101175.92 Sq. Mtrs taken on perpetual lease from KIADB (Bangalore Aerospace, SEZ Park) at a cost of ₹5126.00 Lakhs (Previous Year - ₹ 5126.00 Lakhs).
- iv) No Provision considered necessary for impairment of assets as the realizable value of assets technically assessed is more than the carrying cost of these assets.
- v) Free Hold Land measuring 3.647 acres of land, surrendered to BBMP against TDR (at cost) is ₹ 4.58 Lakhs. Free Hold Land measuring 1.937 acres of land surrendered to BBMP for which TDR yet to be received (at cost) is ₹ 2.43 Lakhs.

Above TDR will be utilised for further construction.
- vi) Company has taken action to obtain title documents in respect of flat at Ashadeep, New Delhi - ₹ 2.80 Lakhs.
- vii) For information on estimated capital contracts pertaining to the acquisition

of property, plant and equipment, refer Note no. 39 D II a.

viii) Free hold at KGF does not include 114 Acres which is under reconciliation with DC, Kolar.

C. Amount of borrowing cost capitalised on addition of assets during the year : NIL

D. Since there is no investment property in the Company as on 31.03.2024, fair value of investment property is Nil (Previous Year - Nil)

E. Title deeds of Immovable Properties not held in name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	Building					
	Flat at Sarovar Enclave, Ranchi	10.12	Ranchi Planners Cooperative Housing Society	No	23-12-1987	Under dispute with state authorities.
	Flat at Ashadeep, Delhi	2.80		No	01-05-1977	Obtaining Title deeds in the name company is under progress.
	Land					
	Land at Mysore	144.34		No	01-03-1985	Total land parcel of 560.35 acres (452.40 acres of Factory land and 107.95 acres of township land) allotted by M/s KIADB at Mysore. Out of this 302.26 acres have been transferred to M/s BEML Land Assets Ltd (BLAL) on 25.08.2022(appointed date) under a Scheme of Arrangement for demerger as approved by MCA , Govt of India. Further 85.905 acres of unused township land is to be transferred back to KIADB at a mutually agreed consideration . Possession certificate for entire 560.35 acres is in the name of BEML. Registration process for 474.445 acres in the name of BEML and subsequent transfer of title for 302.26 acres to BLAL is underway.The modalities to transfer 85.905 acres back to KIADB are under consideration of both BEML & KIADB.

There has been no revaluation of Property, Plant and Equipment .

Note 4: Capital work-in-progress

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Building	1,061.29	153.32
Machinery	2,609.65	673.31
Others	82.76	168.80
Provision for CWIP	(82.76)	(109.05)
Total	3,670.94	886.38

Capital work in progress (CWIP) - As at 31 March 2024
a) Ageing Schedule for Capital-work-in progress:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	3,562.10	49.56	-	39.66	3,651.31
Projects temporarily suspended	5.47	-	14.16	-	19.63
Total	3,567.57	49.56	14.16	39.66	3,670.94

b) Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Capital-work-in progress completion schedule:

(₹ in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Capital work in progress (CWIP) - As at 31 March 2023
a) Ageing Schedule for Capital-work-in progress:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	769.32	3.10	-	40.05	812.47
Projects temporarily suspended	-	14.16	-	59.75	73.91
Total	769.32	17.26	-	99.80	886.38

b) Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan: (₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Capital-work-in progress completion schedule: (₹ in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Note 5: Other Intangible assets

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated amortisation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the year	Deduction / Re-classification & Adjustments during the year	As at 31.03.2024	As at 01.04.2023	For the year	Deduction / Re-classification & Adjustments during the year	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer software	3,633.54	251.01	-	3,884.55	2,665.94	398.68	(0.01)	3,064.62	819.93	967.60
Technical Know how	5,771.17	1,546.81	-	7,317.98	4,199.24	478.27	-	4,677.51	2,640.47	1,571.93
TDR against Land	7.01	-	-	7.01	-	-	-	-	7.01	7.01
Total	9,411.72	1,797.82	-	11,209.54	6,865.18	876.95	(0.01)	7,742.12	3,467.42	2,546.54
Previous Year	8,844.10	567.83	(0.21)	9,411.72	6,059.18	806.22	(0.22)	6,865.18	2,546.54	2,784.93

Note 6: Intangible assets under development (internally generated)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Transfer of Technology for CABIN	-	1,384.94
Total	-	1,384.94

Intangible assets under development - As at 31 March 2024
a) Ageing Schedule for intangibles under development:

(₹ in Lakhs)

Particulars	Amount of Intangible asset under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

b) Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan: (₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Intangible assets under development - As at 31 March 2023
a) Ageing Schedule for intangibles under development: (₹ in Lakhs)

Particulars	Amount of Intangible asset under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	595.14	-	789.80	-	1,384.94
Projects temporarily suspended	-	-	-	-	-
Total	595.14	-	789.80	-	1,384.94

b) Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan: (₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Note 7: Non-current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in equity instruments - unquoted at cost		
In Equity Shares of Subsidiary Companies:		
In Vignyan Industries Limited, 2,69,376 fully paid up Equity Shares of ₹100 each	252.60	252.60
In MAMC Industries Limited, Kolkata, 50,000 fully paid up Equity Shares of ₹10 each [refer Note no. 11(a)]	5.00	5.00
In BEML Land Assets Limited	-	-
Sub Total	257.60	257.60
In Equity Shares of Joint Venture Company:		
In BEML Midwest Ltd., 54,22,500 fully paid up Equity shares of ₹10 each	542.25	542.25
Less: Allowance for impairment of investment	(542.25)	(542.25)
Sub Total	-	-

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investment in Ordinary Shares of Co-operative Societies - unquoted at cost		
In BEML Consumer Co-operative Society Ltd, KGF, 250 fully paid up shares of ₹10 each	0.03	0.03
In Gulmohar Mansion Apartments Co-operative Housing Society Limited, Bangalore, 10 fully paid up shares of ₹100 each.	0.01	0.01
In Twin Star Co-operative Housing Society Ltd, Bombay, 5 fully paid up shares of ₹50 each.	0.00	-
Sub Total	0.04	0.04
Total	257.64	257.64

Ind AS 28 (Investments in Associates and Joint Ventures)

Names of Joint Ventures	Nature	% holding	Country of Incorporation
BEML Midwest Limited	Jointly Controlled Entity	45.00	India

- BEML along with Midwest Granite Private Limited formed a joint venture company in 2007 to conduct excavation and extraction of mineral resources. The agreement was signed in September 2005 whereby BEML has a 45% share in the operations of the joint venture and the remaining 55% is held by Midwest Granite Private Limited.
- The Joint Venture Company BEML Midwest Ltd has not prepared its financial statements as at 31st March, 2024 due to litigation pending before National Company Law Tribunal. Hence, disclosure requirements under Ind AS-28 (Investments in Associates and Joint Ventures) could not be complied with. In the absence of financial statements of the JV, the same has not been consolidated with BEML financial statements.
- As per CCEA approval dtd 8th September 2021, M/s Vignyan Industries Ltd, a subsidiary of BEML is under Voluntary Liquidation and Official Liquidator has been appointed on 11.10.2021. Movable assets have been disposed off and disposal of immovable assets is in progress. Dues of employees of VIL have been settled. As on 31.03.2024 there are no employees on the rolls of M/s VIL.
- In respect of BEML Brazil Industrial Ltda, an associate the company has written to RBI through authorized dealer SBI, Overseas Branch, Bangalore for closure of Unique Identification Number (UIN) issued in respect of BBIL.

The movement in the allowance for impairment of investment is as follows:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Balance at the beginning of the year	542.25	542.25
Impairment losses recognised	-	-
Written off during the year	-	-
Credited to profit or loss	-	-
Transfers	-	-
Balance at the end of the year	542.25	542.25

Note 8: Non-Current - Loans

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Lease Deposits	14.69	13.34
Inter Corporate Loan	-	-
Total	14.69	13.34

Note 9: Non-current - Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Security Deposit with Customers	-	-
Deposit with service providers	88.56	88.42
Total	88.56	88.42

Note 10: Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred Tax Liabilities (DTL)		
Property, plant and equipment	4,028.00	4,279.00
Total DTL (A)	4,028.00	4,279.00
Deferred Tax Assets (DTA)		
Timing differences under the Income Tax Act,1961	15,376.00	15,107.00
Total DTA (B)	15,376.00	15,107.00
Net Total (B-A)	11,348.00	10,828.00

Note 10: Income taxes

The substantively enacted tax rate as on 31 March 2024 is **25.17%** and as on 31 March 2023 was **25.17%** for deferred tax purposes.

a) Amount recognised in profit or loss

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Current tax expense:		
Current tax	10,505.18	6,997.40
MAT credit entitlement	-	-
Adjustment of tax related to earlier years	-	-
	10,505.18	6,997.40
Deferred tax (income)/expense:		
Origination and reversal of temporary differences	(520.00)	4,984.49
Total deferred tax (income)/expense	(520.00)	4,984.49
Tax expense	9,985.18	11,981.89

b) Amount recognised in OCI

(₹ in Lakhs)

Particulars	31 March 2024			31 March 2023		
	Before Tax	Tax (expense) benefit	Net of tax	Before Tax	Tax (expense) benefit	Net of tax
Re-measurement (losses) / gains on post employment defined benefit plans	843.67	(212.35)	631.32	(1,822.06)	(91.68)	(1,913.74)
Total	843.67	(212.35)	631.32	(1,822.06)	(91.68)	(1,913.74)

c) Reconciliation of effective income tax rate

(₹ in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operation		38,287.10		27,860.11
Tax using the company's domestic tax rate (Income tax)	25.17%	9,636.86	25.17%	7,012.39
Tax effect of:				
Carry Forward Loss	0.00%	-	0.00%	-
Weighted Deduction for R and D Expenditure	0.00%	-	0.00%	-
Non deductible expenses	2.27%	868.32	-0.05%	(14.99)
Minimum Alternate Tax	0.00%	-	0.00%	-
Tax incentive	0.00%	-	0.00%	-
Deferred tax	-1.36%	(520.00)	17.89%	4,984.49
Total income tax expense for the year	26.08%	9,985.18	43.01%	11,981.89

d) Movement in deferred tax balances

(₹ in Lakhs)

Particulars	As on 1st April 2022	Recognised in profit or loss during 2022-23	As at 31 March 2023	Recognised in profit or loss during 2023-24	As at 31 March 2024
Property, plant and equipment	(4,973.39)	694.39	(4,279.00)	251.00	(4,028.00)
Allowance for doubtful trade receivables	12,169.16	(4,030.16)	8,139.00	13.00	8,152.00
Allowance for impairment of Investments	189.48	(53.48)	136.00		136.00
Provision for Property Tax	124.93	393.07	518.00	(257.00)	261.00
Provision for Leave Salary	5,393.52	(1,258.52)	4,135.00	211.00	4,346.00
Provision for Contributory medical Scheme	1,329.55	(183.55)	1,146.00	168.00	1,314.00
Provision for pending legal cases	36.48	(6.48)	30.00	4.00	34.00
Provision for Onerous Contract	7.29	(7.29)	-	582.00	582.00
Provision for Unpaid Expenditure	312.24	(110.24)	202.00	(125.00)	77.00
MAT Credit related to prior period	422.22	(422.22)	-		-
DTA related to Provision for Gratuity & Contributory Medical Scheme (OCI)	1,351.30	(550.30)	801.00	(327.00)	474.00
Net deferred tax assets / (liabilities)	16,362.78	(5,534.78)	10,828.00	520.00	11,348.00

e) Unrecognised deferred tax assets

Deferred tax asset has not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the deductible temporary difference can be utilised.

(₹ in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences not expected to be utilised	-	-	-	-
Tax losses	-	-	-	-
	-	-	-	-

f) Tax losses carried forward

Unrecognised tax losses carried forward expire as follows:

(₹ in Lakhs)

Particulars	31 March 2024	Expiry date	31 March 2023	Expiry date
Expire				
Carry forward business loss	-		-	
Carry forward business loss	-		-	
Never expire				
Unabsorbed depreciation	-		-	

Note 11: Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Advances	100.00	100.00
Less: Allowance for doubtful Capital Advances	-	-
Advances to Related Parties - MAMC [refer Note no.39 (C)(ii)]	605.01	603.97
Advance MAMC consortium [see note (a) below]	7,288.42	7,197.70
Employee Advance	213.55	189.50
Prepayments	62.33	65.65
Gold coins on Hand	10.11	10.11
Total	8,279.42	8,166.94
Due by officers of the company	0.00	0.00

- a. The Company has entered into a Consortium Agreement (MAMC Consortium) with M/s. Coal India Limited (CIL) and M/s. Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets of M/s. Mining and Allied Machinery Corporation Limited (under liquidation). The agreement,

inter-alia, provided for formation of a Joint Venture company with a shareholding pattern of 48:26:26 among BEML, CIL and DVC respectively. The Company has paid the proportionate share of ₹ 4800.00 Lakhs towards the total bid consideration of ₹ 10000.00 Lakhs towards the said acquisition, based on the order passed by the Hon'ble High Court of Calcutta. The said assets are taken possession by the MAMC Consortium. Further, the Company has incurred a sum of ₹2488.42 Lakhs (Previous Year - ₹2397.10 Lakhs) towards maintenance, security and other related expenditure. The expenditure incurred by CIL and DVC on account of this proposal is not ascertained. The total sum of ₹7288.42 Lakhs (Previous Year - ₹7197.10 Lakhs) is disclosed as 'Advance to MAMC consortium', pending allotment of equity shares in the capital of the JV company. As per the latest valuation report furnished by registered valuer, the fair value of MAMC assets is ₹ 20745 Lakhs and the company's share of 48% comes to ₹ 9958 Lakhs which is above the total advances paid to MAMC consortium.

Further, a company in the name of 'MAMC Industries Limited' (MIL) was formed and incorporated as a wholly-owned subsidiary company for the intended purpose of JV formation. Shareholders' agreement, as duly approved by the Boards of all the three members of the consortium, has been submitted to Ministry of Defence for necessary approval. After obtaining the said approval, MIL, would be converted into a JV Company. The Company has advanced a sum of ₹605.01 Lakhs (Previous Year - ₹603.97 Lakhs) on account of MIL, which is included under the head 'Advances to related parties'

Note 12: Inventories (Lower of cost and Net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials & Components	88,154.97	76,958.76
Less: Allowance for obsolescence - Raw Material	(3,223.30)	(2,721.35)
Raw materials & Components in Transit	8,642.32	3,289.14
Stores and Spares	2,570.47	2,474.46
Work-in-Progress	76,642.65	75,204.24
Less: Allowance for obsolescence - WIP	(2,167.51)	(981.27)
Finished Goods	24,418.82	19,946.79
Less: Allowance for obsolescence - Finished Goods	(2,340.50)	(1,328.21)
Finished Goods in Transit	3,286.84	1,342.25
Less: Allowance for obsolescence - Finished Goods in transit	-	-
Stock of Spares	33,403.72	33,163.32
Less: Allowance for obsolescence - Stock of Spares	(6,850.89)	(4,674.79)
Less: Allowance for shortages - Stock of Spares	-	(5.90)
Stock of Spares in Transit	66.70	221.70
Hand tools	2,148.49	1,999.93
Scrap	837.60	1,251.83
Total	2,25,590.38	2,06,140.93

- a. Raw materials & Components include materials lying with sub contractors ₹ 3059.01 Lakhs (Previous Year - ₹ 2612.23 Lakhs). Out of these, confirmation from the parties is awaited for ₹ 735.07 Lakhs (Previous Year ₹ 226.54 Lakhs).
- b. Raw materials in transit include ₹ 299.10 Lakhs (Previous year ₹ 1962.66 Lakhs) of materials received in the factory/depot for which quality clearance is pending.
- c. The closing stock of work-in-progress and finished goods are stated at lower of standard cost, which approximates to actuals, and net realisable value. The difference between the actual cost of production and the standard cost is not material.
- d. Variances arising on account of difference between standard cost and the actual cost, on account of change in the nature of inputs from bought-out to internally manufactured or vice versa, timing difference between standard cost and actual occurrence during the financial period and fluctuations in the material prices, is adjusted in the cost of production in order not to carry forward the period variances to subsequent financial period.
- e. Allowance towards Raw material & components obsolescence is made as per the Board approved provisioning norms and is based on ageing of inventory.

Note 13: Current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments quoted/Unquoted		
Total	-	-

Note 14: Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Outstanding for period exceeding six months	44,712.91	42,022.73
Others	1,20,620.59	1,02,968.87
Sub-Total	1,65,333.50	1,44,991.60
Allowance for Expected Credit Loss	(21,414.80)	(21,321.58)
Total	1,43,918.70	1,23,670.02

Trade Receivable ageing schedule - As at 31 March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	80,862.62	39,757.97	11,690.52	9,894.74	8,047.21	13,015.66	1,63,268.73
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	1,364.77	1,364.77
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	700.00	700.00
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Sub - total	80,862.62	39,757.97	11,690.52	9,894.74	8,047.21	15,080.43	1,65,333.50
(vii) Provisions	258.11	1,307.92	506.61	3,021.37	3,492.06	12,828.73	21,414.80
Net Trade Receivables	80,604.51	38,450.06	11,183.92	6,873.37	4,555.15	2,251.70	1,43,918.70

Trade Receivable ageing schedule - As at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	50,611.13	52,357.74	10,017.52	13,295.43	2,604.22	11,995.61	1,40,881.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	4,109.95	4,109.95
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Sub - total	50,611.13	52,357.74	10,017.52	13,295.43	2,604.22	16,105.56	1,44,991.60
(vii) Provisions	109.17	1,517.06	414.13	4,283.85	1,542.09	13,455.27	21,321.58
Net Trade Receivables	50,501.95	50,840.68	9,603.39	9,011.59	1,062.13	2,650.28	1,23,670.02

For recognition of impairment provision, Expected Credit Loss has been created during the year on the Trade Receivables using simplified approach as per Ind AS 109.

The movement in the allowance for trade receivables/Expected credit loss is as follows: (₹ in Lakhs)

Particulars	2023-24	2022-23
Balance at the beginning of the year	21,321.58	23,524.48
Expected Credit loss recognised	1,940.03	391.16
Written off during the year	(1,846.81)	(2,108.53)
Credited to profit or loss	-	(485.53)
Balance at the end of the year	21,414.80	21,321.58

Note 14a: Contract Assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Rail & Metro	65,174.39	60,836.52
Mining & Construction	-	-
Defence	-	429.20
Total	65,174.39	61,265.72

Note 15: Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with Banks	800.32	907.28
Total	800.32	907.28

Note 15a: Bank Balance Other than (Note 15) above

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with Banks - Unclaimed/Unpaid Dividend	65.56	66.22
FDRs maturity beyond 3 months	-	2,942.96
Cash on hand	-	-
Total	65.56	3,009.18

- The Company earns no interest on balances with banks in current accounts.
- Balances with banks include the following on which there were restrictions placed on use and / or held on behalf of third parties:
ESCROW account balance to be distributed among consortium members ₹526.61 Lakhs (Previous Year - ₹532.01 Lakhs)
- Out of the Cash Credit Limit of ₹120000 Lakhs sanctioned to the company by Consortium Bankers, the amount drawn by the company as on 31st March 2024 is ₹6056.10 Lakhs (Previous Year ₹ 32186.93 Lakhs)
- FDRs include ₹Nil (Previous year ₹ 133.63 Lakhs being proceeds from surrender of 4706 Sqm of lease hold land at Hyderabad to TSIIC, ₹ 2759.02 Lakhs from surrender of 226.21 acres of Leasehold Land to M/s. KIIDC (KINFRA) Kerala and ₹ 50.31 Lakhs against vendor dues forming part of Short Term Deposits).

e. For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with Banks	800.32	907.28
Less: Bank overdraft/Cash credit facility	(6,056.10)	(32,186.93)
Total	(5,255.78)	(31,279.65)

For an understanding of the Company's cash management policies, refer Note no.39 L (ii) on liquidity risk.

Note 16: Current Loans

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Lease Deposits	-	-
Inter Corporate Loan - BLAL	430.34	103.54
Secured Loans		
Loan to subsidiary - VIL	1,240.19	1,162.20
Interest Accrued on loan to subsidiary	105.65	88.56
secured against first charge on VIL (Factory Land, Helipad and Office Quarters)		
Total	1,776.18	1,354.30

Note 17: Current - Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Security Deposit with Customers	-	82.67
Earnest Money Deposit	-	62.87
Deposit with service providers	384.71	384.71
Interest accrued on bank deposits	-	1.40
Total	384.71	531.66

For an understanding of the Company's derivative transactions, refer Note no. 39N on derivatives.

Note 17a: Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Income Tax	7,200.00	4,000.00
Income Tax Refund	2,133.00	2,056.00
Tax Deducted at Source	1,386.60	410.79
Total	10,719.60	6,466.79

Note 18: Other Current Assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to Related Parties	-	135.51
Less: Allowance for doubtful advances to Vendors	-	(135.51)
Advances to Related Parties - BLAL	-	-
Balances with Public Utility concerns	631.37	628.05
Less: Allowance for doubtful Balances with Public Utility concerns	(165.91)	(165.91)
Balances with Govt. departments for Customs Duty, Excise Duty, GST etc.,	38.18	32.16
Advance to Vendors	9,637.57	12,263.68
Less: Allowance for doubtful advances to Vendors	(3,427.56)	(3,526.47)
Employee Advance	297.88	291.35
Duties and Taxes	2,276.22	2,190.12
Indirect Taxes - Pre GST	-	-
Less: Allowance for doubtful Indirect Taxes-GST	-	-
Indirect Taxes -GST	1,398.41	6,506.90
Prepayments	2,428.54	1,376.20
Claims receivable	10,532.81	10,674.48
Less: Allowance for doubtful claims	(7,376.29)	(7,185.69)
GST on stock transfers	1,297.86	217.11
Total	17,569.08	23,301.98
Due by Officers of the Company	35.69	25.13

Note 19: Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Authorised :				
Equity Shares of ₹10 each	100000000	10,000.00	100000000	10,000.00
Issued :				
Equity Shares of ₹10 each	41900000	4,190.00	41900000	4,190.00
Subscribed :				
Equity Shares of ₹10 each	41644500	4,164.45	41644500	4,164.45
Paid-up :				
Equity Shares of ₹10 each, fully paid-up	41644500	4,164.45	41644500	4,164.45
Forfeited Shares (amount originally paid) :				
Equity Shares of Paid-up value ₹5 each	255500	12.77	255500	12.77
Total		4,177.22		4,177.22

Rights and restrictions attached to equity shares

The company has only one class of share, i.e., equity shares having the face value of ₹10 per share. Each holder of equity share is entitled to one vote per share. Dividend is paid in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the Company after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Disclosure requirements for 5 years	Number of Shares				
	2023-24	2022-23	2021-22	2020-21	2019-20
Shares allotted as fully paid up pursuant to contracts without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Shares allotted as fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil

Reconciliation of shares outstanding at the beginning and at the end of the period : (₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding as at Opening Date	4,16,44,500	4,164.45	4,16,44,500	4,164.45
Add: Issued during the period	-	-	-	-
Less: Buy-back during the period (if any)	-	-	-	-
Outstanding as at Closing Date	4,16,44,500	4,164.45	4,16,44,500	4,164.45

Equity Shares held by shareholders having 5% or more	As at 31 March 2024		As at 31 March 2023	
	Name of the shareholder	No. of Shares	% held	No. of Shares	% held
President of India	2,25,00,000	54.03	2,25,00,000	54.03
HDFC Trustee Company Limited (PAN wise)	33,64,759	8.08	37,78,760	9.07

No shares of the Company is held by its subsidiaries. The Company does not have any holding company. No shares of the Company is reserved for issue under options and contracts/commitments for the sale of shares / disinvestment.

The Board of Directors had approved an Interim Dividend of ₹ 5.00 per equity share i.e., 50% on equity shares of ₹ 10 each on 08.02.2024 which is paid to Government of India on 13.02.2024 and other eligible shareholders.

Shares held by promoters at the end of the year		As at 31st March 2024		% Change during the year
Sl. No.	Promoters Name	No. of Shares	% of total shares	
1	President of India	2,25,00,000	54.03	NIL

Note 20: Non-current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non-Current	Current	Non-Current	Current
Debentures	-	-	-	-
Term Loans				
(a) Secured from Banks	-	-	-	-
(b) Unsecured from other parties	-	-	-	-
Total	-	-	-	-
i (a) Lease Liability	949.10	-	980.97	-

The company has utilised the borrowings from banks and financial institutions for the purpose for which it was been taken.

Note 21: Non-current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit from vendors	112.63	112.63
Total	112.63	112.63

Note 22: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
for Leave Salary	12,331.03	13,053.62
for Post retirement medical scheme	4,892.70	5,542.05
Provision-others		
for warranty	80.82	100.00
for unexpired obligations	6,393.26	5,923.99
Total	23,697.81	24,619.66

- For movement in the provisions during the year refer Note no. 28.
- The provision for employee benefits represents annual leave and vested long service entitlements accrued.
- Warranty provisions are recognised on a contract-by-contract basis for goods sold over the warranty period. The provision is based on estimates of probable likelihood of product failure and returns based on current sales level and past experience.
- Provision for unexpired obligations is towards supply of Backup Spares against guaranteed availability contracts.

Note 23: Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances from customers	64,303.60	54,493.27
Staff related	35.58	34.24
Statutory Dues	-	-
Total	64,339.18	54,527.51

Note 24: Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Repayable on demand from banks		
Secured		
Cash Credit & Short Term Loans (secured by first charge by way of hypothecation of Inventories, Bills receivable, Book Debts and all other movables both present and future)	6,056.10	32,186.93
Bill Discounting	-	4,896.57
Unsecured borrowings		
Lease Liability	82.45	80.70
Total	6,138.55	37,164.20

The company has utilised the borrowings from banks and financial institutions for the purpose for which it was taken.

Quarterly statements/Results of assets filed by the Company with banks or financial institutions are in agreement with the books of accounts and hence the need for reconciliation of differences if any does not arise.

Note 25: Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro & small enterprises	14,374.22	9,928.23
Total outstanding dues of creditors other than micro & small enterprises	61,578.98	57,897.72
Total	75,953.20	67,825.95

Trade payables due for payment - As at 31 March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due payment of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	13870.83	-	-	-	-	13870.83
(ii) Others	32452.30	24886.11	433.88	461.63	1049.29	59283.21
(iii) Disputed dues - MSME	31.58	414.46	48.75	7.42	1.18	503.38
(iv) Disputed dues - Others	6.51	985.30	20.21	18.24	1265.51	2295.78
Grand Total	46361.22	26285.87	502.84	487.29	2315.98	75953.20

Trade payables due for payment - As at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due payment of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	9724.69	-	-	-	-	9724.69
(ii) Others	28336.62	17668.87	6049.91	109.95	3391.13	55556.48
(iii) Disputed dues - MSME	-	194.78	6.42	0.35	2.00	203.54
(iv) Disputed dues - Others	-	6.50	59.97	102.09	2172.68	2341.24
Grand Total	38061.31	17870.14	6116.30	212.39	5565.80	67825.95

Micro and Small Enterprises (MSE)

The information under MSMED Act, 2006 has been disclosed to the extent such vendors have been identified by the company. The details of amounts outstanding to them based on available information with the Company is as under :

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Amount due and Payable at the year end		
- Principal	-	-
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	-
- Interest	-	-
Interest due and payable for principals already paid	-	-
Total Interest accrued and remained unpaid at year end	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under section 23 of MSMED Act, 2006.	-	-

Note 26: Current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit from vendors	1,729.01	1,301.14
Earnest Money Deposit from vendors	245.23	162.53
Derivative liabilities	-	-
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Unclaimed dividend	65.56	66.22
Dividend payable	-	-
Total	2,039.80	1,529.89

Note 27: Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Other payables		
a. Staff related dues	1,696.89	2,344.87
b. Statutory dues	9,434.78	9,364.11
c. Advances from customers	40,425.35	15,141.45
d. Service vendors	14,650.66	7,669.30
e. Civil contractors and Capital payments	69.71	2,570.29
	66,277.40	37,090.02

Note 28: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
for Gratuity	1,137.15	3,917.91
for Leave Salary	4,937.07	3,376.04
for Performance Related Pay	3,356.30	2,659.91
for Post retirement medical scheme	2,980.22	2,947.25
for Officers Pension	1,792.58	1,754.21
Provision-others		
for pending legal cases	135.89	121.00
for warranty	8,343.29	8,707.00
for unexpired obligations	1,525.44	2,310.57
for onerous contract	2,314.03	-
for Unpaid Exp	1,019.36	2,674.78
Total	27,541.32	28,468.68

Movement in Provisions

(₹ in Lakhs)

Particulars	As at 01.04.2023		Total	Additions	Utilization	Reversal	As at 31 March 2024		
	Non-current	Current					Non-current	Current	Total
Gratuity	-	3,917.91	3,917.91	1,137.15	3,917.91	-	-	1,137.15	1,137.15
Leave Salary	13,053.62	3,376.04	16,429.66	6,019.61	5,181.16	-	12,331.03	4,937.07	17,268.09
Post retirement medical scheme	5,542.05	2,947.25	8,489.30	635.13	1,251.51	-	4,892.70	2,980.22	7,872.92
Performance Related Pay	-	2,659.91	2,659.91	2,056.30	1,359.91	-	-	3,356.30	3,356.30
Officers Pension	-	1,754.21	1,754.21	1,829.15	1,790.78	-	-	1,792.58	1,792.58
Wage revision	-	-	-	-	-	-	-	-	-
Pending legal cases	-	121.00	121.00	121.47	-	106.58	-	135.89	135.89
Warranty	100.00	8,707.00	8,807.00	4,616.14	4,999.04	-	80.82	8,343.29	8,424.11
Unexpired Obligation	5,923.99	2,310.57	8,234.56	619.45	737.82	197.50	6,393.26	1,525.44	7,918.70
onerous contract	-	-	-	2,314.04	-	-	-	2,314.04	2,314.04
Prov - Unpaid Expenses	-	2,674.78	2,674.78	1,701.49	390.93	2965.99	-	1,019.36	1,019.36
Total	24,619.66	28,468.68	53,088.35	21,049.92	19,629.05	3,270.07	23,697.81	27,541.32	51,239.13

Note 29: Current tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Income tax	10,717.53	6,538.79
Less: MAT credit entitlement	-	-
Total	10,717.53	6,538.79

Note 30: Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) sale of products:		
Earth Moving Equipment	81,321.56	1,16,962.76
Rail & Metro Products	1,48,146.59	96,551.62
Defence Products	55,415.54	62,174.19
Traded Goods	-	-
Spare Parts	83,820.93	90,696.77
Sub-total - sale of products	3,68,704.63	3,66,385.35
(b) sale of services;		
Equipment Servicing	27,833.27	13,587.64
Sub-total - sale of services	27,833.27	13,587.64
Sub-total - sale of products & services	3,96,537.90	3,79,972.99
(c) other operating revenues		
Wind Energy	1,719.35	1,679.71
Sale of Scrap	2,131.65	2,266.63
Provisions written back :		
- Doubtful trade receivables & advances	2,107.59	2,676.19
- Onerous contract	-	20.85
- Inventory	5.90	38.83
- Warranty and unexpired obligation	-	-
- others	618.39	171.15
Export incentives	253.79	192.37
Liabilities written back	760.93	1,482.44
Insurance claims	189.82	194.59
Recovery from Suppliers	1,107.14	1,198.94
Others	-	-
Sub-total	8,894.55	9,921.70
(d) Inter Segment Sales	-	-
Revenue from operations	4,05,432.45	3,89,894.69

- A. 1. Revenue from operations does not include GST on sale of products and services up to March 2024 amounting to ₹ 72209.60 Lakhs (Previous Year ₹ 71013.46 Lakhs).
2. Revenue from sale of products include ₹ 4098.61 Lakhs (Previous Year ₹ 540.00 Lakhs) on account of Sale of 21 Nos. of equipment and ₹ Nil Lakhs for spares (Previous year ₹ 2064.42 Lakhs) on "Bill and hold" basis recognised in accordance with Ind AS-115. This does not bear any custodian charges.
3. Revenue from sale of products and services includes ₹ 106562.55 Lakhs (Previous Year ₹ 83013.14 Lakhs) towards export sales (including deemed exports).

- B. 1. Revenue is recognized "over the period of time" on the contracts wherever transfer of control on goods/services and performance obligation satisfied over time. All other revenue is recognized at a point in time when control transfers.
2. Revenue from sale of products and services include revenue recognised "over the period of time" in respect of:
- Contracts entered with Metro Corporations for design, manufacture, supply, testing & commissioning of metro cars, ₹ 105066.90 Lakhs, (Previous Year - ₹ 78442.64 Lakhs)
 - Contract with M/s LORAM for supply of Rail Grinding Machines ₹ 14678.83 Lakhs (Previous Year- ₹ 15663.66 Lakhs)
 - ARV Overhauling Contracts in Defence business ₹ Nil Lakhs (Previous Year ₹ 5.42 Lakhs) , on adoption of Ind AS 115 effective from 01-04-2018.
3. In case of metro supply contracts and Equipment Rehabilitation, Mining Aggregates Repairs Contracts and overhauling contract, for determination of transaction price for the purpose of recognizing revenue over the period of time, Input cost Method has been considered.
4. Following are the closing and opening balances of Receivables, Contract Assets and Contract liabilities (which are measured under Input Cost Method);

(₹ in Lakhs)

Details	Balance as on 31.03.2024	Balance as on 01.04.2023
Receivables	57,160.02	30,132.25
Contract Assets	65,174.39	61,265.72

- Payments under the Metro Supply Contracts and Rail Grinding Machine Contract are released by customers upon completion of milestones of Cost centers identified in the contracts.
- Payments are released by customers under Equipment Rehabilitation and Aggregates Repairs Contracts upon completion of Repair/Rehabilitation, delivery and acceptance of the items at Customer site as indicated in the Contract.
- Warranties: In respect of Metro Contracts, Defect Liability periods are applicable from the date of taking over of Train sets by the Customers. Comprehensive warranty is provided for a period of 24 months from the date of acceptance for Defence Equipment.
- Standard Warranty is provided for a period of 12 months or 4000 hours of satisfactory performance of Equipment (Mining & Construction) after delivery and commissioning. However, warranty for Electrical items is for 12 months/3000 hrs from the date of commissioning whichever is earlier.
- The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied as of end of the reporting period are ₹ 33338.67 Lakhs for Metro Contracts and ₹ Nil Lakhs for Defence Equipment (Previous Year - ₹ 150278.84 Lakhs for Metro & Rail Grinding machine contracts and ₹ 37.76 Lakhs for Defence Equipment). The Company expects to recognize this revenue in subsequent years.
- Following is the reconciliation of amount of revenue recognized in the statement of P&L on recognition of Contract Assets;

(₹ in Lakhs)

Particulars	2023-24	2022-23
Contract Asset as on 01.04.2023	61,265.72	59,217.26
Add: Recognised During the Year	1,19,783.49	94,111.72
Total	1,81,049.21	1,53,328.98
Contract Assets Billed During the year	(1,15,874.82)	(92,063.26)
Contract Assets as on 31.03.2024	65,174.39	61,265.72

Note 31: Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Other Income		
Interest Income		
- From Deposits	59.14	6.23
- From Inter Corporate Loans	19.17	3.67
- From Loans to Subsidiary	105.65	88.56
- From Income tax refund	-	-
- Finance income on lease deposits	1.35	1.23
- From loans - BLAL	-	-
- Others	174.58	30.21
Government grant income	-	-
Dividend Income		
- Dividend Received from Subsidiary	-	-
- Other Dividends	-	-
Net gain on sale of property, plant and equipment	76.19	1,462.25
Foreign exchange gain	683.95	576.67
Other non-operating income	3,196.98	209.35
Total	4,317.01	2,378.16

i. The company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year under the Income tax act, 1961.

ii. Details of Crypto currency or virtual currency :

The Company has not traded in Crypto currency or virtual currency in the current financial year 2023-24.

a. Tax Deducted at Source on Income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Interest on Call and Term Deposit from Banks	6.05	-
b) Interest on Loans to Subsidiary	10.57	8.86
c) Inter Corporate Loans	1.92	0.37
d) Others	-	-

Note 32: Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cost of materials consumed	2,14,747.43	2,09,885.35

Note 33: Purchase of stock-in-trade

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase of stock-in-trade	-	-

Note 34: Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Stock		
Finished goods	19,960.83	20,877.56
Work-in-progress	74,222.97	77,014.97
Scrap	1,251.83	1,310.75
	95,435.64	99,203.29
Closing Stock		
Finished goods	25,365.16	19,960.83
Work-in-progress	74,475.15	74,222.97
Scrap	837.60	1,251.83
	1,00,677.91	95,435.64
(Increase) / Decrease		
Finished goods	(5,404.32)	916.73
Work-in-progress	(252.18)	2,792.00
Scrap	414.23	58.92
Total	(5,242.27)	3,767.65

Note 35: Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, Wages & Bonus	59,325.67	59,986.37
Leave Salary	6,019.61	6,133.91
Contribution to:		
- Gratuity Fund	1,137.16	2,099.01
- Provident Fund and Other Funds	7,665.79	7,466.43
Post retirement medical scheme	1,449.00	1,155.42
Staff welfare expenses	7,253.20	7,777.02
- Less receipts	627.68	642.12
Net staff welfare expenses	6,625.52	7,134.90
Total	82,222.74	83,976.04

A. Indian Accounting Standard (Ind AS) 19, Disclosures on Employee Benefits are as follows:
a. Leave Salary

This is an unfunded employee benefit plan categorized under other long term employee benefits in terms of Ind AS 19. The obligation for compensated absence has been actuarially valued and liability provided accordingly.

Actuarial Assumptions	Current Year	Previous Year
Mortality Table	(Unfunded) 2006-08 (IALM) (Ultimate)	(Unfunded) 2006-08 (IALM) (Ultimate)
Discount rate	7.22%	7.52%
Rate of escalation in salary	5.00%	5.00%
Attrition rate	1.64%	1.25%

Changes in present values of Benefit Obligations are as follows:

(₹ in Lakhs)

Particulars	Current Year	Previous Year
Present Value of Obligation at the beginning of the year	16,429.66	15,434.76
Interest Cost	1,040.76	977.70
Current service cost	1,976.55	1,977.37
Benefits paid	(5,179.43)	(5,139.00)
Actuarial (Gain)/Loss on Obligation	3,000.57	3,178.84
Present Value of Obligation at the end of the year	17,268.10	16,429.66

b. Post Retirement Medical Scheme
1. Employees

- (i) The company has a post retirement defined benefit medical scheme where an insurance policy is taken by the company for providing mediclaim benefits to the superannuated employees who opt for the scheme. The Company pays 90% insurance premium and the balance 10% is paid by the superannuated employees.
- (ii) The results of the actuarial study for the obligation of the medical benefit as computed by the actuary are shown below:

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumptions		
Discount rate	7.22%	7.52%
Range of compensation increase	5.00%	5.00%
Attrition rate:	1.64%	1.25%
Components of income statement charge		
Current Service Cost	101.61	110.66
Interest Cost	564.06	576.88
Total income statement charge	665.67	687.54

(₹ in Lakhs)		
Movements in net defined benefit liability		
Net obligation at the beginning of the year	7,737.50	7,671.25
Employer contributions	(454.84)	(327.20)
Total expense recognised in profit or loss	665.67	687.54
Total amount recognised in OCI	(843.67)	(294.10)
Net obligation at the end of the year	7,104.66	7,737.50

(₹ in Lakhs)		
Actuarial study analysis	Current Year	Previous Year
Reconciliation of benefit obligations		
Obligation at start of the year	7,737.50	7,671.25
Current service cost	101.61	110.66
Interest cost	564.06	576.88
Benefits paid directly by the company	(454.84)	(327.20)
Extra payments or expenses / (income)	-	-
Obligation of past service cost	-	-
Actuarial loss / (gain) on obligations	(843.67)	(294.10)
DBO at the end of the year	7,104.66	7,737.50
Re-measurements		
Actuarial gain/(loss) due to changes in financial assumptions	89.04	8.80
Actuarial gain/(loss) on account of experience adjustments	(932.71)	(302.90)
Total actuarial gain/(loss) recognised in OCI	(843.67)	(294.10)

(iii) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumptions, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)		
	Current Year	Previous Year
Discount rate		
+ 1.00% discount rate	(310.03)	(328.88)
- 1.00% discount rate	350.19	370.15
Premium cost		
+ 1.00% premium growth	361.35	384.94
- 1.00% premium growth	(325.29)	(347.72)

(iv) Experience adjustments

(₹ in Lakhs)

	Current Year	Previous Year
Defined benefit obligation	7,104.66	7,737.50
Experience adjustment on plan liabilities	(854.62)	(630.09)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

2. Officers

For officers, from the year 2015-16 a new Post-Retirement Medical Scheme was introduced where a percentage of Basic salary and DA of officers will be contributed to a separate fund and the fund arranges to provide medical insurance to retired officers. Company has contributed 3% of the Basic and DA of officers amounting to ₹ 783.32 Lakhs during FY 2023-24 (Previous year ₹ 751.81 Lakhs) for the scheme. Company has no further liability other than the contribution to the fund. Hence the scheme is a defined contribution plan and no actuarial valuation is done.

c. Interest Rate Guarantee on Provident Fund

Provident Fund Trust of the Company has to declare interest on Provident Fund at a rate not less than that declared by the Employees' Provident Fund Organisation. In case the Trust is not able to meet the interest liability, Company has to make good the shortfall. This is a defined benefit plan and the Company has got the same actuarially valued and there is no additional liability that needs to be provided for the year.

Actuarial Assumptions	Current Year	Previous Year
	(Funded)	(Funded)
Discount rate	7.22%	7.52%
Rate of escalation in salary	5.00%	5.00%
Interest Rate Guarantee on Provident Fund	8.25%	8.15%

d. Officers Pension Scheme

Based on the guidelines of Ministry of Defence, Company has implemented "BEML Executive Superannuation (Pension) Scheme" for Officers of the Company. The Scheme is a defined contribution plan and the contribution made is being charged off in the year of contribution. Being a defined contribution plan no actuarial valuation is done.

e. Gratuity

- (i) The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.
- (ii) The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumptions		
Discount rate	7.22%	7.52%
Range of compensation increase	5.00%	5.00%
Attrition rate	1.64%	1.25%
Expected rate of return on plan assets	7.22%	7.52%
Components of income statement charge		
Current Service Cost	1,085.75	1,698.67
Interest Cost	51.40	144.32
Recognition of past service cost	-	-
Settlement / curtailment / termination loss	-	-
Total income statement charge	1,137.15	1,842.98
Movements in net liability/(asset)		
Net liability / (asset) at the beginning of the year	2,649.26	5,173.78
Employer contributions	(2,649.26)	(6,483.67)
Total expense recognised in profit or loss	1,137.15	1,842.98
Total amount recognised in OCI	-	2,116.17
Net liability / (asset) at the end of the year	1,137.15	2,649.26
Reconciliation of benefit obligations		
Obligation at start of the year	40,842.97	42,433.19
Current service cost	1,672.71	1,698.67
Interest cost	2,808.56	2,911.02
Benefits paid directly by the company	(6,990.17)	(6,927.57)
Actuarial loss / (gain) on obligations	744.80	727.67
DBO at the end of the year	39,078.87	40,842.97
Re-measurements		
Actuarial gain/(loss) due to changes in financial assumptions	744.80	(1,388.50)
Actuarial gain/(loss) on account of experience adjustments	(744.80)	(727.67)
Total actuarial gain/(loss) recognised in OCI	-	(2,116.17)
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	38,193.71	37,259.41
Adjustment to opening fair value of plan assets	6.76	-
Interest on plan assets	2,757.16	2,766.70
Contributions made	3,941.15	6,483.67
Benefits paid	(7,013.30)	(6,927.57)
Actuarial gain/(loss) on plan assets	56.38	(1,388.50)
Fair value of plan assets at the end of the year	37,941.86	38,193.71

(iii) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)

	Current Year	Previous Year
Discount rate		
Discount rate (CY +100 basis pts; PY +100 basis pts)	(1,753.67)	(1,815.52)
Discount rate (CY -100 basis pts; PY -100 basis pts)	1,977.06	2,042.68
Salary increase		
Salary growth (CY +100 basis pts; PY +100 basis pts)	947.36	1,112.69
Salary growth (CY -100 basis pts; PY -100 basis pts)	(1,078.07)	(1,250.78)

(iv) Experience adjustments

(₹ in Lakhs)

	Current Year	Previous Year
Defined benefit obligation	39,078.87	40,842.97
Fair value of plan assets	37,941.86	38,193.71
(Surplus)/deficit in plan assets	1,137.01	2,649.26
Experience adjustment on plan liabilities	19.93	569.19
Actual return on plan assets (less) interest on plan assets	56.38	(1,388.50)

(v) Investment details

The plan assets under the fund are deposited under approved securities as follows:

		Current Year	Previous Year
Investment with LIC	%	100	100
Others	%	0	0

Note 36: Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense		
On Cash Credit & Short term loans	3,795.79	4,412.18
On Long Term Loans	-	-
On Commercial paper	-	-
On Non-convertible Debentures	-	118.98
On Inter Corporate Loans	-	-
On MSE vendors	-	-
Unwinding of discount on Interest free loan	-	-
Interest on ROU asset	86.07	91.00
Others	20.33	2.38
Total	3,902.19	4,624.55

Ind AS 23 (Borrowing Costs)

The amount of interest capitalized during the Year is ₹NIL (Previous Year - ₹Nil).

Note 3,5: Depreciation and Amortization Cost

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Property, Plant & Equipment	5,378.37	5,475.28
Right of Use Assets	118.89	117.86
Intangible Assets	876.95	806.22
Total	6,374.21	6,399.36

Note 37: Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Consumption of stores and spare parts	640.53	668.72
Consumable Tools	1,584.63	463.10
Power and fuel	3,619.67	3,629.09
Rent	158.17	178.59
Hire Charges	988.28	956.37
Repairs & Maintenance		
Machinery & Equipment	596.24	547.45
Buildings	1,378.13	771.20
Others	1,366.42	1,169.95
Stationery	104.65	95.79
Insurance	1,039.86	892.75
Rates & Taxes	1,816.84	1,979.87
Bank guarantee fee and other charges	885.24	765.20
Communication expenses	307.04	334.44
Commission on sales	702.20	1,138.78
Remuneration to Auditors (refer note 'a' below)	27.37	28.00
Legal & Professional Charges	52.97	36.16
Interest on Gratuity Payment & Taxes	259.77	299.95
Travelling Expenses	1,510.51	1,135.79
Publicity & Public Relations	477.88	576.04
Loss on sale of property, plant and equipment	9.75	149.67
Bad Debts written off	-	-
Defects & Spoilages	38.44	59.36
Works Contract Expenses	10,700.10	9,486.98
Expenses on Maintenance Contract	2,545.94	1,743.93
Sundry Direct Charges	15,535.71	3,841.46
Freight charges	4,373.87	7,083.04
Expenditure on CSR Activities	572.84	428.22
Provision for Obsolescence	2,678.05	332.45
Provision for Onerous contract	2,314.04	-
Provision for doubtful trade receivables & advances	2,338.23	391.16
Provision for Pending Legal cases	-	1.45
Warranty & Unexpired Obligations	682.21	1,528.91
Liquidated damages & Penalty w/off	2,055.51	5,805.96
Foreign exchange loss / (gain)	-	-
Miscellaneous expenses	8,096.96	9,239.96
Total	69,458.07	55,759.80

a. Break up of Remuneration to Auditors :

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) As Auditor	16.09	16.09
(b) for taxation matter	3.27	3.27
(c) Other Services - Certification Fees	7.99	7.49
(d) Reimbursement of Expenses	0.02	1.15
Total	27.37	28.00

Note 38: Exceptional Items

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income	-	-
Expenditure	-	-
Net Income / (Expenditure)	-	-

Note 39: Other Disclosures
A. Indian Accounting Standard (Ind AS) 33 - Earning per Share

Particulars	Current Year	Previous Year
Net Profit / (Loss) after Tax (₹ in Lakhs)	28,301.92	15,878.22
Average Number of Shares	4,16,44,500	4,16,44,500
Earnings Per Share (Basic and Diluted) – Face Value ₹ 10/- Per Share (Amount in ₹)	67.96	38.13

B. In terms of Notification No. S.O.802(E) dated 23-02-2018 of the Ministry of Corporate Affairs, the Board at its meeting held on 27.05.2016 has given consent with regard to non-disclosure of information as required under paragraphs 5(ii) (a) (1), 5(ii) (a) (2), 5(iii) and Para 5(viii) (a), (b), (c) and (e) of Part II to Schedule III of the Companies Act, 2013, in the Annual accounts for the Financial Year 2015-16 onwards.

C. Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures

In accordance with the requirements of Ind AS 24, following are details of the transactions during the year with related parties.

Name of the related party	Nature of relationship
Vignyan Industries Limited	Subsidiary
MAMC Industries Limited	Subsidiary
BEML Midwest Limited	Joint venture
BEML PF Trust	Employee benefit and administration trust fund
BEML Gratuity Trust	Employee benefit and administration trust fund
BEML Death-cum-Retirement Benefit Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Pension) Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Benefit) Trust Fund	Employee benefit and administration trust fund
Shri. Shantanu Roy - CMD	Key managerial personnel
Shri. Ajit Kumar Srivastav - Director (Defence)	Key managerial personnel
Shri. Anil Jerath - Director (Finance)	Key managerial personnel
Shri. Jai Gopal Mahajan - Company Secretary	Key managerial personnel

Transactions with related parties

1. The details of related party transactions entered into by the Company are as follows:

i. Name of the Subsidiary Company M/s. Vignyan Industries Limited (VIL), Tarikere
Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Transactions during the year ended		
Sales	-	-
Purchases	-	-
Equity Investment held as on 31st March (at cost)	252.60	252.60

All Recoverable amounts from M/s. Vignyan Industries Limited has been converted into secured loan (see note 16) except investment.

ii. Name of the Subsidiary - M/s. MAMC Industries Limited [Refer Note 11 (a)]
Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Equity Investment held as on 31 March (at cost)	5.00	5.00
Advances recoverable as on 31 March	605.01	603.97

iv. Name of the Joint Venture Company – M/s. BEML Midwest Limited, Hyderabad. Shareholding 45%.
Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Transactions during the year ended		
Sales	-	-
Purchases	-	-
Equity Investment held as on 31 March (at cost)	542.25	542.25
Outstanding balances		
Amount payable towards supplies as on	-	94.49

2. Remuneration to Key managerial personnel

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Shri. Shantanu Roy - Chairman and Managing Director **	76.72	8.28
Shri. Amit Banerjee - Chairman and Managing Director **	52.74	57.51
Shri. M. V. Raja Sekhar Director (Mining & Construction) *	-	45.64
Shri. Ajit Kumar Srivastav - Director (Defence)	58.22	49.63
Shri. Anil Jerath - Director (Finance)	55.35	49.61
Shri. G. Jawahar - Director (Human Resources)**	20.38	14.75
Shri. S.V.Ravi Sekhar Rao - Company Secretary *	-	30.05
Shri. Jai Gopal Mahajan - Company Secretary	51.07	20.23

* For part of the year in FY 2022-23.

** For part of the year in FY 2023-24.

3. Details of remuneration of key managerial personnel comprises the following:

(₹ in Lakhs)

Shri. Shantanu Roy - Chairman and Managing Director **	31 March 2024	31 March 2023
Short-term benefits	67.92	6.63
Post-employment benefits	5.18	0.85
Other long-term benefits	3.62	0.80
Termination benefits	-	-
Shri. Amit Banerjee - Chairman and Managing Director **	31 March 2024	31 March 2023
Short-term benefits	23.91	50.76
Post-employment benefits	1.35	3.92
Other long-term benefits	27.48	2.83
Termination benefits	-	-

(₹ in Lakhs)		
	31 March 2024	31 March 2023
Shri. M. V. Raja Sekhar Director (Mining & Construction) *		
Short-term benefits	-	41.94
Post-employment benefits	-	2.15
Other long-term benefits	-	1.55
Termination benefits	-	-
Shri. Ajit Kumar Srivastav - Director (Defence)	31 March 2024	31 March 2023
Short-term benefits	51.44	43.23
Post-employment benefits	3.95	3.78
Other long-term benefits	2.83	2.62
Termination benefits	-	-
Shri. Anil Jerath - Director (Finance)	31 March 2024	31 March 2023
Short-term benefits	48.68	43.55
Post-employment benefits	3.93	3.59
Other long-term benefits	2.74	2.47
Termination benefits	-	-
Shri. G. Jawahar - Director (Human Resources)**	31 March 2024	31 March 2023
Short-term benefits	16.47	12.68
Post-employment benefits	2.19	1.22
Other long-term benefits	1.72	0.85
Termination benefits	-	-
Shri. S.V.Ravi Sekhar Rao - Company Secretary *	31 March 2024	31 March 2023
Short-term benefits	-	28.37
Post-employment benefits	-	0.98
Other long-term benefits	-	0.70
Termination benefits	-	-
Shri. Jai Gopal Mahajan - Company Secretary	31 March 2024	31 March 2023
Short-term benefits	45.43	17.89
Post-employment benefits	3.31	1.53
Other long-term benefits	2.33	0.81
Termination benefits	-	-
Total	31 March 2024	31 March 2023
Short-term benefits	253.85	245.05
Post-employment benefits	19.91	18.02
Other long-term benefits	40.72	12.63
Termination benefits	-	-

* For part of the year in FY 2022-23.

** For part of the year in FY 2023-24.

4. Considering the wide scope of the definition of Related Party under section 2(76), Relative under section 2(77) and Key Managerial Personnel under section 2(51) of Companies Act, 2013 and the requirement under Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the disclosure with respect to Related Party transactions has been restricted to Subsidiary / Joint Venture / Associate companies and to any other Related Party as declared by Directors and Key Managerial Personnel. Accordingly, the compliance with Related Party Transactions under section 188, Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been made to the extent data is available with the Company.

D. Indian accounting standard (IND AS) 37-Provisions, Contingent liabilities and Contingent Assets

I. Contingent liabilities

- a. Claims against the Company not acknowledged as debts
 - i Disputed statutory demands (Customs Duty, Central Excise, Service Tax, Sales Tax/VAT etc.) - ₹ 20176.22 Lakhs (Previous Year ₹51432.35 Lakhs)
 - ii Other claims- legal cases etc. ₹ 15784.82 Lakhs (Previous Year ₹ 14936.45 Lakhs)
- b. Other money for which the company is contingently liable - ₹ Nil (Previous Year - ₹ Nil).

II. Commitments

- a. Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 3904.90 Lakhs (Previous Year ₹ 1838.33 Lakhs).
- b. Uncalled liability on shares and other investments partly paid - ₹ Nil (Previous Year - ₹ Nil).
- c. Other commitments (specify nature) - ₹ Nil (Previous Year - ₹ Nil).

NOTES

1. The company does not expect any cash outflow in respect of above contingent Liabilities.
2. It is not practicable to estimate the timing of cash flows, if any, in respect of matters referred in I (a) above pending resolutions of the arbitration / appellate proceedings.

E. Aggregate amount of Research & Development Expenses:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Revenue Expenditure	8,289.84	7,104.63
Capital Expenditure	381.14	349.52

The aggregate amount of Research & Development expenditure recognised as expenses during the period is as below:

a. Research & Development Revenue Expenditure:

(₹ in Lakhs)

Expenditure in R&D included in	For the year ended 31 March 2024	For the year ended 31 March 2023
Material Cost	208.53	127.48
Employee Remuneration	5,908.93	5,519.03
Depreciation	997.65	929.56
Power and Fuel	133.84	120.38
Repairs and Maintenance	35.72	33.45
Consumable Tools	0.32	0.57
Travelling	145.34	89.80
Other Expenses	1,857.16	1,213.92
Total R&D Revenue Expenditure	9,287.49	8,034.19
Less: Depreciation	997.65	929.56
Net R & D Expenditure	8,289.84	7,104.63

The aggregate amount of Research & Development Expenditure recognised as Capital Expenditure till 31st March 2024 is as below.

b. Research & Development Capital Expenditure

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation, amortisation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 01.04.2023	For the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Property, Plant and Equipment										
Land										
Free Hold	3.29	-	-	3.29	-	-	-	-	3.29	3.29
Lease Hold	-	-	-	-	-	-	-	-	-	-
Buildings	178.54	49.00	-	227.54	72.01	5.66	0.20	77.88	149.66	106.53
Plant and Equipment	1,780.43	38.69	115.67	1,934.79	936.15	164.37	115.58	1,216.10	718.69	844.28
Furniture & Fixtures	130.56	30.60	15.48	176.63	90.42	13.92	4.93	109.28	67.35	40.13
Vehicles										
Given on Lease	149.27	1.34	(0.42)	150.19	87.83	6.38	11.22	105.43	44.76	61.44
Own Use	-	-	-	-	-	-	-	-	-	-
Office Equipment	32.24	2.86	38.47	73.57	4.42	1.39	42.24	48.05	25.52	27.82
Roads & Drains	1.64	-	-	1.64	1.64	-	-	1.64	-	-
Water Supply Installations	0.12	-	-	0.12	0.05	0.01	-	0.05	0.07	0.07
Electrical Installation	268.95	2.12	8.42	279.49	127.52	23.77	11.35	162.64	116.85	141.43
Computers and Data processing units	908.19	194.85	229.42	1,332.45	737.56	86.18	178.61	1,002.35	330.10	170.62
Intangible Assets										
Software	2,549.25	61.68	(15.39)	2,595.54	2,116.10	230.58	(18.81)	2,327.87	267.67	433.15
Technical Knowhow	5,758.27	-	236.40	5,994.67	4,186.32	465.38	236.21	4,887.91	1,106.76	1,571.95
Total	11,760.74	381.14	628.05	12,769.93	8,360.02	997.65	581.53	9,939.20	2,830.73	3,400.72
Previous Year	11,676.78	349.52	(265.56)	11,760.74	7,604.31	929.55	(173.84)	8,360.02	3,400.72	4,072.48

F. Indian Accounting standard (Ind AS) 108 - Operating Segments

Vide Notification No. S.O.802(E) dated 23-02-2018 issued by Ministry of Corporate Affairs, exempted companies engaged in Defence Production from segmental disclosure as required under Ind AS 108 (Operating Segments), Accordingly the disclosure requirements under Ind AS 108 has not been made.

G. Advances, Balances with government departments, Trade Payables and receivables, Other loans and advances and deposits classified under non current and current are subject to confirmation. There are certain old balances pending review / adjustment. The management does not expect any significant impact upon such reconciliation.

H. Figures of previous year have been regrouped/ reclassified/ recast wherever necessary to conform to current year's presentation.

I. Disclosures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements), the required information is given as under:

(₹ in Lakhs)

Particulars	Amount as on		Maximum amount outstanding during the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
i. Loans and Advances in the nature of loans:				
A. To Subsidiary Companies*	1950.86	1854.73	1,950.86	1,854.73
B. To Associates / Joint Venture	-	-	-	-
C. To Firms / Companies in which directors are interested	-	-	-	-
D. Where there is no repayment schedule or repayment beyond seven year or no interest or interest below section 186 of Companies Act, 2013	-	-	-	-
ii. Investment by the loanee (as detailed above) in the shares of BEML and its subsidiaries	-	-	-	-

*All Recoverable amounts from M/s Vignyan Industries Limited has been converted into secured loan (see note 16) except investment.

J. Ind AS 116 - Leases
a) The Company as a lessee

The Company's significant leasing arrangements are in respect of operating leases and leased office premises. These lease arrangements, run for a period of 3 Years to 10 Years and are generally renewable by mutual consent.

Future minimum lease payments under non-cancellable operating leases are summarised below:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Not later than one year	0.78	0.28
Later than one year but not later than five years	1.79	1.12
Later than five years	-	-
Total operating lease commitments	2.57	1.40

b) The Company as a lessor

The Company provides cars to employees who are eligible and enroll into such a scheme after completion of a specific period of service. Such leases are non-cancellable in nature and have been classified as operating leases.

Below are the details of carrying amounts of such vehicles recorded as property, plant and equipment:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Carrying value of assets	600.64	685.24
Accumulated depreciation	242.85	218.48
Depreciation expense during the year	84.73	106.07

Future minimum lease receipts under non-cancellable operating leases in respect of leased cars are summarised below:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Not later than one year	47.39	66.20
Later than one year but not later than five years	217.69	273.74
Later than five years	101.44	151.60
Total operating lease commitments	366.52	491.54

c) Lease income and expenditure

The gross amounts of operating lease income and expenditure recognised in profit or loss is as below.

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Lease income	86.66	73.43
Lease expenses	158.17	178.59

d) Impact of IND AS 116 - RoU Assets

(₹ in Lakhs)

	31 March 2024	31 March 2023
Depreciation on RoU Assets during the year	118.89	117.86
Finance Cost of Lease Liability	86.07	91.00
Gross value of RoU Assets	1,178.32	1,196.25
Net Book Value of RoU Assets	862.64	926.27
Lease Liability as of 31 st March	1,031.55	1,061.67
Impact on Profitability in the current year	(36.83)	(44.27)

K. Fair values and measurement principles

a) The carrying value and fair value of financial instruments by category are as follows:

(₹ in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Carrying amounts		Carrying amounts	
	Fair value through profit or loss	Other Financial Assets - Amortised Cost	Fair value through profit or loss	Other Financial Assets - Amortised Cost
Financial assets measured at fair value:				
Forward exchange contracts	-	-	-	-
Financial assets not measured at fair value:				
Loans	-	1,790.87	-	1,367.64
Trade receivables	-	1,43,918.70	-	1,23,670.02
Cash and cash equivalents	-	800.32	-	907.28
Other financial assets	-	473.27	-	620.08
	-	1,46,983.16	-	1,26,565.02

(₹ in Lakhs)				
Financial liabilities measured at fair value:				
Forward exchange contracts	-	-	-	-
	-	-	-	-
Financial liabilities not measured at fair value:				
Borrowings	-	6,056.10	-	37,083.50
Trade payables	-	75,953.20	-	67,825.95
Other financial liabilities	-	3,183.98	-	2,704.19
	-	85,193.28	-	1,07,613.65

The Company has not disclosed the fair values for financial instruments, because their carrying amounts are a reasonable approximation of fair value.

- b) The following table shows the fair values of assets and liabilities including their levels in the fair value hierarchy. It does not include fair value information for assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The Company's use of quoted market prices (Level 1), valuation model using observable market information as inputs (Level 2) and valuation models without observable market information as inputs (Level 3) in the valuation of securities and contracts by type of issuer was as follows:

(₹ in Lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-
Financial liabilities measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-

c) Measurement of fair values

Valuation techniques and significant unobservable inputs:

Particulars	Valuation technique	Significant unobservable inputs
Forward exchange contracts	The fair values is determined using unquoted forward exchange rates at the reporting date.	Not applicable

d) Transfers between the fair value hierarchy

There were no transfers in either direction in the fair value hierarchy during the year 2023-24.

L. Financial risk management

The Company is broadly exposed to credit risk, liquidity risk and market risk as a result of financial instruments.

The Company's Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Company's risk management framework. Treasury Management Team in the company takes appropriate steps to mitigate financial risks within the framework set by the top management. Derivative transactions are undertaken by a specialist team with appropriate skills and experience. Company do not trade in derivatives for speculation.

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The Company regularly follow up the receivable to minimise losses arising from credit exposure from credit customers. Credit control assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Deposits and cash balances are placed with reputable scheduled banks.

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base. Major Customers of the company are from Government Sector and Public Sector Companies, where credit risk is relatively low.

The management has established a system under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables based on factual information as on the Balance sheet date.

The maximum exposure to credit risk for trade receivables by geographic region was as follows.

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
India	1,38,152.82	1,20,307.53
Other regions	5,765.89	3,812.12
Total trade receivables	1,43,918.71	1,24,119.65

At 31 March 2024, the Company's most significant customer, accounted for ₹44891.00 lakhs of the trade receivables carrying amount (31 March 2023: ₹28603.00 Lakhs).

The movement in the loss allowance for impairment of trade receivables are disclosed in Note No. 14

Any past due from Government Customers and those fully covered by guarantees or collaterals-received are not tested for impairment.

The credit quality of the financial assets is satisfactory, taking into account the allowance for doubtful trade receivables.

The Company has not received any collaterals for receivables as at reporting date.

The impairment loss allowance at 31 March 2024 related to several customers that have indication that they may not pay their outstanding balances. The Company believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on the fact that major customers are Government department, PSUs and historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or the risk that the Company will face difficulty in raising financial resources required to fulfill its commitments. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk is maintained at low levels through effective cash flow management, low borrowings and availability of adequate cash. Cash flow forecasting is performed internally by forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and to comply with loan covenants.

To ensure continuity of funding, the Company primarily uses short-term bank facilities in the nature of bank overdraft facility, cash credit facility and short-term borrowings to fund its ongoing working capital requirement needs. The Company has also availed various non-current facilities in the form of secured redeemable debentures, secured term loans, inter-corporate loans against the Company's guarantee and soft loans from the Government for expansion projects and construction and development of capital assets.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its financial liabilities and derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities and derivative financial liabilities based on the earliest date on which the Company can be required to pay.

(₹ in Lakhs)

Particulars	Contractual cash flows			Adjustments	Carrying amount
	1 year or less	1 year to 5 years	5 years or more		
31 March 2024					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	6,056.10	-	-	-	6,056.10
Trade payables	75,953.20	-	-	-	75,953.20
Other financial liabilities	3,183.98	-	-	-	3,183.98
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	85,193.28	-	-	-	85,193.28
31 March 2023					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	37,083.50	-	-	-	37,083.50
Trade payables	67,825.95	-	-	-	67,825.95
Other financial liabilities	2,704.19	-	-	-	2,704.19
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	1,07,613.65	-	-	-	1,07,613.65

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity / commodity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

The Company's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk). The Company enters into forward derivative contracts to manage risks of loss arising due to foreign exchange exposure. During the year ended 31 March 2024, there was no change to the manner in which the Company managed or measured market risk.

(iv) Currency risk

Foreign currency risk is the risk arising from exposure to foreign currency movement that will impact the Company's future cash flows and profitability in the ordinary course of business. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities from procuring or selling in foreign currencies and obtaining finance in foreign currencies.

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes. Following is the information on derivative financial instruments to hedge the foreign exchange rate risk as on dates are as below:

31 March 2024

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy / Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

31 March 2023

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy / Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

Exposure to currency risk

The currency profile of financial assets and financial liabilities as on dates are as below:

(₹ in Lakhs)

Particulars	INR	USD	EURO	JPY	CNY	SEK	GBP	SGD	CHF	ZAR
31 March 2024										
Financial assets (A)										
Cash and cash equivalents	497.35	-	309.31	(6.34)	-	-	-	-	-	-
Current investments	-	-	-	-	-	-	-	-	-	-
Trade receivables	1,38,152.82	3,863.41	1,902.48	-	-	-	-	-	-	-
Financial liabilities (B)										
Trade payables	67749.54	897.05	7748.21	3646.85	136.43	-	-	22.56	-	-
Other current financial liabilities	3,183.98	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	-	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	67,716.65	2,966.36	(5,536.42)	(3,653.19)	(136.43)	-	-	(22.56)	-	-

(₹ in Lakhs)

Particulars	INR	USD	EURO	JPY	CNY	SEK	GBP	SGD	CHF	ZAR
31 March 2023										
Financial assets (A)										
Cash and cash equivalents	582.96	-	425.70	32.26	-	-	-	-	-	-
Current investments	-	-	-	-	-	-	-	-	-	-
Trade receivables	1,20,307.53	3,595.20	216.92	-	-	-	-	-	-	-
Financial liabilities (B)										
Trade payables	61227.01	2617.17	2280.17	659.28	691.28	-	331.73	17.41	1.95	-
Other current financial liabilities	2,704.19	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	-	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	56,959.28	978.02	(1,637.55)	(627.02)	(691.28)	-	(331.73)	(17.41)	(1.95)	-

The following significant exchange rates have been applied during the year.

(values in ₹)

Particulars	Average rate		Year-end spot rate	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
USD	-	-	83.9500	82.7400
EUR	-	-	91.5100	90.8700
JPY	-	-	0.5576	0.6263
GBP	-	-	106.6900	103.2000

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars, Euro, Japanese Yen, the Pound and other currencies at 31 March 2024 and 31 March 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in Lakhs)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
1% movement				
USD	(29.66)	29.66	(22.20)	22.20
EUR	55.36	(55.36)	41.43	(41.43)
JPY	36.53	(36.53)	27.34	(27.34)
CNY	1.36	(1.36)	1.02	(1.02)
SEK	-	-	-	-
GBP	-	-	-	-
SGD	0.23	(0.23)	0.17	(0.17)
CHF	-	-	-	-
ZAR	-	-	-	-

(₹ in Lakhs)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
1% movement				
USD	(9.78)	9.78	(7.32)	7.32
EUR	16.38	(16.38)	12.25	(12.25)
JPY	6.27	(6.27)	4.69	(4.69)
CNY	6.91	(6.91)	5.17	(5.17)
SEK	-	-	-	-
GBP	3.32	(3.32)	2.48	(2.48)
SGD	0.17	(0.17)	0.13	(0.13)
CHF	0.02	(0.02)	0.01	(0.01)
ZAR	-	-	-	-

(v) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and loans made. Borrowings availed at fixed rates expose the Company to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in Lakhs)

Particulars	Carrying amount	
	31 March 2024	31 March 2023
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2024				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2023				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

(vi) Equity and commodity price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices of investments. The Company has no exposure to changes in the quoted equity securities price risk as it has investments in unquoted equity instruments only. The Company does not invest in commodities and is not exposed to commodity price risk.

M. Capital Management

The Company strives to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns and levels of borrowings and the advantages and security afforded by a sound capital position.

The Company's adjusted net debt to equity ratio is as follows.

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Total borrowings ¹	6,056.10	37,083.50
Less: Cash and bank balances ²	800.32	907.28
Adjusted net debt	5,255.78	36,176.22
Total equity	2,64,283.12	2,39,514.34
Less: Other components of equity	(1.44)	(1.44)
Adjusted equity	2,64,281.68	2,39,512.90
Adjusted net debt to adjusted equity ratio	0.02	0.15

¹ Total borrowings comprises of long-term borrowings, short-term borrowing and bank overdraft facilities.

² Cash and bank balances comprises of cash in hand, cash at bank and term deposits with banks excluding consortium member balances in ESCROW account, as disclosed under Note 15 (b) and balances with bank as unclaimed dividend.

N. Derivatives

Derivatives not designated as hedging instruments

The Company uses foreign currency forward contracts to manage its exposure to foreign currency fluctuations. These forward contracts are used to hedge foreign currency payables and other future transactions. However, these foreign exchange forward contracts are not designated as qualifying hedge instruments and are entered into for periods consistent with foreign currency exposure of the underlying transactions, and are generally for a term of 3 months to 12 months.

The Company has following outstanding forward contracts as on

31 March 2024: JPY Nil (INR Nil) [Previous Year - JPY Nil (INR Nil)]

31 March 2024: EUR Nil (INR Nil) [Previous Year - EUR Nil (INR Nil)]

31 March 2024: USD Nil (INR Nil) [Previous Year: USD NIL (INR Nil)]

The fair value of foreign currency forward derivative is as below:

(₹ in Lakhs)

Particulars	31 March 2024 INR	31 March 2023 INR
Derivative assets		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-
Derivative liabilities		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-

The Company has unhedged foreign currency exposure of ₹ 23753.33 Lakhs (31 March 2023: ₹ 9931.16 Lakhs) for payables as at reporting date.

The Company has applied the principles of Ind AS 109 for the measurement of derivative financial instruments and has classified such derivative contracts as at fair value through profit or loss.

Disclosures for Ratios :

Description of the ratio	Explanation of the items included in numerator and denominator	Period / Year ended	Numerator	Denominator	Ratio	% Variance	Explanation for variance
(a) Current ratio	Current assets / Current liabilities	Mar-24	4,65,998.93	1,88,667.80	2.47	3.00%	-
		Mar-23	4,26,647.86	1,78,617.53	2.39		
(b) Debt-equity ratio	Total debt / Shareholder's equity	Mar-24	6,056.10	2,64,283.12	0.02	-87.00%	Due to improvement in Debtors realization, Borrowings have reduced. Hence the change in ratio.
		Mar-23	37,083.50	2,39,514.34	0.15		
(c) Debt service coverage ratio	Earnings available for debt service / Debt service	Mar-24	48,563.50	3,902.19	12.45	48.00%	
		Mar-23	38,884.02	4,624.55	8.41		
(d) Return on equity ratio ('ROE')	Net profits after taxes / Average shareholder's equity	Mar-24	28,301.92	2,51,898.73	0.11	57.00%	
		Mar-23	15,878.22	2,32,614.74	0.07		
(e) Inventory turnover ratio	Cost of goods sold / Average inventory	Mar-24	3,96,537.90	2,15,865.65	1.84	-2.00%	For this ratio, revenue from operation considered is revenue from sale of products & services.
		Mar-23	3,79,972.99	2,03,206.46	1.87		
(f) Trade receivables turnover ratio	Net credit sales / Average accounts receivable	Mar-24	4,68,747.50	1,33,794.36	3.50	20.00%	For this ratio, revenue from operation considered is revenue from sale of products & services (incl. GST)
		Mar-23	4,50,986.45	1,54,903.06	2.91		
(g) Trade payables turnover ratio	Net credit purchases / Average trade payables	Mar-24	2,26,289.24	71,889.58	3.15	-7.00%	-
		Mar-23	2,10,640.81	61,941.63	3.40		
(h) Net capital turnover ratio	Net sales / Average working capital	Mar-24	3,96,537.90	2,62,680.73	1.51	6.00%	For this ratio, revenue from operation considered is revenue from sale of products & services.
		Mar-23	3,79,972.99	2,65,108.79	1.43		
(i) Net profit ratio	Net profit / Net sales	Mar-24	28,301.92	3,96,537.90	0.0700	75.00%	For this ratio, revenue from operation considered is revenue from sale of products & services.
		Mar-23	15,878.22	3,79,972.99	0.0400		
(j) Return on capital employed ('ROCE')	Earning before interest and taxes / Capital employed	Mar-24	42,189.29	3,53,381.84	0.12	20.00%	
		Mar-23	32,484.66	3,19,755.11	0.10		
(k) Return on investment ('ROI')	Net Profit / Share capital	Mar-24	28,301.92	2,64,283.12	0.11	57.00%	
		Mar-23	15,878.22	2,39,514.34	0.07		
(l) Asset turnover ratio	Total Income	Mar-24	4,09,749.46	5,42,049.64	0.76	-4.00%	
	Total Assets	Mar-23	3,92,272.85	4,98,372.64	0.79		
(m) EBITDA as a % of Revenue	EBITDA	Mar-24	48,563.50	4,09,749.46	0.12	20.00%	
	Revenue	Mar-23	38,884.02	3,92,272.85	0.10		
(n) Trade receivables as number of days of revenue from Operation	(Trade receivables/ Revenue from Operation) * 365	Mar-24	1,43,918.70	4,68,747.50	113	15.00%	For this ratio, revenue from operation considered is revenue from sale of products & services (incl. GST)
		Mar-23	1,23,670.02	4,50,986.45	99		
(o) Exports as a percentage of Revenue from Operation	(Exports/Revenue from Operation)	Mar-24	1,06,562.55	3,96,537.90	27%	23.00%	For this ratio, revenue from operation considered is revenue from sale of products & services.
		Mar-23	83,013.14	3,79,972.99	22%		
(p) Imports as a percentage of Revenue from Operation	(Imports/Revenue from Operation)	Mar-24	61,223.51	3,96,537.90	15%	-12.00%	For this ratio, revenue from operation considered is revenue from sale of products & services.
		Mar-23	64,858.85	3,79,972.99	17%		

O. Additional Disclosures :

- i. The company does not hold any benami property under the Benami Transaction (prohibition) Act, 1988 (clause 45), hence the reporting clause on benami property is not applicable.
- ii. The company does not fall under the willful defaulter category, hence the reporting clause on willful defaulter is not applicable.
- iii. The company has not transacted with struck off companies in MCA during the year.
- iv. The Company has complied with creation of charge and satisfaction of charge within the due dates and hence there are no non-compliances to report.

v. Disclosures to CSR Activities

(₹ in Lakhs)

Particulars	Amount
(a) amount required to be spent during the year,	384.77
(b) amount of expenditure incurred,	572.84
(c) shortfall at the end of the year,	-
(d) total of previous years shortfall,	-
(e) reason for shortfall,	-

(f) nature of CSR activities,

1. Donation for Providing Education to Local Population
2. Free Mobile Medical Service
3. Donation for Providing Financial Assistance for improving Medical Facilities at Govt. Family Health centre, Kerala
4. Donation for Development & living in slums upliftment of children, Mumbai
5. Donation for Improvement of infrastructure facilities at Govt primary school, Mysore
6. Plantation of 2500 trees at ARMY Ammunition Depot, Jaipur
7. Enhancing Employability through Vocational and Skill Development Training among under privileged youth, Andhra Pradesh
8. Donation to Nation wise quiz conducted by Indian Army.
9. Distribution of solar LED tube lights to Parichay Foundation.
10. Contribution to Armed Forces Flag Day Funs.

(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-

- vi. There are no charges or satisfaction pending to be registered with ROC beyond statutory period.
- vii. Company has complied with the number of layers as prescribed under section 2(87) of Companies Act read with the companies (Restriction on number of layers).

viii. During the current year as well as previous year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. During the current year as well as previous year, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S**

For and on behalf of the Board of Directors

**Sd/-
CA. K MURALI
Partner
Membership No.: 024842**

**Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)**

**Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)**

**Place : Mysore
Date : 12.05.2024**

**Sd/-
JAI GOPAL MAHAJAN
Company Secretary**

INDEPENDENT AUDITOR'S REPORT

We are issuing this revised audit report which supersedes our earlier report dated 12.05.2024 concurring to the opinion of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013.

To the members of **BEML LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **BEML LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and other explanatory information and a summary of the significant accounting policies and Notes to the standalone Ind AS financial statements (hereinafter referred to as "Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and Profit and Other Comprehensive

Income, changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of this report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other Ethical Responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key Audit Matters ("KAM") are those matters that, in our professional judgment, were of the most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue Recognition: Sale and Service Contracts:</p> <p>The principal products of the Company are varied and have usage in various sectors such as defense, mining & construction and metro rail/conventional railways.</p> <p>Recognition of sale contracts vary from “at a point in time” to “over a period of time” and some on “bill and hold” terms. The recognition milestones and Inco Terms differ between contracts. Amendments to original contracts add to the complexity.</p> <p>We identified revenue recognition as a key audit matter because,</p> <ol style="list-style-type: none"> The Company and its external stakeholders focus on revenue as a key performance indicator. Such focus creates an incentive for revenue to be overstated or recognised before the company satisfies its contractual performance obligations. Certain performance obligations which do not relate to the core activity of the company but form part of the deliverables, make the time and value of recognition a complicated subject. <p>Thus, revenue recognition is a Key Audit Matter.</p> <p>Refer:</p> <p><i>Note Nos. 30 and Item No.2.2 A of Accounting Policy.</i></p>	<ol style="list-style-type: none"> Assessed the appropriateness of the revenue recognition policies of the company and whether its adoption is as per the covenants of the respective sale contracts and applicable accounting standards. Evaluated the design of key controls and operating effectiveness of the relevant key controls with respect to revenue recognition, on selected transactions. Performed substantive testing by selecting samples of revenue transactions recorded during the year by evaluating the underlying documents. Tested the revenue transactions recorded nearer to the financial year end date by verifying the underlying documents to determine whether the revenue had been recognized in the appropriate financial period. Tested the assumptions made by the management in determining full or proportionate revenue recognition in respect of contracts completed over a period of time by verifying appropriate evidence. Validated the application of input cost method to value the contract assets arising out of metro contracts to conform correctness and completeness of cost booking. Validated the “bill and hold” principles adopted by the company with the paper trails available with the company.

Key Audit Matter	How our audit addressed the Key Audit Matter
	<p>8. Examined satisfaction of performance obligations and recognition of revenue in respect of recognitions based on milestone achievements in the context of the overall sale contract.</p> <p>Our audit approach did not reveal any non-compliance with the company's declared accounting policies, GAAP and Ind AS.</p>
<p>Inventories:</p> <p>Audit of Inventories comprise:</p> <ol style="list-style-type: none"> Physical verification Confirmation of third-party holdings Valuation Obsolescence <p>Some of the inventories held by the company are custom-made and of high value. The raw materials pass through different processes and evolve as Components, Semi-finished goods, Work-in-Progress and reach the stage of Finished Goods.</p> <p>Certain processes are outsourced where materials are given to third parties for processing and return.</p> <p>The company's products have evolved over the years due to design changes, market requirements and technological advancements. Therefore, the marketability of materials, spares and components of discontinued models required to be validated for obsolescence.</p> <p>The valuation of inventories in accordance with IND AS considering all relevant costs required a detailed audit process, including the charging of overheads.</p> <p>The application of the declared policy on obsolescence and its appropriateness also needed to be validated.</p>	<p>Principal Audit procedures performed include:</p> <ol style="list-style-type: none"> System and internal controls are evaluated to ensure that there are no recording delinquencies with respect to time, quantity and item. The variances between planned and actual consumption, both in value and quantity, were flagged for high values and explanations were obtained. Applied audit procedures to validate the physical availability of the inventories as supported by physical verification reports of the management teams. Perused third party confirmations and physical verification reports, and matched with the company's records. Variances if any, are reduced from inventory values. Sample checking of valuation methodology by the system was done through manual validation for the material portion of the inventory. Methodology of loading actual overheads to the inventory values were validated and confirmed to be in tune with costing principles.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Inventories form a major portion of the total of the Balance Sheet. The focus on inventories is thus significant in the audit process and a Key Audit Matter.</p> <p>Please refer Note No.12 and Accounting Policy No.M. The total inventories held as at 31.03.2024 is Rs 2,25,590.38 lakhs</p>	<p>7. The policy of recognizing redundancy of materials (Accounting policy No. M) and Management’s override of such policy was tested with appropriate evidences to conform that such policies as well as the override are reasonable and in tune with technical assessments market conditions.</p> <p>Our audit approach did not reveal any non-compliance with the company’s declared accounting policies, GAAP and Ind AS.</p>
<p>New Product Development:</p> <p>The company is involved in development of a new product under a customer contract where different milestones have been prescribed for revenue recognition.</p> <p>The development process is spread over different financial years and consequently revenue recognition.</p> <p>Design and product specifications are sourced from a foreign vendor and materials are majorly sourced from local vendors.</p> <p>The development involves creation of PPE, though part of the deliverables, is expected to be used by the company for future operations and cannot be physically removed from the place of installation.</p> <p>There is a time lag between the date of the contract and actual time of its execution leading to costs variances, without any variation in price. This leads to assessment of profitability of the contract as a whole.</p> <p>The development is in progress where part of the costs is incurred and part of the costs are estimated.</p>	<p>Principal Audit procedures performed include:</p> <ol style="list-style-type: none"> 1. Understanding the basic covenants of the customer contract customer vis-à-vis the milestones specified for revenue recognition. 2. Ascertaining the various cost components of the development process. 3. Understanding the covenants with the foreign vendor and the specified milestones for recognition of expenditure and liability. 4. Applied audit procedures to validate that material issues and other direct expenditure of the development project are appropriately charged to the project. 5. Ascertained the total cost of the project, validated the costs that are actually incurred and costs that are contracted to be incurred through issue of purchase contracts. 6. Applied appropriate audit procedures and obtained technical certification and explanations about the nature of costs to be incurred and estimated values.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The factors</p> <p>a. the process of ascertaining overall cost of the project vis-à-vis the contract price,</p> <p>b. The ongoing nature of the project</p> <p>c. the nature of PPE being created whether to be classified as a capital asset or revenue expenditure,</p> <p>d. ascertaining whether the overall project requires recognition of any onerous provision.</p> <p>make this product development activity a Key Audit Matter.</p>	<p>7. Obtained technical explanations and justification for the proposed future use of the PPE being created for future use of the company.</p> <p>Our audit procedures as detailed above has not revealed any.</p> <p>a. incorrect revenue recognition,</p> <p>b. deficiency in cost booking and</p> <p>c. incorrect capitalisation</p>

Emphasis of Matter

We draw attention to Note No. 11 to the standalone financial statements regarding the company's outlay on the MAMC Consortium.

Our opinion is not modified in respect of the above matter.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind

AS financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone

financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of Standalone Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding Independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act and the Rules made thereunder.
- e) In terms of Notification no. G.S.R.463(E)dt. 05.06.2015 issued by Ministry of Corporate Affairs, the provision of Section 164(2) of the Companies Act, 2013 in respect of disqualification of Director are not applicable to the Company.
- f) With respect to adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**;
- g) With respect to Directions issued by the Comptroller and Auditor General of India under Section 143 (5) we give our report in **Annexure C**:
- h) The provisions of Section 197 are not applicable to this government company
- (in terms of MCA Notification NO.GSR 463 (E) dated 05th June 2015) as the managerial remuneration is paid as per the appointment letter from the Government of India, and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. [Refer Note No. 39(D)(I)(a)(ii)]
- ii) The company has made provision as required under Ind AS for material foreseeable losses on long term contracts-Rs 2,314.04 lakhs (Previous Year-Nil). The company does not have any derivative contracts.
- iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund
- iv) The management has represented that, to the best of its knowledge and belief that no funds have been advanced to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of

- the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v) The management has represented that, to the best of its knowledge and belief that the company has not received any funds from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts
- vi) Based on the audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that that has caused us to believe that the representations under sub clause(iv) and (v) contain any material mis-statement.
- vii) a. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- b. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.
- c. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- viii) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

**For G Natesan & Co,
Chartered Accountants
FRN : 002424S**

**Sd/-
K Murali
Partner,
M. No : 024842**

**Place : Bengaluru
Date : 01.07.2024
UDIN: 24024842BKDAQC8228**

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of BEML Limited

i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and

nature of its business. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company, except in respect of the following properties

(Values in Rs Lakhs)

Description of property	Gross carrying value	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in name of company*
Flat @ Sarovar Enclave, Ranchi	10.12	No	23.12.1987	Under dispute with state authorities
Flat @ Ashadeep, Delhi	2.80	No	01.05.1977	Obtaining Title deeds in the name company is under progress.
Land @ Mysore	144.34	No	01.03.1985	Possession certificate is in the name of BEML, execution of sale deed is under process.

(d) In our opinion and according to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

- ii) (a) The inventory has been physically verified by the management during the year excluding inventories that are in the possession of sub-contractors and other third parties. In our opinion the frequency of such verification is reasonable, the coverage and procedure of such verification by the management is appropriate. The company has maintained proper records of inventory.

The discrepancies noticed on such physical verification between physical stock and book records have been properly dealt with in the books of accounts.

(b) According to the information and explanation given to us, the company has been sanctioned funded working capital limits of Rs 1,500 crores and non-funded working capital limits of Rs 3,000 crores from the banking sector. The audited/ Limited Review Financial Statements are submitted to the banks as and when sought for by them. Such statements are in agreement with the books of accounts.

- iii) According to the information and explanations given to us, the company

has not provided any security and stood guarantee during the year to any of its subsidiaries, joint ventures, and associates.

The Company has provided advance in the nature of loans during the year totaling to Rs 96.13 lakhs (Previous year- 0.31 lakhs) to its subsidiaries. The balance outstanding as at 31.03.2024 in respect of loans to these subsidiaries is Rs 1,950.86 lakhs (Previous year Rs 1,854.73 lakhs).

The company has provided an advance in the nature of loan during the year to BEML LAND ASSETS LIMITED (BLAL) amounting to Rs.326.80 lakhs and the balance outstanding as at 31.03.2024 is Rs.430.34 lakhs (Previous year – Rs.103.54 lakhs), specifying the rate of interest applicable on such advance.

The terms and conditions of the grant of all the advance in the nature of loans given during the year and outstanding as at 31.03.2024 are not prejudicial to the interest of the company.

The company has not stipulated the schedule of repayment of principal and payment of interest in respect of above advance in the nature of loans and therefore the reporting under clauses (c), (d) and (e) are not applicable.

The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- iv) The company being a Government company, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security, are not applicable.

- v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and hence compliance with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended with regard to acceptance of deposits are not applicable to the Company.
- vi) According to the information and explanations given to us, the Central Government has specified maintenance of Cost Records by the Company under Section 148 (1) (d) of the Companies Act, 2013. We have broadly reviewed these records and are of the opinion that prima facie, the prescribed accounts and records are made and maintained. However, we have not carried out any detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) (a) According to the information and explanations given to us and on the basis of examination of books of accounts and records the company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and all other statutory dues to the appropriate authorities except the following. The demands relating to TDS credit mismatch under Income Tax Act, 1961 outstanding as at the last date of the financial year 2023-24 and provided in table below are due for more than six months from the date, they became due.

Name of the Statute	Nature of Dues	Amount in Rs Lakhs	Period to which the amount relates Asst. Year	Due date	Date of Payment
Income Tax Act, 1961	Demands arising out of defaults in TDS provisions	84.15	2007-08 to 2022-23	NA	Not paid

- (b) The following table provides the statutory dues referred to in sub-clause (a) which have not been paid on account of disputes, the amounts involved and the forum where dispute is pending:

Name of the Statute	Nature of Disputed Tax	Amount including interest & penalty (in Rs. Lakhs)	Period to which the amount relates	Forum where Dispute is Pending
Central Excise Act 1944	Excise Cases other than NCCD	5,102.10	Aug 2007 to Feb 2013	CESTAT
	National Calamity Contingency Duty (NCCD)	2,315.85	Apr 2013 to Jun 2017	CESTAT
Service Tax Act, 1944	Service Tax Cases	3,637.95	Apr 2009 to Jun 2017	Commissioner & CESTAT
CGST Act, 2017	GST	303.73	2017-18 & 2020-21	Appellate Authority
The Customs Act, 1962	Customs Duty	3,161.66	Jan 2004 to Mar 2020	Commissioner & CESTAT

Name of the Statute	Nature of Disputed Tax	Amount including interest & penalty (in Rs. Lakhs)	Period to which the amount relates	Forum where Dispute is Pending
The Customs Act, 1962	Customs Duty	1,025.93	Mar 2016 to Mar 2020	CESTAT
Sub Total - Excise, Service Tax, GST & Customs		15,547.22		
The Karnataka Municipal Corporation Act, 1976	Municipality Taxes KGF	2,630.20	2002-03 to 2021-2022	City Municipality Council - KGF
	Property Tax	109.11	1995-96 to 2004-05	City Civil Judge, Bangalore
Sub Total - Municipal Taxes		2,739.31		
Sales Tax Act of Various States	Sales Tax / CST / VAT	643.19	2010-11 to 2015-16	Karnataka Commercial Tax
	Sales Tax / CST / VAT	286.32	2007-08 to 2008-09	Maharashtra Commercial Tax
	Sales Tax / CST / VAT	425.37	2008-09 to 2009-10	West Bengal Commercial Tax
	Sales Tax / CST / VAT	302.75	2006-07 to 2016-17	Jharkhand Commercial Tax
	Sales Tax / CST / VAT	53.26	2005-06 to 2006-07	Odisha Commercial Tax
	Sales Tax / CST / VAT	101.12	2014-15 to 2017-18	Madhya Pradesh Commercial Tax
Sub Total - Sales Taxes		1,812.01		
Income Tax Act, 1961	Defaults under TDS Provisions	95.32	2010-11	National Faceless Appeal Centre
Income Tax Act, 1961	Defaults under TDS Provisions	37.53	2012-13	National Faceless Appeal Centre
Amount Deposited Under Protest	Excise, Service Tax, GST & Customs	223.07		
	Sales Tax / VAT	2,270.77		
Total		2,493.84		

viii) In our opinion and according to the explanations given to us, no transactions that are not recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) (a) According to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of loans to banks. There are no other borrowings.

(b) According to the information and explanations given to us, the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(c) The company has not received any term loans during the financial year under report.

- (d) The funds raised on short term basis have not been utilized for long term purposes;
- (e) According to the information and explanations given to us the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures,
- x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the order is not applicable to the company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the order is not applicable to the company.
- xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub- section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) In our opinion and according to the explanation given to us, no whistle-blower complaints were received by the company during the year.
- xii) (a) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.
- xiii) According to the information and explanations furnished to us, and based on our examination of books and records, we are of the opinion that all transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details have been disclosed in the standalone financial statements as per applicable Accounting Standards.
- xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) All the reports of the Internal Auditors relating to the financial year 2023-24 and received up to the date of this report, were considered by the Statutory Auditor:
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- xvi) (a) The Company is not required to be registered under Section 45-1 A of the Reserve Bank of India Act 1934 (2 of 1934).

- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities;
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
- (d) The company does not belong to any group.
- xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditor during the year.
- xix) In our opinion, and according to the explanation given to us, and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors' and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date.
- xx) (a) In our opinion and according to the explanation given to us, the company does not have any unspent CSR amount in respect of other than ongoing projects at the end of the year. Hence no amount is transferred to Fund specified under schedule VII in respect of other than ongoing projects.
- (b) In our opinion and according to the explanation given to us, the company does not have any unspent CSR amount in respect of ongoing projects at the end of the year.
- Hence no amount is transferred to Fund specified under schedule VII in respect of ongoing projects.
- xxi) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) report of the subsidiary company (to which this order is applicable) included in the consolidated financial statements.

**For G Natesan & Co,
Chartered Accountants
FRN : 002424S**

**Sd/-
K Murali
Partner,
M. No : 024842**

**Place : Bengaluru
Date : 01.07.2024
UDIN: 24024842BKDAQC8228**

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2 (f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of BEML Limited

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the Internal Financial Controls with reference to Financial Statements of BEML Limited (the Company) as at March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility:

The Company's Management is responsible for establishing and maintaining Internal Financial Controls with reference to Financial Statements based on the internal financial control over financial reporting criteria established by the Company considering the essential components of control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls with reference to Financial Statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's Internal Financial Controls

with reference to Financial Statements based on our audit. We conducted our audit in accordance with the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" (Guidance Note) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Financial Statements included obtaining an understanding of Internal Financial Controls with reference to Financial Statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements:

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have material effect on the financial statements.

Place : Bengaluru
Date : 01.07.2024
UDIN: 24024842BKDAQC8228

Inherent Limitations of Internal Financial Controls with reference to Financial Statements:

Because of the inherent limitations of Internal Financial Controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Financial Statements to future periods are subject to the risk that the Internal Financial Controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and explanations given to us, the Company has, in all material respects, adequate Internal Financial Controls with reference to Financial Statements and such Internal Financial Controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on Internal Financial Controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For G Natesan & Co,
Chartered Accountants
FRN : 002424S

Sd/-
K Murali
Partner,
M. No : 024842

ANNEXURE-C TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2 (g) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of BEML Limited

Report on the directions under sub-section 5 of Section 143 of the Companies Act, 2013

According to the information and explanations furnished to us and based on audit of the accounts of BEML Limited for the year ended 31.03.2024, we report hereunder on the directions given by the Comptroller and Auditor General of India.

Direction	Report	Impact
Whether the company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any may be stated	According to the information and explanations furnished to us and based on our examination of books of accounts, we are of the opinion that the company has necessary system in place to process all the accounting transactions through IT System. We have not come across any instance where any accounting transactions were processed outside the IT System during the year	Nil
Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	Based on our examination of books of accounts, we are of the opinion that there are no such cases of restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan during the year.	Nil
Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Based on the examination of the books of accounts and records of the Company, the company has not received any funds from Government Agencies for specific schemes during the financial year 2023-24.	Nil

**For G Natesan & Co,
Chartered Accountants
FRN : 002424S**

**Place : Bengaluru
Date : 01.07.2024
UDIN: 24024842BKDAQC8228**

**Sd/-
K Murali
Partner,
M. No : 024842**



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

To
Shri Shantanu Roy,
Chairman and Managing Director,
BEML Limited,
BEML Soudha, S.R. Nagar,
Bangalore – 560 027.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Standalone and Consolidated financial statements of **BEML Limited, Bengaluru** for the year ended 31 March 2024.

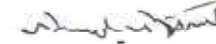
I forward “**Comments**” Certificates of the Comptroller and Auditor General of India under section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Standalone and Consolidated Financial Statements of **BEML Limited, Bengaluru** for the year ended 31 March 2024.

It may please be ensured that the comments are:

- (i) Printed in toto without any editing;
- (ii) Placed next to the Statutory Auditors’ Report in the Annual Report of the Company with proper indication in the index; and
- (iii) Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully,



(J N Perumal)
Director(Admn)

Encl: As above.

भारतीय लेखापरीक्षा एवं लेखा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT
पहला तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूरु - 560001
1st Floor, Basava Bhavan, Sri Basweswara Road, Bengaluru - 560 001.

दू.भा./Phone : 080-2226 7646 / 2226 1168
Email : pda.dc.blr@cag.gov.in

फैक्स /Fax : 080-2226 2491

C & AG Comment	Company's Reply
<p>COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BEML LIMITED, BENGALURU FOR THE YEAR ENDED 31 MARCH 2024</p> <p>The preparation of consolidated financial statements of BEML Limited, Bengaluru for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 01 July 2024 which supersedes their earlier Audit Report dated 12 May 2024.</p> <p>I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of BEML Limited, Bengaluru for the year ended 31 March 2024 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of BEML Limited, Bengaluru, Vignyan Industries Limited, Tarikere but did not conduct the audit of MAMC industries, Kolkata for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to BEML Midwest Limited, Hyderabad and BEML</p>	

C & AG Comment	Company's Reply
<p>Brazil Industrial Limited, Brazil, being private entities incorporated in India/Foreign country under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.</p> <p>Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) of the Act which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related audit report:</p>	
<p>A. Comments on Profitability</p> <p>Balance Sheet</p> <p>Assets</p> <p>Current Assets</p> <p>Inventories (Note 12)</p> <p>Work-in-Progress- Rs.76642.65 lakh</p> <p>The above includes an amount of Rs.6.59 crore being the value of Semi-Finished Goods (SFG)/ Work-in-Progress (WIP) ageing more than five years old in respect of Earth Movers Division, KGF (Rs. 5.55 crore), Bangalore Complex (Rs. 0.83 crore) and Hydraulic & Power line Division, KGF (Rs. 0.21 crore). The Company has not made any provision for obsolescence in respect of these SFG/ WIP. Further, the Company does not have Accounting Policy for obsolescence in respect of SFG/ WIP lying in Inventory for more than five years old.</p>	<p>Company has been consistently making provision for obsolescence in line with the Board approved norms in respect of Raw Materials. During 2023-24, in addition to making obsolescence provision on Raw materials, company has made obsolescence provision of Rs. 10.60 Crs in respect of SFGs/ WIPs also, which are ageing more than 10 years and valuing more than Rs. 5 lakhs.</p>

C & AG Comment	Company's Reply
<p>Not creating a provision for SFG/ WIP ageing for more than five years old has resulted in overstatement of " Inventories - Work- in-Progress" and "Profit for the year" by Rs.6.59 crore.</p>	<p>SFGs on which 100% obsolescence provision has not been made, pertain to mining and construction equipment models which are working at various mines of customers, for which demand still exists. As and when orders are received for these models, corresponding SFGs would be used for further manufacture of equipment. Hence, such SFGs are not fully obsolete and 100% provisioning is not required.</p> <p>With a view to arrive at a considered decision on these SFGs/WIPs, during 2023-24 company has constituted technical committee to check the usability of the SFGs including its alternate usages. Based on the report of the committee, a comprehensive obsolescence provisioning norm will be put into effect from 2024-25.</p>
<p style="text-align: center;">For and on behalf of the Comptroller & Auditor General of India</p> <p style="text-align: center;">Sd/- (Rajesh Ranjan) Principal Director of Audit, Defence-Commercial</p> <p>Place: Bengaluru Date: 19 July 2024</p>	<p style="text-align: center;">For and on behalf of the Board of Directors</p> <p style="text-align: center;">Sd/- (Shantanu Roy) Chairman & Managing Director</p> <p>Place: Bengaluru Date: 05 August 2024</p>

BEML LIMITED

BEML SOUDHA, 23/1, 4TH MAIN ROAD, S.R. NAGAR, BENGALURU-560027

SIGNIFICANT ACCOUNTING POLICIES - CONSOLIDATED**Note no. 1: Corporate Information:**

The accompanying consolidated financial statements comprise of the financial statements of BEML Limited (the Company), its subsidiaries viz., Vignyan Industries Ltd, BEML Land Assets Ltd (upto 24.08.2022), and MAMC Industries Ltd (referred collectively as the 'Group') and the Groups interest in associates and Joint ventures for the year ended 31 March 2024. The Group manufactures and supplies defence ground support equipment such as Tatra based high mobility trucks, aircraft towing tractors etc. Under Mining and Construction business, the Group manufactures and supplies equipment like bull dozers, excavators, dumpers, shovels, loaders and motor graders to various user segments and under Rail and Metro business, manufactures and supplies rail coaches, metro cars, ACEMUs, OHE cars, steel and aluminium wagons to the rail and metro sector. Information on other related party and nature of relationships of the Group is provided in Note 39C. These financial statements were authorised for issue in accordance with a resolution of the directors on **12.05.2024**.

Note no. 2: Consolidated Significant accounting policies**2.1. Basis of preparation and Statement of Compliance**

a. The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of

the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements for the year ended 31 March 2024 with comparatives of year ended 31 March 2023 are prepared in accordance with Ind AS.

- b. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
- Derivative financial instruments,
 - Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
 - Defined benefit and other long-term employee benefits obligations.
- c. The financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Group and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.
- d. Preparation of the financial statements, in conformity with Ind AS, requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates

used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates.

- e. Assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group's operating cycle is considered as twelve months for the purpose of current / non-current classification of assets and liabilities.
- f. The Group revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively. A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to profit or loss is applied prospectively in the period(s) of change. Discovery of errors result in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

g. Basis of Consolidation:

- (i) Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and

has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

- (ii) Non-controlling interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

- (iii) Equity accounted investees: The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

(iv) Transactions eliminated on consolidation: Intra group balances and transactions and any unrealized income and expenses arising from intra group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2.2 Summary of consolidated significant accounting policies

A. Revenue Recognition:

Sales is exclusive of GST.

Revenue from contracts with customers:

Revenue is recognized, on the transfer of promised goods or services, by way of allocating transaction price, being amount of consideration which an entity expects/entitles in exchange for transferring promised goods or services to a customer, to the extent of performance obligation satisfied in a contract.

i. Satisfaction of performance obligation over time

a. Revenue is recognised overtime where the transfer of control of goods or services takes place over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:

- the Group's performance entitles the customer to receive and consume the benefits

simultaneously as the company performs

- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- the Group's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

b. Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognized to the extent of costs incurred.

c. For measurement of satisfaction of performance obligation over time, input cost method is adopted.

ii Satisfaction of performance obligation at a point in time

a. In respect of cases where the transfer of control does not take place over time, the Group recognizes the revenue at a point in time when it satisfies the performance obligations.

b. The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:

- the Group has transferred physical possession of the asset
- the customer has legal title to the asset
- the customer has accepted the asset
- when the Group has a present right to payment for the asset
- the Group has the significant risks and rewards of ownership of the asset. The transfer of significant risks and rewards ownership is assessed based on the Inco- terms of the contracts.

c. Bill and hold Sales

Bill and hold sales is recognized when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the Group does not have the ability to use the product or to direct it to another customer

Penalties & Liquidated damages:

Penalties, including levy of liquidated damages for delay in delivery, specified in customer contracts, are not treated as inherent part in determination of the Transaction price as per para 51AA of Ind AS 115 if the same is subject to review by customer.

Escalation:

Escalation in prices is recognized as revenue as per the escalation formula provided in the contract. In the absence of such a clause in the contract, any claim for the same is recognized on acceptance by the customer.

Duty Drawback:

Duty drawback claims on exports are accounted on preferring the claims.

Revenue from wind energy:

Revenue from generation of electricity from wind mill is recognized when the electricity is supplied to industrial electricity distribution license holder as per the terms of agreement.

Other Income

(i) Interest income:

Interest Income is recognized using the effective interest rate (EIR) on a time proportion basis and as per the terms of the relevant instrument.

(ii) Dividends:

Dividend income is recognized when the Group's right to receive the payment is established.

(iii) Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the non-cancellable lease term unless increases in rentals are in line with expected inflation.

B. Investments in associates and joint venture

The Group accounts for its interests in associates and joint ventures in the separate financial statements at cost.

C. Foreign Currencies:

Transactions in foreign currencies are initially recorded by the Group at their respective currency exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognized in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

D. Fair value measurement:

The Group measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy.

E. Discontinued operation:

Classification of an operation as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit and loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

F. Government Grants:

Government Grants are recognized as follows when there is reasonable assurance that the grant will be received and all attached terms and conditions will be complied with.

- (i) Grant towards meeting expenditure is recognized as income as and when the expenditure for which the grant is sanctioned is incurred.
- (ii) Grant towards procurement of an asset is recognized as income in equal amounts over the expected useful life of the related asset.
- (iii) Grant towards non-monetary assets are recognized at fair value and released to Statement of profit and loss over the expected useful life.
- (iv) The subsidized portion of interest rate provided by the Government on loans or similar financial assistance is recognized as grant.

G. Income Taxes:**Current income tax:**

Current tax assets and liabilities are measured at the amount to be recovered from or paid to the taxation authorities as per the applicable tax laws at the reporting date in Statement of profit and loss.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized to the extent it is probable that taxable profit will

be available against which the deductible temporary differences can be utilized.

For the items directly recognized in Equity, the current and deferred tax pertaining to such item is recognized through Equity.

H. Property, Plant & Equipment:

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost includes expenditure on acquisition of asset, present value of expected cost for the decommissioning of an asset, cost of replacing part of Plant and Equipment and borrowing costs.

Depreciation is calculated on a straight-line basis over estimated useful lives as prescribed in schedule II of the companies Act 2013. In respect of the following assets, useful lives are different than the useful lives indicated in Schedule II of Companies Act 2013, based on technical assessment and management estimates depending on the nature and usage of the respective assets.

- (a) Special tools up to the unit value of ₹5,000 are charged off in the year of incurrence and Special tools to the unit value above ₹5,000 are amortised over a period of 3 years.
- (b) Jigs and fixtures up to the unit value of ₹5 Lakhs are charged off in the year of incurrence and Jigs and fixtures of unit value above ₹5 Lakhs are amortised over a period of 3 years.

When parts of an item of property, plant and equipment have different useful lives, they are treated as separate components

and depreciated over their estimated useful lives.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Any gain or loss arising out of derecognizing of an asset is included in statement of Profit and Loss of the relevant period.

Products given under No Cost No Commitment are capitalised appropriately under the relevant asset category and amortised over the useful life of that asset. They are also tested for impairment periodically.

Expenditure incurred on Developmental Projects for participating in trials, based on Request from customers, are carried forward till conclusion of the trials and will be amortised over the orders to be received. In case customer order does not forthcoming or on discontinuation of project, the balance amount will be either capitalised if further economic benefit is expected from its use or will be charged off.

I. Investment Property:

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any. The fair value of the Investment property is disclosed in the notes.

J. Intangible Assets:

- (i) Intangible assets acquired are stated at acquisition cost, less accumulated amortization and accumulated impairment losses if any

- (ii) Research costs are expensed as incurred
- (iii) Development expenditure is recognized as Intangible assets and tested for impairment annually during the period of development
- (iv) Expenditure on development of products intended for sale is included in inventory.
- (v) Intangible Assets referred above includes the cost of materials, direct labour, overhead costs, borrowing costs that are directly attributable to the respective asset for its intended use.

Amortization

Intangible assets are amortized over useful economic life and assessed for impairment if any. Where it is not possible to assess the useful economic life of an intangible asset, the same is not amortized and reviewed annually for impairment if any.

K. Borrowing Cost:

Borrowing costs directly attributable to creation of an asset are capitalized as part of the cost of the asset. General borrowing costs are capitalized by apportioning the same to qualifying assets.

L. Lease:

Contracts with third party, which give the Group the right of use in respect of an identified Asset, are accounted in line with the provisions of Ind AS 116 – Leases, if the recognition criteria as specified in the Accounting standard are met.

A lease is classified at the inception date as a finance lease or an operating lease by

lessor whereas lessee will follow the Single lease accounting (i.e. same as finance lease).

Group as a lessee:

Lessee will recognize right-of-use asset and lease liability, for all leases, except short term lease and leases for which underlying asset is of low value.

Short term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not contain a purchase option.

An underlying asset can be of low value only if:

- (a) the lessee can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and
- (b) The underlying asset is not highly dependent on, or highly interrelated with, other assets.

The initial value of lease liability shall be determined at the present value of the lease payments due. The interest rate implicit in the lease or lessee's incremental borrowing may be used to arrive at the present value of the lease payments due. The lease liability is subsequently measured by **increasing** the carrying amount to reflect interest on the lease liability and **reducing** the carrying amount to reflect the lease payments made.

Leases will be recognized where the value of new individual asset is more than Rs.2 Lakhs.

At the commencement date, the Group as lessee measures the right of use asset

at cost. The cost of "right of use" asset is determined at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment schedule in the Balance Sheet.

Lessee would recognize depreciation expense on the right of use asset using the straight-line method from the commencement date to the end of lease term or useful life of the asset, whichever is earlier.

Group as a lessor:

In case of an operating lease, initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the leased asset. In case of finance leases, amounts due from lessees are recorded as receivables.

M. Inventory:

Inventories are valued at the lower of cost and net realizable value. Cost for the purpose of the above is accounted as under:

- (i) Raw materials, Components, Stores and Spare parts: weighted average cost
- (ii) Finished goods and Work in Progress: Cost of materials, labour and production overheads
Scrap is valued at estimated realizable value.

Based on ageing assessment, on a periodic basis an allowance is recognized for obsolete, non-moving inventory.

N. Impairment of non-financial assets:

The Group assesses at each reporting date for impairment of asset or cash generating units (CGU). If on assessment, the asset or CGU is considered impaired they are written down to the recoverable amount.

O. Employee Benefits:

Short-term employee benefits:

Short-term employee benefits are expensed as the related service is rendered.

Defined benefit plans:

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by actuarial valuation conducted annually by a qualified actuary using the projected unit credit method.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is recognized in the statement of profit and loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss.

Other long-term employee benefits:

The Group's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value.

Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

Defined contribution plan:

For defined contribution plans, the Group contributes to independently administered funds as per relevant scheme. These contributions are recorded in the statement of profit and loss. The Group's liability is limited to the extent of contributions made to these funds.

P. Provisions:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted. Contingent liabilities and contingent assets are not recognized in the financial statements but are disclosed in the notes.

Warranty provisions:

Provision for warranty related costs are recognized on sale of product or service rendered based on historical experience and technical assessment and reviewed annually.

Onerous contracts:

A provision for onerous contracts other than construction contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present

value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Q. Financial Assets:

Recognition and measurement:

All financial assets are recognized initially at fair value. Subsequently, financial assets are measured at fair value or amortized cost based on their classification.

Embedded derivative:

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. If the hybrid contains a host that is not an asset within the scope of Ind AS 109, the embedded derivative is separated and accounted at fair value.

Derecognition:

A financial asset or part of a financial asset is derecognized when the rights to receive cash flows from the asset have expired.

Trade and other receivables:

Receivables are initially recognized at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those assets may be impaired, they are reviewed for impairment.

Cash and cash equivalents:

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Impairment of financial assets:

In accordance with Ind-AS 109, the Group applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

R. Financial Liabilities:

Recognition and measurement:

Financial liabilities are classified, at initial recognition, at fair value through statement of profit and loss as loans, borrowings, payables, or derivatives, as appropriate.

Financial liabilities are measured based on their classification at fair value through statement of profit and loss, amortized cost or fair value through other comprehensive income.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Trade and other payables:

Liabilities are recognized for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

S. Financial Assets and Liabilities

Reclassification:

Reclassification of financial Assets and Liabilities:

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For other financial assets, a reclassification

is made prospectively only if there is a change in the business model for managing those assets.

Offsetting of financial Assets and Liabilities:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis.

T. Earnings per share:

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

Diluted earnings per share is determined by adjusting profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

U. Cash dividend and non-cash distribution to equity shareholders:

The Group recognizes a liability to make cash or non-cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Group.

V. Events after the reporting period:

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

As per our report of even date attached

For G Natesan & Co

Chartered Accountants

Firm Registration Number: 002424S

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

Place : Mysore

Date : 12.05.2024

For and on behalf of the Board of Directors

Sd/-

ANIL JERATH

Director (Finance)

(DIN 09543904)

Sd/-

SHANTANU ROY

Chairman & Managing Director

(DIN 10053283)

Sd/-

JAI GOPAL MAHAJAN

Company Secretary



Consolidated Balance Sheet

				(₹ in Lakhs)
Particulars	Note No.	As at 31 March 2024	As at 31 March 2023	
I. Assets				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	48,483.33	47,057.23	
(b) Right of Use Asset	3A	862.64	926.27	
(c) Capital work-in-progress	4	3,670.94	886.38	
(d) Other Intangible assets	5	3,467.42	2,546.54	
(e) Intangible assets under development	6	-	1,384.94	
(f) Financial assets				
(i) Investments	7	0.04	0.04	
(ii) Loans	8	14.69	13.34	
(iii) Other financial assets	9	88.56	88.42	
(g) Deferred tax assets (net)	10	11,348.00	10,828.00	
(h) Non-Current Assets held for Sale	3B	4,248.00	4,266.47	
(i) Other non-current assets	11	7,674.41	7,562.97	
Total non-current assets		79,858.03	75,560.61	
(2) Current assets				
(a) Inventories	12	2,25,590.38	2,06,140.93	
(b) Financial Assets				
(i) Investments	13	-	-	
(ii) Trade receivables	14	1,43,918.70	1,23,670.02	
(iii) Contract Assets	14a	65,174.39	61,265.72	
(iv) Cash and cash equivalents	15	802.47	909.89	
(v) Bank Balance Other than (iv) above	15a	83.91	3,024.54	
(vi) Loans	16	430.34	102.55	
(vii) Other financial assets	17	384.76	531.77	
(viii) Current tax assets (Net)	17a	10,722.83	6,470.13	
(c) Other current assets	18	17,569.07	23,301.98	
Total current assets		4,64,676.85	4,25,417.53	
Total Assets		5,44,534.88	5,00,978.14	
II. Equity and Liabilities				
Equity				
(a) Equity share capital	19	4,177.22	4,177.22	
(b) Other Equity		2,62,620.09	2,37,970.86	
Equity attributable to equity holders of the parent		2,66,797.31	2,42,148.08	
Non-controlling interests		(43.79)	(39.86)	
Total Equity		2,66,753.52	2,42,108.22	
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	20	-	-	
(a) Lease Liability		949.10	980.97	
(ii) Other financial liabilities	21	112.63	112.63	
(b) Provisions	22	23,697.81	24,619.66	
(c) Other non-current liabilities	23	64,339.18	54,527.51	
Total non-current liabilities		89,098.72	80,240.78	
(2) Current liabilities				
(a) Financial liabilities				
(i) Short term Borrowings	24	6,056.10	37,083.50	
(a) Lease Liability		84.99	83.05	
(ii) Trade payables	25			
(a) Micro & Small Enterprises		14,374.22	9,928.23	
(b) Other than Micro & Small Enterprises		61,587.60	57,902.48	
(iii) Other financial liabilities	26	2,040.53	1,530.62	
(b) Other current liabilities	27	66,280.36	37,093.78	
(c) Provisions	28	27,541.32	28,468.68	
(d) Current tax liabilities (Net)	29	10,717.53	6,538.79	
Total current liabilities		1,88,682.64	1,78,629.13	
Total Equity and Liabilities		5,44,534.88	5,00,978.14	

Note nos. 1 to 39 include Significant Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached

For G Natesan & Co

Chartered Accountants

Firm Registration Number: 002424S

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

For and on behalf of the Board of Directors

Sd/-

ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-

SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-

JAI GOPAL MAHAJAN
Company Secretary

Place : Mysore

Date : 12.05.2024

Consolidated Statement of Profit and Loss

(₹ in Lakhs)			
Particulars	Note No	For the year ended 31 March 2024	For the year ended 31 March 2023
I Revenue from operations	30	4,05,432.45	3,89,894.69
II Other income	31	4,223.79	2,359.29
III Total Income (I+II)		4,09,656.24	3,92,253.98
IV Expenses:			
Cost of materials consumed	32	2,14,747.43	2,09,885.35
Purchase of stock-in-trade	33	-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(5,242.27)	3,767.65
Employee benefits expense	35	82,222.74	83,976.04
Finance costs	36	3,902.20	4,624.55
Depreciation and amortization expense	3,5	6,383.22	6,408.37
Other expenses	37	69,480.45	55,821.03
Total Expenses (IV)		3,71,493.77	3,64,482.99
V Profit / (Loss) before exceptional items and tax (III-IV)		38,162.47	27,770.99
VI Add/ (Less) : Exceptional items	38	-	-
VII Profit / (Loss) before tax (V-VI)		38,162.47	27,770.99
VIII Tax expense:			
(1) Current tax	10 a	10,505.18	6,997.40
(2) MAT credit entitlement	10 a	-	-
(3) Deferred tax	10 a	(520.00)	4,984.49
IX Profit / (Loss) for the year from continuing operations (VII-VIII)		28,177.29	15,789.10
X Profit / (Loss) from discontinuing operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit / (Loss) from discontinued operations (after tax) (X-XI)		-	-
XIII Profit / (Loss) for the year (IX+XII)		28,177.29	15,789.10
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss Re-measurement of defined benefit (liability) / asset		843.67	(1,822.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss	10 b	(212.35)	(91.68)
B (i) Items that will be reclassified to profit or loss Exchange differences on translation of foreign operations		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Other Comprehensive Income for the year		631.32	(1,913.74)
XV Total Comprehensive Income for the year (XIII+XIV)		28,808.61	13,875.36
Profit for the year		28,177.29	15,789.10
Attributable to:			
Equity holders of the Group		28,181.22	15,791.83
Non-controlling interests		(3.93)	(2.73)
Total Comprehensive Income for the year		28,808.61	13,875.36
Attributable to:			
Equity holders of the Group		28,812.54	13,878.09
Non-controlling interests		(3.93)	(2.73)
XVI Earnings per equity share: (₹10/- each) in ₹			
Basic and diluted	39(A)	67.66	37.91

Note nos. 1 to 39 include Significant Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA. K MURALI
Partner
Membership No.: 024842

Place : Mysore
Date : 12.05.2024

For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
JAI GOPAL MAHAJAN
Company Secretary



Consolidated Statement of Cash Flows

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Sub items	Main items	Sub items	Main items
(₹ in Lakhs)				
A. Cash flow from operating activities				
Net profit before tax and extraordinary items		38,162.47		27,770.99
<i>Adjustments for</i>				
Depreciation and amortization expense	6,383.22		6,408.37	
(Gain)/loss on disposal of property, plant and equipment	(66.43)		(1,312.59)	
Financing Cost	3,902.20		4,624.55	
Interest income	(254.24)		(41.34)	
Allowance for Inventory	4,870.69		(684.36)	
Allowance for bad and doubtful Trade receivables	93.22		(2,218.49)	
Allowances for other current assets	(43.82)		(286.21)	
Allowances for other non-current assets	-		-	
Allowance for Provision - current	(927.37)		3,574.54	
Allowance for Provision - non-current	(921.85)		187.02	
Actuarial gain / (loss) on Gratuity & PRMS	843.67	13,879.28	(1,822.06)	8,429.45
Operating Profit / (Loss) before changes in working capital		52,041.75		36,200.44
<i>Adjustment for</i>				
Inventories	(24,320.15)		1,820.70	
Trade receivables	(20,341.90)		64,684.58	
Other current assets	1,524.03		(2,643.42)	
Other non-current assets	(631.44)		5,185.08	
Other financial current assets	(4,089.44)		(2,159.97)	
Other financial non-current assets	(1.49)		(27.11)	
Trade payables	8,131.10		11,714.51	
Other current liabilities	29,186.58		3,615.99	
Other non-current liabilities	9,811.67		(52,574.90)	
Other financial current liabilities	511.85		(853.91)	
Other financial non-current liabilities	(31.87)		87.59	
Income Tax & Deferred Tax	(6,018.79)	(6,269.84)	(9,051.98)	19,797.16
Net cash flow from / (used in) operating activities		45,771.91		55,997.61
B. Cash flow from investing activities				
Purchase of property, plant and equipment	(9,707.87)		(3,096.89)	
Proceeds from sale of property, plant and equipment	54.58		2,009.65	
Purchase of intangible assets	(411.75)		(1,162.40)	
Proceeds from sale of intangible assets	(0.01)		(0.01)	
(Gain)/loss on disposal of property, plant and equipment	66.43		1,312.59	
Interest Received	254.24		41.34	
Asset held for De-merger	18.47		1,671.11	
FDRs maturity beyond 3 months	2,957.62		(2,780.51)	
Net cash flow from / (used in) investing activities		(6,768.30)		(2,005.12)
C. Cash flow from financing activities				
Repayments of Non-Convertible Debentures	-		(10,000.00)	
Repayments of export credit	-		(17,933.00)	
Proceeds / Repayments from Bill discounting	(4,896.57)		4,896.57	
Financing Cost	(3,902.20)		(4,624.56)	
Adjustment in retained earnings	-		(2,270.15)	
Dividend paid	(4,181.44)		(3,214.16)	
Net cash flow from / (used in) financing activities		(12,980.21)		(33,145.29)
Net increase/(decrease) in cash and cash equivalents		26,023.41		20,847.19
Cash and Cash Equivalents, Beginning of the year		(31,277.04)		(52,124.24)
Cash and Cash Equivalents, Ending of the year (Refer Note 15 d)		(5,253.63)		(31,277.04)

As per our report of even date attached

For G Natesan & Co

Chartered Accountants

Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

Sd/-

ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-

SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Place : Mysore

Date : 12.05.2024

Sd/-

JAI GOPAL MAHAJAN
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31.03.2024

A. Equity share capital

(₹ in Lakhs)

Particulars	No. of shares	Amount
Balance as on 01.04.2023	4,16,44,500	4,164.45
Changes in equity share capital during the period	-	-
Balance as on 31.03.2024	4,16,44,500	4,164.45

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Items of OCI		Nonimara Excellence Award Reserve	Debenture Redemption Reserve	Total attributable to Equity holders of the Group	Non-controlling interests	Total Equity
	Capital Reserve	Capital Reserve on Consolidation	Share Premium	General Reserve	Retained Earnings	Other items of OCI	Foreign Currency Translation Account					
Balance as on 01.04.2023	105.66	26.60	61,204.07	1,18,997.02	84,742.25	(27,106.18)	-	1.44	-	2,37,970.86	(39.86)	2,37,931.00
Reinstatement Adjustment on account of prior period items	-	-	-	-	-	-	-	-	-	-	-	-
Reinstated Balance as on 01.04.2023	105.66	26.60	61,204.07	1,18,997.02	84,742.25	(27,106.18)	-	1.44	-	2,37,970.86	(39.86)	2,37,931.00
Revaluation Adjustment of Assets/Liabilities	-	-	-	-	1.15	-	-	-	-	1.15	-	1.15
Profit / (Loss) for the period	-	-	-	-	28,181.22	-	-	-	-	28,181.22	(3.93)	28,177.29
Other Comprehensive Income for the period	-	-	-	-	-	631.32	-	-	-	631.32	-	631.32
Total comprehensive income for the period	-	-	-	-	28,181.22	631.32	-	-	-	28,812.54	(3.93)	28,808.61
Transfer to												
- General Reserve/ Retained Earnings	-	-	-	-	-	-	-	-	-	-	-	-
Transaction with owners												
- Dividend	-	-	-	-	(4,164.45)	-	-	-	-	(4,164.45)	-	(4,164.45)
- Tax on Dividend	-	-	-	-	-	-	-	-	-	-	-	-
Balance as on 31.03.2024	105.66	26.60	61,204.07	1,18,997.02	1,08,760.17	(26,474.86)	-	1.44	-	2,62,620.10	(43.79)	2,62,576.30

Notes:

1) M/s VIL, a subsidiary company is under liquidation and hence all assets are carried at realizable values and liabilities at actuals. All the items of M/s VIL equity is grouped under retained earnings. Since on liquidation all are considered as distributable profits.

As per our report of even date attached
 For G Natesan & Co
 Chartered Accountants
 Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-
 CA. K MURALI
 Partner
 Membership No.: 024842

Sd/-
 ANIL JERATH
 Director (Finance)
 (DIN 09543904)

Sd/-
 SHANTANU ROY
 Chairman & Managing Director
 (DIN 10053283)

Place : Mysore
 Date : 12.05.2024

Sd/-
 JAI GOPAL MAHAJAN
 Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31.03.2023

A. Equity share capital - Current reporting period:

(₹ in Lakhs)

Particulars	No. of shares	Amount
Balance as on 01.04.2022	4,16,44,500	4,164.45
Changes in equity share capital during the year	-	-
Balance as on 31.03.2023	4,16,44,500	4,164.45

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Items of OCI		Nonimara Excellence Award Reserve	Debenture Redemption Reserve	Total attributable to Equity holders of the Group	Non-controlling interests	Total Equity
	Capital Reserve	Capital Reserve on Consolidation	Share Premium	General Reserve	Retained Earnings	Other items of OCI	Foreign Currency Translation Account					
Balance as on 01.04.2022	105.66	26.60	61,204.07	1,18,997.02	73,849.48	(25,192.44)	-	1.44	2,500.00	2,31,491.83	(37.13)	2,31,454.70
Reinstatement Adjustment on account of prior period items	-	-	-	-	-	-	-	-	-	-	-	-
Reinstated Balance as on 01.04.2022	105.66	26.60	61,204.07	1,18,997.02	73,849.48	(25,192.44)	-	1.44	2,500.00	2,31,491.83	(37.13)	2,31,454.70
Revaluation Adjustment of Assets/ Liabilities	-	-	-	-	(2,271.15)	-	-	-	-	(2,271.15)	-	(2,271.15)
Profit / (Loss) for the year	-	-	-	-	15,792.83	-	-	-	-	15,792.83	(2.73)	15,790.10
Other Comprehensive Income for the year	-	-	-	-	-	(1,913.74)	-	-	-	(1,913.74)	-	(1,913.74)
Total comprehensive income for the year	-	-	-	-	15,792.83	(1,913.74)	-	-	-	13,879.09	(2.73)	13,876.36
Transfer to - General Reserve/ Retained Earnings	-	-	-	-	2,500.00	-	-	-	(2,500.00)	-	-	-
Transaction with owners - Dividend	-	-	-	-	(4,164.45)	-	-	-	-	(4,164.45)	-	(4,164.45)
- Demerged assets	-	-	-	-	(964.47)	-	-	-	-	(964.47)	-	(964.47)
Balance as on 31.03.2023	105.66	26.60	61,204.07	1,18,997.02	84,742.25	(27,106.18)	-	1.44	-	2,37,970.86	(39.86)	2,37,931.00

Notes:

1) M/s VIL, a subsidiary company is under liquidation and hence all assets are carried at realizable values and liabilities at actuals. All the items of M/s VIL equity is grouped under retained earnings. Since on liquidation all are considered as distributable profits.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-
CA. K MURALI
Partner
Membership No.: 024842

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Place : Mysore
Date : 12.05.2024

Sd/-
JAI GOPAL MAHAJAN
Company Secretary

Notes forming part of Financial Statements

Note 3: Consolidated Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 01.04.2023	For the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Land										
Free Hold	1,398.42	-	-	1,398.42	-	-	-	-	1,398.42	1,398.42
Lease Hold	6,405.17	-	-	6,405.17	69.75	14.62	-	84.37	6,320.80	6,335.43
Buildings	15,801.75	999.90	(0.01)	16,801.64	4,926.42	601.08	29.15	5,556.65	11,245.00	10,875.35
Plant and Equipment	47,669.43	2,027.58	(54.28)	49,642.73	23,844.52	3,147.38	(61.35)	26,930.55	22,712.18	23,830.21
Furniture and Fixtures	909.56	168.46	(2.06)	1,075.96	564.61	56.93	(1.68)	619.86	456.10	344.95
Vehicles										
Given on Lease	685.24	-	(84.60)	600.64	218.48	84.73	(60.36)	242.85	357.80	466.77
Own Use	563.76	245.70	(11.51)	797.95	380.05	64.57	(11.52)	433.10	364.85	178.36
Office Equipment	717.46	79.86	(1.28)	796.04	499.81	71.82	(3.23)	568.40	227.63	217.64
Roads and Drains	1,930.53	311.37	-	2,241.90	1,698.90	49.59	-	1,748.49	493.41	231.62
Water Supply Installations	384.33	8.82	(0.04)	393.11	162.79	23.35	-	186.14	206.97	221.54
Railway sidings	1,011.40	-	-	1,011.40	660.95	50.82	-	711.77	299.63	350.45
Electrical Installation	2,803.88	163.62	(1.50)	2,965.99	1,893.84	236.13	(1.50)	2,128.47	837.52	910.04
Jigs and Fixtures	2,767.72	495.00	-	3,262.72	2,659.39	81.75	-	2,741.14	521.58	108.33
Special Tools	3,014.17	399.89	-	3,414.06	2,462.86	315.11	-	2,777.97	636.09	551.31
Computers and Data processing units	2,705.36	1,967.86	(19.77)	4,653.45	1,668.55	589.50	(9.97)	2,248.09	2,405.37	1,036.81
Total Tangible Assets	88,768.18	6,868.06	(175.05)	95,461.19	41,710.93	5,387.38	(120.46)	46,977.85	48,483.33	47,057.23
Previous Year	89,327.06	2,589.09	(3,147.97)	88,768.18	37,364.97	5,484.29	(1,138.32)	41,710.95	47,057.23	51,962.08

Note 3a: Consolidated Right of use Assets

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 01.04.2023	For the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
ROU Assets										
Buildings	1,196.25	55.25	(73.18)	1,178.79	269.98	118.89	(73.18)	316.15	862.64	926.27
Total Right of use Assets	1,196.25	55.25	(73.18)	1,178.79	269.98	118.89	(73.18)	316.15	862.64	926.27
Previous Year	1,094.68	212.91	(111.34)	1,196.25	263.46	117.86	(111.34)	269.98	926.27	831.22

A. Carrying value of Plant & Equipment includes equipment offered to customers for trials on No Cost No Commitment (NCNC) basis ₹ 244.46 Lakhs (Previous Year - ₹ 318.28 Lakhs).

B. Property, Plant and Equipment

i) Buildings include carrying value of building at Ranchi pending registration / khatha transfer at ₹ 10.12 Lakhs (Previous Year ₹ 10.49 Lakhs)

ii) The Company has taken land measuring 1109 acres and two workshops on lease for a period of 10 years vide Lease Agreement dated 5th May 2004, w.e.f. 28.04.2004 from M/s Bharat Gold Mines Limited (BGML) (A Company under orders of winding up by BIFR), and a sum of ₹ 100 Lakhs was paid as non-refundable deposit, (included under Other non-current assets (Note no.11)). As per the terms of the Lease agreement, this deposit shall be adjusted against the outright sale/transfer of ownership that may be fixed for the property and lessee shall be free to construct new building/alter the existing building/lay roads/fence the land in the interest of furthering its business to suit its use and on expiry of the lease the said building shall vest with the lessor on payment of consideration based on value prevailing on the date of handing over of the property. The Company had incurred on the above land a sum of ₹ 1452.95 lakhs (with carrying value - ₹ 724.70 Lakhs) on Buildings (Previous Year - ₹ 769.48 lakhs) included in Property, Plant and Equipment as at year end.

Vide order dated 09.07.2013, the Hon'ble Supreme Court of India upheld the decision of the Union Government to float

a global tender of BGML assets with an observation about the existence of sub-lease of a portion of the land to BEML Ltd expiring on 28.04.2014 to be included in the tender documents. The Company filed an Interlocutory application before the Hon'ble Supreme Court of India, praying for exclusion of land leased to BEML from the purview of global tender, which was dismissed. Since the lease agreement provides for the continuation of the lease even after the expiry of lease period on 28.04.2014 till the final decision of the Company / Government in this regard, the operations of the company on the above land is continued. Appropriate accounting action will be considered based on the outcome of the tender process.

Meanwhile, BEML has proposed to surrender 1080.65 Acres out of 1109 Acres of land to BGML and to enter into a fresh lease agreement for the balance operational area of 28.35 Acres. However, BGML has offered BEML to outrightly purchase the land of 28.35 acres at mutually agreed price. The matter is under discussion between BGML and BEML.

iii) Lease Hold Land includes land measuring 101175.92 Sq. Mtrs taken on perpetual lease from KIADB (Bangalore Aerospace, SEZ Park) at a cost of ₹ 5126.00 Lakhs (Previous Year - ₹ 5126.00 Lakhs).

iv) No Provision considered necessary for impairment of assets as the realizable value of assets technically assessed is more than the carrying cost of these assets.

v) Free Hold Land measuring 3.647 acres of land, surrendered to BBMP against TDR (at cost) is ₹ 4.58 Lakhs. Free Hold Land

measuring 1.937 acres of land surrendered to BBMP for which TDR yet to be received (at cost) is ₹ 2.43 Lakhs.

Above TDR will be utilised for further construction.

- vi) Company has taken action to obtain title documents in respect of flat at Ashadeep, New Delhi - ₹ 2.80 Lakhs.
- vii) For information on estimated capital contracts pertaining to the acquisition of property, plant and equipment, refer Note no. 39 D II a.
- viii) Free hold at KGF does not include 114 Acres which is under reconciliation with DC, Kolar.

ix) In respect of subsidiary company M/s MIL -

- a) The land is taken on lease from Urban development dept, Govt of West Bengal for a period of 60 (sixty) years on 7th March 2011. This has been capitalised in the books of the company. As per Clause no 25 and other clauses in the lease deed with Govt of West Bengal,

the company has to start the factory within two years from date of signing of lease deed. However, the company could not start the factory within the stipulated time. Hence the Govt. of West Bengal reserves the right to cancel the lease and take back the lease land. However there is no demand/ notice from Govt of West Bengal in this regard till date.

- b) Leasehold land financed by BEML Limited on behalf of MAMC and as registered in the name of Company is under consortium arrangement with BEML, CIL and DVC and shall revert to JV company if and when formed with approval of the Government.

- C.** Amount of borrowing cost capitalised on addition of assets during the year is as under:

₹ NIL Lakhs

- D.** Since there is no investment property in the group as on 31.03.2024, fair value of investment property is Nil (Previous Year - Nil)

E. Title deeds of Immovable Properties not held in name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Lakhs)	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	Building		No		
	Flat at Sarovar Enclave, Ranchi	10.12	No	23-12-1987	Under dispute with state authorities.
	Flat at Ashadeep, Delhi	2.80	No	01-05-1977	Obtaining Title deeds in the name company is under progress.
	Land				
	Land at Mysore	144.34	No	01-03-1985	<p>Total land parcel of 560.35 acres (452.40 acres of Factory land and 107.95 acres of township land) allotted by M/s KIADB at Mysore. Out of this 302.26 acres have been transferred to M/s BEML Land Assets Ltd (BLAL) on 25.08.2022(appointed date) under a Scheme of Arrangement for demerger as approved by MCA , Govt of India.</p> <p>Further 85.905 acres of unused township land is to be transferred back to KIADB at a mutually agreed consideration .</p> <p>Possession certificate for entire 560.35 acres is in the name of BEML. Registration process for 474.445 acres in the name of BEML and subsequent transfer of title for 302.26 acres to BLAL is underway.The modalities to transfer 85.905 acres back to KIADB are under consideration of both BEML & KIADB.</p>

There has been no revaluation of Property, Plant and Equipment.

Note 4: Capital work-in-progress

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Building	1,061.29	153.32
Machinery	2,609.65	673.31
Others	82.76	168.80
Provision for CWIP	(82.76)	(109.05)
Total	3,670.94	886.38

Capital work in progress (CWIP) - As at 31 March 2024
a) Ageing Schedule for Capital-work-in progress:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	3,562.10	49.56	-	39.66	3,651.31
Projects temporarily suspended	5.47	-	14.16	-	19.63
Total	3,567.57	49.56	14.16	39.66	3,670.94

b) Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Capital-work-in progress completion schedule:

(₹ in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Capital work in progress (CWIP) - As at 31 March 2023
a) Ageing Schedule for Capital-work-in progress:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	769.32	3.10	-	40.05	812.47
Projects temporarily suspended	-	14.16	-	59.75	73.91
Total	769.32	17.26	-	99.80	886.38

b) Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan: (₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Capital-work-in progress completion schedule: (₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Note 5: Consolidated Other Intangible assets (₹ in Lakhs)

Particulars	Gross carrying value				Accumulated amortisation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 01.04.2023	For the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer software	3,633.54	251.01	-	3,884.55	2,665.94	398.68	(0.01)	3,064.61	819.93	967.60
Technical Know how	5,771.17	1,546.81	-	7,317.98	4,199.24	478.27	-	4,677.51	2,640.47	1,571.93
TDR against Land	7.01	-	-	7.01	-	-	-	-	7.01	7.01
Total Intangible Assets	9,411.72	1,797.82	-	11,209.54	6,865.18	876.95	(0.01)	7,742.12	3,467.42	2,546.54
Previous Year	8,844.10	567.83	(0.21)	9,411.72	6,059.18	806.22	(0.22)	6,865.18	2,546.54	2,784.93

Note 6: Intangible assets under development (internally generated) (₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Transfer of Technology for CABIN	-	1,384.94
Total	-	1,384.94

Intangible assets under development - As at 31 March 2024
a) Ageing Schedule for intangibles under development:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

b) Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress					-
Total	-	-	-	-	-

Intangible assets under development - As at 31 March 2023
a) Ageing Schedule for intangibles under development:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	595.14	-	789.80	-	1,384.94
Projects temporarily suspended	-	-	-	-	-
Total	595.14	-	789.80	-	1,384.94

b) Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Amount of CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Note 7: Non-current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments in equity instruments - unquoted at cost		
In Equity Shares of Joint Venture Company:		
In BEML Midwest Ltd., 54,22,500 fully paid up Equity shares of ₹10 each	542.25	542.25
Less: Allowance for impairment of investment	(542.25)	(542.25)
Investment in Ordinary Shares of Co-operative Societies - unquoted at cost		
In BEML Consumer Co-operative Society Ltd, KGF, 250 fully paid up shares of ₹10 each	0.03	0.03
In Gulmohar Mansion Apartments Co-operative Housing Society Limited, Bangalore, 10 fully paid up shares of ₹100 each.	0.01	0.01
In Twin Star Co-operative Housing Society Ltd, Bombay, 5 fully paid up shares of ₹50 each.	0.00	-
	0.04	0.04
Total - Unquoted at cost	0.04	0.04

Ind AS 28 (Investments in Associates and Joint Ventures)

Names of Joint Ventures	Nature	% holding	Country of Incorporation
BEML Midwest Limited	Jointly Controlled Entity	45.00	India

- BEML along with Midwest Granite Private Limited formed a joint venture company in 2007 to conduct excavation and extraction of mineral resources. The agreement was signed in September 2005 whereby BEML has a 45% share in the operations of the joint venture and the remaining 55% is held by Midwest Granite Private Limited.
- The Joint Venture Company BEML Midwest Ltd has not prepared its financial statements as at 31st March, 2024 due to litigation pending before National Company Law Tribunal. Hence, disclosure requirements under Ind AS-28 (Investments in Associates and Joint Ventures) could not be complied with. In the absence of financial statements of the JV, the same has not been consolidated with BEML financial statements.
- As per CCEA approval dtd 8th September 2021, M/s Vignyan Industries Ltd, a subsidiary of BEML is under Voluntary Liquidation and Official Liquidator has been appointed on 11.10.2021. Movable assets have been disposed off and disposal of immovable assets is in progress. Dues of employees of VIL have been settled. As on 31.03.2024 there are no employees on the rolls of M/s VIL.

In respect of BEML Brazil Industrial Ltda, an associate the company has written to RBI through authorized dealer SBI, Overseas Branch, Bangalore for closure of Unique Identification Number (UIN) issued in respect of BBIL.

The movement in the allowance for impairment of investment is as follows: (₹ in Lakhs)

Particulars	2023-24	2022-23
Balance at the beginning of the year	542.25	542.25
Impairment losses recognised	-	-
Written off during the year	-	-
Credited to profit or loss	-	-
Transfers	-	-
Balance at the end of the year	542.25	542.25

Note 8: Non-Current - Loans (₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Lease Deposits	14.69	13.34
Inter Corporate Loan	-	-
Total	14.69	13.34

Note 9: Non-current - Other financial assets (₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Security Deposit with Customers	-	-
Deposit with service providers	88.56	88.42
Total	88.56	88.42

Note 10: Deferred tax assets (net) (₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred Tax Liabilities (DTL)		
Property, plant and equipment	4,028.00	4,279.00
Total DTL (A)	4,028.00	4,279.00
Deferred Tax Assets (DTA)		
Timing differences under the Income Tax Act,1961	15,376.00	15,107.00
Others	-	-
Gratuity / Leave Liability	-	-
Total DTA (B)	15,376.00	15,107.00
Net Total (B-A)	11,348.00	10,828.00

Note 10: Income taxes

The substantively enacted tax rate as on 31 March 2024 is 25.17% and as on 31 March 2023 was 25.17% for deferred tax purposes.

a) Amount recognised in profit or loss

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Current tax expense:		
Current tax	10,505.18	6,997.40
MAT credit entitlement	-	-
Adjustment of tax related to earlier years	-	-
	10,505.18	6,997.40
Deferred tax (income)/expense:		
Origination and reversal of temporary differences	(520.00)	4,984.49
Total deferred tax (income)/expense	(520.00)	4,984.49
Tax expense	9,985.18	11,981.89

b) Amount recognised in OCI

(₹ in Lakhs)

Particulars	31 March 2024			31 March 2023		
	Before Tax	Tax (expense) benefit	Net of tax	Before Tax	Tax (expense) benefit	Net of tax
Re-measurement (losses) / gains on post employment defined benefit plans	843.67	(212.35)	631.32	(1,822.06)	(91.68)	(1,913.74)
Total	843.67	(212.35)	631.32	(1,822.06)	(91.68)	(1,913.74)

c) Reconciliation of effective income tax rate

(₹ in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operation		38,162.47		27,770.99
Tax using the Group's domestic tax rate (Income tax)	25.17%	9,605.49	25.17%	6,989.96
Tax effect of:				
Carry Forward Loss	0.00%	-	0.00%	0.00
Weighted Deduction for R and D Expenditure	0.00%	-	0.00%	0.00
Non deductible expenses	2.36%	899.69	0.03%	7.44
Minimum Alternate Tax	0.00%	-	0.00%	0.00
Tax incentive	0.00%	-	0.00%	0.00
Deferred tax	-1.36%	(520.00)	17.95%	4984.49
Total income tax expense for the year	26.16%	9,985.18	43.15%	11,981.89

d) Movement in deferred tax balances

(₹ in Lakhs)

Particulars	As on 1st April 2022	Recognised in profit or loss during 2022-23	As at 31 March 2023	Recognised in profit or loss during 2023-24	As at 31 March 2024
Property, plant and equipment	(4,973.39)	694.39	(4,279.00)	251.00	(4,028.00)
Allowance for doubtful trade receivables	12,169.16	(4,030.16)	8,139.00	13.00	8,152.00
Allowance for impairment of Investments	189.48	(53.48)	136.00	-	136.00
Provision for Property Tax	124.93	393.07	518.00	(257.00)	261.00
Provision for Leave Salary	5,393.52	(1,258.52)	4,135.00	211.00	4,346.00
Provision for Contributory medical Scheme	1,329.55	(183.55)	1,146.00	168.00	1,314.00
Provision for pending legal cases	36.48	(6.48)	30.00	4.00	34.00
Provision for Onerous Contract	7.29	(7.29)	-	582.00	582.00
Provision for Unpaid Expenditure	312.24	(110.24)	202.00	(125.00)	77.00
MAT Credit related to prior period	422.22	(422.22)	-	-	-
DTA related to Provision for Gratuity & Contributory Medical Scheme (OCI)	1,351.30	(550.30)	801.00	(327.00)	474.00
Net deferred tax assets / (liabilities)	16,362.78	(5,534.78)	10,828.00	520.00	11,348.00

e) Unrecognised deferred tax assets

Deferred tax asset has not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the deductible temporary difference can be utilised.

(₹ in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Deductible temporary differences not expected to be utilised	-	-	-	-
Tax losses	-	-	-	-

f) Tax losses carried forward

Unrecognised tax losses carried forward expire as follows:

(₹ in Lakhs)

Particulars	31 March 2024	Expiry date	31 March 2023	Expiry date
Expire				
Carry forward business loss	-	-	-	-
Never expire				
Unabsorbed depreciation	-	-	-	-

Note 11: Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Advances	100.00	100.00
Less: Allowance for doubtful Capital Advances	-	-
Advances to Related Parties - MAMC [refer Note no.39 (C)(ii)]	-	-
Advance MAMC consortium [see note (a) below]	7,288.42	7,197.70
Employee Advance	213.55	189.50
Prepayments	62.33	65.65
Gold coins on Hand	10.11	10.11
Total	7,674.41	7,562.97
Due by officers of the company	0.00	0.00

- a. The Company has entered into a Consortium Agreement (MAMC Consortium) with M/s. Coal India Limited (CIL) and M/s. Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets of M/s. Mining and Allied Machinery Corporation Limited (under liquidation). The agreement, inter-alia, provided for formation of a Joint Venture company with a shareholding pattern of 48:26:26 among BEML, CIL and DVC respectively. The Company has paid the proportionate share of ₹4800.00 Lakhs towards the total bid consideration of Rs.10000.00 Lakhs towards the said acquisition, based on the order passed by the Hon'ble High Court of Calcutta. The said assets are taken possession by the MAMC Consortium. Further, the Company has incurred a sum of ₹2488.42 Lakhs (Previous Year - ₹2397.10 Lakhs) towards maintenance, security and other related expenditure. The expenditure incurred by CIL and DVC on account of this proposal is not ascertained. The total sum of ₹7288.42 Lakhs (Previous Year - ₹7197.10 Lakhs) is disclosed as 'Advance to MAMC consortium', pending allotment of equity shares in the capital of the JV company. As per the latest valuation report furnished by registered valuer, the fair value of MAMC assets is ₹20745 Lakhs and the company's share of 48% comes to ₹ 9958 Lakhs which is above the total advances paid to MAMC consortium.

Further, a company in the name of 'MAMC Industries Limited' (MIL) was formed and incorporated as a wholly-owned subsidiary company for the intended purpose of JV formation. Shareholders' agreement, as duly approved by the Boards of all the three members of the consortium, has been submitted to Ministry of Defence for necessary approval. After obtaining the said approval, MIL, would be converted into a JV Company. The Company has advanced a sum of ₹605.01 Lakhs (Previous Year - ₹603.97 Lakhs) on account of MIL, which is included under the head 'Advances to related parties'

Note 12: Inventories (Lower of cost and Net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials & Components	88,154.97	76,958.76
Less: Allowance for obsolescence - Raw Material	(3,223.30)	(2,721.35)
Raw materials & Components in Transit	8,642.32	3,289.14
Stores and Spares	2,570.47	2,474.46
Work-in-Progress	76,642.65	75,204.24
Less: Allowance for obsolescence - WIP	(2,167.51)	(981.27)
Finished Goods	24,418.82	19,946.79
Less: Allowance for obsolescence - Finished Goods	(2,340.50)	(1,328.21)
Finished Goods in Transit	3,286.84	1,342.25
Less: Allowance for obsolescence - Finished Goods in transit	-	-
Stock of Spares	33,403.72	33,163.32
Less: Allowance for obsolescence - Stock of Spares	(6,850.89)	(4,674.79)
Less: Allowance for shortages - Stock of Spares	-	(5.90)
Stock of Spares in Transit	66.70	221.70
Hand tools	2,148.49	1,999.93
Scrap	837.60	1,251.83
Total	2,25,590.38	2,06,140.93

- Raw materials & Components include materials lying with sub contractors ₹3059.01 Lakhs (Previous Year - ₹2612.23 Lakhs). Out of these, confirmation from the parties is awaited for ₹735.07 Lakhs (Previous Year ₹226.54 Lakhs).
- Raw materials in transit include ₹299.10 Lakhs (Previous year ₹1962.66 Lakhs) of materials received in the factory/depot for which quality clearance is pending.
- The closing stock of work-in-progress and finished goods are stated at lower of standard cost, which approximates to actuals, and net realisable value. The difference between the actual cost of production and the standard cost is not material.
- Variances arising on account of difference between standard cost and the actual cost, on account of change in the nature of inputs from bought-out to internally manufactured or vice versa, timing difference between standard cost and actual occurrence during the financial period and fluctuations in the material prices, is adjusted in the cost of production in order not to carry forward the period variances to subsequent financial period.
- Allowance towards Raw material & components obsolescence is made as per the Board approved provisioning norms and is based on ageing of inventory.

Note 13: Current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investments quoted/Unquoted	-	-
Total	-	-

Note 14: Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Outstanding for period exceeding six months	44,712.91	42,022.73
Others	1,20,620.59	1,02,968.87
Sub-Total		
Allowance for Expected Credit Loss	(21,414.80)	(21,321.58)
Total	1,43,918.70	1,23,670.02

Trade Receivable ageing schedule - As at 31 March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	80862.62	39757.97	11690.52	9894.74	8047.21	13015.66	163268.73
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	1364.77	1364.77
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	700.00	700.00
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Sub - total	80862.62	39757.97	11690.52	9894.74	8047.21	15080.43	165333.50
(vii) Provisions	258.11	1307.92	506.61	3021.37	3492.06	12828.73	21414.80
Net Trade Receivables	80604.51	38450.06	11183.92	6873.37	4555.15	2251.70	143918.70

Trade Receivable ageing schedule - As at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	50611.13	52357.74	10017.52	13295.43	2604.22	11995.61	140881.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	4109.95	4109.95
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	-	-
Sub - total	50611.13	52357.74	10017.52	13295.43	2604.22	16105.56	144991.60
(vii) Provisions	109.17	1517.06	414.13	4283.85	1542.09	13455.27	21321.58
Net Trade Receivables	50501.95	50840.68	9603.39	9011.59	1062.13	2650.28	123670.02

For recognition of impairment provision, Expected Credit Loss has been created during the year on the Trade Receivables using simplified approach as per Ind AS 109.

The movement in the allowance for trade receivables/Expected credit loss is as follows:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Balance at the beginning of the year	21,321.58	23,524.48
Expected Credit loss recognised	1,940.03	391.16
Written off during the year	(1,846.81)	(2,108.53)
Credited to profit or loss	-	(485.53)
Transfers to allowance for doubtful claims (note 18)	-	-
Balance at the end of the year	21,414.80	21,321.58

Note 14a: Contract Assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Rail & Metro	65,174.39	60,836.52
Mining & Construction	-	-
Defence	-	429.20
Allowance for contract assets	-	-
Total	65,174.39	61,265.72

Note 15: Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with Banks	802.47	909.89
Cash on hand	-	-
Total	802.47	909.89

Note 15a: Bank Balance Other than (Note 15) above (₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with Banks - Unclaimed/Unpaid Dividend	83.56	66.57
FDRs maturity beyond 3 months	0.35	2,957.96
Total	83.91	3,024.54

- The Group earns no interest on balances with banks in current accounts.
- Balances with banks include the following on which there were restrictions placed on use and / or held on behalf of third parties:
ESCROW account balance to be distributed among consortium members ₹526.61 Lakhs (Previous Year - ₹532.01 Lakhs)
- Out of the Cash Credit Limit of ₹120000 Lakhs sanctioned to the company by Consortium Bankers, the amount drawn by the company as on 31st March 2024 is ₹6056.10 Lakhs (Previous Year ₹32186.93 Lakhs)
- FDRs include ₹Nil (Previous year ₹ 133.63 Lakhs being proceeds from surrender of 4706 Sqm of lease hold land at Hyderabad to TSIIC, ₹ 2759.02 Lakhs from surrender of 226.21 acres of Leasehold Land to M/s. KIIDC (KINFRA) Kerala and ₹ 50.31 Lakhs against vendor dues forming part of Short Term Deposits).
- For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with Banks	802.47	909.89
Less: Bank overdraft/Cash credit facility	(6,056.10)	(32,186.93)
Total	(5,253.63)	(31,277.04)

For an understanding of the Group's cash management policies, refer Note no.39 L (ii) on liquidity risk.

Note 16: Current Loans (₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Lease Deposits	-	-
Inter Corporate Loan - BLAL	430.34	102.55
Secured Loans		
Loan to subsidiary - VIL	-	-
Interest Receivables on loan to subsidiary	-	-
Total	430.34	102.55

Note 17: Current - Other financial assets (₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Security Deposit with Customers	-	82.67
Earnest Money Deposit	-	62.87
Deposit with service providers	384.71	384.71
Interest accrued on bank deposits	0.05	1.52
Derivative asset	-	-
Total	384.76	531.77

Note 17a: Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Income Tax	7,200.00	4,000.00
Income Tax Refund	2,133.00	2,056.00
Tax Deducted at Source	1,389.83	414.13
Total	10,722.83	6,470.13

Note 18: Other Current Assets

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to Related Parties	-	135.51
Less: Allowance for doubtful advances to Vendors	-	(135.51)
Advances to Related Parties - BLAL	-	-
Balances with Public Utility concerns	631.37	628.05
Less: Allowance for doubtful Balances with Public Utility concerns	(165.91)	(165.91)
Balances with Govt. departments for Customs Duty, Excise Duty, GST etc.,	38.18	32.16
Advance to Vendors	9,637.57	12,263.68
Less: Allowance for doubtful advances to Vendors	(3,427.56)	(3,526.47)
Employee Advance	297.88	291.35
Duties and Taxes	2,276.22	2,190.12
Indirect Taxes - Pre GST	-	-
Less: Allowance for doubtful Indirect Taxes-GST	-	-
Indirect Taxes -GST	1,398.41	6,506.90
Prepayments	2,428.53	1,376.20
Claims receivable	10,532.81	10,674.49
Less: Allowance for doubtful claims	(7,376.29)	(7,185.69)
GST on stock transfers	1,297.86	217.11
Unbilled revenue	-	-
Total	17,569.07	23,301.98
Due by Officers of the Company	35.69	25.13

Note 19: Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Authorised :				
Equity Shares of ₹10 each	100000000	10,000.00	100000000	10,000.00
Issued :				
Equity Shares of ₹10 each	41900000	4,190.00	41900000	4,190.00
Subscribed :				
Equity Shares of ₹10 each	41644500	4,164.45	41644500	4,164.45
Paid-up :				
Equity Shares of ₹10 each, fully paid-up	41644500	4,164.45	41644500	4,164.45
Forfeited Shares (amount originally paid) :				
Equity Shares of Paid-up value ₹5 each	255500	12.77	255500	12.77
Total		4,177.22		4,177.22

Rights and restrictions attached to equity shares

The Group has only one class of share, i.e., equity shares having the face value of ₹10 per share. Each holder of equity share is entitled to one vote per share. Dividend is paid in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Group, equity shareholders will be entitled to receive remaining assets of the Group after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Disclosure requirements for 5 years Particulars	Number of Shares				
	2023-24	2022-23	2021-22	2020-21	2019-20
Shares allotted as fully paid up pursuant to contracts without payment being received in cash	Nil	Nil	Nil	Nil	Nil
Shares allotted as fully paid up by way of bonus shares	Nil	Nil	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil	Nil	Nil

Reconciliation of shares outstanding at the beginning and at the end of the period :

(₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding as at Opening Date	4,16,44,500	4,164.45	4,16,44,500	4,164.45
Add: Issued during the period	-	-	-	-
Less: Buy-back during the period (if any)	-	-	-	-
Outstanding as at Closing Date	4,16,44,500	4,164.45	4,16,44,500	4,164.45

Equity Shares held by shareholders having 5% or more Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% held	No. of Shares	% held
President of India	2,25,00,000	54.03	2,25,00,000	54.03
HDFC Trustee Company Limited (PAN wise)	33,64,759	8.08	37,78,760	9.07

No shares of the Group is held by its subsidiaries. The Group does not have any holding company.

No shares of the Group is reserved for issue under options and contracts/commitments for the sale of shares / disinvestment.

The Board of Directors had approved an Interim Dividend of ₹ 5.00 per equity share i.e., 50% on equity shares of ₹ 10 each on 08.02.2024 which is paid to Government of India on 13.02.2024 and other eligible shareholders.

Shares held by promoters at the end of the year Sl. No.	As at 31st March 2022			% Change during the year
	Promoters Name	No. of Shares	% of total shares	
1	President of India	2,25,00,000	54.03%	NIL

Note 20: Non-current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non-Current	Current	Non-Current	Current
Debentures	-	-	-	-
Term Loans				
(a) Secured from Banks	-	-	-	-
(b) Unsecured from other parties				
i. Soft Loan - Interest Free Loan from Govt of Kerala	-	-	-	-
Total	-	-	-	-
i (a) Lease Liability	949.10		980.97	

The company has utilised the borrowings from banks and financial institutions for the purpose for which it was been taken.

Note 21: Non-current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit from vendors	112.63	112.63
Total	112.63	112.63

Note 22: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
for Leave Salary	12,331.03	13,053.62
for Post retirement medical scheme	4,892.70	5,542.05
Provision-others		
for warranty	80.82	100.00
for unexpired obligations	6,393.26	5,923.99
Total	23,697.81	24,619.66

Note 23: Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Advances from customers	64,303.60	54,493.27
Staff related	35.58	34.24
Statutory Dues	-	-
Total	64,339.18	54,527.51

Note 24: Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Repayable on demand from banks		
Secured		
Cash Credit & Short Term Loans (secured by first charge by way of hypothecation of Inventories, Bills receivable, Book Debts and all other movables both present and future)	6,056.10	32,186.93
Bill Discounting	-	4,896.57
Unsecured borrowings		
Lease Liability	84.99	83.05
Total	6,141.09	37,166.55

Note 25: Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro & small enterprises	14,374.22	9,928.23
Total outstanding dues of creditors other than micro & small enterprises	61,587.60	57,902.48
Total	75,961.82	67,830.71

Trade payables due for payment - As at 31 March 2024

(₹ in Lakhs)

Particulars	Outstanding for following periods from due payment of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	13870.83	-	-	-	-	13870.83
(ii) Others	32452.30	24894.73	433.88	461.63	1049.29	59291.83
(iii) Disputed dues - MSME	31.58	414.46	48.75	7.42	1.18	503.38
(iv) Disputed dues - Others	6.51	985.30	20.21	18.24	1265.51	2295.78
Grand Total	46361.22	26294.49	502.84	487.29	2315.98	75961.82

Trade payables due for payment - As at 31 March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due payment of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	9724.69	-	-	-	-	9724.69
(ii) Others	28336.62	17673.63	6049.91	109.95	3391.13	55561.24
(iii) Disputed dues - MSME	-	194.78	6.42	0.35	2.00	203.54
(iv) Disputed dues - Others	-	6.50	59.97	102.09	2172.68	2341.24
Grand Total	38061.31	17874.90	6116.30	212.39	5565.80	67830.71

Micro and Small Enterprises (MSE)

The information under MSME Act, 2006 has been disclosed to the extent such vendors have been identified by the Group. The details of amounts outstanding to them based on available information with the Group is as under :

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Amount due and Payable at the year end		
- Principal	-	-
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	-
- Interest	-	-
Interest due and payable for principals already paid	-	-
Total Interest accrued and remained unpaid at year end	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under section 23 of MSME Act, 2006.	-	-

Note 26: Current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit from vendors	1,729.21	1,301.34
Earnest Money Deposit from vendors	245.23	162.53
Service vendors	0.16	0.16
Interest accrued but not due on borrowings	-	-
Interest accrued and due on borrowings	-	-
Unclaimed dividend	65.93	66.59
Dividend payable	-	-
Total	2,040.53	1,530.62

Note 27: Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Other payables		
a. Staff related dues	1,696.89	2,344.86
b. Statutory dues	9,437.74	9,366.74
c. Advances from customers	40,425.35	15,142.44
d. Service vendors	14,650.66	7,669.45
e. Civil contractors and Capital payments	69.71	2,570.29
Total	66,280.36	37,093.78

Note 28: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
for Gratuity	1,137.15	3,917.91
for Leave Salary	4,937.07	3,376.04
for Performance Related Pay	3,356.30	2,659.91
for Post retirement medical scheme	2,980.22	2,947.25
for Officers Pension	1,792.58	1,754.21
Provision-others		
for pending legal cases	135.89	121.00
for warranty	8,343.29	8,707.00
for unexpired obligations	1,525.44	2,310.57
for onerous contract	2,314.03	-
for Unpaid Exp	1,019.36	2,674.78
Total	27,541.32	28,468.68

Movement in Provisions

(₹ in Lakhs)

Particulars	As at 01.04.2023		Total	Additions	Utilization	Reversal	As at 31 March 2024		
	Non-current	Current					Non-current	Current	Total
Gratuity	-	3,917.91	3,917.91	1,137.15	3,917.91	-	-	1,137.15	1,137.15
Leave Salary	13,053.62	3,376.04	16,429.66	6,019.61	5,181.16	-	12,331.03	4,937.07	17,268.09
Post retirement medical scheme	5,542.05	2,947.25	8,489.30	635.13	1,251.51	-	4,892.70	2,980.22	7,872.92
Performance Related Pay	-	2,659.91	2,659.91	2,056.30	1,359.91	-	-	3,356.30	3,356.30
Officers Pension	-	1,754.21	1,754.21	1,829.15	1,790.78	-	-	1,792.58	1,792.58
Wage revision	-	-	-	-	-	-	-	-	-
Pending legal cases	-	121.00	121.00	121.47	-	106.58	-	135.89	135.89
Warranty	100.00	8,707.00	8,807.00	4,616.14	4,999.04	-	80.82	8,343.29	8,424.11
Unexpired Obligation onerous contract	5,923.99	2,310.57	8,234.56	619.45	737.82	197.50	6,393.26	1,525.44	7,918.70
Prov - Unpaid Expenses	-	2,674.78	2,674.78	1,701.49	390.93	2,965.99	-	1,019.36	1,019.36
Total	24,619.66	28,468.68	53,088.35	21,049.92	19,629.05	3,270.07	23,697.81	27,541.32	51,239.13

Note 29: Current tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Income tax	10,717.53	6,538.79
Less: MAT credit entitlement	-	-
Total	10,717.53	6,538.79

Note 30: Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) sale of products:		
Castings	-	-
Earth Moving Equipment	81,321.56	1,16,962.76
Rail & Metro Products	1,48,146.59	96,551.62
Defence Products	55,415.54	62,174.19
Traded Goods	-	-
Spare Parts	83,820.93	90,696.77
Sub-total - sale of products	3,68,704.63	3,66,385.35
(b) sale of services;		
Equipment Servicing	27,833.27	13,587.64
Sub-total - sale of services	27,833.27	13,587.64
Sub-total - sale of products & services	3,96,537.90	3,79,972.99

	(₹ in Lakhs)	
(c) other operating revenues		
Wind Energy	1,719.35	1,679.71
Sale of Scrap	2,131.65	2,266.63
Provisions written back :	-	-
- Doubtful trade receivables & advances	2,107.59	2,676.19
- Onerous contract	-	20.85
- Inventory	5.90	38.83
- Warranty and unexpired obligation	-	-
- others	618.39	171.15
Export incentives	253.79	192.37
Liabilities written back	760.93	1,482.44
Insurance claims	189.82	194.59
Recovery from Suppliers	1,107.14	1,198.94
Others	-	-
Sub-total	8,894.55	9,921.70
(d) Inter Segment Sales	-	-
Revenue from operations	4,05,432.45	3,89,894.69

- A. 1. Revenue from operations does not include GST on sale of products and services up to March 2024 amounting to ₹ 72209.60 Lakhs (Previous Year ₹ 71013.46 Lakhs).
2. Revenue from sale of products include ₹ 4098.61 Lakhs (Previous Year ₹ 540.00 Lakhs) on account of Sale of 21 Nos. of equipment and ₹ Nil Lakhs for spares (Previous year ₹ 2064.42 Lakhs) on "Bill and hold" basis recognised in accordance with Ind AS-115. This does not bear any custodian charges.
3. Revenue from sale of products and services includes ₹ 106562.55 Lakhs (Previous Year ₹ 83013.14 Lakhs) towards export sales (including deemed exports).
- B. 1. Revenue is recognized "over the period of time" on the contracts wherever transfer of control on goods/services and performance obligation satisfied over time. All other revenue is recognized at a point in time when control transfers.
2. Revenue from sale of products and services include revenue recognised "over the period of time" in respect of:
- Contracts entered with Metro Corporations for design, manufacture, supply, testing & commissioning of metro cars, ₹ 105066.90 Lakhs, (Previous Year - ₹ 78442.64 Lakhs)
 - Contract with M/s LORAM for supply of Rail Grinding Machines ₹ 14678.83 Lakhs (Previous Year- ₹ 15663.66)
 - ARV Overhauling Contracts in Defence busines ₹ Nil Lakhs (Previous Year ₹ 5.42 Lakhs), on adoption of Ind AS 115 effective from 01-04-2018.
3. In case of metro supply contracts and Equipment Rehabilitation, Mining Aggregates Repairs Contracts and overhauling contract, for determination of transaction price for the purpose of recognizing revenue over the period of time, Input cost Method has been considered .

4. Following are the closing and opening balances of Receivables, Contract Assets and Contract liabilities (which are measured under Input Cost Method);

(₹ in Lakhs)

Details	Balance as on 31.03.2024	Balance as on 01.04.2023
Receivables	57,160.02	30,132.25
Contract Assets	65,174.39	61,265.72

5. Payments under the Metro Supply Contracts and Rail Grinding Machine Contract are released by customers upon completion of milestones of Cost centers identified in the contracts.
6. Payments are released by customers under Equipment Rehabilitation and Aggregates Repairs Contracts upon completion of Repair/Rehabilitation, delivery and acceptance of the items at Customer site as indicated in the Contract.
7. Warranties: In respect of Metro Contracts, Defect Liability periods are applicable from the date of taking over of Train sets by the Customers. Comprehensive warranty is provided for a period of 24 months from the date of acceptance for Defence Equipment.
8. Standard Warranty is provided for a period of 12 months or 4000 hours of satisfactory performance of Equipment (Mining & Construction) after delivery and commissioning. However, warranty for Electrical items is for 12 months/3000 hrs from the date of commissioning whichever is earlier.
9. The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied as of end of the reporting period are ₹ 33338.67 Lakhs for Metro Contracts and ₹ Nil Lakhs for Defence Equipment (Previous Year - ₹ 150278.84 Lakhs for Metro & Rail Grinding machine contracts and ₹ 37.76 Lakhs for Defence Equipment),. The Company expects to recognize this revenue in subsequent years.
10. Following is the reconciliation of amount of revenue recognized in the statement of P&L on recognition of Contract Assets;

(₹ in Lakhs)

Particulars	2023-24	2022-23
Contract Asset as on 01.04.2023	61,265.72	59,217.26
Add: Recognised During the Year	1,19,783.49	94,111.72
Total	1,81,049.21	1,53,328.98
Contract Assets Billed During the year	(1,15,874.82)	(92,063.26)
Contract Assets as on 31.03.2024	65,174.39	61,265.72

Note 31: Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Other Income		
Interest Income		
- From Deposits	59.14	6.23
- From Inter Corporate Loans	19.17	3.67
- From Loans to Subsidiary	-	-
- From Income tax refund	-	-
- Finance income on lease deposits	1.35	1.23
- From loans - BLAL	-	-
- Others	174.58	30.21
Government grant income	-	-
Dividend Income		
- Dividend Received from Subsidiary	-	-
- Other Dividends	-	-
Net gain on sale of property, plant and equipment	76.19	1,462.25
Foreign exchange gain	683.95	576.67
Other non-operating income	3,209.41	279.04
Total	4,223.79	2,359.29

i. The company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year under the Income tax act, 1961.

ii. **Details of Crypto currency or virtual currency :**

The Company has not traded in Crypto currency or virtual currency in the current financial year 2023-24.

a. **Tax Deducted at Source on Income**

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) Interest on Call and Term Deposit from Banks	6.05	-
b) Interest on Loans to Subsidiary	10.57	8.86
c) Inter Corporate Loans	1.92	0.37
d) Others	-	-

Note 32: Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cost of materials consumed	2,14,747.43	2,09,885.35

Note 33: Purchase of stock-in-trade

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase of stock-in-trade	-	-

Note 34: Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Stock		
Finished goods	19,960.83	20,877.56
Work-in-progress	74,222.97	77,014.97
Scrap	1,251.83	1,310.75
	95,435.64	99,203.29
Closing Stock		
Finished goods	25,365.16	19,960.83
Work-in-progress	74,475.15	74,222.97
Scrap	837.60	1,251.83
	1,00,677.91	95,435.64
(Increase) / Decrease		
Finished goods	(5,404.32)	916.73
Work-in-progress	(252.18)	2,792.00
Scrap	414.23	58.92
Total	(5,242.27)	3,767.65

Note 35: Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, Wages & Bonus	59,325.67	59,986.37
Leave Salary	6,019.61	6,133.91
Contribution to:		
- Gratuity Fund	1,137.16	2,099.01
- Provident Fund and Other Funds	7,665.79	7,466.43
Post retirement medical scheme	1,449.00	1,155.42
Staff welfare expenses	7,253.20	7,777.02
- Less receipts	627.68	642.12
Net staff welfare expenses	6,625.52	7,134.90
Total	82,222.74	83,976.04

A. Ind AS 19 (Employee Benefits)
a. Leave Salary

This is an unfunded employee benefit plan categorized under other long term employee benefits in terms of Ind AS 19. The obligation for compensated absence has been actuarially valued and liability provided accordingly.

Actuarial Assumptions	Current Year	Previous Year
	(Unfunded)	(Unfunded)
Mortality Table	2006-08 (IALM)	2006-08 (IALM)
	(Ultimate)	(Ultimate)
Discount rate	7.22%	7.52%
Rate of escalation in salary	5.00%	5.00%
Attrition rate	1.64%	1.25%

Changes in present values of Benefit Obligations are as follows: (₹ in Lakhs)

Particulars	Current Year	Previous Year
Present Value of Obligation at the beginning of the year	16,429.66	15,434.76
Interest Cost	1,040.76	977.70
Current service cost	1,976.55	1,977.37
Benefits paid	(5,179.43)	(5,139.00)
Actuarial (Gain)/Loss on Obligation	3,000.57	3,178.84
Present Value of Obligation at the end of the year	17,268.10	16,429.66

b. Post Retirement Medical Scheme
1. Employees

(i) The Group has a post retirement defined benefit medical scheme where an insurance policy is taken by the Group for providing mediclaim benefits to the superannuated employees who opt for the scheme. The Group pays 90% insurance premium and the balance 10% is paid by the superannuated employees.

(ii) The results of the actuarial study for the obligation of the medical benefit as computed by the actuary are shown below:

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumptions		
Discount rate	7.22%	7.52%
Range of compensation increase	5.00%	5.00%
Attrition rate:	1.64%	1.25%
Components of income statement charge		
Current Service Cost	101.61	110.66
Interest Cost	564.06	576.88
Total income statement charge	665.67	687.54

(₹ in Lakhs)		
Movements in net defined benefit liability		
Net obligation at the beginning of the year	7,737.50	7,671.25
Employer contributions	(454.84)	(327.20)
Total expense recognised in profit or loss	665.67	687.54
Total amount recognised in OCI	(843.67)	(294.10)
Net obligation at the end of the year	7,104.66	7,737.50

(₹ in Lakhs)		
Actuarial study analysis	Current Year	Previous Year
Reconciliation of benefit obligations		
Obligation at start of the year	7,737.50	7,671.25
Current service cost	101.61	110.66
Interest cost	564.06	576.88
Benefits paid directly by the company	(454.84)	(327.20)
Extra payments or expenses / (income)	-	-
Obligation of past service cost	-	-
Actuarial loss / (gain) on obligations	(843.67)	(294.10)
DBO at the end of the year	7,104.66	7,737.50
Re-measurements		
Actuarial gain/(loss) due to changes in financial assumptions	89.04	8.80
Actuarial gain/(loss) on account of experience adjustments	(932.71)	(302.90)
Total actuarial gain/(loss) recognised in OCI	(843.67)	(294.10)

(iii) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)		
	Current Year	Previous Year
Discount rate		
+ 1.00% discount rate	(310.03)	(328.88)
- 1.00% discount rate	350.19	370.15
Premium cost		
+ 1.00% premium growth	361.35	384.94
- 1.00% premium growth	(325.29)	(347.72)

(iv) Experience adjustments

(₹ in Lakhs)

	Current Year	Previous Year
Defined benefit obligation	7,104.66	7,737.50
Experience adjustment on plan liabilities	(854.62)	(630.09)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

2. Officers

For officers, from the year 2015-16 a new Post-Retirement Medical Scheme was introduced where a percentage of Basic salary and DA of officers will be contributed to a separate fund and the fund arrange to provide medical insurance to retired officers. Group has contributed 3% of the basic and DA of officers amounting to ₹795.40 Lakhs (Previous year ₹ 751.81 Lakhs) during 2023-24 for the scheme. Group has no further liability other than the contribution to the fund. Hence the scheme is a defined contribution plan and no actuarial valuation is required.

c. Interest Rate Guarantee on Provident Fund

(i) Provident Fund Trust of the Group has to declare interest on Provident Fund at a rate not less than that declared by the Employees' Provident Fund Organisation. In case the Trust is not able to meet the interest liability, Group has to make good the shortfall. This is a defined benefit plan and the Group has got the same actuarially valued and there is no additional liability that needs to be provided for the year.

Actuarial Assumptions	Current Year	Previous Year
	(Funded)	(Funded)
Discount rate	7.22%	7.52%
Rate of escalation in salary	5.00%	5.00%
Interest Rate Guarantee on Provident Fund	8.25%	8.15%

d. Officers Pension Scheme

Based on the guidelines of Ministry of Defence, Group has implemented "BEML Executive Superannuation (Pension) Scheme" for Officers of the Group. The Scheme is a defined contribution plan and the contribution made is being charged off in the year of contribution. Being a defined contribution plan no actuarial valuation is done.

e. Gratuity

- (i) The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.
- (ii) The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumptions		
Discount rate	7.22%	7.52%
Range of compensation increase	5.00%	5.00%
Attrition rate	1.64%	1.25%
Expected rate of return on plan assets	7.22%	7.52%
Components of income statement charge		
Current Service Cost	1,085.75	1,698.67
Interest Cost	51.40	144.32
Recognition of past service cost	-	-
Settlement / curtailment / termination loss	-	-
Total income statement charge	1,137.15	1,842.98
Movements in net liability/(asset)		
Net liability / (asset) at the beginning of the year	2,649.26	5,173.78
Employer contributions	(2,649.26)	(6,483.67)
Total expense recognised in profit or loss	1,137.15	1,842.98
Total amount recognised in OCI	-	2,116.17
Net liability / (asset) at the end of the year	1,137.15	2,649.26
Reconciliation of benefit obligations		
Obligation at start of the year	40,842.97	42,433.19
Current service cost	1,672.71	1,698.67
Interest cost	2,808.56	2,911.02
Benefits paid directly by the company	(6,990.17)	(6,927.57)
Actuarial loss / (gain) on obligations	744.80	727.67
DBO at the end of the year	39,078.87	40,842.97
Re-measurements		
Actuarial gain/(loss) due to changes in financial assumptions	744.80	(1,388.50)
Actuarial gain/(loss) on account of experience adjustments	(744.80)	(727.67)
Total actuarial gain/(loss) recognised in OCI	-	(2,116.17)
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	38,193.71	37,259.41
Adjustment to opening fair value of plan assets	6.76	-
Interest on plan assets	2,757.16	2,766.70
Contributions made	3,941.15	6,483.67
Benefits paid	(7,013.30)	(6,927.57)
Actuarial gain/(loss) on plan assets	56.38	(1,388.50)
Fair value of plan assets at the end of the year	37,941.86	38,193.71

(iii) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)

	Current Year	Previous Year
Discount rate		
Discount rate (CY +100 basis pts; PY +100 basis pts)	(1,753.67)	(1,815.52)
Discount rate (CY -100 basis pts; PY -100 basis pts)	1,977.06	2,042.68
Salary increase		
Salary growth (CY +100 basis pts; PY +100 basis pts)	947.36	1,112.69
Salary growth (CY -100 basis pts; PY -100 basis pts)	(1,078.07)	(1,250.78)

(iv) Experience adjustments

(₹ in Lakhs)

	Current Year	Previous Year
Defined benefit obligation	39,078.87	40,842.97
Fair value of plan assets	37,941.86	38,193.71
(Surplus)/deficit in plan assets	1,137.01	2,649.26
Experience adjustment on plan liabilities	19.93	569.19
Actual return on plan assets (less) interest on plan assets	56.38	(1,388.50)

(v) Investment details

The plan assets under the fund are deposited under approved securities as follows:

	Current Year	Previous Year
Investment with LIC %	100	100
Others %	0	0

Note 36: Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense		
On Cash Credit & Short term loans	3,795.79	4,412.18
On Long Term Loans	-	-
On Commercial paper	-	-
On Non-convertible Debentures	-	118.98
On Inter Corporate Loans	-	-
On MSE vendors	-	-
Unwinding of discount on Interest free loan	-	-
Interest on ROU asset	86.07	91.00
Others	20.34	2.39
Total	3,902.20	4,624.55

Ind AS 23 (Borrowing Costs)

The amount of interest capitalized during the Year is ₹NIL (Previous Year - ₹Nil).

Note 3,5: Depreciation and Amortization Cost

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Property, Plant & Equipment	5,387.38	5,484.29
Right of Use Assets	118.89	117.86
Intangible Assets	876.95	806.22
Total	6,383.22	6,408.37

Note 37: Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Consumption of stores and spare parts	640.53	668.72
Consumable Tools	1,584.63	463.10
Power and fuel	3,619.67	3,629.48
Rent	158.36	178.79
Hire Charges	988.28	956.37
Repairs & Maintenance		
Machinery & Equipment	596.24	547.45
Buildings	1,378.13	771.20
Others	1,366.42	1,169.95
Stationery	104.65	95.82
Insurance	1,039.86	892.75
Rates & Taxes	1,822.71	1,994.08
Bank guarantee fee and other charges	885.27	765.25
Communication expenses	307.04	334.44
Commission on sales	702.20	1,138.78
Remuneration to Auditors (refer note 'a' below)	28.07	28.45
Legal & Professional Charges	53.69	36.20
Interest on Gratuity Payment & Taxes	259.77	299.95
Travelling Expenses	1,510.51	1,135.79
Publicity & Public Relations	477.88	576.23
Loss on sale of property, plant and equipment	9.75	149.67
Provision for Obsolescence	2,678.05	332.45
Provision for Onerous contract	2,314.04	-
Defects & Spoilages	38.44	59.36
Works Contract Expenses	10,700.10	9,489.98
Expenses on Maintenance Contract	2,545.94	1,743.93
Sundry Direct Charges	15,535.71	3,841.46
Freight charges	4,373.87	7,083.04
Expenditure on CSR Activities	572.84	428.22
Provision for doubtful trade receivables & advances	2,338.23	391.16
Provision for Pending Legal cases	-	1.45
Warranty & Unexpired Obligations	4,541.14	4,336.67
Less: Transfers	(3,858.92)	(2,807.75)
Warranty & Unexpired Obligations	682.21	1,528.91
Liquidated damages & Penalty w/off	2,055.51	5,805.96
Foreign exchange loss / (gain)	-	-
Miscellaneous expenses	8,111.84	9,282.63
Total	69,480.45	55,821.03

a. Break up of Remuneration to Auditors :

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) As Auditor	16.79	16.54
(b) for taxation matter	3.27	3.27
(c) Other Services - Certification Fees	7.99	7.49
(d) Reimbursement of Expenses	0.02	1.15
Total	28.07	28.45

Note 38: Exceptional Items

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income		
Expenditure	-	-
Net Income / (Expenditure)	-	-

Note 39: Other Disclosures
A. Indian Accounting Standard (Ind AS) 33 - Earning per Share

Particulars	Current Year	Previous Year
Net Profit / (Loss) after Tax (₹ in Lakhs)	28,177.29	15,789.10
Average Number of Shares	4,16,44,500	4,16,44,500
Earnings Per Share (Basic and Diluted) – Face Value ₹ 10/- Per Share (Amount in ₹)	67.66	37.91

B. In terms of Notification No. S.O.802(E) dated 23-02-2018 of the Ministry of Corporate Affairs, the Board at its meeting held on 27.05.2016 has given consent with regard to non-disclosure of information as required under paragraphs 5(ii) (a) (1), 5(ii) (a) (2), 5(iii) and Para 5(viii) (a), (b), (c) and (e) of Part II to Schedule III of the Companies Act, 2013, in the Annual accounts for the Financial Year 2015-16 onwards.

C. Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures

In accordance with the requirements of Ind AS 24, following are details of the transactions during the year with related parties.

Name of the related party	Nature of relationship
Vignyan Industries Limited	Subsidiary
MAMC Industries Limited	Subsidiary
BEML Midwest Limited	Joint venture
BEML PF Trust	Employee benefit and administration trust fund
BEML Gratuity Trust	Employee benefit and administration trust fund
BEML Death-cum-Retirement Benefit Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Pension) Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Benefit) Trust Fund	Employee benefit and administration trust fund
Shri. Shantanu Roy - CMD	Key managerial personnel
Shri. Ajit Kumar Srivastav - Director (Defence)	Key managerial personnel
Shri. Anil Jerath - Director (Finance)	Key managerial personnel
Shri. Jai Gopal Mahajan - Company Secretary	Key managerial personnel

Transactions with related parties

1. The details of related party transactions entered into by the Company are as follows:

Name of the Joint Venture Company – M/s. BEML Midwest Limited, Hyderabad. Shareholding 45%.

Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Transactions during the year ended		
Sales	-	-
Purchases	-	-
Equity Investment held as on 31 March (at cost)	542.25	542.25
Outstanding balances		
Amount payable towards supplies as on	-	94.49

2. Remuneration to Key managerial personnel

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Shri. Shantanu Roy - Chairman and Managing Director **	76.72	8.28
Shri. Amit Banerjee - Chairman and Managing Director **	52.74	57.51
Shri. M. V. Raja Sekhar Director (Mining & Construction) *	-	45.64
Shri. Ajit Kumar Srivastav - Director (Defence)	58.22	49.63
Shri. Anil Jerath - Director (Finance)	55.35	49.61
Shri. G. Jawahar - Director (Human Resources)**	20.38	14.75
Shri. S.V.Ravi Sekhar Rao - Company Secretary *	-	30.05
Shri. Jai Gopal Mahajan - Company Secretary	51.07	20.23

* For part of the year in FY 2022-23.

** For part of the year in FY 2023-24.

3. Details of remuneration of key managerial personnel comprises the following:

(₹ in Lakhs)

Shri. Shantanu Roy - Chairman and Managing Director **	31 March 2024	31 March 2023
Short-term benefits	67.92	6.63
Post-employment benefits	5.18	0.85
Other long-term benefits	3.62	0.80
Termination benefits	-	-
Shri. Amit Banerjee - Chairman and Managing Director **	31 March 2024	31 March 2023
Short-term benefits	23.91	50.76
Post-employment benefits	1.35	3.92
Other long-term benefits	27.48	2.83
Termination benefits	-	-

(₹ in Lakhs)		
Shri. M. V. Raja Sekhar Director (Mining & Construction) *	31 March 2024	31 March 2023
Short-term benefits	-	41.94
Post-employment benefits	-	2.15
Other long-term benefits	-	1.55
Termination benefits	-	-
Shri. Ajit Kumar Srivastav - Director (Defence)	31 March 2024	31 March 2023
Short-term benefits	51.44	43.23
Post-employment benefits	3.95	3.78
Other long-term benefits	2.83	2.62
Termination benefits	-	-
Shri. Anil Jerath - Director (Finance)	31 March 2024	31 March 2023
Short-term benefits	48.68	43.55
Post-employment benefits	3.93	3.59
Other long-term benefits	2.74	2.47
Termination benefits	-	-
Shri. G. Jawahar - Director (Human Resources)**	31 March 2024	31 March 2023
Short-term benefits	16.47	12.68
Post-employment benefits	2.19	1.22
Other long-term benefits	1.72	0.85
Termination benefits	-	-
Shri. S.V.Ravi Sekhar Rao - Company Secretary *	31 March 2024	31 March 2023
Short-term benefits	-	28.37
Post-employment benefits	-	0.98
Other long-term benefits	-	0.70
Termination benefits	-	-
Shri. Jai Gopal Mahajan - Company Secretary	31 March 2024	31 March 2023
Short-term benefits	45.43	17.89
Post-employment benefits	3.31	1.53
Other long-term benefits	2.33	0.81
Termination benefits	-	-
Total	31 March 2024	31 March 2023
Short-term benefits	253.85	245.05
Post-employment benefits	19.91	18.02
Other long-term benefits	40.72	12.63
Termination benefits	-	-

* For part of the year in FY 2022-23.

** For part of the year in FY 2023-24.

4. Considering the wide scope of the definition of Related Party under section 2(76), Relative under section 2(77) and Key Managerial Personnel under section 2(51) of Companies Act, 2013 and the requirement under Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the disclosure with respect to Related Party transactions has been restricted to Subsidiary / Joint Venture / Associate companies and to any other Related Party as declared by Directors and Key Managerial Personnel. Accordingly, the compliance with Related Party Transactions under section 188, Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been made to the extent data is available with the Company.

D. Indian accounting standard (IND AS) 37-Provisions, Contingent liabilities and Contingent Assets
I. Contingent liabilities

- a. Claims against the Group not acknowledged as debts
 - i Disputed statutory demands (Customs Duty, Central Excise, Service Tax, Sales Tax/VAT etc.) - ₹ 20176.22 lakhs (Previous Year ₹ 51432.35 Lakhs)
 - ii Other claims- legal cases etc. ₹ 15784.82 Lakhs (Previous Year ₹ 14936.45 Lakhs)
- b. Other money for which the company is contingently liable - ₹ Nil (Previous Year - ₹ Nil).

In respect of M/s VIL-

A Summary of the Demand Order No. 01/2024-25 dated 03-04-2024 in Form GST DRC-07 has been issued by Central Tax Department from C:MYSURU > D:HASSAN DIVISION > R:CHIKKAMAGALURU NORTH RANGE. for ₹55.54 Lakhs. However, the Company is in the process of appealing to Commissioner of GST, Mysore within the due time. Hence no provision is made in the Accounts as at 31.03.2024 in this regard..

II. Commitments

- a. Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 3904.90 Lakhs (Previous Year ₹ 1838.33 Lakhs).
- b. Uncalled liability on shares and other investments partly paid - ₹ Nil (Previous Year - ₹ Nil).
- c. Other commitments (specify nature) - ₹ Nil (Previous Year - ₹ Nil).

Notes

1. The Group does not expect any cash outflow in respect of above contingent Liabilities.
2. It is not practicable to estimate the timing of cash flows, if any, in respect of matters referred in I (a) above pending resolutions of the arbitration / appellate proceedings.

E. Aggregate amount of Research & Development Expenses:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Revenue Expenditure	8,289.84	7,104.63
Capital Expenditure	381.14	349.52

The aggregate amount of Research & Development expenditure recognised as expenses during the period is as below:

a. Research & Development Revenue Expenditure:

(₹ in Lakhs)

Expenditure in R&D included in	For the year ended 31 March 2024	For the year ended 31 March 2023
Material Cost	208.53	127.48
Employee Remuneration	5,908.93	5,519.03
Depreciation	997.65	929.56
Power and Fuel	133.84	120.38
Repairs and Maintenance	35.72	33.45
Consumable Tools	0.32	0.57
Travelling	145.34	89.80
Other Expenses	1,857.16	1,213.92
Total R&D Revenue Expenditure	9,287.49	8,034.19
Less: Depreciation	997.65	929.56
Net R & D Expenditure	8,289.84	7,104.63

The aggregate amount of Research & Development Expenditure recognised as Capital Expenditure till 31st March 2024 is as below.

b. Research & Development Capital Expenditure

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation, amortisation and impairment				Net Carrying value	
	As at 01.04.2023	Additions during the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 01.04.2023	For the period	Deduction / Re-classification & Adjustments during the period	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Property, Plant and Equipment										
Land										
Free Hold	3.29	-	-	3.29	-	-	-	-	3.29	3.29
Lease Hold	-	-	-	-	-	-	-	-	-	-
Buildings	178.54	49.00	-	227.54	72.01	5.66	0.20	77.88	149.66	106.53
Plant and Equipment	1,780.43	38.69	115.67	1,934.79	936.15	164.37	115.58	1,216.10	718.69	844.28
Furniture & Fixtures	130.56	30.60	15.48	176.63	90.42	13.92	4.93	109.28	67.35	40.13
Vehicles										
Given on Lease	149.27	1.34	(0.42)	150.19	87.83	6.38	11.22	105.43	44.76	61.44
Own Use	-	-	-	-	-	-	-	-	-	-
Office Equipment	32.24	2.86	38.47	73.57	4.42	1.39	42.24	48.05	25.52	27.82
Roads & Drains	1.64	-	-	1.64	1.64	-	-	1.64	-	-
Water Supply Installations	0.12	-	-	0.12	0.05	0.01	-	0.05	0.07	0.07
Electrical Installation	268.95	2.12	8.42	279.49	127.52	23.77	11.35	162.64	116.85	141.43
Computers and Data processing units	908.19	194.85	229.42	1,332.45	737.56	86.18	178.61	1,002.35	330.10	170.62
Intangible Assets										
Software	2,549.25	61.68	(15.39)	2,595.54	2,116.10	230.58	(18.81)	2,327.87	267.67	433.15
Technical Knowhow	5,758.27	-	236.40	5,994.67	4,186.32	465.38	236.21	4,887.91	1,106.76	1,571.95
Total	11,760.74	381.14	628.05	12,769.93	8,360.02	997.65	581.53	9,939.20	2,830.73	3,400.72
Previous Year	11,676.78	349.52	(265.56)	11,760.74	7,604.31	929.55	(173.84)	8,360.02	3,400.72	4,072.48

F. Ind AS 108 (Operating Segments)

Vide Notification No. S.O.802(E) dated 23-02-2018 issued by Ministry of Corporate Affairs, exempted companies engaged in Defence Production from segmental disclosure as required under Ind AS 108 (Operating Segments), accordingly the disclosure requirements under Ind AS 108 has not been made.

G. Advances, Balances with government departments, Trade Payables and receivables, Other loans and advances and deposits classified under non current and current are subject to confirmation and reconciliation. There are certain old balances pending review / adjustment. The management does not expect any significant impact upon such reconciliation.

H. Figures of previous year have been regrouped/ reclassified/ recast wherever necessary to conform to current year's presentation.

I. Disclosures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements), the required information is given as under:

(₹ in Lakhs)

Particulars	Amount as on		Maximum amount outstanding during the year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
i. Loans and Advances in the nature of loans:				
A. To Subsidiary Companies	-	-	-	-
B. To Associates / Joint Venture	-	-	-	-
C. To Firms / Companies in which directors are interested	-	-	-	-
D. Where there is no repayment schedule or repayment beyond seven year or no interest or interest below section 186 of Companies Act, 2013	-	-	-	-
ii. Investment by the loanee (as detailed above) in the shares of BEML and its subsidiaries	-	-	-	-

J. Ind AS 116 - Leases

a) The Group as a lessee

The Group's significant leasing arrangements are in respect of operating leases and in respect of its leased office premises. These lease arrangements, run for a period of 3 Years to 10 Years and are generally renewable by mutual consent.

Future minimum lease payments under non-cancellable operating leases are summarised below:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Not later than one year	0.78	0.28
Later than one year but not later than five years	1.79	1.12
Later than five years	-	-
Total operating lease commitments	2.57	1.40

b) The Group as a lessor

The Group provides cars to employees who are eligible and enrol into such a scheme after completion of a specific period of service. Such leases are non-cancellable in nature and have been classified as operating leases.

Below are the details of carrying amounts of such vehicles recorded as property, plant and equipment:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Carrying value of assets	600.64	685.24
Accumulated depreciation	242.85	218.48
Depreciation expense during the year	84.73	106.07

Future minimum lease receipts under non-cancellable operating leases in respect of leased cars are summarised below:

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Not later than one year	47.39	66.20
Later than one year but not later than five years	217.69	273.74
Later than five years	101.44	151.60
Total operating lease commitments	366.52	491.54

c) Lease income and expenditure

The gross amounts of operating lease income and expenditure recognised in profit or loss is as below.

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Lease income	86.66	73.43
Lease expenses	158.36	178.79

(₹ in Lakhs)

Impact of IND AS 116 - RoU Assets	31 March 2024	31 March 2023
Depreciation on RoU Assets during the year	118.89	117.86
Finance Cost of Lease Liability	86.07	91.00
Gross value of RoU Assets	1,178.32	1,196.25
Net Book Value of RoU Assets	862.64	926.27
Lease Liability as of 31st March	1,031.55	1,061.67
Impact on Profitability in the current year	(36.83)	(44.27)

K. Fair values and measurement principles

a) The carrying value and fair value of financial instruments by category are as follows: (₹ in Lakhs)

Particulars	31 March 2024		31 March 2023	
	Carrying amounts		Carrying amounts	
	Fair value through profit or loss	Other Financial Assets - Amortised Cost	Fair value through profit or loss	Other Financial Assets - Amortised Cost
Financial assets measured at fair value:				
Forward exchange contracts	-	-	-	-
	-	-	-	-
Financial assets not measured at fair value:				
Loans	-	445.03	-	115.89
Trade receivables	-	1,43,918.70	-	1,23,670.02
Cash and cash equivalents	-	802.47	-	909.89
Other financial assets	-	473.32	-	620.19
	-	1,45,639.52	-	1,25,315.99
Financial liabilities measured at fair value:				
Forward exchange contracts	-	-	-	-
	-	-	-	-
Financial liabilities not measured at fair value:				
Borrowings	-	6,056.10	-	37,083.50
Trade payables	-	75,961.82	-	67,830.71
Other financial liabilities	-	3,187.25	-	2,707.27
	-	85,205.17	-	1,07,621.49

The Group has not disclosed the fair values for financial instruments, because their carrying amounts are a reasonable approximation of fair value.

b) The following table shows the fair values of assets and liabilities including their levels in the fair value hierarchy. It does not include fair value information for assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The Group's use of quoted market prices (Level 1), valuation model using observable market information as inputs (Level 2) and valuation models without observable market information as inputs (Level 3) in the valuation of securities and contracts by type of issuer was as follows:

(₹ in Lakhs)

Particulars	31 March 2024			31 March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-
Financial liabilities measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-

c) Measurement of fair values

Valuation techniques and significant unobservable inputs:

Particulars	Valuation technique	Significant unobservable inputs
Forward exchange contracts	The fair values is determined using unquoted forward exchange rates at the reporting date.	Not applicable

d) Transfers between the fair value hierarchy

There were no transfers in either direction in the fair value hierarchy during the year 2023-24.

L. Financial risk management

The Group is broadly exposed to credit risk, liquidity risk and market risk as a result of financial instruments.

The Group's Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Group's risk management framework. Treasury Management Team in the Group takes appropriate steps to mitigate financial risks within the framework set by the top management. Derivative transactions are undertaken by a specialist team with appropriate skills and experience. Group do not trade in derivatives for speculation.

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The Group regularly follow up the receivable to minimise losses arising from credit exposure from credit customers. Credit control assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Deposits and cash balances are placed with reputable scheduled banks.

The carrying amount of financial assets represents the Group's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base. Major Customers of the Group are from Government Sector and Public Sector Companies, where credit risk is relatively low.

The management has established a system under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, and in some cases bank references.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables based on factual information as on the Balance sheet date.

The maximum exposure to credit risk for trade receivables by geographic region was as follows.

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
India	1,38,152.81	1,19,857.90
Other regions	5,765.89	3,812.12
Total trade receivables	1,43,918.70	1,23,670.02

As at 31 March 2024, the Group's most significant customer, accounted for ₹44891.00 Lakhs of the trade receivables carrying amount (Previous Year - ₹28603.00 Lakhs).

The movement in the loss allowance for impairment of trade receivables are disclosed in Note No. 14.

Any past due from Government Customers and those fully covered by guarantees or collaterals received are not tested for impairment.

The credit quality of the financial assets is satisfactory, taking into account the allowance for doubtful trade receivables.

The Group has not received any collaterals for receivables as at reporting date.

The impairment loss allowance at 31 March 2024 related to several customers that have indication that they may not pay their outstanding balances. The Group believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on the fact that major customers are Government department, PSUs and historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or the risk that the Group will face difficulty in raising financial resources required to fulfil its commitments. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity risk is maintained at low levels through effective cash flow management, low borrowings and availability of adequate cash. Cash flow forecasting is performed internally by forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and to comply with loan covenants.

To ensure continuity of funding, the Group primarily uses short-term bank facilities in the nature of bank overdraft facility, cash credit facility and short-term borrowings to fund its ongoing working capital requirements needs. The Group has also availed various non-current facilities in the form of secured redeemable debentures, secured term loans, inter-corporate loans against the Group's guarantee and soft loans from the Government for expansion projects and construction and development of capital assets.

Exposure to liquidity risk

The table below details the Group's remaining contractual maturity for its financial liabilities and derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities and derivative financial liabilities based on the earliest date on which the Group can be required to pay.

(₹ in Lakhs)

Particulars	Contractual cash flows			Adjustments	Carrying amount
	1 year or less	1 year to 5 years	5 years or more		
31 March 2024					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	6,141.09	-	-	-	6,141.09
Trade payables	75,961.82	-	-	-	75,961.82
Other financial liabilities	3,187.25	-	-	-	3,187.25
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	85,290.16	-	-	-	85,290.16
31 March 2023					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	37,166.55	-	-	-	37,166.55
Trade payables	67,830.71	-	-	-	67,830.71
Other financial liabilities	2,707.27	-	-	-	2,707.27
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	1,07,704.54	-	-	-	1,07,704.54

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity / commodity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk). The Group enters into forward derivative contracts to manage risks of loss arising due to foreign exchange exposure. During the year ended 31 March 2024, there was no change to the manner in which the Group managed or measured market risk.

(iv) Currency risk

Foreign currency risk is the risk arising from exposure to foreign currency movement that will impact the Group's future cash flows and profitability in the ordinary course of business. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities from procuring or selling in foreign currencies and obtaining finance in foreign currencies.

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date.

The Group does not use derivative financial instruments for trading or speculative purposes. Following is the information on derivative financial instruments to hedge the foreign exchange rate risk as on date are as below:

31 March 2024

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy / Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

31 March 2023

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy / Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

Exposure to currency risk

The currency profile of financial assets and financial liabilities as on dates are as below:

(₹ in Lakhs)

Particulars	INR	USD	EURO	JPY	CNY	SEK	GBP	SGD	CHF	ZAR
31 March 2024										
Financial assets (A)										
Cash and cash equivalents	499.50	-	309.31	(6.34)	-	-	-	-	-	-
Trade receivables	1,38,152.81	3,863.41	1,902.48	-	-	-	-	-	-	-
Financial liabilities (B)										
Trade payables	67,758.16	897.05	7,748.21	3,646.85	136.43	-	-	22.56	-	-
Other current financial liabilities	2,125.52	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	-	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	68,768.63	2,966.36	(5,536.42)	(3,653.19)	(136.43)	-	-	(22.56)	-	-
31 March 2023										
Financial assets (A)										
Cash and cash equivalents	451.94	-	425.70	32.26	-	-	-	-	-	-
Trade receivables	1,19,857.90	3,595.20	216.92	-	-	-	-	-	-	-
Financial liabilities (B)										
Trade payables	61,231.73	2,617.17	2,280.17	659.28	691.28	-	331.73	17.41	1.95	-
Other current financial liabilities	1,613.67	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	10,000.00	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	47,464.44	978.02	(1,637.55)	(627.02)	(691.28)	-	(331.73)	(17.41)	(1.95)	-

The following significant exchange rates have been applied during the year.

(values in ₹)

Particulars	Average rate		Year-end spot rate	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
USD	-	-	83.9500	82.7400
EUR	-	-	91.5100	90.8700
JPY	-	-	0.5576	0.6263
GBP	-	-	106.6900	103.2000

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars, Euro, Japanese Yen, the Pound and other currencies at 31 March 2024 and 31 March 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(₹ in Lakhs)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
1% movement				
USD	(29.66)	29.66	(22.20)	22.20
EUR	55.36	(55.36)	41.43	(41.43)
JPY	36.53	(36.53)	27.34	(27.34)
CNY	1.36	(1.36)	1.02	(1.02)
SEK	-	-	-	-
GBP	-	-	-	-
SGD	0.23	(0.23)	0.17	(0.17)
CHF	-	-	-	-
ZAR	-	-	-	-
31 March 2023				
1% movement				
USD	(9.78)	9.78	(7.32)	7.32
EUR	16.38	(16.38)	12.25	(12.25)
JPY	6.27	(6.27)	4.69	(4.69)
CNY	6.91	(6.91)	5.17	(5.17)
SEK	-	-	-	-
GBP	3.32	(3.32)	2.48	(2.48)
SGD	0.17	(0.17)	0.13	(0.13)
CHF	0.02	(0.02)	0.01	(0.01)
ZAR	-	-	-	-

(v) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

Exposure to interest rate risk

The Group's interest rate risk arises from borrowings and loans made. Borrowings availed at fixed rates expose the Group to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

(₹ in Lakhs)

Particulars	Carrying amount	
	31 March 2024	31 March 2023
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in Lakhs)

Particulars	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2024				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2023				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

(vi) Equity and commodity price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices of investments. The Group has no exposure to changes in the quoted equity securities price risk as it has investments in unquoted equity instruments only. The Group does not invest in commodities and is not exposed to commodity price risk.

M. Capital Management

The Group strives to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The board of directors seeks to maintain a balance between the higher returns and levels of borrowings and the advantages and security afforded by a sound capital position.

The Group's adjusted net debt to equity ratio is as follows. (₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Total borrowings 1	6,056.10	37,083.50
Less: Cash and bank balances 2	(802.47)	(909.89)
Adjusted net debt	5,253.63	36,173.61
Total equity	2,66,753.52	2,42,108.22
Less: Other components of equity	(42.35)	(38.42)
Adjusted equity	2,66,795.87	2,42,146.64
Adjusted net debt to adjusted equity ratio	0.02	0.15

1 Total borrowings comprises of long-term borrowings, short-term borrowing and bank overdraft facilities.

2 Cash and bank balances comprises of cash in hand, cash at bank and term deposits with banks excluding consortium member balances in ESCROW account, as disclosed under Note 15 (b) and balances with bank as unclaimed dividend.

N. Derivatives
Derivatives not designated as hedging instruments

The Group uses foreign currency forward contracts to manage its exposure to foreign currency fluctuations. These forward contracts are used to hedge foreign currency payables and other future transactions. However, these foreign exchange forward contracts are not designated as qualifying hedge instruments and are entered into for periods consistent with foreign currency exposure of the underlying transactions, and are generally for a term of 3 months to 12 months.

The Group has following outstanding forward contracts as on

31 March 2024: JPY Nil (INR Nil) [Previous Year - JPY Nil (INR Nil)]

31 March 2024: EUR Nil (INR Nil) [Previous Year - EUR Nil (INR Nil)]

31 March 2024: USD Nil (INR Nil) [Previous Year: USD NIL (INR Nil)]

The fair value of foreign currency forward derivative is as below:

(₹in Lakhs)

Particulars	31 March 2024	31 March 2023
	INR	INR
Derivative assets		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-
Derivative liabilities		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-

The Company has unhedged foreign currency exposure of ₹ 23753.33 Lakhs (31 March 2023: ₹ 9931.16 Lakhs) for payables as at reporting date.

The Group has applied the principles of Ind AS 109 for the measurement of derivative financial instruments and has classified such derivative contracts as at fair value through profit or loss.

Disclosures for Ratios :

Description of the ratio	Explanation of the items included in numerator and denominator	Period / Year ended	Numerator	Denominator	Ratio	% Variance	Explanation for variance
(a) Current ratio	Current assets / Current liabilities	Mar-24	4,64,676.85	1,88,682.64	2.46	3%	-
		Mar-23	4,25,417.53	1,78,629.13	2.38		
(b) Debt-equity ratio	Total debt / Shareholder's equity	Mar-24	6,056.10	2,66,753.52	0.02	-87%	Due to improvement in Debtors realization, Borrowings have reduced. Hence the change in ratio.
		Mar-23	37,083.50	2,42,108.22	0.15		
(c) Debt service coverage ratio	Earnings available for debt service / Debt service	Mar-24	48,447.89	3,902.20	12.42	48%	
		Mar-23	38,803.92	4,624.55	8.39		
(d) Return on equity ratio ('ROE')	Net profits after taxes / Average shareholder's equity	Mar-24	28,177.29	2,54,430.87	0.11	57%	
		Mar-23	15,789.10	2,33,694.63	0.07		
(e) Inventory turnover ratio	Cost of goods sold / Average inventory	Mar-24	3,96,537.90	2,15,865.65	1.84	-2%	For this ratio, revenue from operation considered is sale of products & services.
		Mar-23	3,79,972.99	2,03,456.55	1.87		
(f) Trade receivables turnover ratio	Net credit sales / Average accounts receivable	Mar-24	4,61,863.95	1,33,794.36	3.45	8%	For this ratio, revenue from operation considered is sale of products & services (incl. GST)
		Mar-23	4,39,067.64	1,37,241.37	3.2		
(g) Trade payables turnover ratio	Net credit purchases / Average trade payables	Mar-24	2,26,289.24	71,896.26	3.15	0%	-
		Mar-23	2,10,640.81	67,041.77	3.14		
(h) Net capital turnover ratio	Net sales / Average working capital	Mar-24	3,96,537.90	2,61,391.30	1.52	4%	For this ratio, revenue from operation considered is sale of products & services.
		Mar-23	3,79,972.99	2,59,587.70	1.46		
(i) Net profit ratio	Net profit / Net sales	Mar-24	28,177.29	3,96,537.90	0.07	75%	For this ratio, revenue from operation considered is sale of products & services.
		Mar-23	15,789.10	3,79,972.99	0.04		
(j) Return on capital employed ('ROCE')	Earning before interest and taxes / Capital employed	Mar-24	42,064.67	3,55,852.24	0.12	20%	
		Mar-23	32,395.55	3,22,349.00	0.10		
(k) Return on investment ('ROI')	Net Profit / Share capital	Mar-24	28,177.29	2,66,753.52	0.11	57%	
		Mar-23	15,789.10	2,42,108.22	0.07		
(l) Asset turnover ratio	Total Income	Mar-24	409656.24	544534.88	0.75	-4%	
	Total Assets	Mar-23	392253.98	500978.14	0.78		
(m) EBITDA as a % of Revenue	EBITDA	Mar-24	48447.89	409656.24	0.12	20%	
	Revenue	Mar-23	38803.92	392253.98	0.1		
(n) Trade receivables as number of days of revenue from Operation	(Trade receivables/ Revenue from Operation) * 365	Mar-24	1,43,918.70	4,61,863.95	113	11%	For this ratio, revenue from operation considered is sale of products & services (incl. GST)
		Mar-23	1,23,670.02	4,39,067.64	102		
(o) Exports as a percentage of Revenue from Operation	(Exports/Revenue from Operation)	Mar-24	1,06,562.55	3,96,537.90	27%	23%	For this ratio, revenue from operation considered is sale of products & services.
		Mar-23	83,013.14	3,79,972.99	22%		
(p) Imports as a percentage of Revenue from Operation	(Imports/Revenue from Operation)	Mar-24	61,223.51	3,96,537.90	15%	-12%	For this ratio, revenue from operation considered is sale of products & services.
		Mar-23	64,858.85	3,79,972.99	17%		

O Additional Disclosures :

- i. The group does not hold any benami property held under the Benami Transaction (prohibition) Act, 1988 (clause 45), hence the reporting clause on benami property is not applicable.
- ii. The group does not fall under the willful defaulter category, hence the reporting clause on willful defaulter is not applicable.
- iii. The group has not transacted with struck off companies in MCA during the year.
- iv. The group has complied with creation of charge and satisfaction of charge within the due dates and hence there are no non-compliances to report.

v. Disclosures to CSR Activities

(₹ in Lakhs)

Particulars	Amount
(a) amount required to be spent during the year,	376.37
(b) amount of expenditure incurred,	572.84
(c) shortfall at the end of the year,	-
(d) total of previous years shortfall,	-
(e) reason for shortfall,	-

(f) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately

1. Donation for Providing Education to Local Population
2. Free Mobile Medical Service
3. Donation for Providing Financial Assistance for improving Medical Facilities at Govt. Family Health centre, Kerala
4. Donation for Development & living in slums upliftment of children, Mumbai
5. Donation for Improvement of infrastructure facilities at Govt primary school, Mysore
6. Plantation of 2500 trees at ARMY Ammunition Depot, Jaipur
7. Enhancing Employability through Vocational and Skill Development Training among under privileged youth, Andhra Pradesh
8. Donation to Nation wise quiz conducted by Indian Army.
9. Distribution of solar LED tube lights to Parichay Foundation.
10. Contribution to Armed Forces Flag Day Funs.

(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-

- vi. There are no charges or satisfaction pending to be registered with ROC beyond statutory period.
- vii. Group has complied with the number of layers as prescribed under section 2(87) of Companies Act read with the companies (Restriction on number of layers).

viii. During the current year as well as previous year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

During the current year as well as previous year, no funds have been received by the group from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix. BEML Land Assets Limited (BLAL) has been incorporated for demerger of BEML non-core assets as per Govt. of India directives. Currently there are no transactions in BLAL books of accounts and hence BLAL does not have any significant accounting policy.

As per our report of even date attached

**For G Natesan & Co
Chartered Accountants**

Firm Registration Number: 002424S

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

Place : Mysore

Date : 12.05.2024

For and on behalf of the Board of Directors

Sd/-

ANIL JERATH

Director (Finance)

(DIN 09543904)

Sd/-

SHANTANU ROY

Chairman & Managing Director

(DIN 10053283)

Sd/-

JAI GOPAL MAHAJAN

Company Secretary

Form AOC-I
Part "A" : Subsidiaries

Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 relating to Subsidiaries

Sl. No.	Name of Subsidiary Company	Vignyan Industries Limited	MAMC Industries Limited
1	Reporting period of the Subsidiary Company	31.03.2024	31.03.2024
2	Reporting currency of Foreign Subsidiary	-	-
3	Exchange rate as on 31.03.2024	-	-
4	Share Capital (₹ in Lakhs)	278.97	5.00
5	Reserves & Surplus (₹ in Lakhs)	2,634.68	(190.65)
6	Total Assets (₹ in Lakhs)	4,271.64	422.06
7	Total Liabilities (₹ in Lakhs)	1,357.99	607.71
8	Investments (₹ in Lakhs)	-	-
9	Turnover Gross (₹ in Lakhs)	-	-
10	Profit before taxation (₹ in Lakhs)	(114.37)	(10.25)
11	Provision for taxation (₹ in Lakhs)	-	-
12	Profit after taxation (₹ in Lakhs)	(114.37)	-10.25
13	Proposed Dividend	-	-
14	% of Shareholding	96.56%	100.00%

Note:

- a. MAMC Industries Ltd is yet to commence operation.
- b. As per CCEA approval dtd 8th September 2021, M/s Vignyan Industries Ltd, a subsidiary of BEML is under Voluntary Liquidation and Official Liquidator has been appointed on 11.10.2021. Movable assets have been disposed off and disposal of immovable assets is in progress. Dues of employees of VIL have been settled. As on 31.03.2024 there are no employees on the rolls of M/s VIL.

Part "B" : Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associate / Joint Ventures	BEML Midwest Limited
1	Latest audited Balance Sheet Date	-
2	Shares of Associate / Joint Ventures held by the company on the year end No.	5422500
	Amount of Investment in Associates / Joint Venture	₹ 542.25 Lakhs
	Extend of Holding %	45.00%
3	Description of how there is significant influence	Investment in the equity to the extent of 45% paid-up capital is considered to be significant influence.
4	Reason why the associate / joint venture is not consolidated	There was complete cessation of activities in M/s. BEML Midwest Ltd., the JV company since Sept. 2008 and the matters relating to the JV company are subjudice. In view of the above, the JV company has not prepared its accounts and thus the same could not be consolidated.
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	Not Available
6	Profit / Loss for the year	
	i. Considered in Consolidation	Not Applicable
	i. Not Considered in Consolidation	Not Applicable

As per our report of even date attached

For G Natesan & Co

Chartered Accountants

Firm Registration Number: 002424S

Sd/-

CA. K MURALI

Partner

Membership No.: 024842

For and on behalf of the Board of Directors

Sd/-

ANIL JERATH

Director (Finance)

(DIN 09543904)

Sd/-

SHANTANU ROY

Chairman & Managing Director

(DIN 10053283)

Sd/-

JAI GOPAL MAHAJAN

Company Secretary

Place : Mysore

Date : 12.05.2024

INDEPENDENT AUDITOR'S REPORT

We are issuing this revised audit report which supersedes our earlier report dated 12.05.2024 concurring to the opinion of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013.

To the Members M/s BEML Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of M/s.BEML Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March 2024, and the consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of Significant Accounting Policy Information and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, subject to the significance of the matter discussed in the Basis for Qualified opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard)

Rules, 2015 as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

We draw attention to Note. No:7 of the consolidated Ind AS financial statements relating to the investment of the holding company in BEML Mid-West Ltd., a joint venture company (Associate). The financial information of the said joint venture company has not been consolidated due to non-availability of financial statements. Liquidation process has been initiated by NCLT.

The impact of the liquidation on the holding company is presently indeterminate. The holding company has made 100% provision for the diminution in the value of its investment in the associate.

As per the accounting principles, the financial statements of this joint venture should have been consolidated using proportionate consolidation method. The effects on the consolidated Ind AS financial statements, of the failure to consolidate this Joint Venture Company, net of provision for diminution already made in the value of the investment, has not been determined.

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the

Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report.

We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other Ethical Responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note No. 11 to the consolidated Ind AS financial statements regarding the holding company’s outlay on the MAMC Consortium.

We draw attention to of Note 3B(ix)(a) to the consolidated Ind AS financial statements regarding possibility of surrender of the leased land due to non-compliance by the subsidiary company MAMC Industries Ltd to the terms of allotment by the Government of West Bengal.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue Recognition: Sale and Service Contracts:</p> <p>The principal products of the Holding Company are varied and have usage in various sectors such as defense, mining & construction and metro rail/conventional railways.</p> <p>Recognition of sale contracts vary from “at a point in time” to “over a period of time” and some on “bill and hold” terms. The recognition milestones and Inco Terms differ between contracts. Amendments to original contracts add to the complexity.</p> <p>We identified revenue recognition as a key audit matter because,</p>	<ol style="list-style-type: none"> 1. Assessed the appropriateness of the revenue recognition policies of the holding company and whether its adoption is as per the covenants of the respective sale contracts and applicable accounting standards. 2. Evaluated the design of key controls and operating effectiveness of the relevant key controls with respect to revenue recognition, on selected transactions. 3. Performed substantive testing by selecting samples of revenue transactions recorded during the year by evaluating the underlying documents.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>a. The Holding Company and its external stakeholders focus on revenue as a key performance indicator.</p> <p>b. Such focus creates an incentive for revenue to be overstated or recognised before the holding company satisfies its contractual performance obligations.</p> <p>c. Certain performance obligations which do not relate to the core activity of the holding company but form part of the deliverables, make the time and value of recognition a complicated subject.</p> <p>Thus, revenue recognition is a Key Audit Matter.</p> <p>Refer: <i>Note Nos. 30 and Item No.2.2 A of Accounting Policy.</i></p>	<p>4. Tested the revenue transactions recorded nearer to the financial year end date by verifying the underlying documents to determine whether the revenue had been recognized in the appropriate financial period.</p> <p>5. Tested the assumptions made by the management in determining full or proportionate revenue recognition in respect of contracts completed over a period of time by verifying appropriate evidence.</p> <p>6. Validated the application of input cost method to value the contract assets arising out of metro contracts to conform correctness and completeness of cost booking.</p> <p>7. Validated the “bill and hold” principles adopted by the holding company with the paper trails available with the company.</p> <p>8. Examined satisfaction of performance obligations and recognition of revenue in respect of recognitions based on milestone achievements in the context of the overall sale contract.</p> <p>Our audit approach did not reveal any non-compliance with the company’s declared accounting policies, GAAP and Ind AS.</p>

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Inventories:</p> <p>Audit of Inventories comprise:</p> <ol style="list-style-type: none"> a. Physical verification b. Confirmation of third-party holdings c. Valuation d. Obsolescence <p>Some of the inventories held by the holding company are custom-made and of high value. The raw materials pass through different processes and evolve as Components, Semi-finished goods, Work-in-Progress and reach the stage of Finished Goods.</p> <p>Certain processes are outsourced where materials are given to third parties for processing and return.</p> <p>The holding company's products have evolved over the years due to design changes, market requirements and technological advancements. Therefore, the marketability of materials, spares and components of discontinued models required to be validated for obsolescence.</p> <p>The valuation of inventories in accordance with IND AS considering all relevant costs required a detailed audit process, including the charging of overheads.</p> <p>The application of the declared policy on obsolescence and its appropriateness also needed to be validated.</p>	<p>Principal Audit procedures performed include:</p> <ol style="list-style-type: none"> 1. System and internal controls are evaluated to ensure that there are no recording delinquencies with respect to time, quantity and item. 2. The variances between planned and actual consumption, both in value and quantity, were flagged for high values and explanations were obtained. 3. Applied audit procedures to validate the physical availability of the inventories as supported by physical verification reports of the management teams. 4. Perused third party confirmations and physical verification reports, and matched with the company's records. Variances if any, are reduced from inventory values. 5. Sample checking of valuation methodology by the system was done through manual validation for the material portion of the inventory. 6. Methodology of loading actual overheads to the inventory values were validated and confirmed to be in tune with costing principles.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Inventories form a major portion of the total of the Consolidated Balance Sheet. The focus on inventories is thus significant in the audit process and a Key Audit Matter.</p> <p>Please refer Note No.12 and Accounting Policy No.M. The total inventories held as at 31.03.2024 is ₹2,25,590.38 lakhs</p>	<p>7. The policy of recognizing redundancy of materials (Accounting policy No. M) and Management's override of such policy was tested with appropriate evidences to conform that such policies as well as the override are reasonable and in tune with technical assessments market conditions.</p> <p>Our audit approach did not reveal any non-compliance with the holding company's declared accounting policies, GAAP and Ind AS.</p>
<p>New Product Development:</p> <p>The holding company is involved in development of a new product under a customer contract where different milestones have been prescribed for revenue recognition.</p> <p>The development process is spread over different financial years and consequently revenue recognition.</p> <p>Design and product specifications are sourced from a foreign vendor and materials are majorly sourced from local vendors.</p> <p>The development involves creation of PPE, though part of the deliverables, is expected to be used by the company for future operations and cannot be physically removed from the place of installation.</p> <p>There is a time lag between the date of the contract and actual time of its execution leading to costs variances, without any variation in price. This leads to assessment of profitability of the contract as a whole.</p>	<p>Principal Audit procedures performed include:</p> <ol style="list-style-type: none"> 1. Understanding the basic covenants of the customer contract customer vis-à-vis the milestones specified for revenue recognition. 2. Ascertaining the various cost components of the development process. 3. Understanding the covenants with the foreign vendor and the specified milestones for recognition of expenditure and liability. 4. Applied audit procedures to validate that material issues and other direct expenditure of the development project are appropriately charged to the project. 5. Ascertained the total cost of the project, validated the costs that are actually incurred and costs that are contracted to be incurred through issue of purchase contracts.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The development is in progress where part of the costs is incurred and part of the costs are estimated.</p> <p>The factors</p> <ol style="list-style-type: none"> a. the process of ascertaining overall cost of the project vis-à-vis the contract price, b. The ongoing nature of the project c. the nature of PPE being created whether to be classified as a capital asset or revenue expenditure, d. ascertaining whether the overall project requires recognition of any onerous provision. <p>make this product development activity a Key Audit Matter.</p>	<ol style="list-style-type: none"> 6. Applied appropriate audit procedures and obtained technical certification and explanations about the nature of costs to be incurred and estimated values. 7. Obtained technical explanations and justification for the proposed future use of the PPE being created for future use of the company. <p>Our audit procedures as detailed above has not revealed any.</p> <ol style="list-style-type: none"> a. incorrect revenue recognition, b. deficiency in cost booking and c. incorrect capitalisation

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements, standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section

134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including consolidated other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and its associate, in accordance with the IND AS specified under section 133 of the Act and accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the

Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associate are responsible for overseeing the financial reporting process of the Group and its associate.

Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

- As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements of the Group and its Associate, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk

of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group and its Associate has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the holding company.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its Associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associate to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit

and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated Ind As financial statements include the audited financial statements of two subsidiaries whose financial information reflect total assets of ₹4,693.74 lakhs as at March 31, 2024, total revenues of ₹12.43 lakhs, net loss of ₹124.62 lakhs for the year ended March 31, 2024. The financial statements of the two subsidiaries have not been audited by us. The financial statements of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures

included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

The comparative financial information of the holding company for the year ended 31st March 2023 have been audited by another auditor. The report of the predecessor auditor on the comparative financial information dated 17th July 2023 expressed a modified opinion.

In respect of an erstwhile associate company M/s. BEML BRAZIL INDUSTRIAL LTDA ("BBIL") which was dissolved in accordance with laws of Brazil in May 2019, the procedure for closure of Unique Identification Number (UIN) issued by RBI has been initiated and pending with RBI.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and regarding BBIL.

Report on Other Legal and Regulatory Requirement

1. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

b) Except for the effects of the matter described in the Basis for Qualified Opinion section above, in our opinion proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial

Statements have been kept so far as appears from our examination of those books and the report of the other auditors;

c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) Except for the effects of the matters described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under;

e) As per notification No. GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the Holding Company and other Subsidiaries and Associate.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in the "Annexure A".

g) The provisions of Section 197 are not applicable to the holding company (in terms of MCA Notification NO.GSR 463 (E) dated 05th June 2015) as the managerial remuneration is paid as per the appointment letter from the Government of India, and no director remuneration was paid by the subsidiary companies, and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. Except for the effects of the matters described in the Basis for Qualified Opinion section above, the Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - [Refer Note 39(D)(1)(a)(ii)].

ii. The Group has made provisions as required under Ind AS for material foreseeable losses on long-term contracts-Rs 2,314.04 lakhs (Previous Year -Nil). The company did not have any derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The respective managements of the Holding Company and its Subsidiaries have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its Subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The respective managements of the Holding Company and its Subsidiary have represented that, to the best of their knowledge and belief, no funds have been received by the Holding Company and its Subsidiary and Associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above contain any material misstatement.
- v. (a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act as applicable to the extent it applies to payment of dividend. No dividend has been declared by the subsidiary companies.
- (b) The interim dividend declared and paid by the holding Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.
- (c) The Board of Directors of the holding company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable to the extent it applies to declaration of dividend.
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiary and its associate which are companies incorporated in India whose financial statements have been audited under the Act, the company, subsidiary and its associate have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiary and its associate did not come across any instance of audit trail feature being tampered with.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the



Company and issued by auditors of the companies included in the consolidated financial statements of the Company, to

which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For G Natesan & Co,
Chartered Accountants
FRN : 002424S**

**Place : Bengaluru
Date : 01.07.2024
UDIN: 24024842BKDAQD6734**

**Sd/-
K Murali
Partner,
M. No : 024842**

Annexure A to the Independent Auditors' report

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to consolidated financial statements of M/s BEML Limited ("the Holding Company") and its subsidiary (Holding Company and its subsidiaries together referred to as "the Group") and its Associate as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its Subsidiary and its Associate which are companies incorporated in India responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group Company's and Associate's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountancy of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other Auditors in terms of their Reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system with reference to Financial Statements of the Group and its Associate.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its Associate has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3) (i) of the act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it Subsidiary and Associate as at 31-03 2024 which are companies incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

**For G Natesan & Co,
Chartered Accountants
FRN : 002424S**

**Place : Bengaluru
Date : 01.07.2024
UDIN: 24024842BKDAQD6734**

**Sd/-
K Murali
Partner,
M. No : 024842**

ADDENDUM TO THE BOARD'S REPORT
Company's reply to the observation of Statutory Auditors in their Consolidated Audit Report

Para No.	Auditor's Observations	Company's Reply
1	<p>We draw attention to Note. No:7 of the consolidated Ind AS financial statements relating to the investment of the holding company in BEML Mid-West Ltd., a joint venture company (Associate). The financial information of the said joint venture company has not been consolidated due to non-availability of financial statements. Liquidation process has been initiated by NCLT.</p> <p>The impact of the liquidation on the holding company is presently indeterminate. The holding company has made 100% provision for the diminution in the value of its investment in the associate.</p> <p>As per the accounting principles, the financial statements of this joint venture should have been consolidated using proportionate consolidation method. The effects on the consolidated Ind AS financial statements, of the failure to consolidate this Joint Venture Company, net of provision for diminution already made in the value of the investment, has not been determined.</p>	<p>There was complete cessation of activities in M/s. BEML Midwest Ltd., the JV company since Sep 2008 and the matters relating to the JV company are subjudice. In view of the above, the JV company has not prepared its accounts and thus the same could not be consolidated. Provision for diminution in the value of investment in the JV company is already made. The impact, if any, on account of non-consolidation is not expected to be material.</p>



SUPREME AUDIT INSTITUTION OF INDIA
सोचविनाथ सत्यनिष्ठा
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चं./No.

प्रधान निदेशक रक्षा-वाणिज्यिक लेखापरीक्षा का कार्यालय
बेंगलूरु - 560 001

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
DEFENCE-COMMERCIAL, BENGALURU - 560 001

19.07.2024

दिनांक / DATE.

To
Shri Shantanu Roy,
Chairman and Managing Director,
BEML Limited,
BEML Soudha, S.R. Nagar,
Bangalore – 560 027.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Standalone and Consolidated financial statements of **BEML Limited, Bengaluru** for the year ended 31 March 2024.

I forward "Comments" Certificates of the Comptroller and Auditor General of India under section 143(6)(b) read with section 129(4) of the Companies Act, 2013 on the Standalone and Consolidated Financial Statements of **BEML Limited, Bengaluru** for the year ended 31 March 2024.

It may please be ensured that the comments are:

- (i) Printed in toto without any editing;
- (ii) Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index; and
- (iii) Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully,



(J N Perumal)
Director(Admn)

Encl: As above.

भारतीय लेखापरीक्षा एवं लेखा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT
पहला तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूरु - 560001
1st Floor, Basava Bhavan, Sri Basweswara Road, Bengaluru - 560 001.

दू.भा./Phone : 080-2226 7646 / 2226 1168
Email : pda.dc.blr@cag.gov.in

फैक्स /Fax : 080-2226 2491

Annexure – II

C & AG Comment	Company’s Reply
<p>COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BEML LIMITED, BENGALURU FOR THE YEAR ENDED 31 MARCH 2024</p> <p>The preparation of consolidated financial statements of BEML Limited, Bengaluru for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 01 July 2024 which supersedes their earlier Audit Report dated 12 May 2024.</p> <p>I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of BEML Limited, Bengaluru for the year ended 31 March 2024 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of BEML Limited, Bengaluru, Vignyan Industries Limited, Tarikere but did not conduct the audit of MAMC industries, Kolkata for the year ended on that date.</p>	

C & AG Comment	Company's Reply
<p><u>Further, section 139(5) and 143(6)(b) of the Act are not applicable to BEML Midwest Limited, Hyderabad and BEML Brazil Industrial Limited, Brazil, being private entities incorporated in India/ Foreign country under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.</u></p> <p>This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.</p> <p>Based on my supplementary audit, I would like to highlight the following significant matter under section 143(6)(b) of the Act which has come to my attention and which in my view is necessary for enabling a better understanding of the financial statements and the related audit report:</p>	
<p>A. Comments on Profitability</p> <p>Balance Sheet</p> <p>Assets</p> <p>Current Assets</p> <p>Inventories (Note 12)</p> <p>Work-in-Progress- Rs.76642.65 lakh</p> <p>The above includes an amount of Rs.6.59 crore being the value of Semi-Finished Goods (SFG)/ Work-in-Progress (WIP) ageing more than five years old in respect of Earth Movers Division, KGF (Rs. 5.55 crore), Bangalore Complex (Rs. 0.83 crore) and Hydraulic & Power line Division, KGF (Rs. 0.21 crore). The Company has not made any provision for obsolescence in respect of these SFG/ WIP.</p>	<p>Company has been consistently making provision for obsolescence in line with the Board approved norms in respect of Raw Materials. During 2023-24, in addition to making obsolescence provision on Raw materials, company has made obsolescence provision of Rs. 10.60 Crs in respect of SFGs/ WIPs also, which are ageing more than 10 years and valuing more than Rs. 5 lakhs.</p>

C & AG Comment	Company's Reply
<p>Further, the Company does not have Accounting Policy for obsolescence in respect of SFG/ WIP lying in Inventory for more than five years old.</p> <p>Not creating a provision for SFG/ WIP ageing for more than five years old has resulted in overstatement of " Inventories - Work- in-Progress" and "Profit for the year" by Rs.6.59 crore.</p>	<p>SFGs on which 100% obsolescence provision has not been made, pertain to mining and construction equipment models which are working at various mines of customers, for which demand still exists. As and when orders are received for these models, corresponding SFGs would be used for further manufacture of equipment. Hence, such SFGs are not fully obsolete and 100% provisioning is not required.</p> <p>With a view to arrive at a considered decision on these SFGs/WIPs, during 2023-24 company has constituted technical committee to check the usability of the SFGs including its alternate usages. Based on the report of the committee, a comprehensive obsolescence provisioning norm will be put into effect from 2024-25.</p>
<p style="text-align: center;">For and on behalf of the Comptroller & Auditor General of India</p> <p style="text-align: center;">Sd/- (Rajesh Ranjan) Principal Director of Audit, Defence-Commercial</p> <p>Place: Bengaluru Date: 19 July 2024</p>	<p style="text-align: center;">For and on behalf of the Board of Directors</p> <p style="text-align: center;">Sd/- (Shantanu Roy) Chairman & Managing Director</p> <p>Place: Bengaluru Date: 05 August 2024</p>

Corporate Data

BOARD OF DIRECTORS:**FUNCTIONAL DIRECTORS:**

Shri Shantanu Roy

Chairman & Managing Director

Director (Mining & Construction

Business) and Director (Rail & Metro

Business)(I/c)

Shri Ajit Kumar Srivastav

Director (Defence Business)

Shri Anil Jerath

Director (Finance)

Shri Debi Prasad Satpathy

Director (HR)

Government Nominee Director:

Smt Nishtha Upadhyaya

Finance Manger (Land Systems) and

Joint Secretary (Training),

Ministry of Defence

Independent Directors:

Shri Arun Daga

Shri Vikas Kakatkar

Shri Siva Makutam

Shri Bipin Kumar Gupta

COMPANY SECRETARY:

Smt. Urmi Chaudhury

CHIEF VIGILANCE OFFICER

Shri Venkateswara Reddy

EXECUTIVE DIRECTORS

1. Shri Sanjay Som

2. Shri Srinivasan G

3. Shri Jai Gopal Mahajan

4. Shri Sasi Kumar K

5. Shri Sunil R Kharad

6. Shri Shashikanth KC

CHIEF GENERAL MANAGERS:

7. Shri Sekar V

8. Shri Subramanyam S M

9. Shri Ganesh Govinda Raju Macharla

10. Shri Abenezar Samir Khess

11. Shri Shekhar K

12. Shri Channappa Dyamappa Madar

13. Shri Yogananda H R

14. Shri Shivakumar HG

15. Shri Yogananda G

16. Shri Sandeep Manohar Matey

17. Shri Praveen Kumar Mathpal

18. Shri Akhil Kumar

19. Shri Shobit Gupta

20. COMMDR. Raghupati Gopal Krishna

Rao

21. Shri Vasudeva Talari

GENERAL MANAGERS:

22. Shri Paritosh Pandey

23. Shri Chandra Gopal Raju K

24. Shri Vikas Chandra Kureel

25. Shri Prasanna Kumar Ballal

26. Gp. Capt. Chakrapani Mandela (Retd.)

27. Shri Patil R A S

28. Shri Idaya Kumar R

29. Shri Ramaswamy K S

30. Shri Sudharshan M

31. Shri Ranvir Singh Chopra

32. Smt Neena Singh

33. Shri Rajaiah G

34. Shri Narendra K.B

35. Shri Nagendra Datta S

36. Shri Basavaraj N Navalgund

37. Shri Raghavendra Swamy H S

38. Shri Lingaraj V Viraktamath

39. Shri Mallikarjuna Reddy C V

40. Shri Vidhyadharan M.K

41. Smt Gayathri PV

42. Shri Bhupinder Singh

43. Shri Aparup Sinha

44. Shri Ganesh D S

45. Shri Srinivasa T N

46. Shri Manohar Motagi

47. Shri Hemant Kumar T

48. Shri Sujit Kumar Bhuniya

49. Shri Subramani R

50. Shri Gopinatha BR

51. Shri Asok Ram

52. Shri Anbazhagan P

53. Shri Anuj Kumar Goel

54. Shri Subrahmanyeswara Rao T T

55. Shri Raju C N

56. Shri Sundaresan S

57. Shri Jayakumar H C

58. Shri Susanta Kumar Sarkar

59. Shri Mahadev Nellur

60. Shri Jitendra Kumar

BANKERS:

1. State Bank of India

2. Canara Bank

3. Axis Bank

4. Bank of Baroda

5. Bank of India

6. Indian Bank

7. IDBI Bank

8. HDFC Bank

9. Union Bank of India

10. Deutsche Bank

11. Federal Bank

12. ICICI Bank

STATUTORY AUDITORS:

M/s. G Natesan & Co,

Chartered Accountants

Chennai

COST AUDITORS:

M/s R M Bansal and Co,

Cost Accountants

Bengaluru

SECRETARIAL AUDITORS:

M/s. Manish Mishra Associates

Practicing Company Secretaries

Lucknow

REGISTRAR & SHARE**TRANSFER AGENT**

M/s Kfin Technologies Limited

Hyderabad

CIN No.

L35202KA1964GOI001530

OFFICES:

Registered, Corporate Office,
"BEML SOUDHA",
No. 23/1, 4th Main,
Sampangiramanagar
Bengaluru - 560027

Marketing Division:

"BEML SOUDHA",
No. 23/1, 4th Main,
Sampangiramanagar
Bengaluru - 560027

**International Business
Division**

Flat No. E, F G, H, Vandana 11th Floor
11, Tolstory Marg, Cannnought Place,
New Delhi- 110001

UNITS:**Bengaluru Complex:**

P B No. 7501
New Tippasandra Post
Bengaluru - 560075

KGF Complex:

BEML Nagar
Kolar Gold Fields - 563115

Mysuru Complex:

Belvadi Post
Mysore - 570018

Palakkad Complex:

KINFRA Park
Menon Para Road
Kanjikode East
Palakkad -678621

Subsidiary Companies:**Vignyan Industries Limited**

Haliyur, BH Road,
Tarikere Post -577228

MAMC Industries Limited

No. 35/1-A, Taratala Road
Kolkata -700088

Joint Venture Company:

BEML Midwest Limited
C-91, BEML Janatha Flats,
Punjabgutta, Hyderabad- 560082

Regional Offices:

1. Bengaluru
2. Bilaspur
3. Dhanbad
4. Hyderabad
5. Kolkata
6. Mumbai
7. Nagpur
8. New Delhi
9. Chennai
10. Ranchi
11. Sambalpur
12. Singrauli

District Offices:

1. Ahmedabad
2. Asansol
3. Bachel
4. Bhilai
5. Bhubaneswar
6. Chandrapur
7. Nayveli
8. Guwahati
9. Hospet
10. Jammu

11. Kothagudem
12. Leh
13. Ramagundam
14. Udaipur
15. Pune
16. Kochi
17. Vishakapatnam
18. Itanagar
19. Bhopal

Service Centres:

1. Bilaspur
2. Hyderabad
3. Kolkata
4. New Delhi
5. Singrauli

Warehouse for Defence:

1. Pune
2. Jodhpur

Activity Centres

1. Madurai
2. Maihar
3. Panjim
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