



# बी ई एम एल लिमिटेड BEML LIMITED

(CIN: L35202KA1964GOI001530)  
(A Govt. of India Mini Ratna Company under Ministry of Defence)

Winner of



Golden Peacock  
Innovation Management Award

Ref: CS/SEs/115

23.07.2021

## Manufacturing Units :

### Bangalore Complex

Tel : 080-25242414  
e-mail : bemlgm@vsnl.com

### KGF Complex

Tel : 08153-263020  
e-mail : bemlede@vsnl.net.in

### Mysore Complex

Tel : 0821-2402422  
e-mail : bemmys@sancharmel.in

### International Business Division

Tel : + 91-80-2222 2730, 2223 3350  
e-mail : office@export.beml.co.in

### Technology Division

Tel : + 91-80-2296 3100-109  
e-mail : office@ctd.beml.co.in

### Trading Division

Tel : + 91-80-22963113  
e-mail : office@trading.beml.co.in

## Regional Offices :

### Bilaspur

Tel : 0752-252062  
e-mail : bilaspur@rm.beml.co.in

### Chennai

Tel : 044-26270792  
e-mail : chennai@rm.beml.co.in

### Hyderabad

Tel : 040-23227032  
e-mail : hyderabad@rm.beml.co.in

### Kolkata

Tel : 033-22826314  
e-mail : kolkata@rm.beml.co.in

### Mumbai

Tel : 022-22049490  
e-mail : mumbai@rm.beml.co.in

### Nagpur

Tel : 0712-2248435  
e-mail : nagpur@rm.beml.co.in

### New Delhi

Tel : 011-23316500  
e-mail : delhi@rm.beml.co.in

### Ranchi

Tel : 0651-2560370  
e-mail : ranchi@rm.beml.co.in

### Sambalpur

Tel : 0663-2521604  
e-mail : sambalpur@rm.beml.co.in

### Singrauli

Tel : 07805-268260  
e-mail : singrauli@rm.beml.co.in

## BEML Service Centres :

### Moula Ali, Hyderabad

Tel : 040-27240873  
e-mail : sh@Zonal.beml.co.in

Ongole - Service Activity Centre  
Mobile No. : 9440312807

Service Activity Centre  
Katri - 483501 (M. P.)  
Mobile No. : 9425156473

### Service Centre & Stores

Kolkata - 700088  
Tel : 033-24010782  
e-mail : storeskolkotte@rm.beml.co.in

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

Sub: Outcome of the Board Meeting held on 23<sup>rd</sup> July, 2021

**Ref: Intimation of the Scheme of Arrangement under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations, 2015)**

1. With reference to the captioned subject, we wish to inform that, the Board of Directors of the Company at its meeting held today has unanimously approved the Scheme of Arrangement between BEML Limited ('BEML') and BEML Land Assets Limited ('BLAL') and their respective shareholders and creditors ('the Scheme') in accordance with the provisions of Section 230 to 232 read with Section 66 of the Companies Act, 2013. The Scheme inter-alia provides:

- Demerger of "Identified Surplus/ Non-core Assets" from BEML and its vesting in BEML Land Assets Limited,
- Reduction and cancellation of share capital of BEML Land Assets Limited and matters incidental thereto

2. The Scheme is subject to requisite statutory and regulatory approvals and sanction by the respective shareholders of each of the companies involved in the Scheme.

3. It may be noted that the Scheme has been reviewed and recommended for approval by the Audit Committee and Independent Directors of the Company in their respective meetings held on 22<sup>nd</sup> July 2021.

The detailed disclosure as required under Regulation 30 of the Listing Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9<sup>th</sup> September, 2015 is enclosed as Annexure to this outcome.

The meeting commenced at 10:30 hours and concluded at 12:30 hours. We request you to take the same on your records.

Yours faithfully

For **BEML Limited**

*SV Ravisekhar Rao*  
23/7/21

**SV Ravisekhar Rao**

**Company Secretary and Compliance Officer**



Regd. Office: 'BEML SOUDHA', 23/1, 4th Main Road, S. R. Nagar, Bangalore-560 027. INDIA

दूरभाष / Ph : 080 - 22963142 फैक्स / Fax : 080 - 22963142 ई-मेल / e-mail : office@cs.beml.co.in

**Annexure – Part B the Scheme relating to demerger of Identified Surplus/ Non-core assets**

Sr. No.	Particulars	Details																																																																																	
1.	a) Brief details of divisions to be demerged.	<p>a) BEML Limited is demerging its Identified Surplus/Non-core assets which means the pieces and parcels of land and buildings mentioned below and shall mean and include all the rights, title, interest and/or liabilities, if any, of the Demerged Company in relation thereto.</p> <p>Land Parcels:</p> <table border="1"> <thead> <tr> <th>Sl.no.</th> <th>Description</th> <th>Area in acres</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Bengaluru Complex (Free Hold)</td> <td>124.44</td> </tr> <tr> <td>2</td> <td>Mysore Complex (Free Hold)</td> <td>401.36</td> </tr> <tr> <td></td> <td>Total</td> <td>525.80</td> </tr> </tbody> </table> <p>Marketing/ Corporate</p> <table border="1"> <thead> <tr> <th>Sl.no.</th> <th>Description</th> <th>Area in acres</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>Land parcel in Asansol</td> <td>0.07</td> </tr> <tr> <td>4</td> <td>Land parcel in Asansol</td> <td>0.07</td> </tr> <tr> <td>5</td> <td>Land parcel in Bilaspur</td> <td>0.21</td> </tr> <tr> <td>6</td> <td>Land parcel in Ranchi</td> <td>4.99</td> </tr> <tr> <td>7</td> <td>Land parcel in Bangalore</td> <td>0.12</td> </tr> <tr> <td></td> <td>Total</td> <td>5.46</td> </tr> </tbody> </table> <p>Flats/ Guest Houses/ Offices</p> <table border="1"> <thead> <tr> <th>Sl.no.</th> <th>Description</th> <th>Area in Sq.ft</th> </tr> </thead> <tbody> <tr> <td>8</td> <td>Jupiter Apartment (Colaba)</td> <td>1,342</td> </tr> <tr> <td>9</td> <td>Victor Building Flat 25/9</td> <td>1,023</td> </tr> <tr> <td>10</td> <td>Victor Building Flat 25/7</td> <td>1,023</td> </tr> <tr> <td>11</td> <td>Victor Building Flat 25/10</td> <td>883</td> </tr> <tr> <td>12</td> <td>Victor Building Flat 25/4 &amp; 25/5</td> <td>431</td> </tr> <tr> <td>13</td> <td>Supriya Estate Flat no. 10</td> <td>2,000</td> </tr> <tr> <td>14</td> <td>D.O. Premises</td> <td>6,970</td> </tr> <tr> <td>15</td> <td>Golf Green – 3 Flats</td> <td>2,250</td> </tr> <tr> <td>16</td> <td>Sunny Park – 3 Flats</td> <td>3,830</td> </tr> <tr> <td>17</td> <td>Chithod Complex – 5 Flats</td> <td>5,417</td> </tr> <tr> <td>18</td> <td>Chithod Complex – 2 Flats</td> <td>1,601</td> </tr> <tr> <td>19</td> <td>Greater Kailash – 1 Guest House</td> <td>3,172</td> </tr> <tr> <td>20</td> <td>Guest House No. 35, Ulsoor Road</td> <td>3,450</td> </tr> <tr> <td>21</td> <td>Guest House No. ½, Ulsoor Road</td> <td>3,200</td> </tr> <tr> <td></td> <td>Total</td> <td>36,592</td> </tr> </tbody> </table> <p>b) Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year/ based on financials of the last financial year.</p> <p>NIL</p>	Sl.no.	Description	Area in acres	1	Bengaluru Complex (Free Hold)	124.44	2	Mysore Complex (Free Hold)	401.36		Total	525.80	Sl.no.	Description	Area in acres	3	Land parcel in Asansol	0.07	4	Land parcel in Asansol	0.07	5	Land parcel in Bilaspur	0.21	6	Land parcel in Ranchi	4.99	7	Land parcel in Bangalore	0.12		Total	5.46	Sl.no.	Description	Area in Sq.ft	8	Jupiter Apartment (Colaba)	1,342	9	Victor Building Flat 25/9	1,023	10	Victor Building Flat 25/7	1,023	11	Victor Building Flat 25/10	883	12	Victor Building Flat 25/4 & 25/5	431	13	Supriya Estate Flat no. 10	2,000	14	D.O. Premises	6,970	15	Golf Green – 3 Flats	2,250	16	Sunny Park – 3 Flats	3,830	17	Chithod Complex – 5 Flats	5,417	18	Chithod Complex – 2 Flats	1,601	19	Greater Kailash – 1 Guest House	3,172	20	Guest House No. 35, Ulsoor Road	3,450	21	Guest House No. ½, Ulsoor Road	3,200		Total	36,592
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2.	Brief details of change in shareholding pattern (if any) of all entities	There will be change in shareholding pattern of BLAL pursuant to BLAL issuing shares to the shareholders of BEML post demerger and reduction of existing share capital of BLAL held by BEML.
3.	In case of cash consideration – amount or otherwise share exchange ratio	There will be no change in shareholding of BEML Limited. Share entitlement ratio for demerger of Identified surplus/ non-core assets- • 1 equity share in the Resulting Company of face value of INR 10 for every 1 equity share in the Demerged Company.
4.	Whether listing would be sought for the resulting company	Equity shares issued by BLAL pursuant to demerger shall be listed on the recognized stock exchange.

### Shareholding Pattern:

#### BEML\*:

Category	Before Scheme		Post Scheme	
	No. of Shares	% of Total	No. of Shares	% of Total
Promoters	2,25,00,000	54.03%	2,25,00,000	54.03%
Public	1,91,44,500	45.97%	1,91,44,500	45.97%
Non-public non promoter	Nil	Nil	Nil	Nil
<b>Total</b>	<b>4,16,44,500</b>	<b>100%</b>	<b>4,16,44,500</b>	<b>100%</b>

\* Above shareholding is as on 31 March 2021

#### BLAL\*\*:

Category	Before Scheme		Post Scheme	
	No. of Shares	% of Total	No. of Shares	% of Total
Promoters	100,000	100%	2,25,00,000	54.03%
Public	Nil	Nil	1,91,44,500	45.97%
Non-public non promoter	Nil	Nil	Nil	Nil
<b>Total</b>	<b>100,000</b>	<b>100%</b>	<b>4,16,44,500</b>	<b>100%</b>

\*\*Above shareholding is as on 15<sup>th</sup> July, 2021. Shareholding pattern post scheme is computed based on share entitlement ratio.

### Rationale and purpose of the scheme:

- Presently the President of India through the Ministry of Defense ('MoD') holds 54.03% of the equity share capital of BEML as on date.
- The Government of India ("GoI") had 'in-principle' decided to disinvest 26.00% of the equity share capital of BEML Limited through strategic disinvestment along with transfer of management control ("Strategic Disinvestment").

- (iii) BEML has land parcels and building spread across India, at its various manufacturing facilities, corporate office, marketing and regional offices out of which there are certain land parcels and buildings which can be categorized as surplus/ non-core assets. The surplus/ non-core land and building details of BEML is hereinafter referred to as "Identified Surplus/ Non-core assets".
- (iv) The Board of Directors of BEML has agreed, based on the decision of Government of India, to hive-off of Identified Surplus/ Non-core assets separately and exclude it from the process of strategic disinvestment. In order to achieve the above objectives, Identified Surplus/ Non-core Assets are being demerged into BEML Land Assets Limited
- (v) With a view to facilitate reconstruction and splitting up of public sector companies into separate companies, the Central Government vide Finance Act 2021, has inserted Explanation 6 to Section 2(19AA) of the Income Tax Act, 1961 with effect from 1 April 2021. Explanation 6 clarifies that the reconstruction or splitting up of a public sector company into separate companies shall be deemed to be a demerger, if such reconstruction or splitting up has been made to transfer any asset of the demerged company to the resulting company and such resulting company—
- a) is a public sector company on the appointed date indicated in such scheme as may be approved by the Central Government or any other body authorized under the provisions of the Companies Act, 2013 or any other law for the time being in force governing such public sector companies in this behalf; and
  - b) fulfills such other conditions as may be notified by the Central Government in the Official Gazette in this behalf.
- (vi) The reconstruction and splitting up, by way of transfer of the Identified Surplus/ Non-core assets to BEML Land Assets Limited, is to be undertaken in terms of Explanation 6 to Section 2(19AA) of the Income Tax Act, 1961.
- (vii) The proposed corporate restructuring mechanism by way of a Scheme under the provisions of the Act is beneficial, advantageous and not prejudicial to the interests of the shareholders, debenture holders, creditors, general public at large and other stakeholders of the companies involved.

