



CMD's Message on 58th Foundation Day

11th May 2021

Dear Colleagues,

On the auspicious occasion of the 58th BEML's Foundation Day, I congratulate and salute each and every member of BEML family for their unstinted commitment and support to our Organization. The commitment and dedication of the Team-BEML has resulted in BEML achieving its highest ever turnover and production in the year 2020-21.

Year 2020-21 was unprecedented; the Pandemic posed extraordinary challenges, forced lockdowns and caused severe supply chain disruptions. In spite of negligible sales and production in the first one and half months, The Team-BEML with its resilience, fighting spirit and willingness to bounce back, has turned around the scenario in the balance period of Year. An effective catch-up plan and continuous monitoring, complemented by commendable efforts put in by each and every one, led to the highest ever turnover.

During the year, we learnt to deal with such critical situations and do our best amidst an adversity.

Though, we wait for the completion of the Audit for declaring our financial results, provisionally, the Company's turnover has increased by over ₹500 Cr. with a growth of around 16% from the previous year. This is no mean achievement and all of us need to be justifiably proud of this accomplishment.

During the year 2020-21, Mining & Construction business achieved all time high sales with over 15% growth vis-à-vis previous year. The main contributor was Spare Parts Business which recorded its highest ever sales till date. We have completed supplies of 180T Electrical Excavators and 150T Dump Trucks. Supply of 190T Dump Trucks has commenced and would be completed during 2021-22.

Rail & Metro Business achieved a significant jump over previous year's performance. Long awaited BPC for MEMU was received from Indian Railways and we delivered 140 cars during 2020-21. Balance 160 cars are planned to be supplied during the current year.

On the Metro front, we successfully completed the deliveries of KMRCL Metro cars. We have also supplied the first Driverless Metro Train, designed and developed in-house for Mumbai Metro. It was a proud moment for BEML, when Hon'ble Raksha Mantri visited our premises and unveiled the first train.

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After few years of considerably low orders and constraints in execution, Defence business has bounced back last year with an impressive growth of over 23% against the previous year. Defence Spare parts business has also scaled new highs. It is heartening to note that, Palakkad Complex has achieved highest ever sales during 2020-21.

On export front, company is focussing on Africa, Middle East, SAARC countries for export of Mining and Construction and Defence equipment and Rail coaches. During the year, BEML bagged a major order from Government of Cameroon for supply of 71 units of construction equipment consisting of Bulldozers, Excavators, Wheel Loaders, Motor graders and Compactors.

Overall, the Company's statistical figures for the year 2020-21 are impressive. The sales on competition mode stood at 72%. Procurement from MSME to Total Domestic Procurement has grown to a notable 30%. The VoP per Employee rose to ₹58 Lakhs. With optimum output from wind mills and solar power, the Green Energy for captive consumption hit a remarkable 94%.

The overall outstanding performance of the Company with increased sales during the year is reflective of the conducive working atmosphere and cordial industrial relations. This is due to the best efforts, dedication and co-operation of all executives and employees along with pro-active support from employee unions, BEMOG, SC/ST welfare association and other associations.

With the highest ever order book position of over ₹11,000 Crore, FY 2021-22 brings in great hope and optimism for the Company. Hence, we have embarked on an ambitious but realizable annual business plan for the year 2021-22.

BEML fully committed to supporting the '**Atmanirbharata**' drive of the nation, by making all-out efforts towards indigenization by encouraging MSMEs and Start-Ups.

Unfortunately, the new financial year is seeing the 2nd wave of the Pandemic. I call upon everyone to come out with all possible measures for mitigating the adverse impact of the disruptions and ensure that company's growth is not affected and we are able to achieve the set targets.

The Covid -19 crisis has impacted every aspect of our daily life. It is our individual duty to take care of ourselves and defeat the virus.

It is heartbreaking to know of the passing of few of our colleagues and their near and dear ones. I wish to convey my heartfelt condolences to all BEML-families, who lost their near and dear ones due to Covid. Our Covid Care Centres are operational and have been enhanced to meet the rising cases. We are also undertaking the Vaccination programmes in our Medical Centres for the benefit of our employees and families.

I am happy to inform you that BEML has been identified by GoI to manufacture and supply Medical Oxygen Plants under 'PM Cares' Scheme. BEML has entered into an agreement with DRDO/DEBEL (Defence Bio-Engineering & Electro Medical Laboratory, Bengaluru) for executing an order for 150 Oxygen Plants by July 21. We are also donating an Oxygen Plant to KGF Govt. Hospital under CSR and contributed ₹50 lakhs to PM Cares Fund towards opening of a 1000 bedded Covid facility.

Finally, I wish to once again acknowledge and appreciate each and everyone's contributions despite the raging pandemic. I seek your continued commitment to the cause of BEML while taking care of yourselves and your families, I once again appeal to all of you to strictly following all Covid related protocols and, adopt all precautionary measures. Please take care of yourself and your family.

Stay safe and stay healthy.

M V Rajasekhar

Chairman & Managing Director

11th May 2021