

Manufacturing Units :

Bangalore Complex

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

KGF Complex

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

Mysore Complex

Tel : 0821-2402422
e-mail : bemlmys@sancharmet.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 : 07752-252082
e-mail : bilaspur@rm.beml.co.in

Chennai

Tel : 044-28270792
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. : 9440312607

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

Service Centre & Stores
Kolkata - 700088
Tel : 033-24010782

e-mail : storeskolkotte@rm.beml.co.in

Ref: CS/49AGM/073

17.09.2013

Listing Department – DCS-CRD

The Bombay Stock Exchange Limited,
P.J.Towers, 26th Floor,
Dalal Street, MUMBAI - 400 001

Dear Sirs,

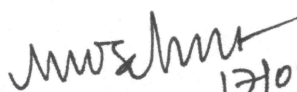
Sub: Form A and B under Clause 31(a) of the Equity Listing Agreement

Ref : CS/49AGM/057 dt. 21.08.2013

Please find enclosed the Form A and B, in terms of Clause 31(a) of the Listing Agreement for your reference & records.

Thanking you.

Yours faithfully
For BEML LIMITED


17/09/13

(M E V SELVAM)
Company Secretary

Encl : As above

Cc: The National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051

FORM A


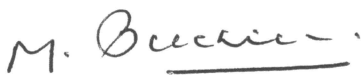



(Pursuant to Clause 31(a) of the Listing Agreement)

Format of covering letter of the Standalone annual audit report to be filed with the stock exchanges

1.	Name of the Company	M/s BEML Limited									
2.	Annual financial statements for the year ended	31 st March 2013									
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4.	Frequency of observation	<p>Point no. 1 – Repeated since year 2010-11</p> <p>Point no. 2 - Appearing for the first time</p> <p>Point no. 3 - Repeated since year 2008-09</p>
5.	To be signed by	<ul style="list-style-type: none"> <div data-bbox="624 489 730 515">• CMD</div> <div data-bbox="991 380 1337 515">  - Shri P. Dwarakanath </div> <div data-bbox="624 810 890 836">• Director (Finance)</div> <div data-bbox="991 707 1353 836">  - Shri M. Pitchiah </div> <div data-bbox="624 1131 959 1157">• Auditor of the company</div> <div data-bbox="991 969 1544 1196">  - Shri G Vivekananthan, Partner, Padmanabhan Ramani & Ramanujam  </div> <div data-bbox="624 1450 1235 1476">• Audit Committee Chairman – Shri Kanwal Nath</div> <div data-bbox="1082 1297 1326 1476">  </div>

FORM B


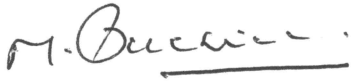
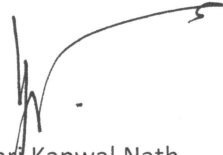
(Pursuant to Clause 31(a) of the Listing Agreement)

Format of covering letter of the Standalone annual Govt. audit report to be filed with the stock exchanges

1.	Name of the Company	M/s BEML Limited	
2.	Annual financial statements for the year ended	31 st March 2013	
3.	Type of Audit observation	Qualified	
4.	Frequency of observation	Appearing for the first time	
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	C & AG's comment on Profitability Balance Sheet Short term loans and advances Note no.20 Other loans and advances (doubtful) – Provision for doubtful advances- ₹70.16 crore. This does not include ₹8.18 crore, being increased rates of taxes and levies claimed by Company for deliveries effected during the extended delivery period and disallowed by the customer based on denial clause stipulated while extending the delivery period. This has resulted in understatement of provision for doubtful advances by ₹8.18 crore as well as Loss by the same amount.	Management's response Taking into account the overall reading of the contract and amendments including the extension of the delivery period, it is clear that the increase / change in taxes and levies came into effect before the extended delivery schedule. Hence the denial clause is not applicable in this case. Moreover, there were delays in the deliveries of materials to be supplied by the customer for the manufacture, resulting in delays in the actual deliveries of the end product. The claim was disallowed by the designated paying authority of the customer and not the customer. Company has taken up the matter with the customer and based on the decision of the customer, treatment in the accounts will be decided. Thus the disallowance is purely an issue relating to difference in interpretation. Further these claims pertain to FY: 2011-12 and 2012-13

3/9

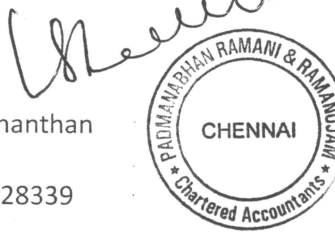


		and hence provision for the same is not considered necessary at this point of time.
		Refer Page no. 102 of Annual Report.
6	Additional comments from the board / audit committee chair:	Nil
7.	To be signed by	<ul style="list-style-type: none"> • CMD  - Shri P. Dwarakanath • Director (Finance)  - Shri M. Pitchiah • Audit Committee Chairman – Shri Kanwal Nath 
	Statutory Auditor's comments:	<p>After considering the various issues including timing of the order and the fresh / increase in statutory levies we are of the opinion that the company is eligible for the levies and are not in agreement with the CAG on for the additional provision on the amount deducted by the paying authority of the Railways especially on the timing and quantum of the provision.</p> <p>In the worst case scenario, the account balances, that have a bearing on the materiality, which could be reasonably expected to influence the economic decisions of the users would be the 'loss before tax' and the 'Other loans and advances' stated in Note No. 20.</p> <p>The above amount if treated as an uncorrected misstatement as per SA 320 'Materiality in planning and performing an Audit', its effect on the financial statements are as below:</p>

Head under the financial statement	Amount as per the audited financial statements	Effect of the uncorrected error	Revised likely balance.	% as compared to audited figures.
Loss before tax	12233.54	818.00	13051.51	6.68
Other loans and advances (Note 20)	19385.15	818.00	18567.15	4.22

Assuming but not acceding to the fact that the entire non provision amount quantified by CAG as an unadjusted error, it was below the planned materiality level, and hence no further adjustment was considered necessary, when this issue was raised by CAG.

For Padmanabhan Ramani & Ramanujam



G Vivekananthan
Partner
M.No : 028339




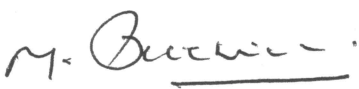

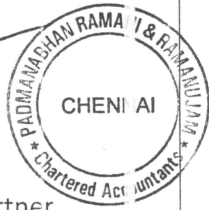

FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

Format of covering letter of the Consolidated annual audit report to be filed with the stock exchanges

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5.	To be signed by	<ul style="list-style-type: none">  - Shri P. Dwarakanath CMD  - Shri M. Pitchiah Director (Finance)   - Shri G Vivekananthan, Partner, Padmanabhan Ramani & Ramani Auditor of the company  - Shri Kanwal Nath Audit Committee Chairman

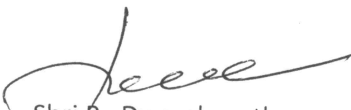
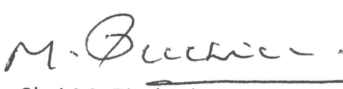
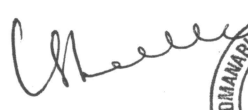

FORM B

(Pursuant to Clause 31(a) of the Listing Agreement)

Format of covering letter of the Consolidated annual audit report to be filed with the stock exchanges

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4.	Frequency of observation	Point no. 1 – Repeated since year 2009-10 Point no. 2 - Repeated since year 2011-12							
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<table><tr><th>Basis for Qualified Opinion in the Consolidated Statutory Auditors Report</th><th>Management's response</th></tr><tr><td><p>Point no. 1 under the section Basis for Qualified Opinion:</p><p>As explained in Note 12, the financial statements of the BEML Midwest Limited, a Joint Venture company, has not been consolidated in absence of its financial statements. 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 financial statements, of the failure to consolidate this company, net of provision for the diminution already made in the value of investment, have not been determined.</p></td><td><p>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. The impact, if any, on account of non-consolidation is not expected to be material.</p></td></tr><tr><td><p>Point no. 2 under the section Basis for Qualified Opinion:</p><p>As explained in Note 14(a) the control in MAMC Industries Limited is considered as temporary till it is converted to a joint venture company upon finalization of Joint Venture Agreement. As per the accounting principles, the financial statements should have been consolidated either as a subsidiary or as a joint venture. The effects on the consolidated financial statements, of the failure to consolidate this company have not been determined.</p></td><td><p>MAMC Industries Ltd., is intended to be a subsidiary company only temporarily, till the finalization of Joint Venture Agreement. There were no significant activities in the Company during the year. MAMC Industries Ltd., has not prepared its Accounts for F.Y 2012-13 and thus could not be Consolidated. Efforts are on to bring the Accounts of the subsidiary company up to date and consolidate during</p></td></tr></table>		Basis for Qualified Opinion in the Consolidated Statutory Auditors Report	Management's response	<p>Point no. 1 under the section Basis for Qualified Opinion:</p> <p>As explained in Note 12, the financial statements of the BEML Midwest Limited, a Joint Venture company, has not been consolidated in absence of its financial statements. 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 financial statements, of the failure to consolidate this company, net of provision for the diminution already made in the value of investment, have not been determined.</p>	<p>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. The impact, if any, on account of non-consolidation is not expected to be material.</p>	<p>Point no. 2 under the section Basis for Qualified Opinion:</p> <p>As explained in Note 14(a) the control in MAMC Industries Limited is considered as temporary till it is converted to a joint venture company upon finalization of Joint Venture Agreement. As per the accounting principles, the financial statements should have been consolidated either as a subsidiary or as a joint venture. The effects on the consolidated financial statements, of the failure to consolidate this company have not been determined.</p>	<p>MAMC Industries Ltd., is intended to be a subsidiary company only temporarily, till the finalization of Joint Venture Agreement. There were no significant activities in the Company during the year. MAMC Industries Ltd., has not prepared its Accounts for F.Y 2012-13 and thus could not be Consolidated. Efforts are on to bring the Accounts of the subsidiary company up to date and consolidate during</p>
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		<p>F.Y 2013-14. The impact, if any, on account of non-consolidation is not expected to be material.</p> <p>Point no. 1 - Facts have been elaborated in the Accounts under Note no. 12 (page no. 122) and management responses at page 145.</p> <p>Point no. 2 - Facts have been elaborated in the Accounts under Note no. 14a (page no. 122 & 123) and management responses at page 145.</p>
6	Additional comments from the board / audit committee chair:	Nil
7.	To be signed by	<ul style="list-style-type: none"> • CMD  - Shri P. Dwarakanath • Director (Finance)  - Shri M. Pitchiah • Auditor of the company  - Shri G Vivekananthan, Partner, Padmanabhan Ramani & Ramani Chartered Accountants • Audit Committee Chairman - Shri Kanwal Nath 
6	Additional comments from the board / audit committee chair:	<p>Regarding Point no. 1, the Consolidation of Accounts can be done only after the JV prepares its accounts after the legal issues are settled. However, the full amount of investment in the JV (₹ 5.42 crores) is already provided for the book of BEML Ltd.</p> <p>Regarding Point no. 2, the subsidiary company M/s. MAMC Industries Limited has prepared its accounts as on 31.03.13 and got the same audited by Statutory and Govt. Audit during August 2013. Accounts of MAMC Industries Limited will be consolidated from F.Y 2013-14.</p>