


ANNEXURE-I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone and Consolidated separately)

Statement of Impact of Audit Qualifications on the Consolidated Accounts for the Financial Year ended March 31, 2016				
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications) *
	1.	Turnover / Total Income (₹ in Lakhs)	301688	301688
	2.	Total Expenditure (₹ in Lakhs)	295230	295230
	3.	Net Profit/(Loss) (₹ in Lakhs)	5309	5309
	4.	Earnings Per Share (in ₹)	12.75	12.75
	5.	Total Assets (₹ in Lakhs)	433065	433065
	6.	Total Liabilities (₹ in Lakhs)	222091	222091
	7.	Net Worth (₹ in Lakhs)	210974	210974
	8.	Any other financial item(s) (as felt appropriate by the management)	--	--
* Impact of audit qualification cannot be quantified as explained at Sl.No. II e below.				
II. <u>Audit Qualification (each audit qualification separately) :</u>				
a. Details of Audit Qualification : As explained in Note12, the financial statements of BEML Midwest Limited, a joint venture Company, has not been consolidated in the 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 Joint Venture Company, net of provision for diminution already made in the value of the investment, has not been determined.				
b. Type of Audit Qualification : Qualified opinion				
c. Frequency of qualification : Repeated since year 2009-10				
d. For Audit Qualification(s) where the impact is quantified by the auditors, Management's views : NA				
e. For Audit Qualification(s) where the impact is not quantified by the auditor :				
(i) Management's estimation on the impact of audit qualification: 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. 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.				
(ii) If management is unable to estimate the impact, reasons for the same: As explained at Sl. No. II e (i) since the JV company has not prepared its accounts and BEML Limited has already made a provision for diminution in				



	value of investment in the JV company, BEML is not in a position to estimate the impact, if any. However, the impact is not expected to be material.
	(iii) Auditors' Comments on (i) or (ii) above:
III.	<p>Signatories :</p> <ul style="list-style-type: none"> • CEO / Managing Director  • Audit Committee Chairman  • Statutory Auditor  <p>Place : Bengaluru Date : 14.09.2016</p> 





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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone and Consolidated separately)

Statement of Impact of Audit Qualifications on the Consolidated Accounts				
for the Financial Year ended March 31, 2015				
[See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications) *
	1.	Turnover / Total Income (₹ in Lakhs)	286198	286198
	2.	Total Expenditure (₹ in Lakhs)	285652	285652
	3.	Net Profit/(Loss) (₹ in Lakhs)	593	593
	4.	Earnings Per Share (in ₹)	1.42	1.42
	5.	Total Assets (₹ in Lakhs)	459837	459837
	6.	Total Liabilities (₹ in Lakhs)	252163	252163
	7.	Net Worth (₹ in Lakhs)	207674	207674
	8.	Any other financial item(s) (as felt appropriate by the management)	--	--
* Impact of audit qualification cannot be quantified as explained at Sl.No. II e below.				
II. <u>Audit Qualification (each audit qualification separately) :</u>				
<p>a. Details of Audit Qualification : As explained in Note12, the financial statements of BEML Midwest Limited, a joint venture Company, has not been consolidated in the 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 Joint Venture Company, net of provision for diminution already made in the value of the investment, has not been determined.</p>				
b. Type of Audit Qualification : Qualified opinion				
c. Frequency of qualification : Repeated since year 2009-10				
d. For Audit Qualification(s) where the impact is quantified by the auditors, Management's views : NA				
e. For Audit Qualification(s) where the impact is not quantified by the auditor :				
	(i)	<p>Management's estimation on the impact of audit qualification: 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. 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>		
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