

भारत इलेक्ट्रॉनिक्स लिमिटेड

(भारत सरकार का उद्यम, रक्षा मंत्रालय)

पंजीकृत कार्यालय

आऊटर रिंग रोड, नागवारा, बेंगलूर - 560 045, भारत

Bharat Electronics Limited

(Govt. of India Enterprise, Ministry of Defence)

CIN : L32309KA1954GOI000787

Registered Office :

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To

Manager (Listing)
National Stock Exchange of India Ltd.,
Exchange Plaza, Plot No. C/1,G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

Fax No.: 022 66418125

No. 17565/6/SE/NSEC/SEC

10 September 2015

Dear Sir/Madam,

Sub: Proceedings of the 61st AGM held on 3rd September 2015.

In pursuant to provisions of listing agreement, please find enclosed herewith the Proceedings of the 61st Annual General Meeting of the Members of Bharat Electronics Limited held on Thursday, the 3rd September 2015 at Bangalore.

This is for your information and record.

Thanking you,

Yours faithfully,

For Bharat Electronics Ltd.



S Sreenivas
Company Secretary

Encls: As stated above.

PROCEEDINGS OF THE 61ST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF BHARAT ELECTRONICS LTD HELD ON THURSDAY, THE 3RD SEPTEMBER, 2015 AT 10.30 A.M. AT THE KALINGA HALL, HOTEL LALIT ASHOK, KUMARA KRUPA HIGH GROUNDS, BENGALURU-560001.

Sitting on the dais:

- | | |
|---------------------------|--|
| 1. Mr. Sunil Kumar Sharma | - Chairman & Managing Director |
| 2. Mr. S.M. Acharya | - Independent Director
(Chairman, Audit Committee & Chairman,
Nomination & Remuneration Committee) |
| 3. Lt. Gen. (R) V K Mehta | - Independent Director |
| 4. Mr. Vikram Srivastava | - Independent Director
(Chairman, Stakeholders Relationship
Committee) |
| 5. Mr. M.L. Shanmukh | - Director (HR) |
| 6. Mr. Amol Newaskar | - Director (Other Units) |
| 7. Dr. Ajit T Kalghatgi | - Director (R&D) |
| 8. Mr. P.C. Jain | - Director (Marketing) |
| 9. Mr. P.R. Acharya | - Director (Finance) & CFO |
| 10. Mr. Man Mohan Handa | - Director (Bangalore Complex) |
| 11. Mr. S Sreenivas | - Company Secretary |

Mr. Manmohan, representative of President of India; Mr. S. Rajendiran, M/s Badari, Madhusudhan & Srinivasan, Statutory Auditors; Mr. Thirupal Gorige, Secretarial Auditor and other Senior Executives of the company were also present by invitation.

MEMBERS PRESENT:

The meeting was attended by 274 shareholders out of which 266 shareholders holding 7,812 equity shares were present in person and 8 proxies including the authorised representative of President of India holding 6,03,52,093 equity shares were present through proxy.

Mr. Sunil Kumar Sharma took the Chair. The Chairman welcomed the Members and introduced the Chairman of the Audit Committee, Chairman of Nomination & Remuneration Committee, Chairman of Stakeholders Relationship Committee and Directors seated on the dais. Chairman stated that Lt Gen C A Krishnan and Ms Kusum Singh, the Govt. Directors had expressed their inability to attend the meeting due to pre-occupations.

The Company Secretary confirmed the presence of quorum as required under Section 103 of Companies Act, 2013. At 10.30 a.m., the Chairman commenced the meeting by welcoming the Members to the 61st Annual General Meeting. The Company Secretary announced that until 48 hours before the time of the commencement of the Annual General Meeting, 12 valid proxies covering, 5,89,613 equity shares of ₹ 10 each and 2 representations under Section 113 of the

Companies Act, 2013 from bodies corporate, including president's representative, covering total of 6,00,14,210 equity shares of ₹ 10 each, had been received and the same were laid on the table. On ascertaining that requisite quorum was present in pursuance of the requirements under Section 103 of the Companies Act, 2013, the Chairman called the meeting to order.

The Chairman informed the Members that the Register of Directors & Key Managerial Personnel and their shareholding, Register of contracts with related party and Contracts & Bodies etc. in which Directors are interested & other statutory Registers, Statutory Audit Report and Secretarial Audit Report are kept open for inspection by the Members at the venue and the same were accessible during the continuance of the meeting.

Chairman addressed the shareholders about Company's performance highlights during the financial year 2014-15, the strategic new initiatives taken, the future outlook and the Make in India initiatives to enhance the business in the coming years.

The Chairman concluded his speech by thanking the Board of Directors, Members of Management Committee, business associates, esteemed customers and various ministries of Govt. of India, particularly the Ministry of Defence, Dept of Defence Production, the defence services, the employees at all levels. Finally, he thanked all the members for their continuous support and trust reposed by them in the Company.

The Chairman then took up the formal proceedings of the meeting. With the concurrence of the Members the Notice of the 61st Annual General Meeting, Boards' Report, Auditor's Report including audited annual Financial Statements were taken as read. Chairman informed that the Secretarial Audit Report observed that requisite number of Independent Directors were yet to be appointed by the Company. The Chairman further informed that the company being a Government Company, Directors are appointed by the Govt. & the same is under consideration by the Govt. of India.

Thereafter the Chairman thanked all the shareholders, who have overwhelmingly participated in the remote E-voting process and having voted on each resolution as per the Notice of Annual General Meeting.

Chairman welcomed questions and clarifications from the shareholders and the same were responded by the Chairman and other Board members on the Dias. Shareholders commended the exemplary performance of the Company and thanked the management for declaring bonus shares. The clarifications on annual report and performance of the Company and future prospects were duly attended to by the Chairman and Directors.

Chairman then informed the Members that those shareholders who have not exercised their votes through remote E-voting may vote at this meeting through Ballot papers which have been distributed to shareholders at the time of registration.

Chairman further informed that Mr. Thirupal Gorige, Practicing Company Secretary is appointed as Scrutinizer to scrutinize the poll process and votes given on the Poll and report thereon in the prescribed manner. Chairman also informed that the results of the Voting on each resolution shall be determined by adding the votes of the Poll in favour or against a resolution with the remote electronic votes in favour or against the same resolution.

Chairman invited Mr. Thirupal Gorige, Scrutinizer appointed for the Poll, to take over the Poll proceedings and requested them to submit their Poll report to him not later than 12:00 p.m. on 4th September, 2015.

Thanking the members for their participation, suggestions and valuable comments, the Chairman announced that the proceedings of the 61st Annual General Meeting will formally close after the process of voting through ballot paper is completed.

Conduct of Poll

Mr. Thirupal Gorige, Scrutinizer appointed for the Poll, conducted the Poll which included distribution of Polling papers, showing empty Polling boxes to the members, locking and sealing of empty Polling boxes in the presence of members and proxies. After ensuring that all members and proxies participating in the Poll had casted their votes, the Scrutinizer closed the Poll at around 12:30 p.m. The Scrutinizer then took the custody of polling boxes.

Result of the remote Electronic Voting and Poll on the Ordinary and Special Businesses at the Annual General Meeting of the Company held on Thursday 3rd September, 2015:

On the basis of the Combined Scrutinizer's Report for the electronic voting from 31.08.2015 to 02.09.2015 and poll voting on 03.09.2015, the summary of which is mentioned hereunder, all the resolutions set out in the Notice of AGM dated 24th July 2015 (except Item No. 5), have been duly passed by requisite majority:

Summary of Voting Results:

Mode of voting : (E-voting & P-voting)							
Promoter/Public	No. of Shares held	No. of votes polled	% of votes polled on outstanding shares (3) = $[(2)/(1)] * 100$	No. of Votes in favour	no. of Votes against	% of Votes in favour on votes polled (6) = $[(4)/(2)] * 100$	% of Votes against on votes polled (7) = $[(5)/(2)] * 100$
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Resolution 1 Adoption of financial statements for the year ended March 31, 2015.							
Promoter and Promoter Group	600,14,210	600,14,110	100.00	600,14,110	-	100.00	-

Public - Institutional holders	155,37,177	120,97,681	77.86	120,97,681	-	100.00	-
Public -Others	44,48,613	7,48,021	16.81	7,47,931	90	99.99	0.01
Total	800,00,000	728,59,812	91.07	728,59,722	90	100.00	0.00
Resolution 2 Declaration of Dividend.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	127,25,250	-	100.00	-
Public -Others	43,18,939	7,48,056	17.32	7,47,992	64	99.99	0.01
Total	800,00,000	734,87,416	91.86	734,87,352	64	100.00	0.00
Resolution 3 Re-appointment of retiring Director, Mr. P R Acharya.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	108,92,838	18,32,412	85.60	14.40
Public -Others	43,18,939	7,47,913	17.32	7,47,564	349	99.95	0.05
Total	800,00,000	734,87,273	91.86	716,54,512	18,32,761	97.51	2.49
Resolution 4 Re-appointment of retiring Director, Lt. Gen. C A Krishnan.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	113,42,306	13,82,944	89.13	10.87
Public -Others	43,18,939	7,48,031	17.32	7,47,682	349	99.95	0.05
Total	800,00,000	734,87,391	91.86	721,04,098	13,83,293	98.12	1.88
Resolution 5 Appointment of Mr. J Rama krishna Rao as Director.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	-	600,14,110	-	100.00
Public - Institutional holders	156,65,202	127,25,250	81.23	113,92,527	13,32,723	89.53	10.47
Public -Others	43,18,939	7,47,979	17.32	7,47,680	299	99.96	0.04
Total	800,00,000	734,87,339	91.86	121,40,207	613,47,132	16.52	83.48
Resolution 6 Ratification of remuneration of Cost Auditors.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	127,25,250	-	100.00	-
Public -Others	43,18,939	7,48,026	17.32	7,47,706	320	99.96	0.04
Total	800,00,000	734,87,386	91.86	734,87,066	320	100.00	0.00

Resolution 7 Increase in Authorised Share Capital of the Company.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	127,25,250	-	100.00	-
Public -Others	43,18,939	7,47,999	17.32	7,47,870	129	99.98	0.02
Total	800,00,000	734,87,359	91.86	734,87,230	129	100.00	0.00
Resolution 8 Alteration of the Capital Clause in the Memorandum of Association.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	127,25,250	-	100.00	-
Public -Others	43,18,939	7,48,014	17.32	7,47,793	221	99.97	0.03
Total	800,00,000	734,87,374	91.86	734,87,153	221	100.00	0.00
Resolution 9 Alteration of the Capital Clause of the Articles of Association.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	127,25,250	-	100.00	-
Public -Others	43,18,939	7,47,904	17.32	7,47,788	116	99.98	0.02
Total	800,00,000	734,87,264	91.86	734,87,148	116	100.00	0.00
Resolution 10 Approval for the issue of Bonus Shares.							
Promoter and Promoter Group	600,15,859	600,14,110	100.00	600,14,110	-	100.00	-
Public - Institutional holders	156,65,202	127,25,250	81.23	127,25,250	-	100.00	-
Public -Others	43,18,939	7,48,046	17.32	7,47,942	104	99.99	0.01
Total	800,00,000	734,87,406	91.86	734,87,302	104	100.00	0.00

The Resolutions for the Ordinary and Special businesses as set out in Item No. 1 to 10 in the Notice of the 61st Annual General Meeting of the Company are recorded hereunder as part of the proceedings of 61st Annual General Meeting of members held on 3rd September 2015:

ORDINARY BUSINESS:

Item No. 1: Ordinary resolution to consider and adopt the audited financial statement of the Company for the financial year ended 31 March 2015 and the Reports of the Board of Directors and Auditors thereon and to consider and adopt the audited consolidated financial statement of the Company for the financial year ended 31 March 2015 and the Report of Auditors thereon.

"RESOLVED THAT the audited financial statement and the audited consolidated financial statement of the Company for the financial year ended 31 March 2015 and the Auditors Report thereon, the Boards' Report, as circulated to the Shareholders and laid before the meeting be and are hereby received, considered and adopted."

Item No. 2: Ordinary resolution to confirm the Interim Dividend of ₹ 6 per equity share already paid on February, 2015 and to declare Final Dividend on Equity Shares.

"RESOLVED THAT the interim dividend for the year ended 31 March 2015 at the rate of ₹ 6 per share on the paid up equity share capital of the company declared by the board of directors be and is hereby approved."

"FURTHER RESOLVED THAT pursuant to the recommendation of the directors, final dividend for the year ended 31 March 2015 at the rate of ₹ 23.20 per share on the paid up equity share capital of the company, be and is hereby declared out of the current profits of the company and that the same be paid to those shareholders whose names appear on the company's Register of Members at close of business hours on 11th August, 2015 and that the dividend warrants be posted within 30 days hereof to those shareholders who are entitled to receive dividend payment. "

Item No.3: Ordinary resolution for re-appointment of director in place of Mr P R Acharya, who retires by rotation and being eligible, offers himself for reappointment.

"RESOLVED THAT Mr P R Acharya, Director, who retires by rotation and being eligible for reappointment, be and is hereby reappointed as a director of the company."

Item No.4: Ordinary resolution for re-appointment of director in place of Lt Gen C A Krishnan, who retires by rotation and being eligible, offers himself for reappointment.

"RESOLVED THAT Lt Gen C A Krishnan, Director, who retires by rotation and being eligible for reappointment, be and is hereby reappointed as a director of the company."

SPECIAL BUSINESS:

Item No.5: Ordinary resolution for appointment of Mr. J Rama Krishna Rao as a nominee director.

As per the combined voting results (remote E-voting and P-voting) 6,13,47,132 votes (i.e., 83.48%) were cast against the resolution for appointment of Mr J Rama Krishna Rao as a Nominee Director and hence the resolution was defeated at the meeting.

Item No.6: Ordinary resolution for ratification of remuneration of the Cost Auditor

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any of Companies Act, 2013 read with the relevant Rules thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded for the payment of remuneration of ₹ 400,000 (Rupees four lakhs only) plus applicable service tax and reimbursement of out of pocket expenses to M/s PSV & Associates, Cost Accountants, (Firm Registration No. 000304) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending on 31 March 2016."

Item No. 7: Ordinary Resolution for Increase in Authorised Share Capital of the Company:

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Authorised Share Capital of the Company be and is hereby increased from the existing ₹ 1,000,000,000 (Rupees one hundred crores only) divided into 100,000,000 (Ten crores only) Equity Shares of ₹ 10 (Rupees ten only) each to ₹ 2,500,000,000 (Rupees two hundred and fifty crores only) divided into 250,000,000 (Twenty five crores only) Equity Shares of ₹ 10 (Rupees ten only) each by creation of additional 150,000,000 (Fifteen crores only) Equity Shares of ₹ 10 (Rupees ten only) each which shall rank pari passu with the existing shares of the Company."

Item No. 8: Special Resolution for Alteration of the Capital Clause in the Memorandum of Association:

"RESOLVED THAT, pursuant to the provisions of Sections 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Clause V of the Memorandum of Association of the Company be and is hereby altered and substituted by the following :

V. The authorised Share Capital of the Company is ₹ 2,500,000,000 (Rupees two hundred and fifty crores only) divided into 250,000,000 (Twenty five crores only) shares of ₹ 10 (Rupees ten only) each with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several clauses and to attach thereto respectively such preferential, deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance

with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things including filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto and to delegate all or any of its powers herein conferred to its Directors, Company Secretary or any other officer(s) of the Company."

Item No. 9: Special Resolution for Alteration of the Capital Clause in the Articles of Association:

"RESOLVED THAT, pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 and the rules issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Article 5 of the Articles of Association of the Company relating to authorised Share Capital be and is hereby altered and substituted by the following:

The authorised share capital of the Company shall be as stated in Clause V of the Memorandum of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things including filing of necessary forms/documents with the appropriate authorities and to execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary or expedient and to settle any question, difficulty or doubt that may arise in regard thereto and to delegate all or any of its powers herein conferred to its Directors, Company Secretary or any other officer(s) of the Company."

Item No. 10: Ordinary Resolution for Approval for the issue of Bonus Shares:

"RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013, read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI), and consent of applicable regulatory authorities as may be required and pursuant to the relevant provisions of Articles of Association of the Company and the recommendation of the Board of Directors of the Company (hereinafter referred to as 'the Board', which expression shall be deemed to include a Committee of Directors duly constituted or authorised by the Board in this behalf), and subject to such permissions, sanctions and approvals as may be necessary in this regard, consent of the Members of the

Company be and is hereby accorded to the Board for capitalisation of ₹ 1,600,000,000 (Rupees one hundred sixty crores only) standing to the credit of the free reserves and surplus of the Company, as may be considered necessary by the Board, for the purpose of issuance of Bonus Equity Shares of ₹10 (Rupee Ten only) each to be issued/credited as fully paid-up Equity Shares to the holders of the existing Equity Shares of the Company, whose names appear in the Register of Members maintained by the Company/List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such record date as may be fixed in this regard by the Board, in the proportion of 2 (two) Equity Shares of ₹10 (Rupees ten only) each fully paid-up for every 1 (one) existing Equity Share of ₹10 (Rupees ten only) each held by the Members, i.e. in the ratio of 2:1 (two bonus shares for every share held).

RESOLVED FURTHER THAT the Equity Shares so allotted as bonus shares shall rank pari passu in all respects with the existing fully paid up Equity Shares of the Company and shall be subject to the provisions of Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT no allotment letters shall be issued to the allottees for Bonus Shares who hold their existing Equity Shares in electronic form, as Bonus Shares shall be credited to their respective demat accounts within the period prescribed or that may be prescribed on this behalf, from time to time.

RESOLVED FURTHER THAT for the shareholders who hold their existing Equity Shares in physical form, the share certificate(s) in respect of the Bonus Shares shall be completed and thereafter be dispatched within the period prescribed or that may be prescribed on this behalf, from time to time.

RESOLVED FURTHER THAT the issue and allotment of the said Bonus Shares to the extent that they relate to Non-Resident Indians (NRIs), Persons of Indian Origin (PIO) /Overseas Corporate Bodies (OCBs) and other foreign investors of the Company, will be subject to the approval of the Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 and Regulations thereunder, as amended from time to time, and any other regulatory authority, as may be required & necessary.

RESOLVED FURTHER THAT the Board be and is hereby authorised to apply for Listing of Bonus Shares to the Stock Exchanges where the shares of the Company are listed and to make necessary application with the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for crediting the Bonus Shares to the individual Depository accounts of the allottees and to delegate all or any of its powers herein conferred to its Directors, Company Secretary or any other Officer(s) of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all other steps as may be necessary to give effect to the aforesaid resolution and

determine all other terms and conditions of the issue of bonus shares as the Board may in its absolute discretion deem fit."

All the above resolutions which have been put to remote e-voting and ballot paper, were duly passed by the requisite majority except Item No. 5 for appointment of Mr J Rama Krishna Rao as Director.

For Bharat Electronics Limited



Chairman and Managing Director

Place: Bangalore

Date: 10th September, 2015