



भारत इलेक्ट्रॉनिक्स लिमिटेड

(भारत सरकार का उद्यम, रक्षा मंत्रालय)

पंजीकृत कार्यालय

आउटर रिंग रोड, नागवारा, बेंगलूर - 560 045. भारत

Bharat Electronics Limited

(A Govt. of India Enterprise, Ministry of Defence)

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CIN: L32309KA1954GOI000787

No. 17565/6/SE/NSEC/SEC

8 June 2016

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

Dear Sir/Madam,

Sub: Press Release

Pursuant to Regulation 30 of SEBI (LODR) Regulation, 2015 we are enclosing herewith a copy of the presentation made at the press conference held on 8th June, 2016 at Bangalore.

This is for your information.

Thanking you,

Yours faithfully,

For Bharat Electronics Ltd.



S Sreenivas
Company Secretary



QUALITY. TECHNOLOGY. INNOVATION.

Press Release

Bharat Electronics Limited

Empowering the Nation's Defence Forces

Performance Highlights of 2015-16

FINANCIAL HIGHLIGHTS

Parameter	2014-15 (Audited)	2015-16 (Audited)
Turnover (Rs.Cr)	6,695	7,522
Profit Before Tax (Rs.Cr)	1,467	1,809
Profit After Tax (Rs.Cr)	1,167	1,358
Export (US \$ Million)	58	85
Turnover Per Employee (Rs.Lakh)	68.99	76.38
Value added per employee (Rs.Lakh)	29.43	33.49
Order Book Value (Rs.Cr)	21,617 (as on 1.4.2015)	32,022 (as on 1.4.2016)
Expenditure on R&D (Rs.Cr)	549	704

HIGHLIGHTS OF 2015-16

- Registered a turnover growth of 12% over previous year
- Significant Export performance: 47% growth
- Induction of Akash Missile System into Indian Air Force and Indian Army
- Excellent "MoU" Rating for 2014-15

Empowering the Nation's Defence Forces

- Turnover from indigenous technology is 86%
- Sales from Defence business is 82%

MAJOR ORDERS EXECUTED

Some of the significant orders executed during the year include supply of the following products / systems:

- Akash Weapon System (Indian Army & Indian Air Force)
- 3-D Tactical Control Radar to Army
- Schilka Upgrade to Army
- Passive Night Vision Devices to Army
- Low Level Light Weight Radar to Air Force
- Fire Control System to Navy
- Integrated Sonar Suite to Navy
- Ship Data Network to Navy
- New Generation Sonars to Navy
- L Band Surveillance Radar for Export (Myanmar)

NEW PRODUCTS

Some of the new products / systems introduced during the year are:

- 3-D Surveillance Radar
- L-Band 2-D Air Surveillance Radar
- Coastal Surveillance Radar
- Software Defined Radio (Naval Version)
- Tactical Access Switch
- Advanced Composite Communication System
- Citizen Verification Device
- Integrated Sonar Suite
- Integrated EW System for Mountain Terrain
- Laser Warning System
- Gunner Sight for T90 Tank

MAJOR ORDERS RECEIVED

During the year 2014-15, the Company received many orders. Significant among these orders include:

- Integrated Air Command Control System
- Weapon Locating Radar
- Hand Held Thermal Imager with LRF
- Ground Based Mobile ELINT
- Integrated Communication System
- USHUS
- Electronic Fuze
- Armoured Engineer Reconnaissance Vehicle
- Shakti System for P71

EXPORT PERFORMANCE

- Achieved Export sales of US \$ 85 Million against US \$ 57.85 Million during previous year
- Indigenously developed Naval Surveillance Radar was exported for the first time
- Other products include TI Based Electro Optic Fire Control Systems, CoMPASS, Electronic Voting Machine, Communication Equipment, Radar Warning Receiver and Electro-Mechanical parts
- Export order book of US \$ 120 Million as on April 1, 2016; includes Offset order book of US \$ 14 Million
- Excellence in Exports under the category "Electronics & Communication (excluding IT / BT) - Medium and Large" from the Government of Karnataka during last 5 consecutive years

BUSINESS INITIATIVES

- New Defence Systems Integration Complex at Anantapur District to expand the Missile Systems Business

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- Strategic alliances with Defence labs, OFB and global OEMs for emerging businesses
- Emphasis on in-house R&D as well as collaborative R&D
- Thrust on exports and offsets. Focus is on Build to Print, Build to Spec and Buyer Nominated Equipment
- Plans to diversify / expand business in both Defence and non-Defence sectors

R&D INITIATIVES

- 3-year R&D Plan for 2016-19 released with additional data on collaborative R&D efforts
- 12 patent applications filed
- 98 technical papers published by R&D engineers in national and international journals
- Control Electronics R&D group formed to address Missile Electronics Business
- Software group at Chennai accredited with CMMi Level 3
- R&D focus centered around indigenous product / systems development to meet requirement of new IDDM category in DPP 2016

MANUFACTURING INITIATIVES

- Additional Test Bed Facility at Bengaluru for Missile and Weapon System Integration
- Near Field Test Range and EMI / EMC Test Facilities for High Tech Radars at Ghaziabad
- State-of-the-art Additive Manufacturing Facility set up at Bengaluru for product development with reduced cycle time
- X-ray inspection facility at Chennai for Testing of high end / complex Printed Circuit Boards
- Environmental Stress Screening Chamber at Chennai Unit

QUALITY INITIATIVES

- All Units / SBUs certified for ISO 9001-2008 QMS & ISO 14001-2004 EMS standards

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- Seven Units / SBUs certified for AS 9100 Aerospace standard
- Central Software Department Group at Bengaluru Complex is CMMi level 5 certified
- New 'Quality Recognition Award' instituted from 2015-16 to recognize the efforts in achieving excellence
- Six Sigma projects, Suggestion Scheme and Quality Control Circles take BEL's Quality movement forward
- 156 engineers qualified as CRE (Certified Reliability Engineers) and 39 engineers were certified as CQE (Certified Quality Engineers) by American Society of Quality (ASQ)
- 84 PMPs (Project Management Professionals) were certified by Project Management Institute during 2015-16

MAKE IN INDIA INITIATIVES

- 86% of Sales Revenue from Indigenous technology
- 40% of input materials sourced from Indian Private Industries
- BEL is focusing more on core areas and R&D, all non-core areas are being outsourced to Indian Industries including MSMEs
- Long-term Outsourcing & Indigenization Policy has been released
- Nodal officers for Outsourcing & Vendor development nominated
- Annually around 800 new indigenous vendors are added
- Procurement from MSMEs has been increased to 20% during 2015-16 as against 8% during 2014-15
- SOP for use of BEL's Test facilities by Private entities is uploaded on our website (www.bel-india.com)

HR INITIATIVES

- Companywide per capita training man days for 2015-16 is 4 as against 3.5 in 2014-15
- Structured Executive Development programmes at premier institutes
- Change Management Program and Executive coaching for senior executives

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- Programmes on Enterprise Risk Management, Outbound Learning, Strategy Building, Strategic Innovation and Competitive Intelligence
- Advanced Management Programme for General Managers
- Launched Gender Sensitisation Programme (SAMMAN) and Women Leadership Workshop (DEEPSHIKHA)

ENVIRONMENTAL INITIATIVES

- All 9 Units ISO 14001 and ISO 9001-2008 certified
- Bangalore Complex and Ghaziabad Units certified for OHSAS 18001: 2007
- Well-established Environmental Management System with pollution control measures, waste water treatment, zero effluent discharge, rainwater harvesting, energy conservation, and disposal of hazardous waste
- With a total capacity of 5.5 MW wind energy plants, 80 Lakh units generated has been wheeled during 2015-16
- Expected generation by additional 8.4 MW plant is about 180 Lakh units
- Expected green energy generation during 2016-17 is about 260 Lakh units
- Incorporation of Green Building concept has been introduced in all new buildings, and all future buildings will meet Green Rating for Integrated Habitat Assessment (GRIHA) rating compliance
- BEL has taken up sustainable development projects in the areas of air conditioning, air compressor, lighting management system, natural daylight harvesting

CORPORATE SOCIAL RESPONSIBILITY

BEL's Corporate Social Responsibility (CSR) Policy has laid down the following broad areas for providing benefit to the stakeholders: Health Care, Education, Rural Development, Environment Protection and Conservation of Resources. Some of BEL's CSR initiatives completed during 2015-16 were:

- Construction of a Burns Ward for Udupi district hospital
- Contribution of Rs.86.27 lakhs for cyclone relief in Andhra Pradesh
- Various facilities for 21 schools in 17 villages of Yadgir district, Karnataka
- Adoption of Reddy Naidu Agraharam village by BEL-Machilipatnam under Swachh Bharat Abhiyaan

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- Construction of toilets under Swachh Vidyalaya Abhiyaan for 10 Government schools in Krishna district
- Construction of Digital library and toilet blocks for Government schools in Kandavara, Chikkaballapur and Turuvekere, Karnataka
- Construction of new building for Magadi and Sompura Government schools
- Adoption of Mandhna village by BEL-Panchkula

AWARDS

- Raksha Mantri's Awards in the categories of 'Excellence in Performance', 'Best Performing Division', 'Indigenisation', 'Design Effort', and 'Best Performance in Exports'
- Dun & Bradstreet's 'India's Top PSU Award 2015' in the Electrical & Electronic Equipment category
- ELCINA-EFY Awards for Quality and Exports
- Mentor Graphics Silicon India Leadership Award for the 'Best VLSI / Embedded Design in Government sector'
- India Today PSU Awards: 'Best Global Presence Award', 'Eco Friendly Award' and 'Best R&D Innovation Award'
- 'Digital India PSE of the Year Award'

OUTLOOK FOR THE FUTURE

- BEL will continue its indigenisation efforts in keeping with 'Make in India' initiative
- Radars, Missile Systems, Communication & Network Centric Systems, Tank Electronics, Gun Upgrades, Electro-Optic Systems and Electronic Warfare & Avionics Systems to drive BEL's growth
- Capacity enhancement and creation of new test facilities for Defence business
- Company pursuing business opportunities in Solar Energy, Homeland Security, Smart Cards and Telecom
- Strategies and action plans in place to face competition, maintain technological edge and retain leadership position in strategic electronics