



भारत इलेक्ट्रॉनिक्स
BHARAT ELECTRONICS

भारत इलेक्ट्रॉनिक्स लिमिटेड

(भारत सरकार का उद्यम, रक्षा मंत्रालय)

पंजीकृत कार्यालय :

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

Bharat Electronics Limited

(Govt. of India Enterprise, Ministry of Defence)

Registered Office : Outer Ring Road,

Nagavara, Bangalore - 560 045, INDIA.

CIN : L32309KA1954GOI000787

टेलीफैक्स/Telefax : +91 (80) 25039266

ई-मेल/E-mail : secretary@bel.co.in

वेब/Web : www.bel-india.com

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
12th August 2016

Dear Sir/Madam,

Sub: Notice of Postal Ballot.

Further to our intimation dated 5th August, 2016 and in terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Postal Ballot Notice and Form for seeking approval of the Members by way of Special Resolution through postal ballot for buyback of not exceeding 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares of the Company, from all the members holding equity shares of the Company on a proportionate basis through the "Tender Offer" route at a price of ₹ 1305/- (Rupees One Thousand Three Hundred Five only) per equity share of face value of ₹ 10/- each payable in cash for an aggregate consideration not exceeding ₹ 2171,15,56,379/- (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only).

The Postal Ballot Notice is being sent to all the members, whose names appear on the Register of Members/list of beneficial owners, received from the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) as on Friday, the 5th August, 2016.

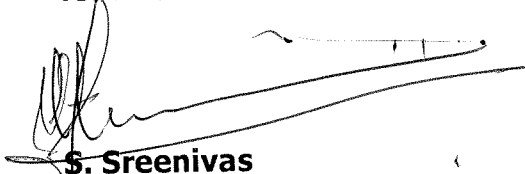
The Company has engaged the services of NSDL to provide the facility of casting of votes by using electronic voting system ("e-voting"). The voting through physical postal

ballot form and through remote e-voting shall commence from Saturday, the 13th August, 2016 at 09.00 a.m. IST and shall end on Sunday, the 11th September, 2016 at 5.00 p.m. IST.

We would request you to please make a note of the same.

Thanking you,

Yours faithfully,
for Bharat Electronics Ltd.


S. Sreenivas
Company Secretary

Encls: As above



BHARAT ELECTRONICS LIMITED

(A Government of India Enterprise)

[CIN: L32309KA1954GOI000787]

Regd. & Corp. Office: Outer Ring Road, Nagavara, Bangalore – 560 045, Karnataka, India.

Phone No. (080) 25039266, Fax No.(080) 25039266 Email: secretary@bel.co.in, Website: www.bel-india.com

Notice of Postal Ballot (Pursuant to Section 110 of the Companies Act, 2013 and rule 22 of the Companies (Management and Administration) Rules, 2014)

Dear Members,

Notice is hereby given, pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “Companies Act/Act”), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (the “Management Rules”) and the rules, circulars and notifications thereunder (including any statutory modifications or re-enactment thereof), and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 (the “Buyback Regulations”), that the Resolution appended below for the buyback of equity shares of Bharat Electronics Limited (the “Company”/“BEL”) is proposed to be passed as Special Resolution through postal ballot/ remote electronic voting for the postal ballot.

The Board of Directors of the Company at their meeting held on 5th August, 2016 (“Board Meeting”) has subject to the approval of the shareholders of the Company by way of Special Resolution through postal ballot and subject to approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved buyback of not exceeding 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares of the Company, from all the members holding equity shares of the Company on a proportionate basis through the “Tender Offer” route in accordance with the Articles of Associations of the Company and pursuant to the provisions of Sections 68, 69, 70 and other applicable provisions, if any, of the Companies Act, the Management Rules, the Buyback Regulations, as amended from time to time at a price of ₹ 1,305 (Rupees One Thousand Three Hundred Five only) per equity share of face value of Rs.10/- each payable in cash for an aggregate consideration not exceeding ₹ 2171,15,56,379/- (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only) (the “Buyback”). The Buyback shall be up to 25% of the aggregate of fully paid up share capital and free reserves of the Company as per audited accounts of the Company for the financial year ended 31st March, 2016 (the last audited financial statements available as on the date of Board meeting recommending the proposal of the Buyback).

Pursuant to Sections 68(2)(b), 69 and other applicable provisions of the Companies Act and rules made thereunder, it is necessary to obtain the consent of the members holding equity shares of the Company by way of a Special Resolution for the proposed Buyback. Further, as per Section 110 of the Companies Act read with Rule 22(16)(g) of the Management Rules, the consent of the members is required to be obtained for the buyback by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the Resolution appended below.

An explanatory statement pursuant to Section 102 and other applicable provisions of the Companies Act and the Buyback Regulations, pertaining to the said Resolution setting out the material facts and the reasons therefor, is also appended. The said Resolution and explanatory statement are being sent to you along with a postal ballot form (the “Postal Ballot Form”) for your consideration. Pursuant to Rule 22(5) of the Management Rules, the Board of Directors at their meeting held on 5th August, 2016 has appointed Shri. Thirupal Gorige, Company Secretary in Practice, Bengaluru (Membership No. F6680 & Certificate of Practice No. 6424), as the scrutinizer (the “Scrutinizer”) for conducting the postal ballot and remote e-voting process in a fair and transparent manner.

The members desiring to exercise their vote through postal ballot are requested to carefully read the instructions enclosed with the Postal Ballot Form and return the said Form duly completed in the attached self-addressed, postage prepaid envelope, if posted in India, so as to reach the Scrutinizer, not later than close of working hours (5 pm IST) on September 11, 2016. Please note that any Postal Ballot Form(s) received after the said date will be strictly treated as not having been received. The postage will be borne and paid for by the Company.

In compliance with the provision of Section 108 and Section 110 of the Companies Act read with Rule 20 and 22 of the Management Rules and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is also offering remote e-voting facility as an alternate mode of voting to all members of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. The Members desiring to exercise their vote through remote e-voting are requested to follow the procedure as stated in the notes and instructions for casting of votes by remote e-voting. The remote e-voting module will be disabled after the business hours i.e. 5 pm IST on September 11, 2016 for voting by the members holding equity shares of the Company. The members holding equity shares of the Company have both the options of voting i.e. by remote e-voting and through Postal Ballot Form. Kindly note that while exercising their vote, members holding equity shares of the Company can opt for only one of the two modes of voting i.e. either through Postal Ballot Form or remote e-voting. If you are opting for remote e-voting, then do not vote through Postal Ballot Form and vice versa. In case shareholders cast their vote both by physical postal ballot and remote e-voting, then voting done through valid remote e-voting shall prevail and the voting done by postal ballot will be treated as invalid.

The Scrutinizer will submit his report to the Chairman or in his absence a person authorized by him in writing, after completion of scrutiny of Postal Ballot (including remote e-voting) in a fair and transparent manner. The results of the Postal Ballot will be announced on or before September 13, 2016 and will be displayed at the Registered Office of the Company and will also be published in newspapers and communicated to BSE Limited (the “BSE”) and National Stock Exchange of India Limited (the “NSE”) where the equity shares of the Company are listed. The results of the Postal Ballot will also be displayed on the Company’s website: www.bel-india.com and on the website of National Securities Depository Limited (“NSDL”). The date of declaration of the results of the Postal Ballot shall be the date on which the Resolution would be deemed to have been passed, if approved by the requisite majority. The members are requested to consider and, if thought fit, to pass the following Resolutions:

SPECIAL BUSINESS:

APPROVAL FOR BUYBACK OF EQUITY SHARES NOT EXCEEDING 25% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID UP SHARE CAPITAL OF THE COMPANY

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013, as amended (the “Companies Act”) and in accordance with the Articles of Association of the Company, the Companies (Share Capital and Debentures) Rules, 2014 (the “Share Capital Rules”) to the extent applicable, and in compliance with the Securities and Exchange Board of India (Buy back of

Securities) Regulations, 1998 (the “**Buyback Regulations**”), including any amendments, statutory modifications or re-enactments, for the time being in force and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which expression shall include any Committee constituted by the Board to exercise its powers, including the powers conferred by this Resolution), consent of the members be and is hereby accorded for the buyback by the Company of its fully paid-up equity shares of ₹ 10 (Rupee ten) each not exceeding 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares (representing 6.93 % of the total number of equity shares in the paid up share capital of the Company) at a price of ₹ 1,305/- (Rupees One Thousand Three Hundred Five only) per equity share (“**Buyback Offer Price**”) payable in cash for an aggregate consideration not exceeding ₹ 2171,15,56,379/- (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only) (“**Buyback Offer Size**”) which is not exceeding 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended 31st March, 2016 from the equity shareholders of the Company, as on the record date, on a proportionate basis through the “**Tender offer**” route as prescribed under the Buyback Regulations (“**Buyback**”).

RESOLVED FURTHER THAT the Company, to the extent legally permissible, implement the Buyback using the “Mechanism for acquisition of shares through Stock Exchange” notified by Securities and Exchange Board of India (“**SEBI**”) vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

RESOLVED FURTHER THAT such Buyback may be made out of the Company’s free reserves and / or such other sources as may be permitted by law through “Tender Offer” route and as required by the Buyback Regulations and the Companies Act, the Company may buyback equity shares from all the existing members holding equity shares of the Company on a proportionate basis, provided 15% (fifteen percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders, as prescribed under proviso to Regulation 6 of the Buyback Regulations.

RESOLVED FURTHER THAT the Buyback from non-resident members holding equity shares of the Company, Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs) and shareholders of foreign nationality, if any, etc. shall be subject to such approvals if, and to the extent necessary or required from the concerned authorities including approvals from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder, if any.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Director(s) / Officer(s) / Authorised Representative(s) / Committee (“**Buyback Committee**”) of the Company in order to give effect to the aforesaid Resolutions, including but not limited to finalizing the terms of the Buyback viz., record date, entitlement ratio, the timeframe for completion of Buyback, appointment of merchant bankers, Brokers, Solicitors, Depository Participants, advertising agencies, escrow agents and other advisors / consultants / intermediaries / agencies, as may be required, for the implementation of the Buyback; preparation, signing and filing of the public announcement, the Draft letter of offer / Letter of Offer with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder; and to initiate all necessary actions for preparation, signing, issuing and filing of various documents including public announcement, the draft letter of offer/letter of offer and all other relevant documents with respect to the Buyback with the Securities and Exchange Board of India, stock exchanges and other appropriate authorities, if required; and to obtain all necessary certificates and reports from statutory auditors and other third parties as required under applicable law; and to enter into escrow arrangements and appoint escrow agents as required in terms of Buyback Regulations; and to open, operate and close all necessary accounts including escrow account, special payment account, demat escrow accounts required under Buyback Regulations; and for the extinguishment of dematerialized shares and physical destruction of share certificates in respect of the equity shares bought back by the Company, and such other undertakings, agreements, papers, documents and correspondence, under the Common Seal of the Company, as may be required to be filed in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, stock exchanges, Registrar of Companies, Depositories and / or other regulators and statutory authorities as may be required from time to time.

RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any shareholder to offer and / or any obligation on the part of Company or the Board or the Buyback Committee to buyback any shares, and / or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such buyback, if so permissible by law.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board and/or Buyback committee and/or Chairman cum Managing Director be and are hereby jointly and severally authorized to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

By Order of the Board of Directors
For **Bharat Electronics Limited**

S Sreenivas
Company Secretary

Place: New Delhi

Date: 5th August, 2016

NOTES:

1. Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act read with Section 110 of the Companies Act setting out the material facts pertaining to the Resolutions are annexed hereto along with postal ballot form for your consideration.
2. The Board of Directors of the Company has appointed Shri.Thirupal Gorige, Company Secretary in Practice, Bengaluru, (Membership no.: F6680 & CP No.6424) as the Scrutinizer for conducting the postal ballot process (including remote e-voting), in a fair and transparent manner.
3. The Notice is being sent to all the members, whose names appear in the Register of Members/List of Beneficial Owners, received from Central Depository Services (India) Limited (CDSL) and/ or National Securities Depository Limited (NSDL) as on the close of working hours on Friday, the 5th August, 2016 i.e. Cut Off Date. Members whose names appear on the Register of Members/List of Beneficial Owners as on Friday, the 5th August, 2016 will be considered for the purpose of voting. Any person who is not a member of the Company as on cut off date specified above shall treat the Notice for information purpose only.
4. As per Section 108 and Section 110 of the Companies Act read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Notice of the Postal Ballot may be served on the members through electronic means. Members who have registered their e-mail IDs with depositories / with the Company/ with

Registrar and Share Transfer Agent are being sent this Notice of Postal Ballot along with Postal Ballot Form by e-mail and the members who have not registered their e-mail IDs will receive Postal Ballot Notice along with the Postal Ballot Form by Courier / Registered Post.

5. A Postal Ballot Form and a postage prepaid self-addressed envelope are attached to this Notice. The self-addressed letters bear the address to which duly completed Postal Ballot Form is to be sent.
6. In terms of Section 110 of the Companies Act read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has also extended remote e-voting facility as an alternate, for its shareholders to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. The Company has engaged National Securities Depository Limited ("NSDL") to offer remote e-voting facility to all its members to enable them to cast their votes electronically. The instructions for remote e-voting are specified under the notice of Postal Ballot.
7. Members who have received postal ballot notice by email and who wish to vote through physical postal ballot form and in case a Member is desirous of obtaining a duplicate postal ballot form, he or she may apply to the Company and/ or the Registrar i.e. Integrated Enterprises (India) Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore-560 003, or may send an e-mail to : irg@integratedindia.in. The Registrar and Transfer Agent/ Company shall forward the same along with postage prepaid self-addressed Business Reply Envelope to the Member.
8. The Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form, and record their assent (for) or dissent (against) to the items so listed, by returning the same duly completed and signed in the attached postage prepaid self-addressed envelope. However Postal Ballot Form(s) if sent by courier or by registered post at the expense of the Shareholder(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the scrutinizer on or before the closing of working hours 5.00 p.m on September 11, 2016, to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the shareholder(s). Unsigned Postal Ballot Form/s will be rejected. Members are requested not to send any other paper / document along with the Postal Ballot Form. They are also requested not to write anything on the Postal Ballot Form except their assent or dissent and affixing their signature. The Members cannot exercise his/her vote by proxy on postal ballot.
9. The Scrutinizer will submit his final report to the Chairman cum Managing Director as soon as possible after the last date of receipt for Postal Ballot Form but not later than 5.00 p.m on September 13, 2016. The Results of the E-voting/Postal Ballot will be displayed at the Registered Office, displayed on the website of the Company, on the website of NSDL, and intimated to the stock exchanges on which the shares of the Company are listed, and will also be published in newspapers.
10. The Resolutions shall be deemed to have been passed on the date of declaration of the results of the postal ballot, if approved by the requisite majority.
11. The Postal Ballot Notice is also being uploaded on the Company's website viz. www.bel-india.com and of NSDL viz. www.evoting.nsdl.com.

All documents referred to in this Postal Ballot Notice, Explanatory Statement setting out material facts are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m to 5.00 p.m. on all working days except Saturdays, Sundays and national holidays.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 AND REGULATION 5 (1) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (BUY BACK OF SECURITIES) REGULATIONS, 1998, AS AMENDED, FORMING PART OF THE NOTICE.

APPROVAL FOR BUYBACK OF EQUITY SHARES NOT EXCEEDING 25% OF THE TOTAL NUMBER OF EQUITY SHARES IN THE PAID UP SHARE CAPITAL OF THE COMPANY

With an objective of rewarding members holding equity shares of the Company, through return of surplus cash, the Board at its meeting held on 5th August 2016 has approved the proposal of recommending buyback of equity shares as contained in the Resolution in the Notice. As per the relevant provisions of the Companies Act, 2013 (hereinafter "**Companies Act**") and other applicable provisions of Companies Act and Buyback Regulations, the Explanatory Statement contains relevant and material information to enable the members holding equity shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's equity shares.

Requisite details relating to the Buyback are given below:

a) Necessity for the Buyback

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the members holding equity shares of the Company. The Board at its meeting held on 5th August 2016, considered the accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ended 31st March, 2016 and considering these, the Board decided to allocate a sum of not exceeding ₹ 2171,15,56,379 (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only) for returning to the members holding equity shares of the Company through the Buyback.

After considering several factors and benefits to the members holding equity shares of the Company, the Board decided to recommend Buyback of not exceeding 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares (representing 6.93% of the total number of equity shares in the paid-up share capital of the Company) at a price of ₹ 1,305/- (Rupees One Thousand Three Hundred Five only) per equity share for an aggregate consideration of not exceeding ₹ 2171,15,56,379 (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only). Buyback is a more efficient form of returning surplus cash to the members holding equity shares of the Company, inter-alia, for the following reasons:

- i. The Buyback will help the Company to return surplus cash to its members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to members;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buyback Regulations, would involve allocation of higher of number of shares as per their entitlement or 15% of the number of shares to be bought back, reserved for the small shareholders. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- iii. The Buyback may help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- iv. The Buyback gives an option to the members holding equity shares of the Company, who can choose to participate and get cash in lieu of equity shares to be accepted under the Buyback offer or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post the Buyback offer, without additional investment;
- v. Optimizes the capital structure.

b) Method to be adopted for the Buyback

The Buyback shall be on a proportionate basis from all the members holding equity shares of the Company through the "Tender Offer" route, as

prescribed under the Buyback Regulations. The Buyback will be implemented in accordance with the Companies Act and the Share Capital Rules to the extent applicable, and on such terms and conditions as may be deemed fit by the Company.

As required under the Buyback Regulations, the Company will announce a record date (the “**Record Date**”) for determining the names of the members holding equity shares of the Company who will be eligible to participate in the Buyback.

In due course, each shareholder as on the Record Date, will receive a Letter of Offer along with a Tender / Offer Form indicating the entitlement of the shareholder for participating in the Buyback.

The equity shares to be bought back as a part of the buyback is divided in two categories:

- (a) Reserved category for small shareholders; and
- (b) General category for all other shareholders.

As defined in Regulation 2(1) (la) of the Buyback Regulations, a “small shareholder” is a shareholder who holds equity shares having market value, on the basis of closing price on stock exchanges as on Record Date, of not more than ₹ 2,00,000 (Rupees Two Lacs only).

In accordance with the proviso to Regulation 6 of the Buyback Regulations, 15% (fifteen percent) of the number of equity shares which the Company proposes to buyback or number of equity shares entitled as per the shareholding of small shareholders as on the record date, whichever is higher, shall be reserved for the small shareholders as part of this Buyback. The Company believes that this reservation for small shareholders would benefit a large number of public shareholders, who would get classified as “small shareholder”.

Based on the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of equity shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.

Shareholders’ participation in Buyback will be voluntary. Members holding equity shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Members holding equity shares of the Company may also accept a part of their entitlement. Members holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The maximum tender under the Buyback by any shareholder cannot exceed the number of equity shares held by the shareholder as on the Record Date.

The equity shares tendered as per the entitlement by members holding equity shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback is expected to be done using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

Detailed instructions for participation in the Buyback (tender of equity shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the members holding equity shares of the Company as on the Record Date.

c) Maximum amount required under the Buyback, its percentage of the total paid up capital and free reserves and the sources of funds from which the Buyback would be financed

The maximum amount required under the Buyback will be not exceeding ₹ 2171,15,56,379 (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only) which is not exceeding 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended 31st March, 2016. The Buyback would be financed out of free reserves of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited balance sheet. The Company confirms that as required under Section 68(2) (d) of the Companies Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall be not more than twice the paid-up capital and free reserves after the Buyback.

d) Buyback Price and the basis of arriving at the Buyback Price

The equity shares of the Company are proposed to be bought back at a price of ₹ 1,305 (Rupees One Thousand Three Hundred Five only) per equity share (the “**Buyback Offer Price**”). The Buyback Offer Price has been arrived at after considering various factors such as the average closing prices of the equity shares of the Company on stock exchanges where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer price of ₹ 1,305 (Rupees One Thousand Three Hundred Five only) per Equity Share represents (i) a premium of 7.42% on BSE and 7.44% on NSE over the volume weighted average price of the equity shares on BSE and NSE respectively for 3 months preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback ; (ii) premium of 5.22 % on BSE and 5.25% on NSE over the volume weighted average price of the equity shares on BSE and NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback; (iii) premium of 5.31% on BSE and 5.18% on NSE over the closing market price of the equity shares on BSE and NSE as on the date of the intimation to BSE and NSE for the Board Meeting to consider the proposal of the Buyback.

e) Number of shares that the Company proposes to buyback and the time limit for completing the Buyback

The Company proposes to Buyback not exceeding 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares of face value of ₹ 10 each of the Company. The Buyback is proposed to be completed within 12 months of the date of Special Resolution approving the proposed Buyback.

f) Compliance with Section 68(2) (c) of the Companies Act

The aggregate paid-up share capital and free reserves as at March 31, 2016 is ₹ 86,84,62,25,517 (Rupees Eight Thousand Six Hundred and Eighty Four Crore Sixty Two Lakh Twenty Five Thousand Five Hundred and Seventeen only). Under the provisions of the Companies Act, the funds deployed for the Buyback cannot exceed 25% of the aggregate of the fully paid-up share capital and free reserves of the Company i.e. ₹ 2171,15,56,379/- (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only). The maximum amount proposed to be utilized for the Buyback, is not exceeding ₹ 2171,15,56,379/- (Rupees Two Thousand One Hundred Seventy One Crore Fifteen Lakh Fifty Six Thousand Three Hundred Seventy Nine only) and is therefore within the limit of 25% of aggregate of fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016 (the last audited financial statements available as on the date of Board meeting recommending the proposal of the Buyback).

Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity share capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 6,00,00,000 (Six Crore) equity shares. Since the Company proposes to Buyback upto 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares, the same is within the aforesaid 25% limit.

g) The aggregate shareholding of the Promoter and of the Directors of the Promoter where Promoter is a Company and of Persons who are in Control of the Company, and of Directors and Key Managerial Personnel of the Company as on the date of this Notice:

S. No.	Name of shareholder	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital
1.	President of India acting through Ministry of Defence, Government of India	18,00,42,330	18,00,42,330	75.02
2.	Shri. Prem Kumar Kataria	300	300	Negligible

- h) No shares or other specified securities in the Company were either purchased or sold by persons mentioned in clause (g) during a period of six months preceding the date of the board meeting at which the buyback was approved and from that date till the date of notice of Postal Ballot for Buyback.
- i) **The Promoter has expressed its intention, vide its letter dated August 5, 2016 to participate in the Buyback and tender upto 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares. Since the entire shareholding of the Promoter is in the demat mode, the details of the date and price of acquisition/sale of entire Equity Shares that the Promoter has acquired/sold till date are set-out below:**

Date of Transaction	No. of Equity Shares	Acquisition/ Sale Consideration (₹)	Nature of Transaction /Consideration
07.02.1954	50,000	5,00,00,000	Acquisition: Initial investment by the Promoter
11.10.1959	15,000	1,50,00,000	Acquisition: Investment by the Promoter
02.07.1974	4,600	46,00,000	Acquisition: Investment by the Promoter
01.02.1978	15,000	1,50,00,000	Acquisition: Investment by the Promoter
27.11.1978	15,400	1,54,00,000	Acquisition: Investment by the Promoter
01.01.1980	15,000	1,50,00,000	Acquisition: Investment by the Promoter
21.01.1981	15,000	1,50,00,000	Acquisition: Investment by the Promoter
16.04.1981	40,000	4,00,00,000	Acquisition: Investment by the Promoter
27.03.1984	20,000	2,00,00,000	Acquisition: Investment by the Promoter
29.01.1985	50,000	5,00,00,000	Acquisition: Investment by the Promoter
28.02.1985	50,000	5,00,00,000	Acquisition: Investment by the Promoter
27.03.1985	20,000	2,00,00,000	Acquisition: Investment by the Promoter
19.12.1985	40,000	4,00,00,000	Acquisition: Investment by the Promoter
03.07.1986	80,000	8,00,00,000	Acquisition: Investment by the Promoter
27.11.1986	70,000	7,00,00,000	Acquisition: Investment by the Promoter
19.03.1987	40,000	4,00,00,000	Acquisition: Investment by the Promoter
31.03.1988	1,10,000	11,00,00,000	Acquisition: Investment by the Promoter
31.03.1989	1,00,000	10,00,00,000	Acquisition: Investment by the Promoter
31.03.1990	50,000	5,00,00,000	Acquisition: Investment by the Promoter
14.02.1992	8,00,00,000	80,00,00,000	Value of one equity share of ₹ 1000 was split into 100 equity shares of ₹ 10 each
06.11.1992	-1,24,83,100	N.A. (Refer Note No. 1)	Disinvestment: Unit Trust of India
06.11.1992	-8,04,700	N.A. (Refer Note No. 1)	Disinvestment: Stock Holding Corporation of India Ltd.
06.11.1992	-3,75,500	N.A. (Refer Note No. 1)	Disinvestment: SBI Capital Markets Ltd.
06.11.1992	-11,80,300	N.A. (Refer Note No. 1)	Disinvestment: Canara Bank
06.11.1992	-9,71,300	N.A. (Refer Note No. 1)	Disinvestment: Bank of India
06.11.1992	-1,85,000	N.A. (Refer Note No. 1)	Disinvestment: Bank of Baroda
26.08.1994	-45,000	59,85,000	Disinvestment: United India Insurance Company Ltd.
26.08.1994	-45,000	60,30,000	Disinvestment: United India Insurance Company Ltd.
26.08.1994	-2,70,000	3,64,50,000	Disinvestment: United India Insurance Company Ltd.
26.08.1994	-500	72,000	Disinvestment: Mrs G. Indira Krishna Reddy
26.08.1994	-50,000	74,00,000	Disinvestment: The Oriental Insurance Co. Ltd.
26.08.1994	-55,000	79,75,000	Disinvestment: The Oriental Insurance Co. Ltd.
26.08.1994	-55,000	77,00,000	Disinvestment: The Oriental Insurance Co. Ltd.
26.08.1994	-55,000	75,90,000	Disinvestment: The Oriental Insurance Co. Ltd.
26.08.1994	-60,000	81,00,000	Disinvestment: The Oriental Insurance Co. Ltd.
26.08.1994	-50,000	68,00,000	Disinvestment: The New India Assurance Co. Ltd.
26.08.1994	-1,00,000	1,46,00,000	Disinvestment: Stock Holding Corporation of India Ltd.
26.08.1994	-50,000	70,00,000	Disinvestment: The New India Assurance Co. Ltd.
26.08.1994	-35,000	50,40,000	Disinvestment: The New India Assurance Co. Ltd.
26.08.1994	-10,00,000	14,50,00,000	Disinvestment: Unit Trust of India
28.08.1994	-10,00,000	13,50,00,000	Disinvestment: Unit Trust of India
08.09.1994	-4,40,000	7,09,50,000	Disinvestment: Canara Bank
27.03. 2014	-6,73,741	65,10,99,148	Disinvestment: Off-Market – CPSE ETF
08.04.2015	-1,649	53,54,198	Disinvestment: Off-Market – Loyalty Bonus of CPSE ETF
19.09.2015	12,00,28,420	Other than Cash	Bonus Shares 2:1 (2 Shares for every 1 equity Shares)
As on 05.08.2016	18,00,42,630		

Notes:

1. In the first round of disinvestment of 20% of BEL shares, as per information available in BEL records, the valuation of shares was done in respect of approved list of 31 PSEs as per the methodology of valuation of shares as approved by Cabinet Committee on Economic Affairs ("CCEA") in consultation with Ministry of Finance. It is understood that the shares were made up of basket of shares of different Public Sector Enterprises bundled together and BEL has no information on the price at which BEL shares were disinvested in 1992 and the amount realized by the Government of India.

(j) Confirmations from Company as per the provisions of Buyback Regulations and Companies Act

- i. The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- ii. The Company shall not raise further capital for a period of one year from the closure of the Buyback offer, except in discharge of subsisting obligations.
- iii. The Company shall not withdraw the Buyback after the draft letter of offer is filed with SEBI or the public announcement of the offer to Buyback is made;
- iv. The Company shall not Buyback locked-in shares and non-transferable shares or other specified securities till the pendency of the lock-in or till the shares or other specified securities become transferable.
- v. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares purchased through the Buyback to the Capital Redemption Reserve account and the details of such transfer shall be disclosed in its subsequent audited balance sheet.
- vi. The Company confirms that no defaults have been made by Company in the repayment of deposits accepted either before or after the commencement of the Companies Act, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

(k) The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that:

- a) Immediately following the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared, there will be no grounds on which the Company could be found unable to pay its debts;
- b) As regards the Company's prospects for the year immediately following the date of this Board meeting as well as for the year immediately following the date on which the results of the Postal Ballot/ E-voting will be declared approving the Buyback, and having regard to the Board's intention with respect to the management of Company's business during that year and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of this Board meeting and the date on which the results of the Postal Ballot/ E-voting will be declared; and
- c) In forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 (to the extent notified), as the case may be, including prospective and contingent liabilities.

l) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the Report dated August 5, 2016 received from S. Rajendiran, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

To,

The Board of Directors

Bharat Electronics Limited
(A Government of India Enterprise)
Outer Ring Road, Nagavara,
Bangalore, Karnataka-560045, India

Dear Sirs,

Sub: Proposed buyback of Equity Shares of not exceeding 25% of the aggregate of the fully paid-up share capital and free reserves as per the audited accounts of the Company for the financial year ended March 31, 2016, on a proportionate basis (the "Buyback"), from the Eligible Shareholders by way of a tender offer through the stock exchange mechanism by Bharat Electronics Limited (the "Company").

We, M/s Badari, Madhusudhan & Srinivasan, Chartered Accountants, the Statutory Auditors of the Company, have been informed that the Board of Directors of the Company in their meeting held on August 5, 2016 have decided to buy back Company's fully paid up equity shares as allowed under Section 68, 69 and 70 of the Companies Act, 2013 at a price of ₹ 1,305 (Rupees One Thousand Three Hundred Five only) per share. In terms of the requirements of Clause (xi) of Schedule II, Part A of the Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 (hereinafter "Buyback Regulations"), we confirm as under:

- (i) We have inquired into the state of affairs of the Company, in relation to its audited accounts for the year ended March 31, 2016, as approved by the Board of Directors in the meeting held on 27th May, 2016;
- (ii) The amount of permissible capital payment towards buy-back of equity shares (including premium) in question as ascertained below in our view has been properly determined in accordance with Section 68 (2) (c) of the Companies Act, 2013:

Particulars	Amount in (Rs. Cr.)
Issued, subscribed and fully paid up equity shares:	
24 crore Equity Shares of ₹ 10 each, fully paid up	240,00,00,000
Total- A	240,00,00,000
Reserves and surplus	
General reserve	4561,22,33,501
Surplus in the statement of profit and loss	3883,39,92,016
Securities premium account	0.00
Total- B	8444,62,25,517
Total C= A+B	8684,62,25,517
Maximum amount permissible for the Buy-back i.e. 25% of the aggregate fully paid-up share capital and free reserves	2171,15,56,379

(iii) Based on the representations made by the Company and other information and explanations given to us, which to the best of our knowledge and belief were necessary for this purpose, we report that we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration as approved by the Board of Directors in their meeting held on August 5, 2016 is unreasonable in all the circumstances in the present context.

(iv) The Board of Directors in their meeting held on August 5, 2016, have formed the opinion in terms of Clause (xi) of Part A of the Schedule II of the Buyback Regulations, on reasonable grounds that the Company, having regard to its state of affairs, shall not be rendered insolvent within a period of one year from that date and from the date on which the result of the shareholders' resolution with regard to the Buyback is declared.

(v) We are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

The compliance with the provisions of the Companies Act, 2013 and Buyback Regulations is the responsibility of the Company's management. Our responsibility is to report on the amount of permissible capital for the buyback and report that the audited accounts on the basis of which calculation with reference to buyback is done and read the resolution of the Board of Directors for the meeting held on August 5, 2016 referred to in paragraph (i) and (v) above.

This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Buyback Regulations solely to enable the Board of Directors of the Company to include it in postal ballot notice, public announcement and letter of offer to be circularised to the shareholders and filed with various regulatory agencies and providing to parties including the Manager to the offer, in connection with buyback of not exceeding 1,66,37,207 (One Crore Sixty Six Lakhs Thirty Seven Thousand Two Hundred Seven) equity shares, in pursuance of provisions of section 68, 69 and 70 of the Companies Act, 2013, Buyback Regulations and should not be used for any other purpose or by any other person.

For M/s Badari, Madhusudhan & Srinivasan,
Chartered Accountants
Firm Registration Number: 005389S

(S. Rajendiran)
Partner
Membership No.: 021883
Place: New Delhi
Date: August 5, 2016

For any clarifications related to the Buyback process, members holding equity shares of the Company may contact Sri S Sreenivas Company Secretary, Tel: +91 (80) 25039266; Email: secretary@bel.co.in.

All the material documents referred to in the Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board Resolution for the Buyback, the Auditors Report dated August 5, 2016 and the audited accounts of the Company for the financial year ended March 31, 2016 are available for inspection by the members of the Company at its Registered Office on any working day except Saturdays, Sundays and National Holidays between 10.00 am and 5.00 pm up to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its members holding equity shares of the Company. The Directors, therefore, recommend passing of the Special Resolution as set out in the accompanying Notice.

None of the Directors or any Key Managerial Personnel of the Company is, in anyway, concerned or interested, either directly or indirectly in passing of the said Resolution, save and except to the extent of their respective interest as shareholders of the Company.

By Order of the Board of Directors
For **Bharat Electronics Limited**

S Sreenivas
Company Secretary

Place: New Delhi
Date: 5th August, 2016

INSTRUCTION FOR VOTING BY PHYSICAL POSTAL BALLOT FORM

1. A Shareholder desirous of exercising vote by physical Postal Ballot should complete the Postal Ballot Form in all respects and send it after Signature to the Scrutinizer in the attached self-addressed postal prepaid envelope which shall be properly sealed with adhesive or adhesive tape. However, letters containing Postal Ballot Form, if sent by courier, at the expense of the shareholder will also be accepted. The shareholders are requested to convey their assent and dissent in the enclosed Postal Ballot Form.
2. The self-addressed letters bear the address of the Scrutinizer to which duly completed Postal Ballot Form is to be sent.
3. The Postal Ballot Form should be signed by the shareholders as per the specimen signatures registered with the Registrar/ Depository. In case the equity shares are jointly held, Postal Ballot Form should be completed and signed (as per specimen signatures registered with Registrar/ Depository) by the first named shareholder and his/her absence, by the next named shareholder. Holder(s) of Power of Attorney(s) (POA) on behalf of the shareholder(s) may vote on the Postal Ballot enclosing an attested copy of the POA. Unsigned Postal Ballot Forms will be rejected.
4. In case of Equity Shares held by the shareholders other than the individual shareholders, the duly completed Postal Ballot Forms should be signed by the authorized signatory, whose signature was already registered with Registrar and Share Transfer Agent or it should be accompanied by a certified copy of Board Resolution/ authority and with attested specimen signature(s) of the duly authorized signatories giving requisite authorities to the person voting on the Postal Ballot Form.
5. The Duly Completed Postal Ballot Form should reach the Scrutinizer not later than close of working hours of September 11, 2016 (5.00 pm). Postal Ballot Form received after this date will be treated as if reply from such Shareholder has not been received. The shareholders are requested to send the duly completed Postal Ballot Form well before the last date providing sufficient time for the postal transit.
6. Voting rights shall be reckoned on the paid up value of the shares registered in the name(s) of the shareholder(s) as on August 5, 2016.
7. Shareholders are requested not to send any paper (other than the Resolution/ authority as mentioned under instruction above) along with the Postal Ballot Form in the enclosed self-addressed postage prepaid letter as all such documents will be sent to the Scrutinizer and if any extraneous paper is found therein, the same would not be considered and would be destroyed by the Scrutinizer.
8. There will be only one Postal Ballot Form for every folio / client ID irrespective of the number of the joint shareholders. On receipt of the duplicate Postal Ballot Form, the original will be rejected.

9. In case a Member is desirous of obtaining a printed postal ballot form or a duplicate, he or she may send an e-mail to : irg@integratedindia.in
10. The votes should be cast either in favour of or against by putting the tick (✓) mark in the column provided for assent or dissent. Postal Ballot Form bearing in both the columns will render the Form invalid.
11. Incomplete, unsigned or incorrectly filled Postal Ballot Form shall be rejected. No other form or photocopy of the attached Postal Ballot Form will be permitted.

The Procedure with respect to "Remote e-voting" is provided below:-

In compliance with the provisions of Section 108 of the Companies Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to offer its Members facility to exercise their right to vote in respect of the businesses to be transacted through remote e-voting Services.

The Company has engaged the services of National Securities Depository Limited (NSDL) as the Authorised Agency to provide the facility of casting of votes by using an electronic voting system ("e-voting"). The detailed process, instructions and manner for availing remote e-voting facility is provided herein below:

The remote e-voting period begins on August 13, 2016 at 09.00 a.m. and ends on September 11, 2016 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 5, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz. "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Bharat Electronics Limited"
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to gthirupal@gmail.com, with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Postal Ballot [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- (i) Initial password is provided as below / at the bottom of the Postal Ballot Form:

EVEN (E-voting Event Number)	User ID	Password

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) on the e-voting system of NSDL for Shareholders and e-voting user manual for Shareholders available at the Downloads section of <http://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or call on toll free no.: 1800-222-990.
 - (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - (v) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - (vi) The remote e-voting period commences on Saturday, August 13, 2016 (09.00 am) and ends on Sunday, September 11, 2016 (5.00 pm). During this period shareholder of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date August 5, 2016, may cast their vote electronically. The "Remote e-voting" module shall be disabled by NSDL for voting thereafter.
 - (vii) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 5, 2016.
 - (viii) If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on <http://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.
 - (ix) Shri Thirupal Gorige, Company Secretary in Practice, Bengaluru (Membership No. F6680 & Certificate of Practice No. 6424), has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and "Remote e-voting" process in a fair and transparent manner.
 - (x) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.bel-india.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchanges on which the shares of the Company are listed.
- C. The facility of remote e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders. For any grievances connected with voting by electronic means, shareholders may contact Shri Rajiv Ranjan, E-mail Id: rajivr@nsdl.co.in
- D. The scrutinizer's decision on the validity of e-voting will be final.



BHARAT ELECTRONICS LIMITED

(A Government of India Enterprise)

[CIN: L32309KA1954GOI000787]

Regd. & Corp. Office: Outer Ring Road, Nagavara, Bangalore – 560 045, Karnataka, India.

Phone No. (080) 25039266, Tele Fax No. (080) 25039266 Email: secretary@bel.co.in, Website: www.bel-india.com

POSTAL BALLOT FORM

(Please read the instructions printed overleaf before completing this form)

Postal Ballot No.

Sr. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Registered Address of the Sole/ First named Shareholder	
3.	Name(s) of the Joint holder(s), if any (In Block Letters)	
4.	Registered Folio No./ Dp Id Client ID * (*Applicable to the Shareholders holding shares in dematerialized form)	
5.	No. of Shares held	
6.	Class of Share	Equity Shares

I/ We hereby exercise my/ our vote in respect of 'Special Resolution' to be passed through Postal Ballot for the Special Business stated in the Postal Ballot Notice dated 5th August 2016 of the Company by sending my / our assent (FOR) or dissent (AGAINST) to the said 'Special Resolution' by placing the tick mark (✓) in the appropriate box below:

Sr. No.	Description of the Resolution	No. of Shares held	FOR I/We Assent to the resolution	AGAINST I/We Dissent from the resolution
1.	Special resolution pursuant to the provisions of Sections 68, 69 & 70 of the Companies Act, 2013 and Rules framed there under including any amendments, statutory modifications or re-enactments thereof, and in compliance with Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, for buy-back of equity shares upto maximum amount permissible i.e. 25% of total paid-up equity share capital and free reserves as on 31st March, 2016.			

Place:

Date:

(Signature of the Member)

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

Note: Please read carefully the instructions for voting (including e-voting), which is printed at the end of the accompanying Postal Ballot Notice, before exercising your vote.

GENERAL INSTRUCTIONS

- a) The voting rights for the equity shares of the Company are one vote per equity shares, registered in the name of the Shareholders.
- b) Voting rights shall be reckoned on the paid up value of the shares registered in the name(s) of the shareholder(s) as on 5th August, 2016.
- c) Voting by Postal Ballot, in the physical form or e-voting, can be exercised only by the shareholder or his/her duly constituted attorney or in case of bodies corporate, the duly authorized person. Voting rights in a Postal Ballot cannot be exercised by a Proxy.
- d) Voting period commences on and from August 13, 2016 (09.00 a.m.) and ends on September 11, 2016 (5.00 p.m.).
- e) Kindly note that the shareholder(s) can opt for only one mode of voting, i.e. either Physical Ballot or e-voting. However, in case shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid e-voting shall prevail and the voting done by physical Postal Ballot will be treated as invalid.
- f) The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
- g) The Company shall announce the results of the Postal Ballot at its Registered Office at Outer Ring Road, Nagavara, Bangalore, Karnataka-560045, India on or before Tuesday, September 13, 2016 (5.00 p.m). The date of declaration of Postal Ballot results will be taken as the date of passing of the Resolutions contained in this Notice.
- h) Any query in relation to the Resolutions proposed to be passed by Postal Ballot may be sent to the Company at Outer Ring Road, Nagavara, Bangalore, Karnataka-560045, India; Email Id: secretary@bel.co.in.