



ICRA

ICRA Limited

CONFIDENTIAL

Ref: ICRA:BLR:2020-2021/RT/77

May 12, 2020

Mr. Anil Jerath

General Manager – Finance

M/s BEML Limited

BEML SOUDHA, No. 23/1,

4th Main Road S.R. Nagar,

Bangalore - 560027

Dear Sir,

Re: ICRA Credit Rating on Rs. 400.0 crore Commercial Paper Programme of BEML Limited.

Please refer the Rating Agreement dated April 30, 2020 and RRF No. BLR/2020-21/012 dated April 30, 2020 between ICRA Limited (“ICRA”) and your company for carrying out the rating of the Commercial Paper (CP) programme of Rs. 400 crore of your company. The Rating Committee of ICRA, after due consideration, has assigned the rating **[ICRA]A1+** (pronounced as ICRA A One Plus). This rating indicates very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as **[ICRA]A1+**. We would appreciate if you can sign the attached acknowledgement and send it to us latest by May 14, 2020 as acceptance on the assigned rating. In case you do not communicate your acceptance/non-acceptance of the assigned rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated as non-accepted and shall be disclosed on ICRA’s website as non-accepted rating. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (“SEBI”) vide SEBI circular dated June 30, 2017.

Any intimation by you about the above rating to, inter alia, any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

Additionally, we wish to highlight the following with respect to the rating:

(a) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance;

(b) Subject to Clause (c) below, our rating is valid from the date of this letter till May 11, 2021 (“Validity Period”). The rating will generally be due for review at the end of the Validity Period. The maturity date of CP shall not be after the end of the Validity Period. The CP will have a maximum maturity of twelve months.



(c) ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold CP/STD issued by you. The rating is restricted to your CP programme size of Rs. 400 crore only. In case, you propose to enhance the size of the CP programme, the same would require to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of CP.

As mentioned above and in accordance with the aforementioned SEBI circular, you are requested to furnish a monthly '*No Default Statement (NDS)*' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind co-operation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us. We look forward to your communication and assure you of our best services.

Yours sincerely,

For ICRA Limited

[Rajeshwar Burla]

Vice President

rajeshwar.burla@icraindia.com



Acknowledgement

(To be signed and returned to ICRA Limited)

I, Anil Jerath, General Manager - Finance on behalf of BEML Limited hereby accept and acknowledge the above assigned rating.

For BEML Limited

Name:

Date:

Note: Please return a copy of the above communication along with the acknowledgement to ICRA Limited at <address> or <email>

Encl:



'No Default Statement on the Company Letter Head'

To
<CRA Name and Address>

Dear Sir/ Madam,

1. We hereby confirm that as on date there are no overdues or default on our listed debt obligations. (Securities).
2. We hereby confirm that as on date there are no overdues or default on our unlisted debt obligations. (Securities).
3. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our listed debt obligations (Securities).
4. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of our un-listed debt obligations(Securities).
5. We also confirm that in the month ended <<Month and Year name>>, there has been no instance of delay in servicing of debt obligations guaranteed by us.
6. We hereby confirm that as on date and in the month ended <<Month and Year name>> there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions.
7. We hereby confirm that as on date there are no over dues or default on payment of interest/installment obligations on loans from banks/financial institutions which continues beyond 30 days.
8. We hereby confirm that as on date there are no over dues or default on revolving facilities like cash credit, from banks/financial institutions which continues beyond 30 days.
9. We also confirm that there is no amount remaining unpaid for more than 30 days from the invocation of the bank guarantee facilities or devolvement of Letters of Credit as on date / in the month ended <<Month and Year name>> We also confirm that there has not been any instance of devolvement of Letter of Credit in the month ended <<Month and Year name>>
10. We also confirm that there has been no overdrawing of the drawing power sanctioned by the bank for a period of more than 30 consecutive days in case of bank facilities which do not have scheduled maturity/repayment dates.
11. Details of default in payment of interest/installment obligations on loans including revolving facilities like cash credit from banks/financial institutions and any overdrafts beyond what is sanctioned by the bank, beyond 30 days as on date/ in the month ended <<Month and Year name>>, in any of the above case (if any):

Name of Lender	Nature of obligation	Date of Default	Current default amount	Amount to be paid	Actual Date of Payment (if any)	Remarks
Lender1	Term Loan, CC					
Lender2						

12. Details of default in payment of principal/interest obligations as on date/ in the month ended <<Month and Year name>>, on our listed and unlisted debt obligations (Securities), in any of the above case (if any):

Name of the Instrument	ISIN	Amount to be paid	Due Date of Payment	Actual Date of Payment	Remarks
NCD					

Thanking You,

Yours faithfully,

<Authorized Signatory of Issuer>