1 INTRODUCTION

BEML recognizes the importance of its manpower in meeting the objectives set for the company. Accordingly, it has undertaken several measures which include training, continuous updation of the skills and facilitating a proactive environment to bring out the best from its human resources. The company also has placed greater importance for welfare measures for its employees within and outside the establishment and dependent family members. In meeting the requirements, the company takes note of the statutory provisions which are required to be complied with, by providing the required safety, hygiene and other measures necessary for the proper functioning. The efforts of the company do not stop at this stage and it transcends to providing the basic amenities like transport, housing, medical and other infrastructural facilities which improves the living conditions of the employee and their dependent family members.

The welfare measures adopted by the company also take note of the non-availability of facilities for education and cultural needs of the community in and around the company establishments and efforts have accordingly been made to create these facilities.

An attempt has been made to compile the various measures undertaken by the company to provide the welfare facilities for easy reference and guidance in implementing the same.

Accordingly, the various welfare measures are given in the succeeding paragraphs.

2. WELFARE COMMITTEES

Keeping in view the statutory provisions and the need for ensuring proper working conditions and assist the employees in meeting contingencies, the following committees have been constituted :

- Works Committee
- Labour Welfare Fund
- Canteen Managing Committee

Representatives of employees (elected periodically) and Management are members of the above Committees. The brief details of functions of the above Committees are given at Annexure-I.

3. ENCOURAGEMENT TO CO-OPERATIVE EFFORTS / CULTURAL / FINE ARTS ACTIVITIES

- Time-off for attending cultural events like Sahitya Sammelanas, drama competitions, etc.,

- Distribution of Sweets on occasions like Karnataka Rajyotsava, BEML Foundation Day, etc.

- Holding of functions to commemorate Independence Day, Republic Day and State Formation Day and distribution of snacks / sweets to children and participants.

- Aiding construction of community halls, etc., as a welfare measure and maintenance thereof.

4. CANTEEN

Keeping in view its statutory obligations and also the need to provide clean and hygienic food to employees, the company has full-fledged canteen facilities in all its manufacturing divisions at KGF, Bangalore, Mysore and Palakkad.

For employees working in Corporate Office, Regional / District Offices, etc., where subsidized canteen facility is not provided, a lunch subsidy is given to employees.

5. TRANSPORT

Even though the company is under no obligation to provide any conveyance, for employees working in factories at KGF, Bangalore and Mysore, the company has made arrangements with the State Transport Organization for providing the transport facility.

For employees working in Corporate Office, Regional / District Offices, etc., where subsidized transport is not provided, a transport allowance is paid for full attendance and in proportion where full attendance is not put in by the employee.

6. EDUCATION

A scheme for reimbursement of school fee subject to limits incurred by the employee for education of children, subject to rules prescribed in this regard has been notified.

Apart from reimbursement of the school fee, the company also has established its own schools / encouraged running of schools in its township to enable the children of employees and the population around its township to have proper education. These schools are run as per the education policy of the Government and the standard of education are very high enabling the students to pursue higher studies without any difficulty.

7. HOUSING FACILITIES

After BEML was formed on 11th May 1964, the Rail Coach Division was separated from HAL and transferred to BEML with effect from 1-1-1965. As the terms and conditions of service as applicable in HAL was to continue for those employees transferred to BEML, initially the housing and medical facilities available with HAL was also made available to employees of Rail Coach Division. Subsequently, the company had started implementing the project for manufacture of earthmoving equipments at KGF and for this purpose apart from building the required infrastructure for manufacturing activities, simultaneous action was also taken for building the township to ensure proper living conditions for employees to work towards the success of the project. Towards this end, the company has built a

township at KGF with standard facilities for the better living of its employees. Keeping in view the requirement of accommodation BEML also took action for building its own township at Bangalore and Mysore subsequently.

The company also owns houses and flats in places where its Regional / District Offices are located for ensuring housing facilities to its personnel working in difficult circumstances.

The company also has hostel facilities and transit house accommodation for employees to tide over difficulties in obtaining proper accommodation.

A housing loan (interest subsidy) scheme has also been introduced to enable employees to own their own house.

To sum up, through a prudent policy, BEML has been able to meet to a large extent the housing requirements of its employees not only in its manufacturing divisions but also for those employees working in difficult and remote areas where the company's operations of after sales service are carried out.

8. UNIFORMS & FOOTWEAR

The company provides uniforms to all its employees and the details of entitlements and stitching charges for employees in direct working category, other employees and female employees are notified from time to time.

The employees are also provided with safety shoes for direct workmen category, normal (indirect) shoes for other employees and chappals for female employees.

Keeping in view the adverse climatic conditions, winter uniforms are provided to employees working in specified places in this regard. Wearing of uniform and footwear is compulsory in the company premises.

9. SAFETY / PROTECTIVE APPLIANCES

To ensure safety of employees in the work place, the company has provided safety appliances in accordance with the statutory provisions.

10. SPORTS ACTIVITIES

Consistent with the national objectives, the company encourages sports activities among its employees. The facilities provided include grant of time off for participation in important tournaments, meeting the expenditure for such deputations, building of sports infrastructure, etc. The company also concentrates on building up teams in sports like Football, Cricket, etc., for which sports kit, grant and other necessary facilities are provided.

Sports and Cultural Associations are also given grants to conduct sporting events for employees and their family members.

11. SUPPLY OF MILK & HEALTH SUBSTITUTES :

Keeping in view the conditions of working, company provides milk coupons to the following category of employees :

- Welders / Flame Cutting Machine Operators
- Blue Print Operators
- Compressor Operators
- Electroplaters
- Batterymen
- Heat Treatment Operators
- Sand Blast Operators
- Painters

Periodical medical check-up is also conducted to ensure proper health for such personnel.

12. AMBULANCE / HEARSE VAN FACILITIES

The company provides Ambulance / Hearse Van facilities wherever available to its employees to meet emergencies of medical treatment and in case of unfortunate death in the family. A nominal fee is charged to avail the Ambulance facilities and the same is notified from time to time. For Hearse van, there are no charges in case of the death of an employee and for others a nominal charges is levied as notified from time to time.

13. PRESENTATION OF MEMENTOS, GIFTS (ANNUAL, SERVICE, RETIREMENT)

In recognition of the long service put in by the employees, the company has introduced schemes for Gift once in two years, Memento for Service of 10 / 15 / 25 years and Appreciation Purse on superannuation.

14. DEATH-cum-RETIREMENT BENEFIT FUND

To extend certain benefits in the event of unfortunate death of an employee and an appreciation purse for long service in BEML, Death-cum-Retirement Benefit Fund is operated.

15. CRECHE FACILITIES :

The company provides crèche facilities in accordance with the statutory provisions, which gets terminated with the admission of the child for LKG.

16. FAMILY PLANNING INCENTIVES

The company has introduced incentives for family planning as per the scheme notified by the Government of India.

17. INSURANCE SCHEMES

The company operates the following schemes for benefiting the families of employees who die while in service of the company.

A) Group Insurance Scheme

In lieu of Employees Deposit Linked Insurance Scheme under the Provident Fund Act, the company has made arrangements with LIC of India for payment of benefits to families of those employees who die in service.

For the families of officers, an additional amount is also paid.

B) Group Savings Linked Insurance Scheme

The company also introduced a Group Savings Linked Insurance Scheme based on the contribution by the employees.

Under the scheme, out of the contribution of the employee, 35% is utilized for insurance coverage and 65% of the amount is converted to savings with the applicable interest rates upon cessation of service in the company.

C) BEML Employees / Officers Life Insurance Coverage Scheme

A scheme to provide benefits to dependent family members on account of death of employee / officer while in service, has been introduced. Under the scheme, 10% of the insurance premium is recovered from the employee / officer and the balance 90% is aid by the company in one installment in a year.

22. FIRST AID FACILITIES

First aid facilities have been provided within the factory premises at Bangalore, Mysore and KGF to meet the emergency situations.

23. CORPORATE SOCIAL RESPONSIBILITY :

BEML Limited, a Miniratna Category-1 Public Sector Company under the Ministry of Defence has been serving the core sectors of the economy since more than 60 years through its three main Business verticals viz., Defence & Aerospace, Mining, Mining & Construction and Rail & Metro.

Apart from its commercial activities, BEML has been immensely contributing for the development of society through its various CSR initiatives such as Promoting Education, Skill Development, Health Care, Community Development, Rehabilitation of Specially Abled persons, Eradication of Hunger & Malnutrition, Afforestation, adoption of villages, Sanitation, Drinking Water facilities and also includes commitment to Swachh Bharat Mission.

The beneficiaries of CSR initiatives of the Company are predominantly the residents of under-developed villages around the local areas of the Company's Manufacturing Complexes located at Bengaluru, Kolar Gold Fields, Mysuru in Karnataka & Palakkad in Kerala.

BEML's CSR VISION :

"To commit for enhanced value-creation for the Society, our Share-holders, other stakeholders and the communities by taking-up activities and initiatives for sustainable growth for the Society, with environment concern"

BEML, in its commitment to Social Welfare & Community development, has under taken various CSR initiatives. As per the provisions of the Companies Act, 2013, the Companies shall ensure that the Company spends, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years for CSR activities. However, in continuing with the endeavour towards being a socially responsible business entity as also to continue its long term CSR Projects, has spent more than the stipulated amount, over the years.

The main CSR Areas focused by BEML are:

- Education.
- Skill Development.
- Healthcare.
- Environment.
- Community Development.
- Women Empowerment.
- Sustained Development leading to self-reliance.
- Creation of Plastic Free Zones.

BEML as a responsible Corporate citizen believes in increased commitment at all levels in the organization, operate its business in an economically, socially responsible and environmentally sustainable manner, with due importance for various initiatives under Corporate Social Responsibility for the perpetual betterment of the Social Welfare in the Society, while recognizing the interests of all its stakeholders.

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