

Govt to invite financial bids soon for stake sale in BEML

PRASANTA SAHU
New Delhi, May 23

AFTER SORTING OUT a few land-related issues, the Centre will soon invite financial bids for strategic disinvestment of a 26% stake in the state-run Bharat Earth Movers (BEML), ending years of delays in the transaction.

The financial bids were delayed due to Karnataka assembly elections as well as pending no-objection certificates for land titling, etc.

"Some NOCs are pending, which will be sorted out soon. Thereafter, the financial bidding process will start," a senior official told FE.

The government will sell 26% of BEML, formerly Bharat Earth Movers, worth about ₹1,500 crore at current market prices, out of its 54.03% stake in the defence PSU.

In January 2021, the government invited expression of



DELAYED DUE TO POLLS

■ The financial bids were delayed due to Karnataka assembly elections as well as pending no-objection certificates for a few land titling, etc

■ Govt will sell 26% of BEML, formerly Bharat Earth Movers, worth about ₹1,500 crore at current market prices, out of its 54.03% stake in the defence PSU

interest (EoI) for the stake in BEML along with the transfer of the management control to a strategic buyer. It received

multiple EoIs for the stake. In October last year, BEML demerged its non-core assets such as land and building into

BEML Land Assets, which was listed on the bourses on April 19, 2023.

The company operates under three major business verticles--mining and construction, defence and rail and metro.

The three verticles are serviced by nine manufacturing units located at Bengaluru, Kolar Gold Fields (KGF), Mysore, Palakkad and subsidiary Vignyan Industries in Chikmagalur.

The share price of BEML closed at ₹1,422.6 on Tuesday, down 0.96% from the previous closing price on the BSE.

In Q3FY23, BEML posted a net profit of ₹66.30 crore compared with ₹16.26 crore in the previous quarter.

The company has reported a total income of ₹1039.59 crore during the period ended December 31, 2022 as compared to ₹806.11 crores during the period ended September 30, 2022.