

BEML, SAIL join hands for equipment supply

Bharat Earth Movers Ltd (BEML), a defence public sector undertaking, has signed a memorandum of understanding (MoU) with the country's largest steel producer Steel Authority of India Limited (SAIL) for supply of earthmoving equipment and spares.

'Both public sector units have agreed to work on a 11-year term during which BEML shall supply equipment up to 2011 to SAIL. BEML will also undertake maintenance and repair contract for the next eight years,' an official statement said Monday.

As per the MoU, SAIL will purchase a total of 261 mining equipment over a period of next three years. The estimated value of the equipment to be ordered in three years will be Rs.4.77 billion.

'The various equipment envisaged under the agreement are dumpers, dozers, motor graders, high-end hydraulic excavators and tyre handlers,' the statement said.

In addition, the agreement also provides for the maintenance contract of the fleet of equipment to be supplied valuing approximately Rs.3 billion.

The Rs.30 billion BEML is engaged in the manufacture of heavy earthmoving equipment for the mining and construction sector, rail coaches and metro rail cars to the railway segment, and heavy duty trucks for defence needs. It recently forayed into trading and technology businesses.

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