

INTEGRATED
ANNUAL REPORT
2024-25

भारत इलेक्ट्रॉनिक्स
BHARAT ELECTRONICS
QUALITY, TECHNOLOGY, INNOVATION



RESILIENT GROWTH.

Engineering India's
Defence Edge.



Contents

CORPORATE OVERVIEW

01 - 64

- 01 Performance Highlights FY 2024-25
- 02 About the Report
- 06 About Bharat Electronics Limited
- 10 Our Core Businesses
- 12 Our Key Strengths
- 14 Message from the Chairman and Managing Director
- 18 Board of Directors
- 20 CVO and Senior Management
- 24 Business Model
- 26 Stakeholder Engagement
- 32 Risk Management
- 34 Strategy
- 36 Financial Capital
- 40 Manufactured Capital
- 44 Intellectual Capital
- 48 Human Capital
- 52 Social and Relationship Capital
- 58 Natural Capital
- 62 Governance
- 64 A Decade of Performance Excellence

STATUTORY REPORTS

65 - 177

- 65 Board's Report
- 82 ANNEXURE 1 Form No. AOC-2
- 83 ANNEXURE 2 Annual Report on CSR Activities
- 85 ANNEXURE 3 Secretarial Audit Report
- 88 ANNEXURE 4 Management Discussion and Analysis Report
- 116 ANNEXURE 5 Corporate Governance Report
- 138 ANNEXURE 6 Business Responsibility and Sustainability Report (BR&SR)

FINANCIAL STATEMENTS

178 - 384

- Standalone Financial Statements**
- 178 Independent Auditor's Report
 - 194 Comments of the C&AG
 - 196 Balance Sheet
 - 198 Statement of Profit and Loss
 - 199 Statement of Changes in Equity
 - 201 Statement of Cash Flows
 - 203 Notes to Accounts
 - 267 Significant Accounting Policies
- Consolidated Financial Statements**
- 278 Independent Auditor's Report
 - 288 Comments of the C&AG
 - 290 Balance Sheet
 - 292 Statement of Profit and Loss
 - 294 Statement of Changes in Equity
 - 296 Statement of Cash Flows
 - 298 Notes to Accounts
 - 372 Significant Accounting Policies

Forward-looking Statement

Certain statements in this Report regarding our business operations may be forward-looking. These include all statements other than statements of historical fact, including those regarding the financial position, business strategy, management plans and objectives for future operations. Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and may be incapable of being realised and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



Scan QR code to download our Integrated Annual Report 2024-25



To know more, visit www.bel-india.in

PERFORMANCE HIGHLIGHTS FY 2024-25

₹ 23,024 Crore
TURNOVER

₹ 5,288 Crore
PROFIT AFTER TAX

₹ 19,698 Crore
NET WORTH

₹ 18,715 Crore
ORDERS WON IN FY 2024-25

₹ 6,768 Crore
EBITDA

₹ 71,650 Crore
ORDER BOOK AS ON
1 APRIL 2025

₹ 908 Crore
CAPEX SPEND

₹ 81.88 Crore
CSR BUDGET

₹ 1,472 Crore
INVESTMENTS IN R&D ACTIVITIES

28,149 MtCO₂
EMISSIONS PREVENTED

About the Report

Basis of Reporting

Bharat Electronics Limited (hereinafter referred to as “we”, “our”, or “us”) prepares and publishes its Integrated Report <IR> as a comprehensive disclosure tool for the stakeholders. This <IR> encapsulates our strategies, performance, and prospects of FY 2024-25. This includes the prudent utilisation of six capitals, risk management methods, and stakeholders’ engagement philosophy which together drives our strategical success and exemplifies our value creation, preservation, and erosion approach. Additionally, our report highlights the commitment to fostering innovative solutions, maintaining sustainable practices, and adhering to robust governance frameworks to ensure long-term success and responsible growth.

Reporting Principle

This Integrated Report <IR> has adopted International Integrated Reporting Council’s (IIRC) Integrated Reporting <IR> framework. Currently, the IIRC has consolidated into International Financial Reporting Standards (IFRS) Foundation. The statutory reports, including the Board’s Report, Management Discussion and Analysis (MD&A), Corporate Governance Report, and Business Responsibility and Sustainability Report, comply with the Companies Act of 2013 (and the Rules made thereunder), the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, DEP Guidelines and the secretarial standards.

Reporting Boundary and Scope

The Report covers financial and non-financial information and activities of BEL and financial information of its subsidiaries BEL Optronic Devices Limited (BELOP) and BEL-THALES Systems Limited (BTSL) for the period from 1 April 2024 to 31 March 2025. Material information, if any, until 28 July 2025 has been provided. Comparative figures, as applicable, for the last three to five years have been incorporated in this Report to provide a holistic view.

Our Vision, Mission and Values



VISION

TO BE A WORLD-CLASS ENTERPRISE IN PROFESSIONAL ELECTRONICS



MISSION

TO BE A CUSTOMER-FOCUSSED, GLOBALLY COMPETITIVE COMPANY IN DEFENCE ELECTRONICS AND IN OTHER CHOSEN AREAS OF PROFESSIONAL ELECTRONICS, THROUGH QUALITY, TECHNOLOGY AND INNOVATION

VALUES

- PUTTING CUSTOMERS FIRST
- WORKING WITH TRANSPARENCY, HONESTY & INTEGRITY
- TRUSTING RESPECTING INDIVIDUALS
- FOSTERING TEAMWORK
- STRIVING TO ACHIEVE HIGH EMPLOYEE SATISFACTION
- ENCOURAGING FLEXIBILITY AND INNOVATION
- ENDEAVOURING TO FULFIL SOCIAL RESPONSIBILITIES
- PROUD OF BEING A PART OF THE ORGANISATION

Our Objectives

- To be a customer-focussed company providing state-of-the-art products & solutions at competitive prices, meeting the demands of quality, delivery & service.
- To generate internal resources for profitable growth.
- To attain technological leadership in defence electronics through in-house R&D, partnership with defence/research laboratories & academic institutions.
- To give thrust to exports.
- To create a facilitating environment for people to realise their full potential through continuous learning & team work.
- To give value for money to customers & create wealth for shareholders.
- To constantly benchmark company’s performance with best-in-class internationally.
- To raise marketing abilities to global standards.
- To strive for self-reliance through indigenisation.

OUR SIX CAPITALS



FINANCIAL CAPITAL

It represents the pool of funds at our disposal which we prudently deploy in our business and strategic areas to drive our long-term growth and generate surpluses for our shareholders.



MANUFACTURED CAPITAL

It represents our tangible infrastructure, comprising modern manufacturing plants and equipment. It also comprises our operational expertise built through implementation of best practices and in which we continually invest to enhance production.



INTELLECTUAL CAPITAL

It represents our profound expertise, processes, and research and development (R&D) capabilities along with our information technology infrastructure. These positions us as a prominent player, distinguished for technological leadership in defence electronics and civil applications, enabling us to win projects. We continually invest in our intellectual capital to fortify our competitive edge.



HUMAN CAPITAL

It represents the collective knowledge, skills and proficiency of our employees. We continually invest in their well-being, health & safety and welfare measures to drive their engagement and motivation. Being ambassadors of our Company, they play a critical role in helping us create value.



SOCIAL AND RELATIONSHIP CAPITAL

It represents the symbiotic and cooperative relationships that we foster with our supply chain partners, customers (defence and non-defence), other business partners, stakeholders and the community at large. These relations are key to our efficient business operations, and strengthen our reputation as a dependable partner.



NATURAL CAPITAL

It encompasses the various renewable and non-renewable resources that we employ in our business to create value, and the ensuing environmental impact which we are striving to reduce.



RESILIENT GROWTH

ENGINEERING INDIA'S DEFENCE EDGE.

The nation's defence sector is witnessing transformative growth, driven by initiatives aimed at bolstering self-reliance and modernising military capabilities. With increased budgets, policy support, and a strong focus on indigenisation, the sector has expanded swiftly and significantly.



As India's push towards self-reliance in defence, or AtmaNirbhar Bharat, witnesses remarkable success, we have an essential role to play in India's defence landscape, equipping the Indian armed forces with a range of advanced technologies. From air defence systems, radars and communication systems to electronic warfare solutions, our products are vital to India's military readiness and defence infrastructure.

As the state-owned defence equipment manufacturer and India's leading defence electronics company, we are today the market leader in domestic defence electronics sector, benefiting from spend across the army, navy and air force. Given our role as a major supplier of advanced defence electronics equipment to the Indian military, the thrust on self-reliance is opening up significant opportunities, and we are well-positioned to benefit from increased government funding and focus on domestic manufacturing, which in turn fuels demand for our products.

As we provide a range of defence equipment and platforms for land, air, and naval forces, we continue to strengthen our core businesses and expand our capabilities. We are also making huge strides in emerging sectors such as air defence systems and electronic warfare, and are well-placed due to the structural trend of indigenisation and potential export opportunities.

With a strong and healthy order book and robust order inflows, an increased margin trajectory due to indigenisation, we project sustained demand for indigenous equipment and a strong growth in defence production and exports, and hence with substantial investments in capex for capacity expansion, we continue to execute orders in a timely manner.

Positioning ourselves for sustained growth, we continue to enhance our execution competencies with a combination of dedicated plants and a strong human resource pool. By establishing the necessary levers and executing meaningful investments to lay the groundwork for a robust future, we continue to support India's vision of becoming a developed nation by 2047.



ABOUT BHARAT ELECTRONICS LIMITED

A Leading Aerospace and Defence Electronics Company for the Indian Armed Forces

Headquartered in Bengaluru, Bharat Electronics Limited (hereinafter referred to as "we", "our", or "us") is a Government of India undertaking Navratna PSU and a state-run defence equipment manufacturer. With a strong focus on research and development, we consistently deliver innovative products to our clients, creating continuous value.

Incorporated in 1954, we are a leading aerospace and defence electronics company for Indian armed forces, with government holding 51.14% stake, and a market leader in domestic defence electronics safeguarding the nation by providing state-of-the-art products/systems across the Army, Navy and the Air Force.

We are primarily engaged in developing electronics technology solutions for the defence and civilian segments. We also have an ongoing expansion into international defence and civilian markets. With a healthy order book, robust order inflows and an extensive presence in the industry, we have secured a growing position in India's defence sector, and are also expanding our reach internationally.

A strong focus on quality is central to our success and helps enable long-standing client relationships. With this, we have earned widespread recognition as a trusted entity in the domain, with a distinct brand in terms of excellence.

OPERATING STRUCTURE

Subsidiary Companies

BEL Optronic Devices Limited (BELOP)

100%

Wholly-owned subsidiary

BEL-THALES Systems Limited (BTSL)

74%

Subsidiary stake held by BEL

Associate Companies

GE BE Private Limited (GEBEL)

26%

BEL IAI Aerosystems Private Limited

40%

Non-Profit Organisation – Section 8 Company

Defence Innovation Organisation (DIO)

50%

Electronic Warfare (Defence) Testing Foundation

40%

Communication (Defence) Testing Foundation

40%

UAS Testing Foundation

20%

LENS (Laboratory for Electro-Optical Navigational Systems) Foundation

15%





OUR VALUE CHAIN

Our value chain includes all key activities involved in delivering high-tech defence and civilian electronics products, from concept to after-sales service. The value chain can be broken down into the following components:

- R&D and Innovation
- Supply Chain Management
- Manufacturing and Assembly
- Systems Integration
- Project Management and Execution
- After-Sales Support & Services

KEY PROCESSES THAT HELP US EARN REVENUE

MANUFACTURING

Indigenous designing and manufacturing of a broad array of systems and products across various fields; Contract manufacturing for aerospace and defence

PROCESSING

Streamlining processes and ensuring continuous upgradation and digitisation of processes and systems

SALE

10-year sales growth at 12%, driven by increased execution of significant orders and alleviation of supply chain challenges

VALUE ADDITION

Developing several new products/sub-systems, ensuring innovation and value addition, leading to self-reliance

OUR REVENUE MODEL

Income from Sale of Products

- Primary source of revenue from sale of defence and non-defence products.
- Continuous investment in modernising manufacturing and R&D facilities.
- Expansion of marketing network to explore existing and new business areas.

Incomes from Services

- Wide network of support centres (RPSCs, WFSCs, and Liaisoning Offices) near global customers.
- Deployment of service engineers and provision of adequate spares support.
- Ensures maintenance and uptime of critical systems for both defence and non-defence sectors.

Income from Exports

- Export of products and systems to foreign countries and global OEMs.
- Coordination with the Ministry of External Affairs (MEA) and the Ministry of Defence (MoD) for requirements.
- Strong relationships with current and prospective customers to support OEMs in meeting offset obligations.
- Exploration of civil and medical equipment opportunities in global markets.

OUR CORE BUSINESSES

Our Technological and Programme Diversity

DEFENCE SEGMENT

We are a leading aerospace and defence electronics company for Indian armed forces. With a strong domain knowledge and core competencies, we cater to a wide range of needs of India's defence sector, with our core focus on developing advanced electronics equipment, systems, and services for India's defence sector.

Products & Services

- ❑ Radars (Aslesha, Lynx series, Weapon Locating Radar, 3D Surveillance Radar, 3D Tactical Control Radar etc)
- ❑ Missile systems and C41 (Akash, LRSAM, Air Defence Control and Reporting System)
- ❑ Defence communication (Software defined radios, strategic communication systems)
- ❑ Electronic warfare & avionics (Airborne EW systems, Avionics products, Land/Naval based EW systems)
- ❑ Naval Systems
- ❑ Electro Optics
- ❑ Tank Electronics and Gun upgrades
- ❑ Seekers
- ❑ Precision Weapon Systems and Accessories (Hammer, Electronic Fuzes)



NEW ORDER WINS IN DEFENCE SEGMENT

- ❑ BMP II Upgrade
- ❑ Low Level Traportable Radar (Ashwini)
- ❑ Software Defined Radio & Data Communication Terminal
- ❑ Multi-Functional Radar for Next Generation Missile Vessels (NGMV)
- ❑ Electro Optical Fire Control System (EoN 51)
- ❑ Ku Band Seeker
- ❑ SONAR upgradation
- ❑ 2D Air and Missile Defence Radar
- ❑ Laser Range Finder Handheld (LH30)
- ❑ Advance Composite Communication Systems
- ❑ Medium Power Radar

Key Highlights

90%
TURNOVER GENERATED THROUGH DEFENCE SEGMENT

₹ 17,004 Crore
DEFENCE ORDERS RECEIVED IN FY 2024-25

29
STRATEGIC BUSINESS UNITS (SBUs)

NON-DEFENCE SEGMENT

Besides serving the defence sector, we also develop innovative products and solutions for the civilian markets, which complements our core defence focus. Our services are aimed at serving sectors such as Homeland Security, Smart City Solutions, Cyber Security, Software Solutions and Rail & Metro.



Products & Services

- ❑ Electronic Voting Machine (EVM) & VVPAT
- ❑ Homeland Security & Smart City
- ❑ Software Solutions / Services
- ❑ Healthcare Solutions
- ❑ Civil Aviation
- ❑ Solar Cells/Power Plants
- ❑ Railway/Metro/Airport Solutions
- ❑ Space Electronics and Systems
- ❑ Alternate Energy Solutions
- ❑ Secure Communication Solutions and Software

6%

TURNOVER GENERATED THROUGH NON-DEFENCE SEGMENT

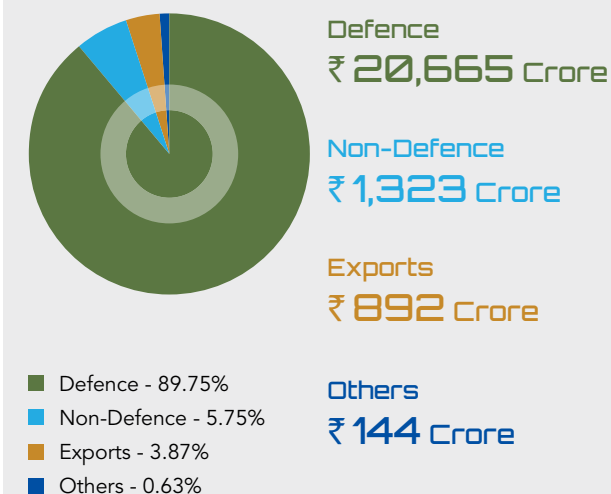
₹ 1,711 Crore

NON-DEFENCE ORDERS RECEIVED

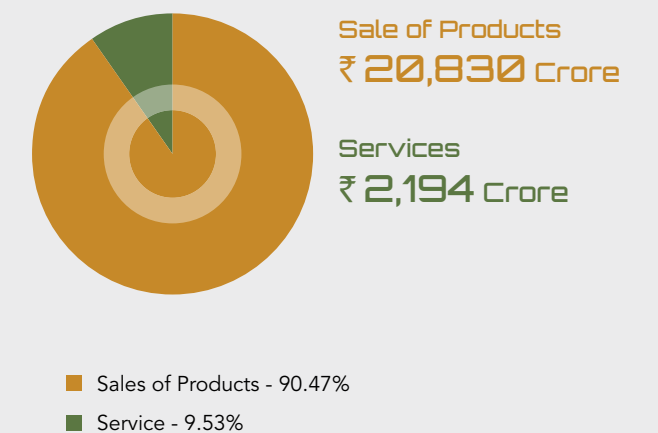
Homeland Security, Smart City, Cyber Security and Software Solutions
DEDICATED STRATEGIC BUSINESS UNITS

TURNOVER BREAK-UP

By Customer Type



By Source



OUR KEY STRENGTHS

A Solid Foundation for Long-Term Growth and Value Creation

A strong focus on defence electronics, a history of research and development and innovation, a diversified portfolio of solutions serving various sectors, strong customer centricity with focus on quality and technology are some of our key strengths.

Our commitment to self-reliance through indigenisation, developing products and systems contributes to the AtmaNirbhar initiative. We leverage robust end-markets to establish a solid foundation for long-term expansion and value creation for all our stakeholders, and well positioned for continued top-line growth and profitability. Our approach is driven by strong values and underpinned by a distinguished market reputation that fosters trust

Our Key Strengths

Multi-technology, multi-product capabilities

We are a versatile company with a diverse portfolio of multiple high-tech products and services, and multi-technology capabilities catering to varied market needs. With key strengths in technological expertise, we remain deeply engaged in India's defence sector, with a focus on expanding our footprint in international defence and non-defence sectors, we are well-established ourselves as the leaders in delivering integrated solutions globally.

At the forefront of Make in India

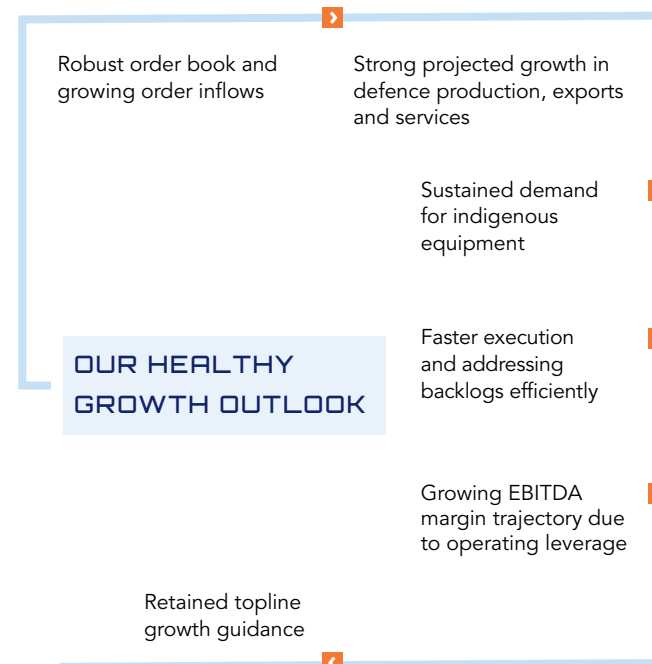
We are well aligned with the Government's vision of 'AtmaNirbhar Bharat' and well-positioned to benefit from the increased focus on domestic manufacturing. Our endeavour is to enhance the involvement of the private sector through increased procurements and outsourcing to Indian entities, supported by the outsourcing and vendor development policy. With dedicated Nodal Officers ensuring the streamlined processes and partnerships, we foster private participation with enhanced support MSME/start-up ecosystem.

- Supporting private participation
- Collaborative R&D
- Facilitating testing facilities to private entities
- Supporting MSME / startup ecosystem

Cultivating a performance and innovative-driven culture

We make ongoing R&D investments to amplify our world-leading capabilities and pioneer innovative and disruptive technologies. We foster creating and sustaining a culture of innovative thinking and embracing the latest technologies for design & testing to give BEL a competitive edge.

Healthy growth outlook



	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
EBITDA (₹ Crore)	3,181	3,309	4,048	4,998	6,768
EBITDA Margin (%)	23	22	23	25	29

A Strong ESG Focus

Our strong focus on ESG boosts our value creation approach supported by our all-inclusive business and operating models. By integrating environmental sustainability, social responsibility, and robust governance into every facet of our operations, we ensure long-term resilience and sustainable growth. With a focus on innovation, operational efficiency, and stakeholder trust, we remain well positioned to be a leader in responsible business practices.

We have always been keenly focussed on ensuring that the Company's environmental footprint is minimal. Our environmental responsibility is not limited to complying with legal norms, but is extended to proactive approaches for protecting and preserving our Mother Earth in all possible aspects. In the last quarter of FY 2024-25, BEL became the first Defence PSU to achieve RE100 status. Every year, we revise and introduce new RoHS standards as a way of reducing the harmful effects our products and processes cause to the environment.

All our manufacturing units have inculcated practices such as rainwater harvesting and harnessing solar power, leading to more mindful utilisation of resources. As an effort to limit the overall environmental footprint linked to our infrastructure, Green Building concepts have been integrated right from the design stage. Apart from constructing GRIHA compliant buildings, activities such as usage of skylights and turboventilators in high roof warehouses, reducing centralised air conditioning and false ceiling, changing design level in buildings to allow maximum natural light and cross ventilation have been adopted.

Renovation of existing structures are carried out in a way that creation of debris is minimal. While carrying out tree plantation drives, priority is given to habitat specific species to preserve the natural ecosystem of the locality. Our CSR activities also provide emphasis on initiatives to protect natural flora and fauna. Other practices such as managing green fleet, rainwater harvesting and ground water recharging are integrated into our activities for adapting to challenges, such as climate change.

Strong Domestic Presence with an Expanding Global Scale

Headquarters

Bengaluru

Manufacturing Units

Bengaluru, Ghaziabad, Pune, Machilipatnam, Panchkula, Chennai, Kotdwara, Hyderabad and Navi Mumbai

Overseas Offices

New York (USA), Muscat (Oman), Colombo (Sri Lanka) and ASEAN Countries

Marketing Offices

(National, International and Civilian)
New Delhi

Regional Offices/Liaison Cell

Delhi, Mumbai, Vishakhapatnam, Kolkata, Nagpur and Agra

Regional Product Support Centres (RPSCs)

Guwahati, Port Blair, Jammu, Chandigarh, Allahabad, Jodhpur, Sulur, Bathinda, Vadsar, Panchkula, Pathankot, Leh and Bagdogra

Product Support

Delhi

Central Research Laboratories (CRL)

Bengaluru and Ghaziabad

Water Front Support Centres (WFSC)

Chennai, Port Blair, Kochi, Karwar, Vishakhapatnam, Kolkata and Mumbai

Product Development & Innovation Centre (PDIC) and Centres of Excellence

Bengaluru

Software Development Centre (SDC)

Vishakhapatnam and New Delhi



Message from the Chairman and Managing Director



Dear Shareholders,

With immense pleasure, I would like to address you as the Chairman and Managing Director of Bharat Electronics Limited (BEL), and share with you the Company's achievements, key highlights during the financial year 2024-25 and the future outlook.

During the year, your Company was able to deliver considerably and emerge stronger with all your support. We registered a comprehensive growth and continued with our emphasis on R&D, quality, technology and infrastructure modernisation, sustainability and excellence in operations.

The year also saw your Company scale new heights and creating value for all stakeholders. I am pleased to share that your Company achieved a market capitalisation of ₹ 2,20,258 Crore on 31 March 2025. This is a testament to our commitment of adequately rewarding our shareholders. Your Company has taken great strides in extending support to the communities and ensuring sustainable operations. As I reflect on the performance highlights, achievements and outlook, I acknowledge the contributions of all our stakeholders. Your support has been a driving force behind our achievements, and I sincerely appreciate your confidence and trust bestowed on us.

Your Company has continued to maintain its leadership position in supplying equipment / systems to the Defence Forces and is on a steady growth path.

Highlights of the Year

In FY 2024-25, BEL achieved a turnover of ₹ 23,024 Crore as against ₹ 19,820 Crore in FY 2023-24, thereby registering a growth of 16.17%. The growth was driven by strong performances across all segments and regions. Defence continued to be our mainstay, contributing 94% to the total revenue in FY 2024-25, with the balance 6% contributed by the non-defence segment.

Exports business saw a steady uptick, with sales crossing 106.17 Million USD. Our products continued to find increased acceptance in France, USA, Spain, Israel, China, Mauritius, Sri Lanka, ASEAN, UK and Sweden, among other nations. This is a clear indication of our growing acceptance in the global market. Some of the major products/systems exported include TR Modules, Micro Modules, Radar Warning Receiver, Missile Approach Warning System, Medical Mechanical Parts, Communication Equipment, Naval Products & Systems, Up-gradation of Sonar, Coastal Radar System, Maritime Reconnaissance Centre, Missile Systems Sub-assemblies, Software, EOS Compass, 3D Surveillance Radar, Shelters, Smart Mailbox and Services.

Exceptional performance was registered across all the key metrics. All the nine manufacturing units of the Company performed well. Profit After Tax stood at ₹ 5,288 Crore for FY 2024-25 as against ₹ 4,020 Crore in FY 2023-24, registering a growth of 31.54%. Net Worth of the Company increased from ₹ 16,082 Crore in 2023-24 to ₹ 19,698 Crore in 2024-25. Turnover Per Employee increased from ₹ 2.22 Crore in 2023-24 to ₹ 2.60 Crore in 2024-25.

Innovation is a key differentiator for us. During the year, we continued investments in advanced technologies to deliver unique products and solutions to the customers, fulfilling our commitment to increase indigenised content and add value to our offerings amidst rising competitive intensity. The total investment in R&D as a percentage of turnover during the year was 6.4%. It is our constant effort towards indigenous development that led us to achieve 74% of our turnover from indigenous products.

Your Company has always been at the forefront in continuously developing innovative and quality products for its customers. Some of the major products/systems introduced during 2024-25 include Drone Detection Deter and Destroy (D4) System, Decoy System for missile system, Integrated Electronic Warfare System (Communication

REVENUE THROUGH
DEFENCE BUSINESS
IS 94%

Segment), AESA based X-Band Doppler Weather Radar, Airborne ESM, Mono-pulsed Secondary Surveillance Radar Mk-XIIA, Super-Supervisory Control and Data Acquisition (SCADA) for Railways, Chemical Biological Radiological and Nuclear (CBRN) HAZMAT Vehicle, Indigenous Long Range Observation System (ILROS), TI for BMP-II tank, HD Driver Night Sight, Torpedo Defence System, Night Sight for 7.62mm Gun, Portable Diver Detection Sonar, Light weight Airborne Software Defined Radio (SDR), Naval Air and Surface Surveillance Radar, Digital Micro-mirror device based Light Engine for Head Up Display (HUD), GNSS based True North heading Receiver, and AD Gun Training Simulator, among others.

During the year, your Company received orders worth about ₹ 18,715 Crore. Major orders received this year include BMP-II Tank Upgrade, Ashwini Radar, Software Defined Radios, Data Link, Multi-Function Radars, EON 51, Seekers, Anti Drone System, Airport Surveillance Radar, Sonar Upgradation, Radar Upgradation, and Spares and Services, with many projects acquired through the competitive route. At ₹ 71,650 Crore (as on 1 April 2025) the order book continued to be healthy and good order inflow projections are expected over the next 2-3 years.

Your Company gives utmost importance to generation and protection of Intellectual Property. It has been granted eighty (80) patents in 2024-25 and with this the total number of patents granted stands at 288. Total number of IPRs filed during FY 2024-25 stood at 151, which included 86 patents and 51 copyrights. As many as 121 technical papers were published by scientists and R&D engineers of BEL in various national and international journals, seminars and conferences.

Some of the key performance highlights of your Company during the year FY 2024-25 were:

- A new facility for Seekers, Night vision devices and Thermal Imaging (TI) cameras at Nimmaluru in Andhra Pradesh commenced operations.
- To grow inorganically, your Company formed a Joint Venture (JV) with IAI, Isarel, viz. BEL IAI AeroSystems Pvt Ltd., as single point of contact (SPOC) for catering to product support of MRSAM.
- Your Company has also incorporated four (04) Section-8 companies under Defence Testing

GROWTH OF 16.17%
YOY IN TURNOVER

Infrastructure Scheme (DTIS) of MoD on mission mode for setting up testing facilities in Defence Corridors for supporting the Indian Defence industry, including MSMEs and start-ups.

- As a part of the restructuring efforts, your Company has formed a new Supply Chain Management (SCM) division under the corporate office to address the growing needs of procurement of input material required for Defence projects.
- Your Company has set up 03 new Regional Product Support Centres (RPSCs) at Panchkula, Agra, and Bhatinda to improve response time for customer complaints.
- To enhance software business, a new Software Development Centre has been operationalised in Delhi.
- Your Company has empanelled 24 partners towards Collaborative R&D, which includes 2 R&D solution partners, 21 design service providers and 1 Consultant.
- Your Company received 28 Green Channel Certificate for 88 Products covering 13 Units/SBUs.

You will be happy to know that your Company has received several accolades during the Year, some of the noteworthy being the ones mentioned below:

- Panchkula Unit received the coveted CII EXIM Bank 'Business Excellence Award'.
- Pune Unit received the CII EXIM Bank 'Platinum Award'.
- Bengaluru Complex was recognised as a 'Winner' by the CII for the sustainable initiatives.
- 'Outstanding Contribution to Naval Systems Award' by PSU Connect.
- 'Kalinga National Safety Platinum Award' by Institute of Quality and Environment Management System.
- 'PSU Transformation Awards 2024'.
- 'Indian Chamber of Commerce (ICC) PSE Excellence Awards'.
- "Special Jury Supplier Award" from Thales Group.
- Bagged three Awards at "PRCI Global Conclave 2024"

Future Outlook

The growth in Indian economy and also the turbulence in the global security environment have given a boost to defence spending. To grow in this environment, your Company is foraying into new business areas and keeping pace with the fast changing technological advancements, besides enhancing operational efficiency. Also, the Government's emphasis on 'Make in India' and 'AtmaNirbhar Bharat' initiatives in the defence sector provides a great opportunity for your Company to enhance indigenisation efforts and address the emerging opportunities in India's Defence sector.

BEL is targeting a healthy growth of 15-20% during 2025-26. Segments like Radar and Missile Systems, Communication and Network Centric systems, Electro Optic systems, Electronic Warfare & Avionics systems, Anti-Submarine Warfare & Sonar Systems, and Tank Electronics and Gun upgrades, will continue to drive the Company's growth in the coming years. Along with this, the Non-Defence segment businesses such as Rail and Metro solutions, Civil Aviation solutions, Homeland Security, EVMs and other diversification areas will also contribute to growth.

To retain the leadership position in strategic electronics, your Company has evolved various strategies and has initiated plans to rise above competition, enhance indigenous content through in-house R&D and maintain a technological edge.

Your Company has always been giving greater emphasis towards indigenous development of Systems and Services. In this regard, your Company is constantly focussing on enhancing capabilities and competitiveness through indigenisation, diversification, and continuous modernisation, creating several world-class facilities for R&D, testing and production, skill development and outsourcing to Indian industries with an increased thrust on collaboration including start-ups and MSMEs. In the Non-Defence segment, your Company is pursuing business in the field of Space Electronics, Satellite Assembly & Integration, Satellites, Anti-Drone systems, Railway and Metro Solutions, Air Traffic Control Radars, Air Traffic Management systems, Software solutions, Network & Cyber Security solutions, Homeland Security and Medical Electronics.

The future of your Company looks promising as well as challenging. We also remain watchful of the challenges brought by the geopolitical situations, emerging technologies, regulatory changes and the evolving customer expectations. We will remain agile to effectively navigate them and ensure a steady growth path. In this changing business scenario, your Company is focussing on enhancing its interaction at various levels and building long term relationships with the customers, emerging strategic partners and other key stakeholders in the Indian defence industry as a trusted and committed partner.

Your Company has always been working on providing indigenous solutions to the customers. This creates an opportunity to provide import substitution and helps to promote innovative solutions for the Defence equipment. Your Company has also responded to many 'Make-II' projects, which are in line with BEL's business.

The focus is on building excellence through sustained growth in all the segments that we operate. For that, it is important for BEL to stay abreast with new technology and develop new products, regularly meet the requirements of customers and provide cost effective and innovative

solutions. Thrust on R&D across the Company will continue with roadmaps drawn for future products, new technology areas, intellectual property creation, acquisition of key technologies and filing of patents.

Your Company is also laying greater emphasis on working closely with DRDO labs, Research institutions and academic institutions as well as with niche technology companies and consultants for the development of new products and systems. Your Company is working on emerging technologies such as High-power laser, IR seeker, Artificial Intelligence, Data analytics, Cyber forensics, Block chain, Virtual reality, Mil 5G/6G technologies, Cognitive Radio, Robotics, Massive MIMO, Quantum communication, Photonics based EW System, Quantum Radars, Stealth detection, and QKD based security solutions under the R&D collaboration with academia and start-ups.

On the Export front, the Company's order book, as on 1 April 2025, stood at 348.46 Million USD. Your Company also strives to increase business opportunities in the South East Asia, Europe, Middle East, Africa and Latin America by incessant engagement with customers and is also working closely with other Indian Companies and local partners in the respective countries to maximise geo-strategic reach and increase its global footprint.

Contribution to Environmental, Social and Governance (ESG) Area

ESG and commitment to stakeholders' interest are key priorities at BEL, guided by our value of 'Endeavouring to fulfil social responsibilities', and underpins our long-term success.

The Company's corporate performance, measured in terms of the economic, environmental and societal parameters, augurs well to reinforce its image as a socially responsible corporate entity. At BEL, sustainability endeavours are encompassed in its commitment to behave ethically and contribute towards economic development, while improving the quality of life of its workforce, their families and the local community and society at large. We are making great strides towards reducing emissions, achieving water positivity and circular economy.

The philosophy of recycle, reuse and reduce will also continue to be implemented to create a greener future. RE100 is a global initiative focussed on transitioning to 100% renewable energy. In the last quarter of FY 2024-25, BEL became the first Defence PSU to achieve the RE100 status. BEL's employees and their families planted 67,205 saplings during the year, including those planted at the time of "Ek Ped Maa Ke Naam" campaign. To minimise hazardous waste, BEL introduced 26 new RoHS-compliant components during the year.

Your Company strives for inclusive growth and equitable societal development by implementing capacity building and empowering the marginalised communities. Our community intervention focusses on holistic development and institution building, particularly in healthcare, education, skill development, rural development and environment sustainability.

BEL's notable initiatives this year majorly belonged to the Healthcare sector, which includes provision of state-of-the-art medical equipment to Kidwai Institute of Oncology and Cancer Research Hospital, Bengaluru and Kalburgi, Medical Equipment to plastic surgery department of Gandhi Hospital, Hyderabad, CATH Lab to District Government Hospital, Machilipatnam and Transcranial Magnetic Stimulator (TMS) and medical devices for Pediatric Neurology Laboratory to NIMHANS, Bengaluru, benefiting more than 10,000 patients every year, especially from economically backward communities.

Your Company takes pride in constantly adopting and maintaining the highest standards of values and principles. Your Company has received 'Nil' comments certificate from the C&AG for FY 2024-25. A comprehensive report on compliance with the Corporate Governance Guidelines can be read in Board's Report.

Acknowledgements

I am grateful to the Board of Directors and members of the Management Committee for their unwavering support and guidance. Ministry of Defence and Defence Services have been continuously providing valuable guidance and support, bestowing their confidence in us. I deeply appreciate our shareholders, esteemed customers and business associates for providing opportunities to earn their confidence.

The dedication, resilience and commitment of our employees and officers at all levels continues to be the major strength of your Company, by which we continue to deliver the solutions to constantly meet the customers' requirements. We shall make continuous efforts to launch new initiatives and build on these strengths to face future challenges and sustain the momentum for profitable growth in the coming years.

Thank you for the continuous support to Bharat Electronics Limited.

With Best Wishes,

Manoj Jain
Chairman and Managing Director

Bengaluru
1 August 2025

BOARD OF DIRECTORS

(As on 1 August 2025)

Leading with Vision and Integrity

Functional Directors / Whole Time / Executive Directors



Mr Manoj Jain

Chairman and Managing Director

2 3 6 7



Mr Damodar Bhattad S

Director (Finance) & CFO

1 2 3 4 5 6 7 8



Mr Vikraman N

Director (HR)

2 3 4



Mr K V Suresh Kumar

Director (Marketing)

5



Mr Rajnish Sharma

Director (Bangalore Complex)

1 3 5 8



Mr Hari Kumar R

Director (R&D)

7 8*



Mr Kamesh Kasana

Director (Other Units)

1 4 5 6 8

*shall be co-opted Member of the Committee whenever the Committee has to consider capital investment pertaining to R&D

Part-Time Official / Government Nominee Directors



Ms Meera Mohanty

JS (P&C), MoD



Dr Binoy Kumar Das

DG (ECS), DRDO

Part-Time Non-Official/Independent Directors



Lt. General Vishwambhar Singh (Retd.)

1 2 7 8



Mr Pradeep Tripathi

1 2 4



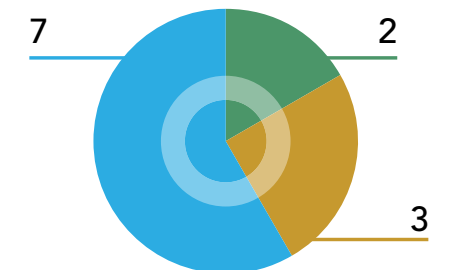
Mr Bharatsinh Prabhatsinh Parmar

1 2 3 5



Profiles of the Directors can be read at:
<https://bel-india.in/leadership/>

Board Composition



■ Whole Time Directors
■ Government Nominee Directors
■ Independent Directors

- 1 Audit Committee
- 2 Nomination and Remuneration Committee
- 3 CSR Committee
- 4 Stakeholders Relationship Committee
- 5 Risk Management Committee
- 6 Share Transfer Committee
- 7 Research & Development Committee
- 8 Capital Investment Committee
- Chairman
- Invitee
- Member



Mr S Sreenivas

Company Secretary

CVO AND SENIOR MANAGEMENT

(As on 1 August 2025)

Driving Our Quest for Excellence and Success



Mr Nilabhra Sengupta
Chief Vigilance Officer (CVO)



Mrs Prabha Goyal
ED (NM) - Delhi



Mr Anoop Kumar Rai
ED (CRL) - GAD



Mr Prahalad P S
GM (CM) - Delhi



Mr Giriraja N
GM (EW&A) - BG



Mr Jitendra Singh
GM (DCCS) - GAD



**Mr Tribhuwan
Narayana Singh**
GM (HR) - BG



**Mr Suryanarayana
Murthy G**
ED - Pune



Cdr. (Retd.) K Kumar
ED (NS/S&CS) - BG



Mrs Niti Pandit
GM (SP) - CO



Mr Ramkumar B
GM (HR) - CO



Mrs Manjula Devi N
GM (MS) - BG



Mrs Rama S
GM (Finance) - CO



Mrs Rashmi Kathuria
GM (SCCS) - GAD & UH



Mr Nandha Kumar T D
GM (PD&IC)



Mr Srinivas K
GM (EWNS) - HYD



Mrs Vanisree V
CTO (EW&P) - CO



**Mr Pradeep Kumar
Sethia**
GM (IA) - CO



**Mr Murali Meenpidi
Thekkedath**
GM (PS) - Delhi



Mrs Dharani B
CTO (R&WS) - CO



Mr Viswanadham C H
GM (EWLS) - HYD

SENIOR MANAGEMENT

(As on 1 August 2025)



Mr Srinivas Rao H P
GM (IM) - Delhi



Mr Sanjay Agarwal
GM (CS) - CO



Mr Ambrish Tripathi
GM - KOT



**Mrs Hemavathy
Muthusamy**
GM (NW&CS) - BG



Mr Jayandran I
GM - CHN



Mr J Prabhakara Rao
GM - NAMU



Mrs Seema Yadav
GM (Quality) - CO



Cmde. Srinivas (Retd.)
GM (A&A) - BG



Mr Indrajit Singh
GM (Finance) - BG



Mr Dheeraj Talwar
GM (Radar) - GAD



**Mr Sanjeev Kumar
Mahajan**
GM (NS/R&FCS) - BG



Mrs Deepa Bajpai
GM - PK



Mrs Rekha Sastry
GM (US) - BG



Mrs Hemalatha B J
GM (MR) - BG



Mr Sameer
GM (NCS) - GAD

BUSINESS MODEL

Our Robust Value Creation Approach

INPUTS



Financial Capital

Capital employed ₹ 18,102 Crore



Manufactured Capital

- 9 state-of-the-art manufacturing facilities
- Collaborative working with Indian Armed Forces and other civilian organisations
- Make-in-India partner with policies for MSMEs, startups and Indian corporates
- ₹ 908 Crore capex



Intellectual Capital

- 12 R&D Centres with a Robust three-tier R&D Structure: 2 Central Research Laboratories, 1 PDIC (including CoEs), 29 D&Es
- 2,698 R&D team
- ₹ 1,472 Crore invested in R&D
- AI, big data analytics, IoT, 5G wireless communication, robotics and computer vision, AR/VR, quantum cryptography
- 151 IPRs filed (Patents: 86, Copyrights: 51, Industrial Designs: 10, SICLDs: 03, Trademark: 1)



Human Capital

- 8,844 engaged employees
- 22.06% female representation
- 76,941 mandays training provided
- ₹ 8.68 Crore spent on training and development



Social & Relationship Capital

- ₹ 81.88 Crore CSR budget
- Meeting quality requirements of defence and non-defence clients



Natural Capital

- ₹ 14.73 Crore invested in sustainability initiatives
- 21.3 MW renewable energy capacity (Wind power plants: 13.9 MW and Grid connected Solar PV power plants: 7.4 MWp)
- 9,865 saplings planted to the existing afforestation area
- 26 new RoHS-compliant components introduced. A total of 905 RoHS-compliant standards are in place for areas of electronic / electrical / mechanical components
- Purchase of green power

VALUE CREATION PROCESS



Identifying customer needs

- Long-term relations and collaborative working with Indian Armed Forces
- Collaborative engagements with global OEMs and Governments
- Leveraging our experience and expertise to stay updated with latest technologies and identify emerging trends



Research and Development

Innovation is at the core of our strategy, supported by a robust in-house team, investments in development of technologies, and external collaborations giving us a competitive edge



Product design, development and engineering

- Innovative and ergonomic product design
- Customer-centric product development, with technologies acquired through R&D process
- Software development expertise enabling turnkey strategic projects
- Development and engineering with domain expertise, realising field-proven, battle-ready products



Providing Product/System Life Cycle Support

- Wide network of support centres to provide product support and technical assistance, ensuring high serviceability of the product/systems
- Responsiveness to customer needs



Manufacturing & Quality Assurance

- Process, product quality and operational excellence supported by modern manufacturing and continuous infrastructure upgrade
- Adoption of CII-EXIM Bank Business Excellence Model (for strategic and operational excellence) and robust Quality Management System
- Leveraging Industry/Quality 4.0



Bidding and contracting

- Established process supported by company-wide an Enterprise Resources Planning (ERP) system
- Compliance to sourcing requirements for transparency

OUTPUTS

WE DEVELOP VARIOUS ELECTRONIC SOLUTIONS FOR DEFENCE AND NON-DEFENCE SEGMENTS.

Refer to page 10 for detailed information on products manufactured.

OUTCOMES

Financial Capital

- ₹ 23,024 Crore turnover
- ₹ 6,768 Crore EBITDA
- ₹ 6,332 Crore EBIT
- ₹ 5,288 Crore PAT
- ₹ 2,20,258 Crore market capitalisation
- ₹ 1,754 Crore dividend

Manufactured Capital

- 74% turnover from indigenously developed products
- 94% of turnover from defence supplies
- ₹ 23,835 Crore Value of production
- ₹ 9,904 Crore value of domestic procurement

Intellectual Capital

- 297 new products/systems introduced
- ₹ 3,866 Crore R&D value addition
- 141 IPRs granted/registered during FY 2024-25, including 80 patents
- 121 technical papers presented/published in reputed Conferences / Seminars/ Journals
- 50% of items in services list have been indigenised

Human Capital

- ₹ 2.60 Crore turnover per employee

Social & Relationship Capital

- 17.2 Lakhs CSR beneficiaries across India
- 3,600 MSMEs and startups supported
- 35.94% of procurements from MSEs

Natural Capital

- Natural resource conservation
- 44.8% green energy consumption from captive RE plants; 20,826 mtCO₂ emission prevented by captive power plants
- 15.75% green energy from DISCOMs; 7323 mtCO₂ emission prevented by purchase of green power
- 60.56% green energy from captive Renewable power sources; 28,149 mtCO₂ emission prevented
- Increase in carbon sink and generation of oxygen
- Minimised hazardous waste

STAKEHOLDER ENGAGEMENT

Engaging with Stakeholders to Create Better Value

We are deeply committed to our stakeholders, and value their opinions through effective engagement mechanisms. The insights that we receive from our engagement enables us to understand their expectations and shape our strategies accordingly to deliver lasting value for all.

We are proactive, inclusive and driven by our principles in the way we engage with all our stakeholders. We remain committed to transparency of information and actively cooperating with our stakeholders, and accommodate their needs, as we make strategic and operational decisions.

Value Created for our Stakeholders FY 2024-25

SHAREHOLDERS

₹ 1,754 Crore
DIVIDEND PAID

CUSTOMERS

₹ 23,024 Crore
ORDERS EXECUTED

DEFENCE CUSTOMERS

Differentiated products and solutions

EMPLOYEES

₹ 2,734 Crore
WAGES AND BENEFITS PAID

SUPPLIERS/VENDORS/CONTRACTORS

₹ 3,560 Crore
PROCUREMENT FROM MSMEs

STRATEGIC PARTNERS

Strengthened long-term partnerships

76,941
TRAINING MAN-DAYS

3,600
MSMEs AND START-UPS SUPPORTED

COMMUNITIES

17.2 Lakhs
LIVES POSITIVELY TOUCHED



SHAREHOLDERS AND INVESTORS

Relevant Matters

- Profitability, growth potential and EPS
- Capital allocation
- Shareholder returns
- Engagement with Board of Directors
- ESG considerations
- Share price performance
- Adequate and timely information

Engagement Channels

- Regular disclosures
- Annual General Meeting (AGM)
- Press Releases
- Annual Report
- Company's Website
- Conference calls with investors

Frequency

Event based/quarterly

Our Response

- Delivered strong financial performance and regular dividend payment
- Implemented strategic measures for growth
- On-time submission of quarterly, half-yearly, and annual financial results
- Conducted con-calls and investors meet and AGM, facilitating engagement with management
- Provided e-voting facility to shareholders and addressed their grievances
- Disseminated requisite, adequate, and timely information to Stock Exchanges and updated the Company's website accordingly

EXPORT CUSTOMERS

Relevant Matters

- Field-proven equipment with turnkey solutions
- Programme funding assurance
- Emphasis on quality and reliability
- Local presence for support and maintenance

Engagement Channels

- Direct interactions, Engagement through Indian Mission abroad and Channel Partners
- Identifying Government and International Institutions / organisation funded programs & funding institution in India and abroad
- Inclusion of global quality & reliability process in manufacturing, testing and qualification process
- Identifications of channels for marketing, liaising, and product support services

Frequency

Weekly/Proactive approach

Our Response

- Conducting one-to-one meetings, presentations, Video Conference and demos in India & abroad to the End Users
- Participation in Government and International Institutions / organisation funded programs. Meeting with Financial Institutions in India and Abroad for funding to customers
- Inclusion of global quality & reliability process and certifications in BEL for manufacturing, testing and qualification process. Gap analysis and filling the gaps for Techno Blocks acceptance.
- Participation in Defence exhibitions, seminars, and customer-organised meets in overseas target markets, Agreements with local companies for marketing, liaising and product support services
- Support through Indian mission abroad, Foreign missions in India and Overseas marketing offices

DEFENCE CUSTOMERS

Relevant Matters

- Indigenous design, development
- Manufacturing of state-of-the-art products and services
- Competitively priced offerings
- Reliable project execution
- Timely delivery of products and services
- Comprehensive product support, lifecycle management, and obsolescence management
- Upgrades and life extension services

Engagement Channels

- Regular engagement to understand current and future requirements and provide innovative, indigenous solutions with contemporary technologies
- Periodic institutional meetings by senior management with key decision-makers and end users of customers
- Senior management, Marketing, D&E, and Project teams regularly engage with their customer counterparts to discuss needs, requirements, and support

Frequency

- Institutional meetings:** Half yearly/on need basis
- Joint working level meetings:** Quarterly
- Project teams:** Ongoing

Our Response

- Launching in-house projects aligned with customer products, ensuring timely delivery through development or collaboration with partners
- Engaging customers in joint development and review meetings, facilitating end-user trials
- Seeking expert advice for project adjustments through regular interactions with customer agencies
- Maintaining contractual timelines and quality through enhanced programme management, production, quality assurance, and supply chain processes
- Setting up and expanding RPSCs for onsite technical support, high service levels, spares supply, and obsolescence management

NON-DEFENCE CUSTOMERS

Relevant Matters

- Converting requirements into solutions
- Products/solutions embedded with contemporary technologies and indigenous manufacturing
- Competitive pricing, reliability of quality, supply, and timely implementation

Engagement Channels

- Technology and business workshops to understand requirements
- Communication, presentations, extensive trials, and Proof of Concept demos to establish competencies
- Participation in exhibitions, seminars, and workshops

Frequency

Quarterly/on need basis

Our Response

- MoU/collaboration agreements with key customers for identified products/solutions
- Co-opting indigenous supply chain partners to develop Make in India solutions
- Addressing concerns related to delays, product support issues, and pricing through liaison with concerned SBUs and corporate management

EMPLOYEES

Relevant Matters

- Capacity building
- Welfare measures
- Career advancement
- Health and safety

Engagement Channels

- Learning and development
- Performance management
- Townhall meetings and newsletters
- Career Development
- Employees well-being
- Health & safety measures
- Onboarding new talent

Frequency

Ongoing

Our Response

- Sponsorship for higher education such as Web-enabled M. Tech programs (RF & MW, IC Design, Industrial AI and Information Security)
- Post Graduate Certification programs in Supply Chain Management and Marketing Management
- SHRM (SCP) Certification for HR Professionals
- Process Control & Quality related certifications such as CRE, CQE, PMP to widen opportunities for career advancement

- Structured and comprehensive induction program for new recruits
- Mentoring Scheme for newly joined executives
- Reward & Recognition programs such as Excellence Awards, R&D Awards, Work Anniversary Awards
- Autistic Spectrum Disorders (ASD), treatment for dependent children of employees
- Special Casual Leave of 4 days granted to Employees with disabilities during the financial year
- Leave for child adoption and for child born through surrogacy has been introduced
- Creche facility for all female employees & male employees who are single parents
- Preventive health check-up for employees
- Death benefit scheme (BESAFE), insurance for accident while on duty at disturbed areas
- Career advancement through on-going performance management, job rotations, tenure-based transfers & promotions

REGULATORY BODIES

Relevant Matters

- Applicable laws and regulations
- Community development and job creation initiatives
- Contribution to national economic growth

Engagement Channels

- Exhibitions
- Regular meetings & reviews
- Participating in Government initiatives

Frequency

Regularly

Our Response

- Compliance with laws, regulations and policies
- Investment in infrastructure development contribute to India's economic growth
- Alignment of activities with Government initiatives like 'Make in India' and 'AatmaNirbhar Bharat'

STRATEGIC PARTNERS

Relevant Matters

- Market demand/business opportunity identification
- Collaboration for pursuing opportunities for co-development, production, technology and exports
- Fair distribution of risk, investments, and anticipated benefits

Engagement Channels

- Participation in industry meet/customer/Government events to facilitate senior management meetings
- Institutional meetings with potential strategic partners to identify opportunities of mutual interest
- Formation of joint working level committees
- Establishment of project teams for joint development and production

Frequency

Quarterly/on need basis

Our Response

- Aligning business priorities with market demand/opportunity
- Identifying complementary strengths and synergy for value creation
- Clearly defined roles, responsibilities and risk-sharing
- Due diligence in partner selection for capability, experience and technology maturity

COMMUNITIES

Relevant Matters

- Inclusive community interventions focussing on development & institution building
- Driving local economic growth
- Sustainability related initiatives

Engagement Channels

- Press Release in Print Media, Broadcast Media & Social Media
- Interactions with community/local administration
- Site visits and inspections
- Impact Assessment Survey

Frequency

Periodically

Our Response

- CSR and Sustainability policy in place
- Need-based assessment surveys to deliberate action plans and obtain necessary approvals from the local administration
- Ensured regular dialogue with key community stakeholders
- Addressing feedback from the beneficiaries
- Site visit and inspections by CSR Monitoring Committee

SUPPLIERS/VENDORS/ CONTRACTORS

Relevant Matters

- Compliance with Occupational Health and Safety Management System (OHSMS)

Engagement Channels

- OHSMS details through purchase orders

Frequency

Monthly and need basis

Our Response

- Handholding and by conducting Awareness Supplier Development Programs

RISK MANAGEMENT

Identifying and Managing Risks. Ensuring Resilience.

Effective risk management is crucial for the resilience of an organisation in an ever-evolving environment. At Bharat Electronics, we steer through the challenges from geopolitical complexities, supply chain issues, and rigorous trade regulations. We proactively identify, monitor and mitigate these risks through our comprehensive risk management framework to deliver long-term value to all our stakeholders and supports our long-term growth.

Approach to Risk Management

The Company encourages an increased degree of risk in pursuit of its vision and strategic goals and objectives. Acceptance of risk will be taking into consideration the potential benefits and deployment of measures to mitigate the risk. Efforts shall be made to minimise risks relating to environment and cyber threats.

Risk Management Framework/Governance

Your company has an established Enterprise Risk Management (ERM) deployed across the company covering all business units and functional areas. The deployment of ERM is based on the Risk Management (RM) Policy of the Company, approved by the Board, based on the recommendation of the Risk Management Committee (RMC) of the Board.

Risk Management Policy

The Risk Management policy in the Company is implemented through an established ERM framework across the Company. The Risk Management framework of the Company has a three-tier structure, with Board of Directors (BOD) through Risk Management Committee of the Board (RMC) at the Apex level; Corporate Risk Management Committee (CRMC) at the corporate level and Unit Risk Management Committee's (URMCs) at the Strategic Business Units (SBUs)/Units/R&D centres. The implementation of mitigation measures is further reviewed by the RMC and the implementation status is reported to the Board.

Risks which may have significant impact on the operations of the company, wherever deemed necessary, are reported to RMC. RMC reviews the Risks and recommends to the Board for further deliberations and approval of mitigation measures.

Principal Risks and Mitigation Action



TECHNOLOGY RISK OVERVIEW

Technology is crucial in our Aerospace & Defence sectors, where integrating appropriate technologies into equipment, systems and platforms is essential for meeting customer preferences. Change in modern war tactics through adoption of disruptive technologies and warfare equipment poses an additional challenge for prioritisation of investments in technologies.

Misalignment could lead to not meeting customer needs, significant resource loss and business impact. We mitigate these risks by being cognizant of the application of relevant technologies in the modern battlefields and its effectiveness; involving end users/customers during technology development, regularly reviewing processes, focussing on in-house or collaborative development, and exploring efficient technology acquisition models.

Mitigation Approaches

Enhanced customer involvement

Engage end users/customers during technology/product development. Include customers in development and acceptance trials. Review, reassess, and incorporate necessary changes during product development.

Progressing with collaboration

- Increased engagement with start-ups, academia for

cooperation on emerging and disruptive technologies, focus on in-house development of critical technologies

- Collaborate with national R&D institutions
- R&D process improvement to facilitate integration of multiple technologies and expedited conversion of technology portfolios into products

Efficient technology acquisition

Explore new models for technology development/acquisition, improve efficiency and effectiveness in technology acquisition processes.



COMPETITIVE LANDSCAPE RISK

Government of India policies and budgetary allocations to develop the domestic defence industrial base through broadening of domestic supplier base, encouraging private sector participation, leading to continuous increase in competition and potential impact on our market position in certain segments.

Mitigation Approaches

Design Optimisation

Optimise product designs to enable product features based on customer needs for price sensitive markets.

Strengthening in-house development

- Emphasise development of high-value and high technology products

- Focus on strategic systems and turnkey solutions

Fostering strategic partnerships

Foster partnerships with domestic private defence companies for co-development, manufacture for major make in India programs, in a consortium approach.

Exploring market diversification opportunities

Pursue product and market diversification strategies. Explore select opportunities in non defence market and export markets to reduce reliance on domestic defence market.



RISKS IN INPUT RAW MATERIAL/COMPONENTS

Due to tumultuous geo political environment, the possibility of supply chain disruptions has increased substantially for the defence industry. Potential delays in receiving input materials and components due to supply chain discontinuities, capacity constraints in the global supply chain, long lead times, and vendor defaults caused by increased raw material prices.

Mitigation Approaches

Expanding Sourcing Channels

Expand sourcing channels from different geographies for critical components, Identify alternate vendors. Explore alternative logistics and freight channels.

Pre-ordering and Stock Management

Pre-order essential stock of long-lead-time components/raw materials. Ensure ready availability of critical items.

Advance procurements:

Anticipate definitive customer orders and engage in advance procurements. Complete pre-purchase order activities beforehand to streamline procurement and minimise delays.

STRATEGY

Prioritising Strategic Growth Plans

Strategic Objective
1

GROWING CORE DEFENCE BUSINESS

Focus Area

- Strategic Defence Projects
- Capacity expansion through investments on greenfield and brownfield defence projects

Priorities

Major ongoing capacity expansion projects include:

- DSIC, Palasamudram, Andhra Pradesh
- Hot Integration facility, Vellore
- Fuze Integration and Storage facility, Nagpur
- Radar integration facility at Uttar Pradesh Defence Industrial Corridor
- EW Land systems factory nearing completion at Ibrahimpatnam, Telangana

Strategic Objective
2

STRENGTHEN THE R&D FOCUS

Focus Area

Development of critical technologies

Priorities

- Increased investments in R&D human resources for competency building
- Establishment of AI Incubation Centre with Indian Army, Indian Army AI Incubation Centre (IAAIIIC) and Indian Navy Incubation Centre for Artificial Intelligence (INICAI)

Strategic Objective
3

EXPAND NEW AREAS OF DIVERSIFICATION

Focus Area

- Rail & Metro and Civil Aviation
- Space Electronics and Systems

Priorities

- Opportunities in modernisation of Railway Safety systems and Metro Lines
- Opportunities in expansion of domestic Air transportation: Civil Aviation Radars and Communication Systems
- Opportunities in opening of Space sector for the industry: Space systems and services

Strategic Objective
4

ENHANCE THE EXPORT BUSINESS

Focus Area

- Part of global supply chain
- Export of major systems

Priorities

- Skill Development & Global Supply Chain Integration** – continuous up-skilling of the work force and integration into the supply chain of major global OEMs
- Promote R&D and Innovation** – Increased investment for in-house R&D, investment in next-generation technologies, collaboration among Indian industries, support for start-ups and incubation hubs focussed on advanced technologies, etc.
- Strengthening Domestic Defence Manufacturing** – fostering MSME and SME participation for cost reduction for export projects
- Building Strategic International Partnerships** – pursuing joint development projects, ToT, expansion through G2G agreements, and defence diplomacy (especially in Africa, Southeast Asia, and Latin America)

Opportunities

- Enhanced national security needs due to regional and global conflicts
- >
- Major defence platforms categorised for Make in India
- >
- Renewed momentum in India's defence sector
- >
- Bolstering self-reliance and modernising military capabilities
- >
- Expanding swiftly with increased budgets, policy support and strong focus on indigenisation



FINANCIAL
CAPITAL

UN SDGs impacted



Key highlights

₹ 23,024 Crore
TURNOVER

₹ 6,768 Crore
EBITDA

₹ 2,20,258 Crore
MARKET CAPITALISATION

KEY FOCUS AREAS

- Prudent Capital Allocation
- Maintaining Optimal Capital Structure
- Maximising Returns
- Focus on Long-Term Value Creation

Financial Performance Review of FY 2024-25

Healthy order book and new order win momentum led to sales growth, driven by increased execution of significant orders and alleviation of supply chain challenges. During the year, our Net Worth improved to ₹ 19,698 Crore from ₹ 16,082 Crore in the previous year. As on 1 April 2025, our order book position stood at ₹ 71,650 Crore.

During FY 2024-25, the Company achieved its highest Turnover of ₹ 23,024 Crore, a growth of 16% compared to ₹ 19,819 Crore in the previous year. Profit After Tax (PAT) rose to ₹ 5,288 Crore vis-à-vis ₹ 4,020 Crore in FY 2023-24, reflecting a growth of 31.5%. Several indigenisation and cost reduction initiatives introduced in the past years helped increase EBITDA to ₹ 6,768 Crore, from ₹ 4,998 Crore in the earlier year. EBITDA Margin was 29% increasing from a range of 22% to 25% over the past years. The Company is confident of achieving similar growth in the coming years, and its future growth will be led by defence, exports, and services.

Capex and R&D

R&D has been the focus of BEL for increasing indigenisation and value addition in its products and systems. The Company's consistent investment in R&D (₹ 1,472 Crore in current year) (6-7% of revenues annually) has helped create a strong competitive moat by enabling it to develop the latest generation products and services, and gradually increasing indigenisation of its product offerings, which have been the key pillars behind its healthy margins. BEL continues to maintain its discipline with respect to capital allocation. In FY 2024-25, the Company invested ₹ 908 Crore in capex mainly to cater to the emerging growth opportunities. The Company will continue to ensure that these investments are able to generate the optimum Returns (ROCE).

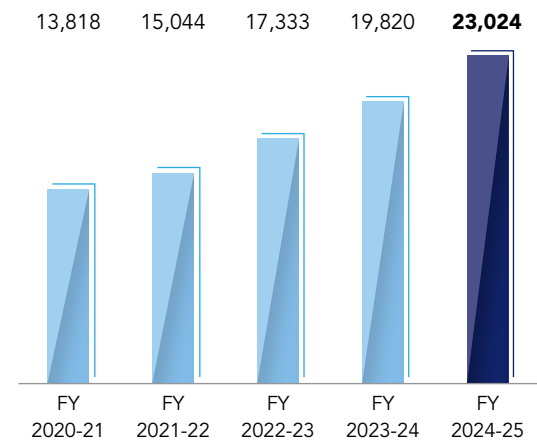
Credit Rating

During FY 2024-25, ICRA rated BEL AAA (Stable) with respect to long-term, and A1+ for short-term instruments. According to note from the rating agency, "The ratings reaffirmation for BEL reflects its large scale of operations, strategic position as a dominant supplier of electronic equipment to the Indian defence forces, robust financial profile with negligible debt levels and healthy operating margins, and superior liquidity position reflected by its unencumbered cash balance."

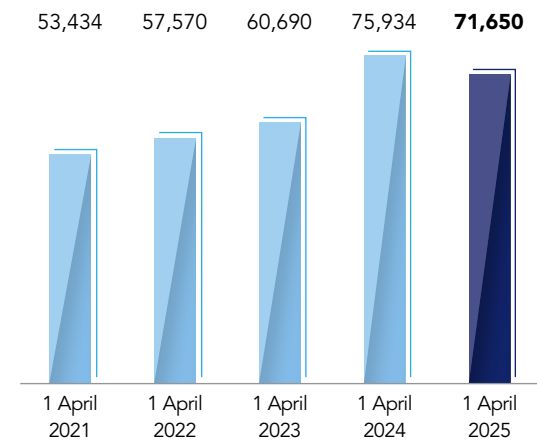
Delivering long-term economic value and consistent performance

At Bharat Electronics Limited, we consistently strive to create collective value for our shareholders sustainably and inclusively, while staying anchored to our core values. Our performance can be attributed to the strategic actions to enhance efficiency and cost management, and increase shareholder returns. The Company's diverse revenue streams benefit us from increasing defence spending in India, leading to an increase in robust order inflows, reflecting sustained demand for indigenous equipment and enhanced revenue visibility.

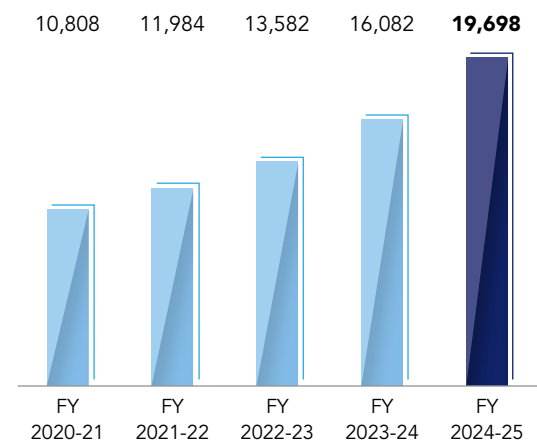
Turnover (₹ Crore)



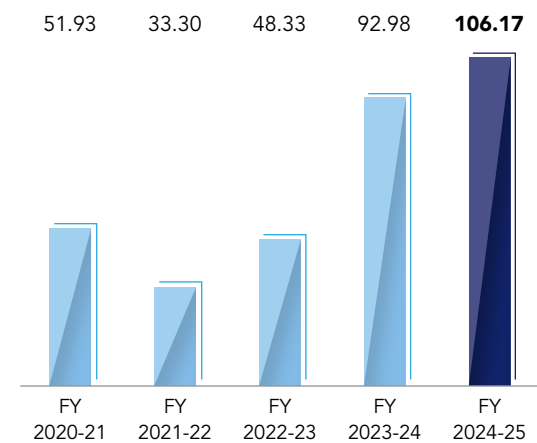
Order Book (₹ Crore)



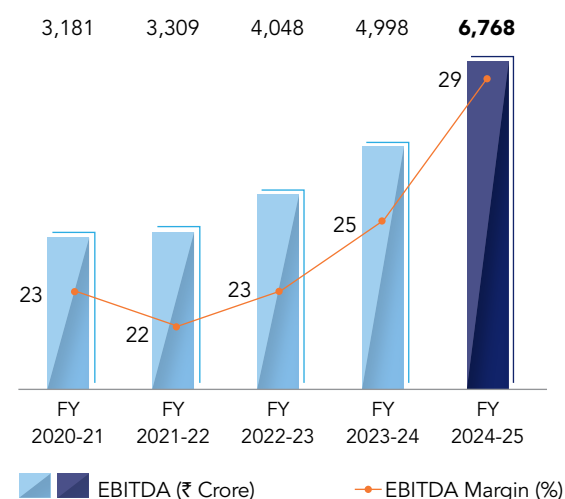
Net Worth (₹ Crore)



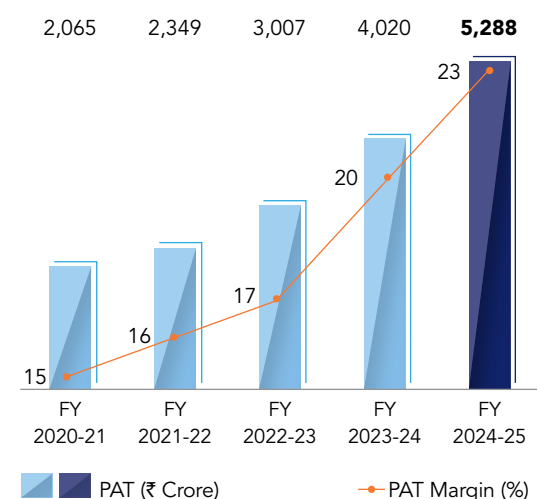
Exports (USD Million)



EBITDA and EBITDA Margin



PAT and PAT Margin



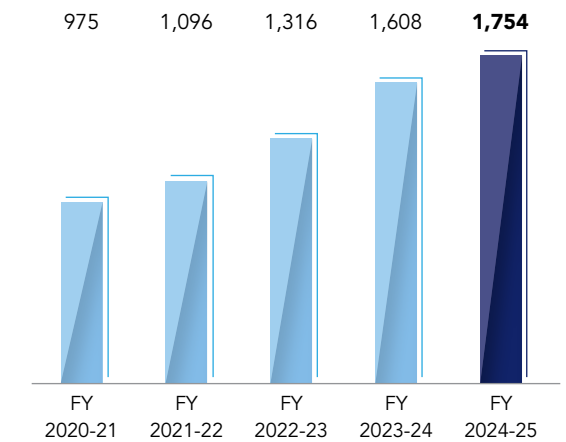
Value creation for our Shareholders

We value the interests of our shareholders and strive to ensure consistent and sustainable returns. By focussing on growth of our core defence business, by expanding our non-defence and export business, and by achieving business efficiencies across our operations, we are geared to maximise value creation.

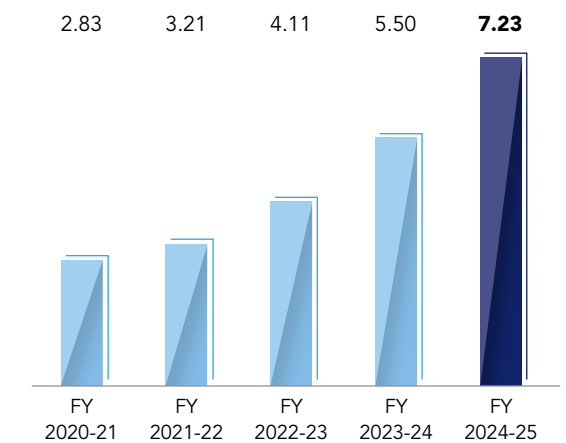
We understand the importance and necessity to create value for our shareholders. Over the years, we have been consistently increasing the quantum of dividend pay-out to our shareholders. During FY 2024-25, we made total dividend payout of ₹ 1,754 Crore to our shareholders. During FY 2024-25, ROCE (Return on Capital Employed) was 39% compared to 34% in the previous year. With Return on Equity (RoE) exceeding 20%, strong cash flows, and improved CAGR, BEL will continue its path of strong growth.

During the current year, BEL's market capitalisation crossed more than ₹ 3 Lakh Crore, reflecting the optimism and confidence the market has placed on BEL. We are proud and happy to share with our shareholders, that our stock (BEL) has been included in the headline index NIFTY50 in September 2024. Further, as of June 2025, the stock has been added to "Sensex", the 30-pack Benchmark Index. We are confident and hopeful that we will be able to meet the trust and expectations the market has placed on us.

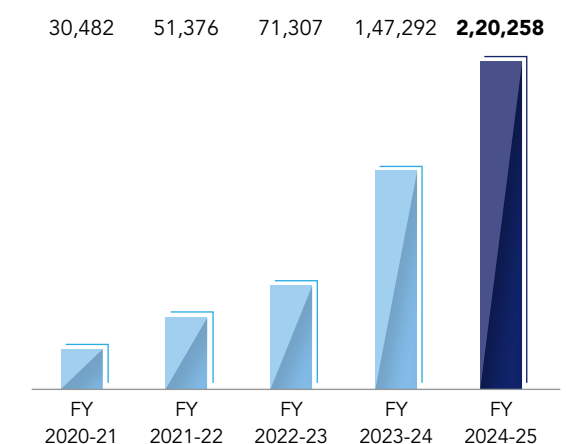
Dividend Distribution (₹ Crore)



Earnings Per Share (₹)



Market Capitalisation (₹ Crore)





MANUFACTURED
CAPITAL

Maximising output and effectiveness

As a state-run defence equipment manufacturer, we are a key partner in the country's defence sector. Our projects showcase the indigenous design and manufacturing capabilities of the Indian Defence industry, adding a key milestone to the 'AtmaNirbhar Bharat Abhiyaan' and 'Make in India' initiatives. Our manufacturing capital reflects our holistic approach to continuously improve our processes and achieve our goal optimal productivity, maximising output and enhancing overall efficiency.

UN SDGs impacted



Key highlights

29
STRATEGIC BUSINESS UNITS

₹ 23,835 Crore
VALUE OF PRODUCTION

At Bharat Electronics Limited, we specialise in multiple products, technologies and units, primarily serving the defence sector, well-positioned to benefit from increased government funding and focus on domestic manufacturing, fuelling demand for our products. Our focus remains on strengthening our presence in international defence and domestic non-defence markets.

We design, manufacture and supply a broad array of systems and products across various fields, including radars, missile systems, military communications, naval systems, electronic warfare, avionics, C4I systems, electro-optics, tank electronics, gun and weapon system upgrades and electronic fuzes.

Our aim is to deliver high-quality products and continuously innovating our product line to meet the diverse and evolving requirements of our customers. Our manufacturing units are strategically located across the country to cater to the growing demand.

We currently operate 29 Strategic business units at nine locations.

Implemented the below systems:

- Hybrid QA 4.0 for 15 identified products
- Online Customer Inspection and acceptance software WIQAS at Components, Military Radars, NS(S&CS), NS(R&FCS) and Mil. Com. SBUs, Chennai, Panchkula, Hyderabad and Ghaziabad units
- Industry 4.0 and QA4.0 at ADSN, NS(S&CS), Components SBUs and Machilipatnam unit
- Registration of Testing Labs in Defence Testing Portal

KEY FOCUS AREAS

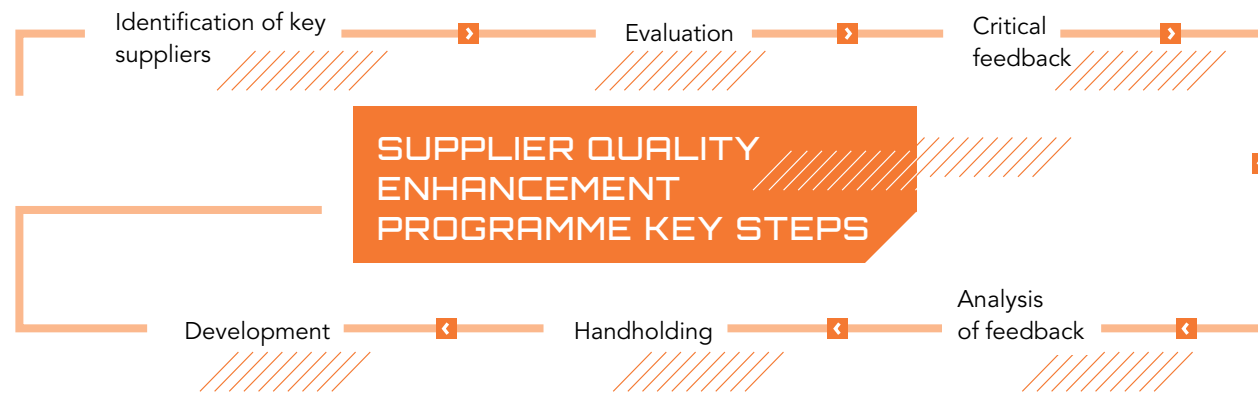
1.
Implementation of Hybrid QA 4.0 and WIQAS Software

2.
Introduction of Quality Champion Award across the Organisation

3.
Vendor Evaluation and Development

Towards operational efficiency

Industry 4.0	Overall operational efficiency improvement and cycle time reduction through Industry 4.0
Quality 4.0	Cost reduction and improving workflow efficiently through Quality 4.0
Green Channel Policy	Leveraging the Green Channel policy benefits and optimising cost and time
Industry 4.0 and QA 4.0	Achieving process excellence and quality improvement through simultaneous implementation of Industry 4.0 and QA 4.0 across the organisation
Vendor Development	Improvement in supply chain management through vendor evaluation, training, development and handholding towards robust Quality management system for vendor processes



QUALITY CERTIFICATIONS



ISO 9001:2015 and ISO 14001:2015 (All Units/SBUs/Divisions C-QA Testing Facilities)



ISO 13485:2016 Export Manufacturing SBU, Bangalore Complex



ISO 27001:2013/2022 14 units/SBUs/Divisions



ISO 14001:2015 and ISO 45001:2018 combined 6 certificates for Ghaziabad, Kotdwara, Navi Mumbai, Pune, Hyderabad and Chennai units



ISO 14001:2015 3 Certificates for Bangalore Complex, Machilipatnam and Panchkula units



ISO 45001:2018 for Bangalore Complex



ISO 20000-1 Software SBU-Bengaluru



ISO 21001 EOMS 2 Certificates BAE and BEEI Bengaluru



AS9100D 20 certificates units/SBUs and PDIC



CMMi Level 5 Software SBU-Bengaluru, Hyderabad Unit and CR L- Ghaziabad



NABL ISO 17025:2017 certification for 14 Testing Labs - Components and other 4 Testing Labs (C-QA) at Bangalore Complex, 3 Testing Labs at Ghaziabad unit, 2 Testing Labs at Hyderabad unit, 2 Testing Labs at Chennai Unit, one Testing Lab at Panchkula unit and one at Navi Mumbai Unit



CMMi Level 3 Chennai Unit, DCCS, NCS, SCCS, Radar and Antenna SBUs of Ghaziabad unit



AFQMS Certification for 12 Units/SBUs – EW&A, SC&US and Components SBUs of Bangalore Complex, Radar, Antenna, DCCS, NCS, and SCCS SBUs of Ghaziabad unit, EW-NS, EM-LS SBUs of Hyderabad unit, Panchkula unit and Kotdwara unit

OUR MANUFACTURING INFRASTRUCTURE

Bengaluru

Key Operations

- Military Communications
- Network Centric Systems
- Military Radars
- Weapon Systems
- Naval Systems
- Airborne Electronic Warfare & Avionic Systems
- Strategic Communication
- Unmanned Systems
- Homeland Security & Smart City Business
- Components
- Seekers (RF)
- Arms & Ammunition
- Network & Cyber Security
- Coastal Surveillance Systems
- Electronic Voting Machines
- Solar Products

Ghaziabad

Key Operations

- Network Centric Systems
- Radars
- Antennae
- Satcom (Defence)
- Microwave Components

Navi Mumbai

Key Operations

- Shelters for Systems
- Homeland Security Systems

Pune

Key Operations

- Laser Systems
- Combat Systems
- Electronic Fuzes
- Ammunition
- Security Systems

Panchklula

Key Operations

- Military Communication Equipment
- Encryption Products

Hyderabad

Key Operations

- Electronic Warfare Systems

Chennai

Key Operations

- Tank Electronics
- Electro Optic Fire Control Systems
- Airborne EOIR
- Gun Upgrades

Kotdwara

Key Operations

- Tele-communication Systems
- Military Communication Systems
- Rail & Metro Solutions

Machilipatnam

Key Operations

- Electro Optics (Night Vision Devices)

INITIATIVES UNDERTAKEN IN FY 2024-25



OPERATIONAL EFFICIENCY

Our state-of-the-art manufacturing facilities and commitment to sustainability enhances our quality, efficiency, and cost competitiveness. It enables us to maintain a competitive edge and drive sustainable growth.



COST REDUCTION

With cost reduction as a strategic initiative, we are enhancing our competitiveness and self-reliance, executing projects aimed at reducing cost in manufacturing and non-manufacturing areas.



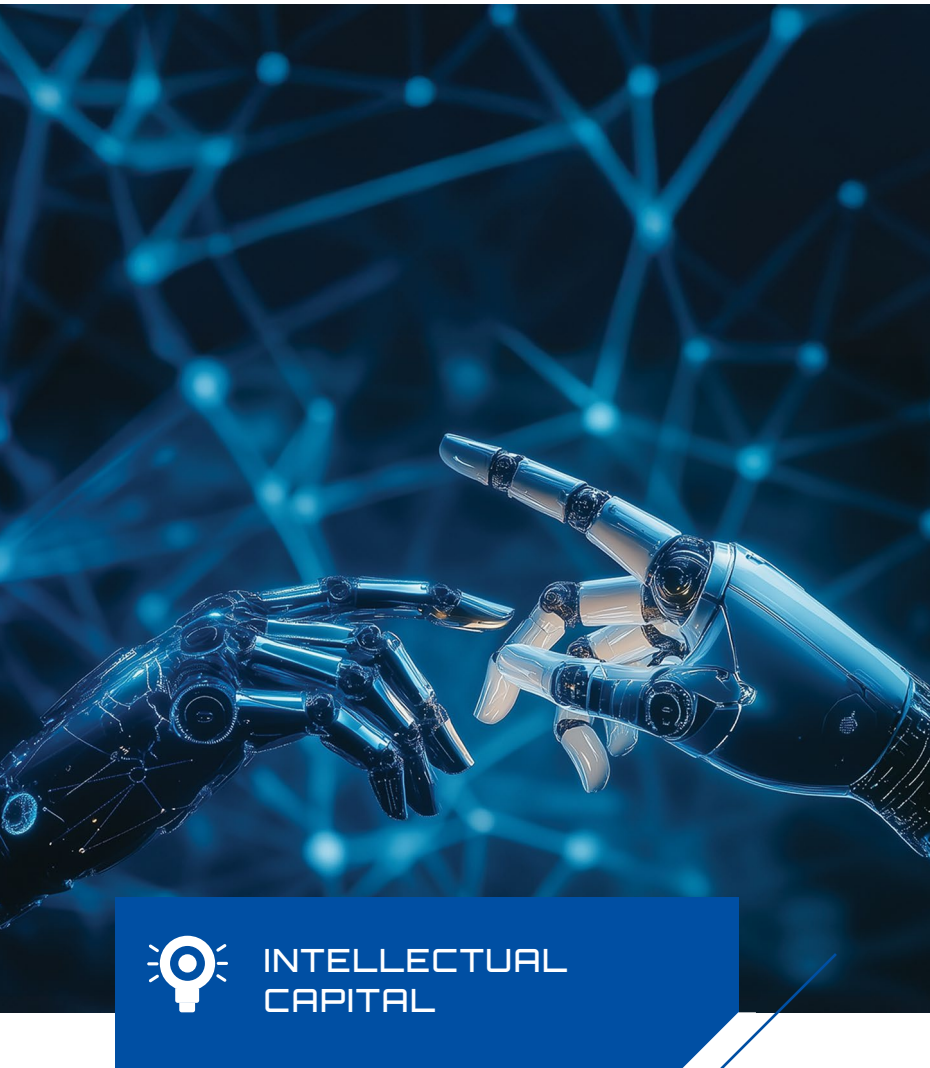
SUPPLY CHAIN MANAGEMENT

Our transparent and best-in-class practices ensure responsible sourcing and helps us deliver high-quality products, while also prioritising sustainable practices in material sourcing.



CAPACITY EXPANSION

We make significant investments to modernise our manufacturing facilities and to leverage advanced technologies to enhance quality delivery model and strengthen our market reputation.



UN SDGs impacted



Key highlights

1,350

CUMULATIVE IPRs FILED INCLUDING 777 PATENTS*

151

IPRs FILED DURING FY 2024-25, INCLUDING 86 PATENTS

810

CUMULATIVE IPRs GRANTED INCLUDING 288 PATENTS*

141

IPRs GRANTED DURING FY 2024-25, INCLUDING 80 PATENTS*

121

TECHNICAL PAPERS PUBLISHED, PRESENTED IN REPUTED CONFERENCES, SEMINARS AND JOURNALS DURING FY 2024-25

346

EMPANELLED PARTNERS UNDER COLLABORATIVE R&D*

₹ 1,472 crore

R&D INVESTMENT MADE DURING FY 2024-25

2,698

INDIVIDUALS IN R&D TEAM

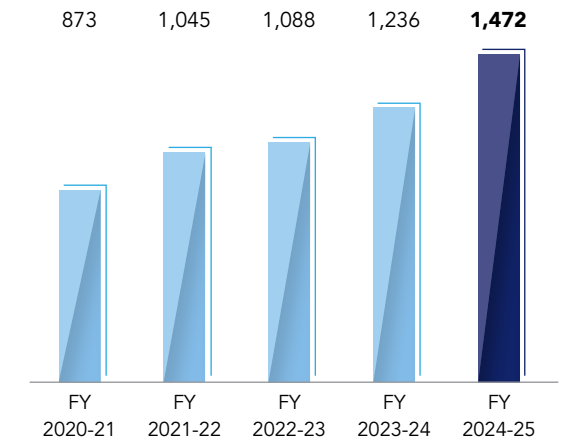
*As on 31 March 2025

In the rapidly evolving technological landscape, developing our own technologies and leveraging strategic partnerships is a key imperative. Supported by our dedicated team of skilled professionals, we cater to global customer requirements while also maintaining a competitive edge. By embracing innovation across our value chain, we ensure our position as a market leader.

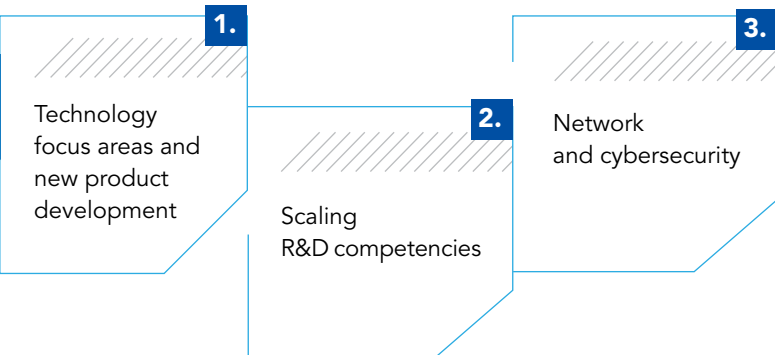
R&D Proficiencies

- CRLs at Bengaluru and Ghaziabad
- PD&IC, at Bengaluru and Centres of Excellence [CoE-Radar & Weapon Systems (R&WS), CoE-Electronic Warfare & Photonics (EW&P) & CoE-Military Communication Systems (MCS)] at Bengaluru
- D&E at each of the SBU/Unit

R&D Investments (₹ Crore)



KEY INITIATIVES IN FY 2024-25



AREAS OF FOCUS IN R&D

To cater the core technologies required for all products / solutions / systems, a 3-tier R&D structure has been put in place namely Central Research Laboratories (CRLs); Product Development and Innovation Centre (PDIC) & Centres of Excellence (CoEs); and Development and Engineering (D&E) groups attached to Strategic Business Units (SBUs)/Units.

CRLs are located in Bengaluru and Ghaziabad while a centralised PDIC and three CoEs with focus on Radar & Weapon Systems, Electronic Warfare & Photonics, Military Communication Systems, are located in Bengaluru. D&Es are located at each of the SBUs and Units namely Bengaluru, Chennai, Ghaziabad, Hyderabad, Kotdwara, Machilipatnam, Navi Mumbai, Panchkula and Pune. The D&Es / PDIC / CoEs / CRLs work in the chosen technology and product areas.

Leveraging our collective knowledge for driving growth and innovation and enhancing organisational performance

As a supplier of advanced defence electronics company, we play an essential role in equipping the Indian armed forces with a range of advanced technologies. Our robust R&D competencies and decades of accumulated knowledge have resulted in innovations and positioned us as a frontrunner in defence indigenisation.

CORE TECHNOLOGY AREAS

C4I	Big Data	Network Centric Software	Electronic Warfare
Radio Frequency & Microwaves	Communication	Power Amplifiers	Software Engineering
Antennas	Radar Signal and Data Processing	Image Processing	Electro-Optics and Lasers
Artificial Intelligence	Networking, Navigation	Sensors	Embedded Smart Computing
Cyber & Network Security	Cryptography	Switching	Cloud and Data Analytics
Machine Intelligence	Robotics	Unmanned Vehicles/Systems	Network Management Systems
Decision Support Systems	Multi Sensor Tracking and Data Fusion	GIS & Simulation	War-gaming
Tactical Algorithms	Cognitive Computing	Sensor-System Integration	Web Technologies

A centralised Product Development and Innovation Centre (PDIC) and the three Centres of Excellence (CoEs) in the areas of Electronic Warfare & Photonics (EW&P), Military Communication Systems (MCS) and Radar & Weapon Systems (R&WS), located at Bengaluru, focus on engineering of core technology modules into products and systems. The core areas of PDIC are Automation Solutions, Antennas, Crypto Solutions, Embedded Systems, Energy Systems, Engineering Solutions, RF and Microwaves, MMICs, SoCs, Sonar Systems, Super Components, Navigation and Stabilisation.

The Development and Engineering (D&E) divisions, operating at all the Strategic Business Units (SBUs) and Units, liaison with end customers for understanding their requirements, map them to technical specifications and develop products/solutions incorporating the core

technology modules developed through the other tiers, i.e., CRLs and PDIC/CoEs. The D&E of Software SBU, at Bangalore, addresses all requirements related to software modules either directly to the customers or through respective D&Es of SBUs/Units. In addition, Software Development Centres (SDCs) have been established at Visakhapatnam and New Delhi.

A new Software Development Centre is being established at Indore. An Artificial Intelligence (AI) Incubation Centre has been setup with Indian Army at BEL, Bengaluru. The challenges are further addressed through planned R&D initiatives, systems engineering, technology training for R&D manpower, data-driven obsolescence management and by leveraging expertise through suitable collaborative R&D partners and subject matter experts.

Strategic Collaborations and Partnership Agreements

Strategic Partner	Areas of Collaboration
IIT, Mandi	Co-operation in Research and Technology/ Product Development
IISC, Bengaluru	Thin Film for Microwave applications
IIT, Roorkee	Information extraction from UAV Video
IISC, Bengaluru	Detection and classification of mines using AI & ML
Osmania University, Hyderabad	GNSS-based True North Heading Receiver
IISC, Bengaluru	MIL-STD-110B HF Modem
IIT, Delhi	Massive MIMO algorithm for LEO SatCom
IIT, Kanpur	Conformal Antenna
Tamil Nadu Agricultural University	Crop area, yield and crop loss

The Company has been exploring opportunities in allied Defence and Non-Defence areas for growth, leveraging its strengths and capabilities acquired in the Defence electronics domain. The Company has been putting continuous efforts and focus to enter and address several new areas in both Defence and Non-Defence for further expanding its business in new markets for sustainable growth.

Strategic Focus Areas

Defence

- Next Generation Indigenous SAM Systems
- Airborne Radars
- Arms & Ammunitions and Explosives
- RF Seekers
- Imaging Infra-Red (IIR) Seekers
- Missile Electronics
- Unmanned Systems
- Thermal Imaging Detectors for Night Vision Devices
- Navigation Systems
- Laser and Microwave based Directed Energy Weapons, Cyber Security
- Helmet Mounted Display Systems
- Direct Infrared Counter Measures for Aircrafts & Helicopters
- Composites

Non-Defence

- Air Traffic Control Radars
- Space Electronics
- Space Launch Vehicles
- Space grade Solar Cells
- Satellite Assembly & Integration
- Air Traffic Management systems
- Railway and Metro Solutions
- Software as a Service
- Electric Vehicles (Li-Ion and Fuel Cells, Charging Stations etc.)
- Homeland Security & Smart Cities
- Medical Electronics

Bharat Electronics has diversified into Electronic Ammunition Fuzes, Missile Seekers, Light Weight Composite Shelters & Masts, Network & Cyber Security, Rail & Metro Solutions, Intelligent Traffic Management Systems, Energy Storage Products, Solar Power Plants, Cells & Modules, Satellite Assembly and Integration.

The Company will enable scaling of R&D for innovative Products / Services across the organisation to align with the objective of growth and transformation. All the tiers of R&D (D&Es, PDIC, CoEs and CRLs) will continue to collaborate in identifying new areas of development and complementing each other in addressing the requirements through in-house and collaborative modes of development.

The Company plans to continue investing in R&D for meeting the continuously evolving requirements of its customers as well as for diversification. While a major thrust would be given for in-house development, collaboration with national laboratories, academic institutions, research institutes, industry and MSMEs will also continue to be strengthened. Focussed technology/product development efforts have been initiated in diversified areas such as Photonics-based Electronic Warfare, Server based Radar Signal Processing and Cognitive Radios.

It has been consistently investing in more than 6% of its annual revenue in R&D each year, and will continue to support the R&D initiatives for enabling an AtmaNirbhar Bharat, making and delivering high-quality defence and professional electronics products, systems and solutions for India and the world.



UN SDGs impacted



Key highlights

8,844
NO. OF PERMANENT
EMPLOYEES

1,951
FEMALE REPRESENTATION
IN EMPLOYEE FORCE

76,941
MAN-DAYS OF TRAINING
PROVIDED

₹ 8.68 Crore
TOTAL INVESTMENT IN
EMPLOYEE TRAINING AND
DEVELOPMENT

₹ 2.60 Crore
TURNOVER PER EMPLOYEE

Fostering employee development, engagement and empowerment

We understand that fostering employee development, engagement, and empowerment is essential for sustained business growth and success. BEL's HR strategy is intrinsically linked to align people priorities with strategic business objectives, ensuring we are fully prepared for the future, continuously improving our margins, and staying committed to our core value of delivering excellence in every aspect of work.

EMPLOYEE-RELATED INITIATIVES UNDERTAKEN IN FY 2024-25

Learning and Development

At BEL, capacity building is a strategic priority, reflecting its commitment to evolving as a future-ready organisation. In a rapidly transforming technological landscape, the ability to adapt and thrive depends on fostering a workforce that is both skilled and knowledgeable.

Leadership development, talent enrichment, and effective succession planning are core to the Company's capacity building strategy. These initiatives are crafted to drive professional growth, strengthen competencies and embed a culture of lifelong learning. By proactively responding to the current and emerging needs of its workforce, the Company aims to build a robust leadership pipeline and talent base that is well-equipped to meet today's challenges and embrace the opportunities of tomorrow.

The Company has always emphasised the importance of building a competitive and agile workforce through comprehensive learning and development programs tailored for individuals and teams. With continuous learning and leadership development as integral elements of its organisational ethos, the Company prioritises the advancement of technical, functional, quality, behavioural and leadership competencies across all roles and levels.

In line with the strategy, a diverse array of capacity-building interventions are designed for executives and non-executives. These are delivered through a blend of internal expertise and collaborations with external subject matter experts, prestigious institutions such as IIMs/IITs and globally recognised consulting firms.

Another strategic initiative in this area was the development of a comprehensive 4-tier Leadership Competency Development Framework (LCDF), which outlines key leadership competencies to be nurtured at various levels, ensuring a steady pool of future-ready leaders. The Learning & Development Interventions have been designed in alignment with this framework, while also ensuring that the programs are in line with the business needs and employees' career development aspirations.

To institutionalise structured learning and development, the BEL Academy for Excellence was established in 2017 as the apex training institution for Executives. In 2024, the Abhyudaya Centre for Learning was launched as a centralised training facility for Non-Executives to deliver consistent and high-quality learning aimed at enhancing professional competence. In addition, Corporate HRD also conducts flagship programs for the Senior Executives.

Some of our key learning and development initiatives are as mentioned below:

Nalanda-BEL Academy for Excellence (BAE): In the technology domain, initiatives such as web-enabled M.Tech programs and certification courses in advanced technology domains such as MATLAB, Simulink, CV/TP, and Sensor Fusion were rolled out. Several structured Management and Leadership Development Programs and Women Leadership Development Programs, were introduced for enabling leadership development across all levels of Executives.

Functional area specific programs such as Post Graduate Certificate programs in Supply Chain Management & Marketing Management, Finance for Non-Finance and HR for Non-HR were conducted to deepen functional expertise. Various programs and certifications such as Project Management Professional (PMP), Six Sigma, Business Analytics, ISO 14001:2015 Internal Auditor Training and Data Analytics were rolled out for enhancing process improvement competencies.

Corporate HRD: Corporate HRD conducts flagship interventions designed for senior executives such as Accelerated Leadership Programs & Cross-Functional Leadership Programs, Strategy Building & Leadership Workshops for Senior Executives and Board-level Leaders, Executive Coaching and Retirement Planning for Senior Leadership. In addition, functional area specific programs such as GlobeX – Essentials of International Trade for Marketing, MM & Finance Executives, SHRM Senior Certified Professional Certification for HR Professionals and programs on Insurance, GST amendments, Accounting Standards and Audit were introduced for Finance Executives.

Abhyudaya – Centre for Learning (ACL): ACL established as a centralised learning facility for Non-Executive employees across units and offices aims to enhance competencies in the technology, quality, functional and behavioural domain. The training programs conducted at ACL include Basic Electronics for Non-Electronics personnel, Mechanical Engineering Fundamentals for Non-Mechanical personnel, Cyber Security, Radar Systems, Quality Management Tools & Techniques, ISO Certification Programs, Personal Effectiveness, Team Building, Workers' Participation in Management, Gender Sensitisation, POSH, and General Safety.

Unit HRD: Unit HRD caters to the training requirements of respective units which are oriented towards specific

project/operational requirements covering both Executives and Non-Executives. In addition, awareness sessions on health & safety and gender sensitisation programs are carried out by the Units.

The Company also nominates its employees for relevant external training programs and professional conferences to enhance their domain knowledge and stay updated with industry best practices. These multi-faceted efforts reflect the Company's unwavering commitment to cultivating a vibrant, future-oriented learning culture that empowers its workforce to meet the emerging challenges with competence and confidence.

EMPLOYEE ENGAGEMENT AND WELL-BEING

The below-mentioned Reward & Recognition programmes have been introduced to motivate, recognise and reward employees, which in turn will enhance their engagement levels with the Company.

DHRUVA

Dedicated, High-Spirited, Resilient, Unique, Versatile Achiever Excellence Awards Scheme for Executives and Non-Executives: The scheme aims at recognising and rewarding employees for their outstanding performance and exceptional contribution towards the organisation.

WORK ANNIVERSARY AWARDS

In order to recognise employees for their loyalty and long years of contribution towards the Company, work anniversary awards are distributed on reaching service milestones.

MONETARY AWARD

For acquiring higher qualification has been instituted with an intent of promoting the culture of learning and to incentivise employees to take up higher education relevant to their area of work.

Diversity, Equity and Inclusion

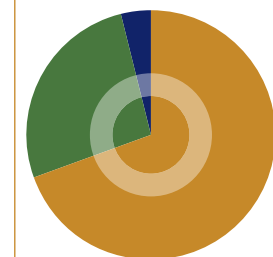
At Bharat Electronics Limited, we believe in and focus on Diversity, Equity, and Inclusion for our business. The Company believes in an 'inclusive work culture model'. We are committed to creating a workplace where all forms of diversity among employees, such as age, gender, religion, ethnicity and culture, are celebrated and valued and an inclusive culture is

promoted. Creating an inclusive culture is important to the success of the organisation and goes a long way in benefiting employee engagement and productivity. The Company ensures equal and fair opportunities in our recruitments, promotions and developmental programmes, and strives towards fostering an environment and culture where every single employee feels valued.

Committed to Diversity

Employees by Type

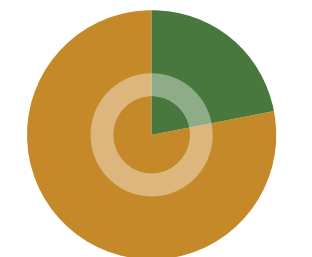
(%)



Executives	69.50
Non-Executives	26.63
TC	3.87

Employees by Gender

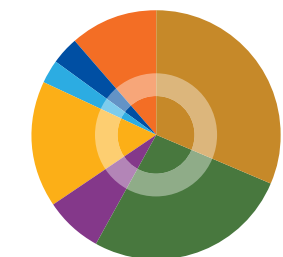
(%)



Female	22.06
Male	77.94

Employees by Composition

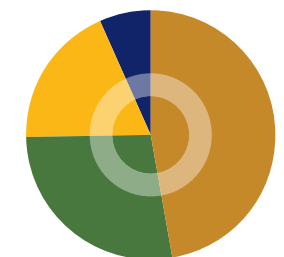
(%)



R&D	31.41
Production	26.89
Marketing	7.34
Quality & Testing	16.42
HR	2.94
Finance	3.70
Services Support	11.30

Employees by Socio-Economic Groups

(%)



General	47.36
Other Backward Classes	27.60
Scheduled Caste	18.48
Scheduled Tribe	6.56

Succession Planning

We have a robust Succession Management plan which aims at providing a framework for identifying a successor pool for meeting the present and future leadership requirements of the Company. The succession planning mechanism aims to ensure sustained high performance through systematic identification and development of leaders for critical/senior positions. Succession planning is an integral part of our Promotion Policy and Performance Management System. The BEL Academy for Excellence, Nalanda has a dedicated leadership wing that works towards grooming executives for future leadership roles.

Health and Safety

The Company recognises that safety and health of its workers has a positive impact on productivity. In order to provide employees a safe work environment, the Company has introduced robust measures in the areas of employee safety and health to provide healthy working conditions and avoid occupational accidents by eliminating hazards.

Periodic awareness programmes are conducted to educate all employees on industrial safety and occupational health. All employees are ensured a workplace that is free from

hazards and appropriate measures are taken to ensure their physical and emotional well-being. The Company also provides comprehensive medical coverage to all the employees and their dependent family members in order to promote employee well-being.

Human Rights

BEL is deeply committed to upholding and promoting human rights across all levels in the organisation. It recognises that respect for human dignity is fundamental to sustainable business and national development.

The Company adheres to the principles enshrined in the Constitution of India and relevant statutory bodies. The Company ensures a work environment that is free from discrimination, harassment, forced labour, and child labour. Equal opportunity and diversity are the key cornerstones of its employment practices, and it promotes inclusiveness by ensuring equal opportunity regardless of gender, caste, religion, or background. Recruitment and promotions are purely merit-based. A robust grievance redressal system is in place to address concerns and complaints raised on various aspects of employment (including human rights violations), ensuring transparency and accountability.



UN SDGs impacted



Key highlights

₹ 81.88 Crore

CSR BUDGET IN
FY 2024-25

17.2 Lakhs

NO. OF BENEFICIARIES
POSITIVELY IMPACTED

We aim to improve the quality of lives in the identified geographies with affirmative actions that are strategically aligned with national development priorities. Our initiatives are focussed on healthcare, education, rural development, environmental sustainability, and skill enhancement during FY 2024-25.

Our social initiatives encompass holistic community development, institution building and sustainability-related initiatives. Our interventions contribute to inclusive growth and equitable development in the society through capacity building measures, empowerment of the marginalised and underprivileged sections and communities of the society.

OUR KEY CSR INTERVENTIONS

1. Healthcare: We are augmenting healthcare infrastructure in government hospitals and providing good sanitation facilities in government schools, ensuring better hygiene and access to medical facilities.

2. Education: Efforts are being directed towards creating conducive learning environments in remote government schools by improving infrastructure and access to quality digital educational tools.

3. Rural Development: We undertake targeted interventions in villages, aimed at promoting inclusive community growth.

4. Environmental Sustainability: We are equally committed to environmental sustainability, driving initiatives that restore ecological balance and encourage responsible resource use and waste management.

5. Skill India: We empower youth and students, hone their technical abilities, provide real-time industry exposure and equip them with employability skills – all of which contribute to enhancing livelihood opportunities and fostering economic independence.

Cultivating meaningful connections and driving customer-centric initiatives

We are dedicated to fostering a diverse, inclusive, and vibrant environment that inspires all our stakeholders. We adhere to the philosophy that “profit is not the sole metric of a company’s performance” and fulfil social responsibilities as a core value.

We prioritise fostering an inclusive, transparent and culturally sensitive environment that promotes compassion and care, and firmly believe that responsible actions and societal contributions are essential to good business practices. Our social investments are centred on empowering the communities where we operate.



Healthcare

Guided by our commitment to service and social responsibility, we have focussed our efforts in enhancing healthcare infrastructure in remote government hospitals and primary healthcare centres across India, delivering tangible support to the underserved communities.

The healthcare infrastructure has been augmented at several well-known government hospitals having huge footfalls with state-of-the-art equipment. Some of these are Cath Laboratory to Government hospital, Machilipatnam, Oncology equipment to Kidwai Memorial Institute at Bengaluru and Kalburgi, high-end plastic surgery equipment to Gandhi Hospital,

Hyderabad, Transcranial Magnetic Simulator and Pediatric Lab at NIMHANS, Bengaluru, and TrueNat Machines and Laproscopy Machines to the Government Hospitals of Virudhnagar Aspirational District.



Six additional dialysis machines were installed at the Hassan Institute of Medical Sciences, significantly enhancing its capacity to support nearly 1,400 dialysis sessions conducted each month. Aids and assistive devices were distributed to over 1,000 persons with disabilities in Aspirational districts of Jaisalmer and Dholpur (Rajasthan), Aspirational districts of Srikakulam and Parvathipuram Manyam (Andhra Pradesh) and Khed Taluk in Pune district, Maharashtra, helping blur the lines of social exclusion and empowering individuals to lead more independent lives.

Education & Skill Development

Education and skilling were equally prioritised with the Company augmenting the required infrastructure in Government Schools with smart classes, kitchen block, school furniture and an IT laboratory, with lab equipment provided to Government Model Residential Polytechnic. Youth were trained on technical skills, employability skills and also given industry exposure to help them secure a better livelihood.



Rural Development

LED and solar street lightings were established in Kotdwara, Pauri Garhwal district of Uttarakhand, and in different blocks of Ranchi Aspirational District, Jharkhand, ensuring safe commute of people with reduced human animal conflict.



KEY INITIATIVES OF FY 2024-25

CASE STUDY #1

SUPPORTING GREEN URBAN INFRASTRUCTURE

Promoting sustainable urban development in Mysuru and Kochi

We remain steadfast in our efforts to promote sustainable urban development by equipping municipal bodies with environmentally friendly infrastructure. To achieve this, we augmented the municipal corporations at Mysuru in Karnataka and Kochi in Kerala with e-carts for solid waste management and thermal fumigation e-carts addressing two critical aspects of urban living – effective waste disposal and public health protection.

With their compact design and zero-emission operation, e-carts for solid waste management are able to manoeuvre lanes for door-to-door garbage collection, particularly in densely populated and narrow localities offering a sustainable solution.

Complementing this, the thermal fumigation e-vehicles help municipal bodies control mosquito breeding and prevent the spread of vector-borne diseases such as dengue and malaria, thereby



enhancing community health and hygiene. These CSR interventions are focussed on equipping municipal corporations with tools needed to address sanitation and public health challenges in an efficient, environment-friendly and an impactful manner.


139

ADMINISTRATIVE WARDS ADDRESSED

₹ 1.5 Crore

TOTAL INVESTMENT TOWARDS EFFECTIVE WASTE DISPOSAL AND PUBLIC HEALTH PROTECTION

36 metric tonnes per day

SOLID WASTE MANAGED

CASE STUDY #2

BRINGING SCIENCE TO THE DOORSTEP

Mobile Science Lab donated to Kumuram Bheem Asifabad, Telangana

In a significant step towards making science education more accessible, the Education Department of Telangana was handed over with a Mobile Science Lab, referred to as "Lab-on-Wheels" in the Aspirational District of Kumuram Bheem, Asifabad in Telangana.

This has greatly enhanced the scientific learning among students in remote schools in the district. This initiative is designed to take hands-on science learning to the remotest corners of the district, sparking curiosity and interest in Science, Technology, Engineering and Mathematics subjects among school children from Class 5 to 10.

The lab is fully equipped with more than 80 experiment kits and scientific apparatus such as Newton Disc, Kaleidoscope, Periscope, Magic Water Tap, Fun with Magnets, Pythagoras Model and Moire Pattern, Periodic Table, Viscosity Tube, Human Body and Joints, DNA Structure, Human and Animal Cell and others.



The lab enables students to actively engage with concepts in Physics, Chemistry, Biology, and Mathematics right at their doorstep, nurturing creative ways of learning to the young minds. Further, digital library and AV support for online classes is also made available. Through this contribution, we continue to reinforce our commitment to inclusive education and community empowerment, ensuring that no child is left behind in the pursuit of quality education.

₹ 0.7 crore

TOTAL INVESTMENT IN SETTING UP MOBILE SCIENCE LAB

6,159

STUDENTS BENEFITTED

36

SCHOOLS COVERED IN THE DISTRICT



CASE STUDY #3

IMPROVING MOBILITY, INDEPENDENCE AND QUALITY OF LIFE

Reducing inequalities and empowering persons with disabilities

As part of our commitment to creating an inclusive society, we have partnered with Artificial Limbs Manufacturing Corporation of India (ALIMCO), India's premier organisation for manufacturing and distributing rehabilitation aids, to support Persons with Disabilities (PwDs) in the districts of Tumakuru and Mangaluru in Karnataka, and in the districts of NTR and Krishna in Andhra Pradesh. As part of this initiative, the Company provided assistive aids and appliances to 250 beneficiaries in each district, with an aim to improve mobility, independence and quality of life.

The distributed aids included wheelchairs, hearing aids, artificial limbs, crutches, and other assistive devices tailored to individual needs. These interventions are designed to break physical and social barriers, empowering beneficiaries to participate better in education, employment, and community life.



Through its collaboration with ALIMCO, the Company ensured professional assessment, quality equipment, and meaningful engagement with every recipient. This initiative is a reflection of its broader vision to support equitable development and social inclusion for all sections of the society.



₹ 2.8 crore

TOTAL INVESTMENT INCURRED IN THE INITIATIVE

1,300

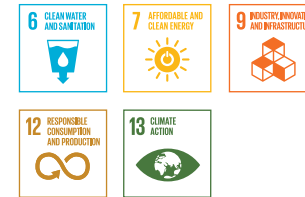
NO. OF AIDS DISTRIBUTED

1,000

PERSONS WITH DISABILITIES BENEFITED



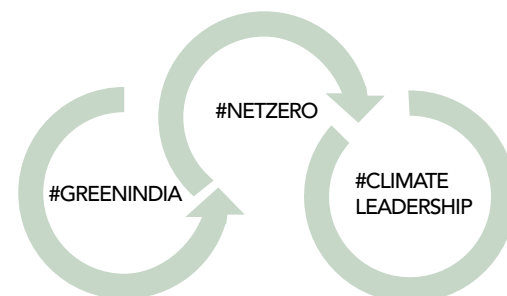
UN SDGs impacted



Leap towards 100% Renewable Energy

BEL has achieved a significant milestone by attaining the status of RE100 across all its units, whereby it powers all its initiatives with 100% renewable electricity. Over the years, the Company steadily integrated renewable energy into its operations with all its units meeting 100% of their energy requirement through renewable energy sources. The achievement highlights its ability to integrate environmental goals within its core business, reinforcing its position as a forward-looking organisation embracing clean energy solutions for a greener future.

RE100: PANCHAMRIT



Key Highlights, FY 2024-25

13.9 MW
CAPACITY OF WIND POWER PLANT

7.4 MWp
CAPACITY OF SOLAR POWER PLANT

5,000 units
GREEN POWER GENERATED DAILY AT DSIC PALASAMUDRAM

4-Star Rating
FOR INTEGRATED HABITAT ASSESSMENT (GRIHA) (C-TYPE QUARTERS, BENGALURU COMPLEX)

28,149 MTCO₂
EMISSIONS PREVENTED BY CAPTIVE POWER PLANTS AND THROUGH PURCHASE OF GREEN POWER

3,87,72,728 Lakh units
RENEWABLE ENERGY UTILISED IN FY 2024-25

60.56%
CONSUMPTION OF ENERGY FROM RENEWABLE SOURCES (GREEN ENERGY)

₹ 14.73 Crore
TOTAL INVESTMENTS IN SUSTAINABILITY INITIATIVES

450 kWp
ROOFTOP SOLAR POWER PLANT UNDER INSTALLATION AT NIMMALURU

282 kWp
ROOFTOP SOLAR POWER PLANT UNDER INSTALLATION AT BENGALURU

50 EV cars
GREEN FLEET FOR COMMUTE OF TOP MANAGEMENT

- 48 EV SCOOTERS
- 03 EV CARS
- 01 ELECTRIC FORK LIFT (IN ADDITION TO THE EXISTING GREEN FLEET)

1.25 MW
CAPACITY OF GROUND MOUNTED SOLAR POWER PLANT

2 Green Buildings are GRIHA compliant

(BAE-5-STAR, C-TYPE QUARTERS-4 STAR)
(ALL NEW UPCOMING BUILDINGS TO BE GRIHA COMPLIANT)

Driving change by advancing green infrastructure initiatives

We are increasing our emphasis on developing efficient and sustainable solutions. By leveraging our expertise across various business segments, we are actively working to reduce our carbon footprint and preserve natural resources, aligned with the transition to clean energy, supporting India's Net Zero ambitions.

KEY FOCUS AREAS

Environment Management Practices

Preserving the Environment

Our commitment to environmental sustainability drives our efforts to create value for future generations by making environmentally responsible choices and reducing our carbon footprint.

Replacing **LPG** with **PNG**

FOR COOKING IN CANTEENS OF BENGALURU AND GHAZIABAD UNITS

Sustainable manufacturing with cleaner technology

At Bharat Electronics Limited, we systematically integrate sustainability into our operations, focussing on pollution prevention and cleaner technologies. We continuously improve our processes to reduce pollution. Our R&D departments seek environmentally-friendly components and processes. Our Corporate Standards Department publishes guidelines for eco-friendly materials and processes, ensuring compliance with international directives like RoHS.

26

NEW ROHS COMPLIANT COMPONENTS INTRODUCED

71

NO. OF PROCESS STANDARDS REVISED TO INCLUDE SAFETY AND ENVIRONMENT GUIDELINES

905

RoHS COMPLIANT STANDARDS ACROSS ALL UNITS FOR ELECTRONIC, ELECTRICAL AND MECHANICAL COMPONENTS

Modification of **Pre-cleaning Hot Air Levelling machine in PCB**

TO REDUCE CONSUMPTION OF FLUX

Ambient air quality management

Air emissions are systematically monitored and controlled using advanced Air Pollution Control (APC) equipment. All paint booths and plating baths are effectively operated to curtail process emissions. The captured emissions are treated through wet scrubbers prior to their release into the atmosphere.

Ambient air quality monitoring is conducted at multiple locations to verify that emission levels consistently remain within the permissible limits set by the Pollution Control Board. To further mitigate localised pollutants, such as solder fumes, additional suction filters have been installed. Comprehensive operational controls are also installed to ensure continued effectiveness of all emission management systems.

Effective wastewater management

The Company treats wastewater generated during manufacturing at the source, ensuring it meets the standards of the Pollution Control Board standards with minimal chemical use. The recycled treated wastewater is further utilised for production and horticultural purposes. The new buildings feature double plumbing system for efficient water management.

1. Sewage treatment plant commissioned to achieve water-positive status
2. Treated water used for gardening and processes
3. Remote Pilot Operation Module to monitor processes online in Sewage Treatment Plants (STP)
4. Real-time monitoring of treated water quality parameters in ETP and STPs
5. Organic waste converter of 1 tonne capacity in BG, 0.5 tonne capacity in MC
6. Saving 70 SCM PNG per day by use of biogas generated from food waste from canteens

E-waste Management

We ensure that electronic waste (e-waste) from manufacturing is segregated, stored, and handed over to authorised agencies for scientific processing, recovery, and recycling. End-of-life electronic items, including voting machines, are managed under the Extended Producer Responsibility initiative. Users receive guidelines for safe disposal of e-waste. We also aim to reduce hazardous components by introducing RoHS compliant materials.

Biomedical Waste

Biomedical waste generated at the Bharat Electronics Hospital, colony and medical centres is collected and handed over to the authorised agencies for scientific disposal, in accordance with the regulatory requirements.

Solid Waste Management

Waste is managed through source segregation and composting. Biodegradable waste is composted to produce manure for horticulture. Food waste from the canteen is processed in a bio-methanation plant, generating biogas for cooking. Vermi compost pits convert dry leaves into manure and landfillable waste is sent to the solid waste treatment facilities.

Water Management

At Bharat Electronics Limited, water is conserved through various projects, including automation of water supply, efficient dishwashing systems, and borewell water drawing. Our extensive rainwater harvesting efforts improve groundwater recharge. In Bengaluru, a rainwater harvesting reservoir with a capacity yield of ~234 Million Litres annually is maintained. All units have facilities for collecting and reusing rainwater.

16

NO. OF RAINWATER RECHARGING PITS CONSTRUCTED

170 Million Litres

CAPACITY OF THE DEDICATED RAINWATER HARVESTING RESERVOIR AT MEGHAKUNJ, BENGALURU WITH 234 MILLION LITRES ANNUAL YIELD

Ecological Sustainability

The Company is committed to ecological sustainability and is enhancing greenery across its campuses. The Bengaluru campus, spanning 685 hectares, is home to approximately 1,500 different types of plants, various bird species, and other creatures. It maintains a lawn covering around 5,18,000 square metres, hedges extending 23,000 metres, and over 1,42,000 trees. This green coverage helps control dust, absorb heat, create a carbon sink, and release fresh oxygen. The lush plantations across several hectares of land stand as a testament to the Company's commitment to afforestation and ecological sustainability.

Ek Ped Maa Ke Naam

CAMPAIGN CONDUCTED BY PLANTING 67,205 SAPLINGS

Sustainable Initiatives planned for FY 2025-26

- Construction of additional 1.5 TPD biogas plant in Bengaluru Complex for managing food-waste generated in canteens
- Upgradation of 45 KLD capacity STP in Navi Mumbai unit
- 240kWp Rooftop Solar Power Plant in Machilipatnam
- Elimination of single-use plastic items such as PET bottles
- Construction of additional rainwater recharging pits for effective management of storm water
- Establishing solar-powered EV charging station-cum-vehicle parking facility

555 m³

RAINWATER HARVESTED AND REUSED FOR RO WATER GENERATION

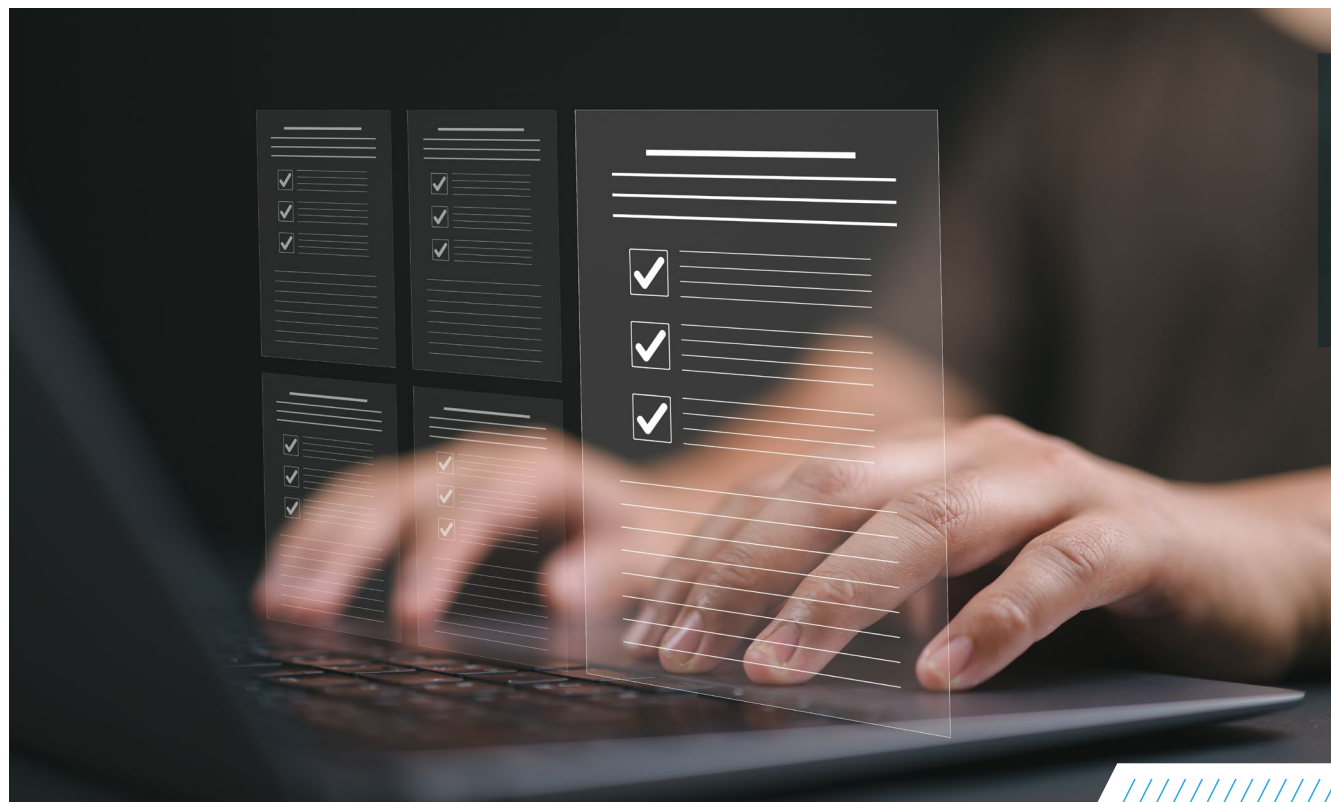
GOVERNANCE

Ethically Driven. A Firm Commitment to Values.

We are committed to defining, following and practicing the highest level of corporate governance across all our business functions. Our corporate governance is a statement of the values we stand by as we conduct our business and engage with our stakeholders. We constantly elevate our corporate governance standards to enhance competitive performance and safeguard our reputation, driving long-term success and value creation.

An effective corporate governance framework guides decision-making, manages relationships between stakeholders, and promotes ethical conduct. BEL has set the highest standards of corporate governance with a proactive stance on integrity and compliance, and has implemented rigorous procedures with a zero-tolerance policy.

The Board is supported by Independent Directors that provide robust governance oversight, accountability and strategic guidance, given their diverse expertise, ensuring ethical operations and compliance through informed decision-making that serves the best interest of all the stakeholders. It also refers to our mechanisms, processes, practices and relations by which our operations are controlled and operated by the Board.



Ethically driven and transparent processes

Transparency and ethical standards are fundamental pillars of our work environment. All affairs are conducted with integrity, professionalism, and honesty at the Company, fostering an open communication culture. Our SAMVAD portal ensures that all our policies on career advancement, performance management, and other areas are accessible to all our employees.

A culture of transparency and ethics exists at BEL, which nurtures trust, loyalty and long-term success among our employees and stakeholders. Through our e-enabled Performance Management System, our executives receive constructive feedback on their performance and are communicated about continuous improvement. The Whistle Blower policy safeguards the employees reporting misconduct, and also ensure further transparency.

Code of conduct

We promote conducting business ethically in an efficient and transparent manner and set the tone for the organisation's culture. Our Board of Directors have established a comprehensive Code of Business Conduct and Ethics for Board Members, Key Managerial Personnel (KMPs), and Senior Management, which is in accordance with Regulation 17(5) of the Listing Regulations and DPE Guidelines and can be accessed on the Company's official website (www.bel-india).

in). As affirmed by a declaration signed by the Chairman & Managing Director, all relevant personnel have confirmed their compliance with the Code, as of 31 March 2025.

Insider trading and fair disclosure

We aim to prevent insider trading by ensuring that all our investors have equal access to material information on the Company. Through our comprehensive Code of Conduct for monitoring and reporting trading by insiders, we strictly adhere to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (amended). The Company Secretary oversees the implementation of these codes. The Board has also established a Code of Practice for Fair Disclosure of Price-Sensitive Information, applying to designated persons and their immediate relatives.

Whistleblower policy

As we remain committed to ethics, we have also implemented a vigilant mechanism and Whistleblower Policy, which outlines the procedures for reporting, investigation and protection of the whistle-blower. The policy provides a framework to all our directors and employees to report any suspected, unethical behaviour, suspected fraud, or violations of Business Conduct and Ethics Policy. The employees are encouraged to leverage the process, ensuring access to the Audit Committee.

A Decade of Performance Excellence

(₹ in Crore)										
Particulars	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Sales & Services	7,541	8,825	10,085	11,789	12,608	13,818	15,044	17,333	19,820	23,024
Value of Production	7,775	9,244	9,670	11,921	12,348	13,947	15,321	17,731	20,381	23,835
Other Income	537	471	200	170	102	126	234	360	756	768
Materials	4,061	4,832	5,104	6,080	6,846	7,957	9,179	10,206	11,126	12,992
Employee Benefits Expense	1,257	1,548	1,772	1,879	2,057	1,941	2,109	2,298	2,467	2,734
Depreciation / Amortisation	172	192	251	316	350	366	380	408	412	436
Interest / Finance Cost	5	12	1	12	3	6	5	15	7	10
Other Expenses	1,240	1,417	1,110	1,396	1,028	1,114	993	1,492	2,139	1,975
Profit Before Tax	1,732	2,029	1,948	2,703	2,479	2,935	3,158	3,985	5,335	7,090
Provision For Tax	425	482	549	776	685	869	809	978	1,315	1,802
Profit After Tax	1,307	1,548	1,399	1,927	1,794	2,065	2,349	3,007	4,020	5,288
Dividend (Amount)	408	503	491	828	682	975	1,096	1,316	1,608	1,754
Dividend (%)	170	225	200	340	280	400	450	180	220	240
Equity Share Capital	240	223	244	244	244	244	244	731	731	731
Other Equity	8,744	7,285	7,517	8,775	9,609	10,564	11,741	12,851	15,351	18,967
Loan Funds	-	50	67	33	8	-	-	-	-	-
Gross Block	1,147	1,617	2,220	3,013	3,795	4,118	4,534	5,083	5,567	6,397
Cumulative Depreciation / Amortisation	170	362	613	929	1,275	1,638	2,010	2,411	2,808	3,223
Inventory	4,177	4,905	4,739	4,455	3,963	4,955	5,567	6,412	7,408	9,070
Trade Receivables	3,712	4,355	5,050	5,369	6,733	6,552	6,103	7,022	7,362	9,092
Working Capital	7,373	5,305	4,366	5,376	5,817	6,812	7,625	9,394	11,901	14,929
Capital Employed	8,349	6,560	5,973	7,461	8,336	9,292	10,149	12,067	14,660	18,102
Net Worth	8,984	7,509	7,761	9,019	9,853	10,808	11,984	13,582	16,082	19,698
Earnings Per Share (in ₹)	1.65	2.01	1.90	2.64	2.45	2.83	3.21	4.11	5.50	7.23
Book Value Per Share (in ₹)	12.48	11.21	10.62	12.34	13.48	14.79	16.39	18.58	22.00	26.95
No. of Employees	9,848	9,716	9,726	9,612	9,279	9,172	8,853	8,832	8,937	8,844

Board's Report

To the Members,

Your Directors take pleasure in presenting this Integrated Annual Report and the Audited Financial Statements for the financial year ended 31 March 2025 together with the reports of the Statutory Auditors and the Comptroller and Auditor General of India thereon.

Financial Results and Performance Highlights

Financial results and performance highlights of the Company are summarised below:

(₹ in Lakhs)		
Particulars	2024-25	2023-24
Value of Production	23,83,493	20,38,050
Turnover	23,02,410	19,81,993
Profit Before Depreciation, Interest and Tax	7,53,518	5,75,401
Finance Cost	961	702
Depreciation & Amortisation	43,558	41,243
Profit Before Tax	7,08,999	5,33,456
Provision for Tax	1,80,174	1,31,456
Profit After Tax	5,28,825	4,02,000
Other Comprehensive Income / (Loss)	828	(5,764)
Total Comprehensive Income	5,29,653	3,96,236
Dividend Paid	1,68,124	1,46,196
Transfer to General Reserve	40,000	40,000
Other Equity (including Reserves & Surplus)	18,96,670	15,35,141
Net Worth	19,69,768	16,08,239
Earnings Per Share (in ₹)	7.23	5.50
Book Value Per Share (in ₹)	26.95	22.00

Distribution of Value of Production for 2024-25 is given below:

(₹ in Lakhs)		
Particulars	Amount	Percentage
Materials	12,99,181	55%
Employee Cost	2,73,436	11%
Other Expenses (Net)	58,319	2%
Depreciation & Amortisation	43,558	2%
Provision for Tax	1,80,174	8%
Profit After Tax	5,28,825	22%
Total	23,83,493	100%

The Company's turnover for FY 2024-25 increased to ₹ 23,02,410 Lakhs from ₹ 19,81,993 Lakhs in FY 2023-24, registering a growth of 16.17%. The Profit After Tax (PAT) for FY is ₹ 5,28,825 Lakhs as compared to ₹ 4,02,000 Lakhs in the previous year. Turnover from indigenously developed products was 74%. Contribution for Defence supplies was at 94% of the turnover in FY 2024-25.

Dividend

In pursuant to Regulation 43A of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company formulated a Dividend Distribution Policy keeping in view the provisions of the SEBI (LODR) Regulations, 2015, the Companies Act, 2013, Guidelines issued by the SEBI, DPE, DIPAM, Ministry of Finance and other Guidelines to the extent applicable to the Company. The Policy is placed on the Company's website at <https://bel-india.in/wp-content/uploads/2023/01/Board-approved-Dividend-Distribution-Policy.pdf>

Our consistent performance and long-term value creation have been reflected in the quantum of Profits/Reserves distributed to Shareholders by the Company. The Board of Directors has recommended a final dividend of ₹ 0.90/- per equity share (90%), amounting to ₹ 65,788 Lakhs for the year 2024-25. The interim dividend of ₹ 1.50 per equity share (150%) has been paid to the shareholders for the financial year 2024-25. Thus, the total dividend for the year 2024-25 is ₹ 2.4 per equity share (240%), amounting to ₹ 1,75,435 Lakhs.

Transfer to Reserves

An amount of ₹ 40,000 Lakhs has been transferred to General Reserves for the financial year 2024-25.

Share Capital

The Company's authorised capital was ₹ 75,000 Lakhs (7,50,00,00,000 equity shares of ₹ 1/- each) and paid-up share capital was ₹ 73,098 Lakhs (7,30,97,78,829 equity shares of ₹ 1/- each fully paid-up) as on 31 March 2025. There was no change in the authorised/paid-up share capital of the Company during FY 2024-25.

Major Orders Executed

Weapon Systems, Electronic Warfare & Avionics Systems, Radar & Fire Control Systems, Communication Systems, Command & Control Systems, Anti-Submarine Warfare Systems, Tank & Gun Upgrade, Electro-optic Systems, Arms & Ammunition, Home Land Security Systems etc.

Exports

Your Company has been exporting various products, systems and services to a number of foreign countries. Your Company has been giving enhanced thrust towards addressing the export opportunities in defence and non-defence areas and this has resulted in achieving all time highest export sales of USD 106.17 Million in FY 2024-25 compared to USD 92.98 Million in FY 2023-24. Some of the countries to which your Company has exported its products and systems are France, Spain, USA, UK, Israel, Sweden, Mauritius, Armenia, Sri Lanka, Seychelles, and SEZs. The major products/systems exported include Radar Warning Receiver, Missile Approach Warning System, T R Modules, Data Link II, Coastal Radar Systems, Mechanical Parts, Communication Equipment, EO System, Upgradation of Sonar, Software, Services, etc.

Increase in export sales was mainly due to the concerted efforts and new initiatives taken by your Company. Continuous interactions with prospective foreign OEMs & Customers, proactive offering of products, systems and services, development of customised solutions, offerings of products in new defence and civilian segments, interactions with MEA and MoD undertaking and completing on-time delivery of projects have resulted in increased export sales. More efforts have been directed towards providing new/customised solutions and efficient support/services to the customers.

During FY 2024-25, your Company has acquired export orders worth USD 54.16 from countries like France, USA, Sweden, Sri Lanka, SEZ, etc. Your Company has export order book of USD 348.46 Million as on 1 April 2025. Over the years, your Company has established long term relationships with current and prospective customers.

Along with Defence, your Company is also exploring opportunities for civilian products and solutions in developed and developing countries in the areas of Artificial Intelligence (AI), Software Applications, Vacuum Interrupters, Civil Aviation Radars, Critical Infrastructure Protection, Solar Power Solutions, Electronics System Design & Manufacturing Services, etc.

Your Company is also focussing on various opportunities in Offset Business from foreign OEMs. Your Company is also closely working and partnering with various major foreign Aerospace and Defence Companies by offering products and systems to meet their specific requirements. Your Company has identified Contract Manufacturing (Build to Print and Build to Spec) and Transfer of Technology absorption for Make in India and sell global as emerging export opportunities.

Further, efforts are put in to establish long-term supply chain relationships with Indian and global OEMs. In this regard, your Company has offered various products and services to major Platform OEMs and their Tier-I suppliers. Your Company has also offered complete solutions globally in partnership from India OEMs. This has helped your Company in leveraging partnership for co-development, co- production, transfer of technology, and similar arrangements with various OEMs to undertake manufacturing of their products at your Company's facilities and utilisation of services of your Company not only for Indian programmes but also for their global requirements.

Persistent efforts by your Company have resulted in acquiring new customers from geographical locations such as USA, Europe and SEZ - India. During the year, new proposals for Radar, Gun and Tank Upgrades, Antenna with Pedestals, Radar Sub-Assemblies, Fuzes, Avionics, Shelters, Communication equipment', Avionics and EW systems, C4I etc. were submitted to global customers and foreign ministries. Your Company has established itself as a part of global supply chain of M/s Thales, SAAB, Elbit Systems, etc.

Actions by your Company to enhance exports are as follows:

a. Major initiatives undertaken

- Emphasis on Make & "Sell Globally" approach.
- Co-development/Co-production of products with foreign OEMs.
- Transfer of Critical Technology.
- Efforts to achieve "Single Vendor" status by offering customised solutions / products.
- Collaboration with Indian and Global OEMs to offer complete platform solutions to foreign customers.
- Establishing long term supply chain agreements with global OEMs.
- Focus on big programmes (Radar Systems, C4I, Gun/ Missile Systems/ Tank & Gun Upgrades etc.).
- Partnership with foreign local industries for entering new global markets.
- Offering new products in new geographical locations.
- Leveraging the reach of Channel Partners.

b. Following products and systems have been offered to foreign countries/customers:

- Weapon Locating Radar
- Avionics Systems
- Communication Equipment

- Naval Products and Systems
- Coastal Radar System
- Ship Upgrade, Tank & Gun Upgrade
- Electronic System Design & Manufacturing

c. Interactions were held with the following major international customers (OEMs):

- General Atomics, USA
- Boeing, USA
- Dynapar, USA
- SVT Group, Czech Republic
- Lockheed Martin, USA
- Airbus Defence & Space, Spain
- Terma, Denmark
- Elbit Systems, Israel
- IAI, Israel
- Thales, France
- SAAB, Sweden

d. Interactions were held with the following international customers (Defence Forces/ Ministries):

- Ministry of Defence, Armenia
- Seychelles Peoples Defence Forces
- Ministry of Defence, Oman
- Ministry of Defence, Columbia

e. Following were the major products exported during FY 2024-25:

- Radar Warning Receiver
- Missile Approach Warning System
- T R Modules
- Data Link II
- Coastal Radar Systems
- Medical Mechanical Parts
- Communication Equipment
- EO System
- Upgradation of Sonar
- Software Services, etc.

MoU with the Government

Your Company has been signing a Memorandum of Understanding (MoU) every year with the Ministry of Defence, Government of India based on guidelines issued by DPE. Performance of the Company for the financial year 2023-24 has been rated as "Excellent". The MoU rating for FY 2024-25 is under review by the Government.

Order Book Position

The order book of the Company as on 1 April 2025 is around ₹ 71,650 Crore. The order book comprises major programmes like Electronic Warfare & Avionics Systems, Radar & Fire Control Systems, Communication Systems, Weapon Systems, Command & Control Systems, Tank & Gun Upgrade, Arms & Ammunition, Anti-Submarine Warfare Systems, Electro-optic Systems, Home Land Security Systems etc.

Finance

We are happy to inform you that your Company has continued to maintain its growth momentum during FY 2024-25. Your Company's top line has grown by 16.17% to ₹ 23,024 Crore as compared to previous FY 2023-24. Our technological capability coupled with "Aatmanirbhar Bharat" initiatives of Govt. of India and growing opportunities in exports has helped the Company to achieve significant milestones during the current year. BEL's PBT has grown from ₹ 5,335 Crore to ₹ 7,090 Crore an increase of 32.91%. Similarly, PAT has grown by more than 30% to ₹ 5,288 Crore. Our Earnings per Share EPS for the year 2024-25 has increased to ₹ 7.23 from ₹ 5.50.

Your Company continues to invest in R&D and Capex which helps the Company to maintain its competitive advantage over its domestic and international competitors. We have invested to the tune of ₹ 1,472 Crore during the current year in several R&D projects, which works out to 6.4% of turnover. Similarly, in line with our growth strategy we have invested more than ₹ 908 Crore during the current year in Capex.

Our working capital continues to remain healthy, Inventory and Trade receivables as at the end of FY 2024-25 works out to 139 days of Value of Production and 144 days of Turnover respectively. We are able to meet Capex and Working Capital requirement entirely through Internal Accruals. We continue to remain Debt Free. BEL's Net worth in FY 2024-25 has increased to ₹ 19,697 Crore and corresponding Book Value per share has increased from ₹ 22.00 to ₹ 26.95. Our performance across all financial metrics be it Turnover, Profitability, Investment in Capex and R&D have continued to show an improving trend during the current year.

Deposits

The Company does not have any Public Deposit Scheme at present. However, the matured Public Deposit amount (collected prior to February 2006) with the Company was ₹ 36.95 Lakhs as on 31 March 2025. Out of this, 34 deposits amounting to ₹ 36.50 Lakhs have not been claimed or have not been paid as these accounts were frozen on the advice of the Karnataka Lokayukta. The remaining matured deposits of ₹ 0.45 Lakhs as on 31 March 2025 is unpaid due to insufficient documents/records produced by the Depositors.

Research & Development

BEL's Research and Development (R&D) philosophy is to enhance its pre-eminence in products/services for Defence and Professional Electronics through Research & Development. BEL's R&D strives for the development of new products built with cutting-edge technology modules. While fully meeting the customer requirements, the products developed by the Company are state-of-the-art, competitive and incorporate the highest levels of quality.

R&D has been one of BEL's core strengths which is being enhanced through in-house and collaborative R&D modes. Various divisions of BEL are involved in the development of Strategic Components, Technology Modules, Subsystems, Products, Systems and Systems of Systems.

BEL has a Three-Tier R&D structure, namely Central Research Laboratories (CRLs); Product Development and Innovation Centre (PDIC) & Centres of Excellence (CoEs); and Development and Engineering (D&E) groups attached to Strategic Business Units (SBUs)/Units. All the R&D/D&E centres of BEL, as recognised by the Department of Scientific & Industrial Research (DSIR), function at multiple locations across India. D&Es are located at each of the SBUs and Units namely Bengaluru, Chennai, Ghaziabad, Hyderabad, Kotdwara, Machilipatnam, Navi Mumbai, Panchkula and Pune. PDIC and CoEs are located in Bengaluru while CRLs are located in Bengaluru and Ghaziabad. The D&Es/PDIC/CoEs/CRLs work in the identified technology and product areas, based on three-year R&D plans and after due approval of budget/time by the competent authority.

The D&E groups at SBUs/Units provide Systems and System of Systems solutions to the end users. Towards this, they get necessary technology modules and subsystems developed through CRLs, PDIC, CoEs and collaborative R&D partners. They conduct all evaluations and trials needed in the process of inducting these systems into service. They also extend technical support during the entire product life-cycle, and upgrades and also take care of obsolescence management.

Apart from in-house efforts, BEL R&D Engineers collaborate with DRDO, ISRO, CSIR, other Research Laboratories, National and International Academia, Research Institutes, OEMs/ Industries, Experts/Consultants, MSMEs and Start-ups in niche technology areas. BEL has created an ecosystem to co-create products/solutions in many business segments.

D&E Projects Initiated During FY 2024-25: Several R&D projects have been initiated during FY 2024-25 both through in-house development and collaborative efforts (mainly with DRDO). Major projects initiated during FY 2024-25 are Radars for Kusha Weapon System, ADTCR - Sky Shield, Kavach System, Autonomous Surface Vessel - Mine Counter Measure (ASV-MCM), Anunaad – Advanced Integrated Submarine Sonar Suite, BSS Roll-out, Multi-Function Radar, Network Elements for TCS Program, Foliage Penetration Radar, WLR - AESA (X).

D&E Projects Realised During FY 2024-25: Some of the major projects realised/completed during FY 2024-25 are Engineering Improvements of D4 System, AD Gun Training Simulator, Decoy System for AMS, Himshakti (COM Segment), X Band DWR (SSPA Based), QT Model for Sarang, MSSR Mk-XIIA, CMS Test-Bed, Super-SCADA for DMR, CBRN HAZMAT Vehicle

Important R&D Awards/Recognitions Received During FY 2024-25:

- IETE Awards - 2024: NV Gadadhar Memorial Award and Young Scientist Award.
- Elets Technology Excellence Award 2024: AI-powered Digital Agriculture Platform with FPO Automation (Technology Excellence).
- PSU IT Awards, New Delhi, 2024: Excellence in Software Development, Employee Training & Development.
- SIDM Champion Award-2024 from Raksha Mantri: Import Institution for the development of Thermal Imager Technology Modules for T90 Tanks.
- ilouge Media 3rd PSU Transformation Conclave & Awards: Innovative Product Development Award for Air Defence Simulation and Evaluation System (ADSES).
- Aerospace Defence Awards 2025: Outstanding Contribution to Naval Systems.
- PSU Governance Now Award 2024: Excellence in R&D Initiative & Excellence in Innovation.
- Manufacturing Today Award 2024: Excellence in Innovation & Excellence in Technology.

New Products Developed Through In-house Development Efforts During FY 2024-25 are:

- Photonic Transmitter and Receiver for Atulya (ADFCR) Radar
- NMS software for SDR
- Air Traffic Management System for Civil Airports
- GIS Display for FMRH (VHF Radar).
- 3.1 - 3.5GHz 150W GaN Amplifier.
- Missile Check Facility Computer for QRSAM Radar.
- DVB-S2x Modem Waveforms.
- RFSoc based 3U VPX based baseband processing module.
- Electro Optical Imaging Intelligent and Stabilised System (EOIIS).
- 2 KW Fibre Laser source.
- RF - based SP for AMDR (2D).
- Digital Beam Former (64 channel) Hardware & Software for AMDR (3D)

New Products Developed through Collaborative Development Efforts During FY 2024-25 are:

- LRSAM & MFSTAR sub-systems for P17B/P17A.
- C Band 25 W GaN RF Device.
- Ferroelectric based Thin Film for tunable capacitors

Future Plan of Action: BEL will enable scaling of R&D for innovative Products / Services across the organisation to align with the objective of growth and transformation. All the tiers of R&D (D&Es, PD&IC, CoEs and CRLs) will continue to collaborate in identifying new areas of development and complementing each other in addressing the requirements through in-house and collaborative modes of development. BEL plans to continue investing in R&D for meeting the continuously evolving requirements of its customers as well as for diversification. While a major thrust would be given for in-house development, collaboration with national laboratories, academic institutions, research institutes, industry and MSMEs will also continue to be strengthened. Focussed technology/product development efforts have been initiated in diversified areas like Arms & Ammunition, Smart Agriculture and AI-based projects including Predictive Maintenance. BEL has consistently been investing about 7% of its annual revenue every year in R&D and will continue to support R&D initiatives for enabling an Atmanirbhar Bharat, making & delivering high-quality defence & professional electronics products, systems & solutions for India and the world.

New Facilities Established

Infrastructure enhancement is one of the major objectives of the Company in order to stay upgraded for global opportunities and to be the best in business. During the year 2024-25, the Company has spent around ₹ 908 Crore as part of CAPEX investment towards modernisation of Plant & Machinery, Test instruments, R&D investments, Infrastructure up-gradation etc. Following are some of major facilities were established during FY 2024-25:

- New Li-ion Battery integration & Testing facility at BEL, Pune.
- New Assembly line for Electronic Fuzes at BEL, Pune.
- RPSC at Agra.
- Software development Centre at Vizag & New Delhi.
- RPSC at Bhatinda.

Information Technology (IT) Initiatives:

All SAP applications like ERP, File Lifecycle Management and Employee Self Service have been migrated to new hardware. For ERP, Supplier Relationship Management, Customer Relationship Management and Business Intelligence applications, the Database has been migrated from Oracle to HANA which is an in-memory database. This migration has resulted in significant performance improvement.

In the SAP system, IS/CO has implemented Automation & Mass payment process, Agreement Management System, Material Loan process, New RMA process, Digitization of Quality Champion Award and Green Wave Revolution for ESG System.

Cyber Security Initiatives:

- Cyber security threats are continuously growing on BEL IT infrastructure. Innovative, sophisticated techniques & tactics are being deployed by adversaries for breaches & data exfiltration. To mitigate and keep a check on such risks, Cyber Defence Center (CDC) is established as dedicated centralized facility to monitor, improve the organization's cyber security posture while preventing, detecting, analyzing, and responding to cyber security threats in BEL. CDC is built on layered security approach (defense-in-depth) and continuously getting augmented with latest tools & technologies for main-taining the cyber resiliency.
- To further strengthen the cyber security preparedness, BEL Security Operation Center (SOC) is integrated with MoD CSOC. As part of integration, two log collector appliances are installed in BEL and logs of security appliances such as perimeter Firewall, Web Proxy, Email Gateway, DNS servers

etc. are forwarded to these installed log collectors. This setup has facilitated real time integration with MOD Threat Intelligence Platform for automated blocking of Indicators of Compromises (IOCs) at perimeter Firewall. As part of the project CHAKRAVYUH Server is also installed for monitoring & managing internet facing endpoints installed with MAYA OS.

- For access for BEL's Internet mail from outside of BEL premises, new Grid-based authentication method has been implemented. This is a Make-in-India product that addresses the security requirements without any dependency on third party hardware (like hardware tokens, smart-phones, mobile networks for SMSs, OTPs and agent installation on user devices). Though the registered PIN and Target number is fixed, grid pin will be changing on each login to avoid the risk of credential compromise.
- Centralized Internet Gateway was established for uniform deployment of cyber security policies across all BEL units. Secure web gateway (SWG) was deployed to further upgrade, streamline and enforce the granular policies on internet access. The objectives of deployed secure web gateway are to filter internet traffic, enforce security and acceptable use policies, and protect users and organizations from online threats. Web gateway scrutinizes every outgoing web request from user system, ensuring requests do not breach set policies and only permitting them if deemed safe. Similarly, incoming data is inspected before reaching users. Web Gateway ensures safe internet access, prevent malware from reaching corporate Network and shield organization from potential data breaches.
- Total Business Data resides in SAP's HANA Database which is deployed with Secure configuration and hardening. Access control to Database is possible only through SAP application. Support patches released by SAP are regularly applied. Granular access control of User Roles and authorizations is enabled based on the principles of least privilege, need-to-know basis and Segregation of Duties. Audit trail log is enabled for all Users. Entire infrastructure is subject to Annual VAPT from CERT-in empanelled agency. Daily automated backup is enabled. Three way Disaster Recovery (DR) system is deployed with Primary, Secondary site (Near DR) in BEL Bangalore and Far DR site at BEL Hyderabad. Synchronous replication is enabled between Primary and Near DR sites with auto failover capabilities ensuring Business Continuity.
- BEL has adopted Virtual Desktop Infrastructure (VDI) to avoid storing of Data on PCs and enhancing Information

Security. PCs with Windows OS are inherently vulnerable to malware, viruses, worms, data leakage and other Security vulnerabilities. These issues have been overcome by the implementation of centralised VDI and replacing or converting End Point PCs to Thin Clients. The Data Centre facilities of Units have been upgraded for hosting VDI. Separate VDI has been commissioned for intranet and Internet. VDI Intranet Data are now stored in Data Centres in encrypted form. Centralised security policies and Security patching are enforced centrally for the entire infra-structure.

Quality

Quality, Technology, Innovation are three guiding pillars of BEL's Business initiatives. Quality being the first pillar, has been one of the focus area for the company. The company is committed for continual improvement through process approach in line with World-Class Quality Systems. All Units/Strategic Business Units (SBUs)/ Common Services Groups (CSGs) are accredited to AS9100D/ISO 9001 Quality Management Systems (QMS). All Units/SBUs of the company are committed to Environment Management System through ISO 14001 Std and Occupational Health Safety Management System through ISO45001 Std. 14 Units/SBUs/Divisions of the company are certified for Information Security Management System (ISMS) ISO 27001. Test Equipment, Calibration and Maintenance Divisions of Bangalore Complex, Ghaziabad, Panchkula, Chennai, NAMU and Hyderabad Units (Total 13 Labs) are certified by NABL in accordance with ISO/IEC 17025 Standard. Software SBU is certified for CMMi level 5 and also for ITSMS ISO 20000-1. NCS & DCCS SBUs of Ghaziabad, CRL-GAD, Chennai and Hyderabad Units are certified for CMMi Level 3. BAE and BEEI are certified for EOMS ISO 21001.

Some of the significant achievements in 2024-25 on Quality area front are: BEL received additional Green Channel Status for 3 Products from Ghaziabad Unit, 3 Products from Panchkula Unit & 5 Products from Chennai Unit during the year 2024-25. With this, BEL now has 28 certificates for 86 Products across 13 SBUs/Units. EW- LS Hyderabad was certified for AFQMS and AS9100D for first time. Panchkula & Chennai Units are certified with ISO27001:2022 for first time. Ghaziabad unit was certified for Energy Management System (EnMS) ISO 50001. Chennai, Hyderabad Pune & Navi Mumbai units were certified combined Standards ISO 1400 & ISO45001.

BEL Quality continued to win several Awards & Accolades during 2024-25. BEL Panchkula Unit received the coveted CII Exim Bank "Business Excellence Award for 2024", similarly BEL Pune Unit received the Platinum Award. BEL received the prestigious "Golden Peacock" award for Quality from

the Institute of Directors (IOD). Bangalore Complex and Ghaziabad units received National Safety "Kalinga Award" from IQEMS. BEL also received "Governance now PSU Award" & "PSU Transformation Award" for Digital transformation in the area of Quality.

As part of quality initiatives, a Web based Inspection and Quality Assurance Software (WIQAS) developed by BEL is a complete Digital Solution streamlining the QA process across DGQA Units and Defence Industries.

Fifty Four products were identified for Hybrid QA 4.0 implementation by September 2025. WIQAS software for Navy developed and deployed, version for Airforce and Army taken up.

The Company has facilitated involvement of employees in the Quality Movement through Quality Control Circle (QCC). During the year 596QCC presentations are made by various QCC Teams. Many QCC teams are nominated for national competitions and all are adjudged for various categories of Awards. QCC Pragati Team from Kotdwara and Anubhav team from Panchkula Unit have participated in ICQCC 2024 conducted by Sri Lanka, and both teams won Gold awards. Around 5017 suggestions are awarded in FY 2024-25. A total savings of ₹95.36 Crore was achieved through this Suggestion Scheme implementation in various process improvements during this year.

During the year 17 Executives from various Unit/SBUs are certified as "Certified Quality Engineers (CQE)" from ASQ. 13 Executives from various Unit/SBUs are certified as "Certified Reliability Engineers (CRE)" from ASQ. 31 Executives got certified as "Project Management Professional (PMP)" from PMI USA. 18 mid-level and senior executives are certified as "Certified Data Analytics (CDA)" by Indian Statistical Institute (ISI), Bangalore.

Total 164 Six Sigma Projects have been completed during the year 2024-25, resulting in an estimated savings of ₹ 7,037.97 Lakhs to the company. 15 BEL Six Sigma teams participated in regional level competitions CCQC-2024 organised by QCFL and all 15 teams won highest award "GOLD". 14 BEL Six Sigma teams participated in National level competitions NCQC-2024 organised by QCFL and all 14 teams won highest award "PAR Excellence".

ADSN SBU from Bangalore Complex won the First Prize, Panchkula Unit, Antenna SBU of GAD won second and third prizes respectively in companywide Quality Recognition Award (QRA) 2024. Innovation teams from EM, Components Software & ADSN Teams won Gold & Silver Awards in CII Digitalisation, Low Cost Automation implementation.

Quality Champion is a new flag ship award introduced this FY 2024-25 and conferred to three executives of the company for their extraordinary involvement and dedication towards Quality improvement in the Organisation.

This year also the company conducted the Integrated Customer Satisfaction Survey, and the Satisfaction Index is 85.67 with a net promoter score of 64.37 which is very good in comparison with benchmark companies.

The company aiming the comprehensive Digital Transformation, implementation of Industry 4.0 for best Productivity, and to achieve higher growth rate in the coming year.

Human Resources

Your Company employed 8,844 people as on 31 March 2025 compared to 8,937 people as on 31 March 2024. Out of these employees, 5,420 were engineers/scientists and 1,951 were women employees. A total of 478 employees were inducted during FY 2024-25. 81 employees belonging to the Scheduled Castes (SC), 27 employees belonging to the Scheduled Tribes (ST), 180 employees from the Other Backward Classes (OBC), 22 employees belonging to the Minority Community and 6 Physically Challenged employees were inducted during FY 2024-25.

Your Company has been complying with the Government directives on reservations. The particulars of SC/ST and other categories of employees as on 31 March 2025 are as under:

Category of Employees	Executives		Non-Executives	
	Group 'A'	Group 'B'	Group 'C'	Group 'D'
Scheduled Caste	1,110	46	460	18
Scheduled Tribe	430	17	124	09
OBC	1,557	67	759	58
Ex-Servicemen	52	-	231	96
Physically Challenged	108	04	90	-

Various training programmes were conducted during the year to enhance competencies in Technical, Functional, Managerial and Leadership areas. Structured Executive Development Programmes were conducted regularly with premier institutes to meet the evolving training needs of executives as they progress through various grades. A detailed write-up on HR initiatives during the year is provided separately in the Management Discussion and Analysis Report, which forms a part of this report.

Disclosure Under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is an equal-opportunity employer and consciously strives to build a work culture that promotes the dignity of all employees. As required under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder, the Company has implemented the policy on prevention, prohibition and redressal of sexual harassment at the workplace, which has been uploaded on the Company's intranet portal. All women, permanent, temporary or contractual, including those of the service providers, are covered under the Policy.

An Internal Complaints Committee has been constituted in each of the nine constituent units, including the corporate office to redress complaints relating to sexual harassment. Awareness programmes were conducted across the Company to sensitise employees and uphold the dignity of their colleagues at the workplace, particularly with respect to the prevention of sexual harassment. The details of the complaints filed, disposed of and pending during the year pertaining to sexual harassment are provided in the Business Responsibility and Sustainability Report, which forms a part of this report.

Awards and Accolades

Your Company strives to achieve the highest level of quality in all its products by considering consumer insights and by reaching out to consumers. During the year, your Company has received the following various Awards and Accolades:

- BEL Panchkula Unit received the coveted CII EXIM Bank 'Business Excellence Award for 2024'.
- BEL Pune unit received the 'Platinum Award' and BEL Bengaluru Complex was recognised as a "Winner" by the Confederation of Indian Industry (CII) for the sustainable initiatives.
- Outstanding Contribution to Naval Systems Award'.
- 'Kalinga National Safety Platinum Award'.
- 'PSU Transformation Awards 2024'.
- 'Indian Chamber of Commerce (ICC) PSE Excellence Awards'.
- "Special Jury Supplier Award" from Thales Group.
- BEL bagged three Awards at "PRCI Global Conclave 2024".
- 'Risk Management Leadership Award'.
- 'Digital Transformation Award'.

- 'Green Initiative Award'.
- 'Innovative Product Development Award'.
- 'Digital Champions Award for Document Management'.
- 'Climate Action Champion Award'.
- Silver Award for 'Implementation (Digitisation) of Employee Self-Service' in Economic Times PSU Leadership & Excellence Awards 2024.
- Elets Technology Excellence Award 2024.
- SCOPE Excellence Award for Digitalisation.
- National Export Excellence Award.
- 'Governance Now Award for Excellence in Digital Procurement, Reskilling of Employees, R&D, HR & Finance'.
- 'SIDM Champion Award'.

Subsidiaries, Joint Ventures and Associates

BEL Optronics Devices Limited (BELOP) is a wholly-owned subsidiary of BEL, which manufactures Image Intensifier. BELOP achieved a turnover of ₹ 18,325 Lakhs for the year compared to ₹ 12,645 Lakhs in the previous year. The Profit After Tax (PAT) for the year was ₹ 2,068 Lakhs compared to ₹ 1,659 Lakhs in the previous year.

BEL-THALES Systems Limited (BTSL) is a subsidiary of BEL. Your Company holds 74% of the equity capital in BTSL. During the year, BTSL recorded a turnover of ₹ 11,747 Lakhs compared to ₹ 9,368 Lakhs in the previous year. The Profit After Tax (PAT) for the year was ₹ 476 Lakhs compared to ₹ 277 Lakhs in the previous year.

GE BE Private Limited is Associate Company of BEL. Your Company holds 26% of the equity capital in GE BE Pvt. Ltd. GE BE Pvt. Ltd. recorded a turnover of ₹ 1,80,621 Lakhs for the year compared to ₹ 1,71,833 Lakhs in the previous year. The Profit After Tax (PAT) was ₹ 13,739 Lakhs for the year compared to ₹ 16,184 Lakhs in the previous year.

The Defence Innovation Organisation (DIO) is a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1 Crore. With an equity participation of 50% from BEL and 50% from HAL, the Company was formed with the objective of funding innovation in the Defence sector.

Pursuant to the provisions of Section 129(3) of the Companies Act, read with Rule 5 of Companies (Accounts) Rules, 2014 (as amended), a separate statement containing the salient features of the financial statement of Subsidiaries/

Associate/ Joint Ventures in Form AOC-1 is appended to the Financial Statements.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company www.bel-india.in.

Consolidated Financial Statements

Consolidated Financial Statements of your Company and its Subsidiaries for the year ended 31 March 2025 have been prepared in accordance with the provisions of Section 129(3) of the Companies Act & applicable Indian Accounting Standards and forms part of this report.

Vigilance

The Company's Vigilance Organisation is headed by Mr Nilabhra Sengupta, IRSSE, Chief Vigilance Officer (CVO) appointed as CVO / BEL on 02.12.2024. Full time Vigilance Officers posted in Units / SBUs are handling vigilance activities in the Units / SBUs. Vigilance Committees are formed to look after the Vigilance Administration in the Units / SBUs. The Unit/SBU Heads are designated as Chairman of the Vigilance Committee. Preventive Vigilance has been the thrust area of the Vigilance Organisation and the same received focus during the year 2024-25. The Vigilance Department examines procurement processes on continual basis, conducts regular and surprise inspections and investigates instances of any suspected transactions referred to it. An employee or third parties can bring any suspected transaction to the notice of CVO for investigation which is examined as per the Complaint Handling Policy of the Company. Online Complaint Management System has been made operational and complaints can be filed by accessing the Vigilance Portal in BEL website.

During the year, 3,011 Purchase Orders/ Contracts (>₹25 Lakhs) have been reviewed by field Vigilance Officers.

Five Intensive Examination (IE) teams have been formed for conducting CTE Type Intensive Examination. 60 High value Procurements Contracts has been taken up by the IE Teams during the year 2024-25.

Regular and Surprise checks and Inspections have also been conducted by the field Vigilance Officers.

46 Complaints were received and 43 were disposed. Disciplinary action and system/process improvement have been recommended in some cases where lapses were observed.

107 Executives (including TC Personnel) & 17 Non-Executives working in sensitive areas for more than 3 years have been rotated.

Vigilance Department has been certified for ISO 9001/2015 Certification for the Vigilance function of BEL.

In line with the CVC's guidelines on Leveraging Technology and to ensure transparency through effective use of technology, the following functions have been made operational through SAP and the Company's website:

- E-Procurement.
- Online registration of Vendors.
- Vendor Payment Information System.
- E Payment/Bank transfer of payment to Vendors.
- Details of awarded Contracts/Purchase Orders valuing more than ₹ 10 Lakhs in respect of works contracts, service contracts, capital items and non-production items have been posted in the website.
- Details of awarded Contracts/Purchase Orders issued on nomination / single tender basis value exceeding ₹ 5 Lakhs are posted on the website.
- Corruption Risk Management Policy is framed and implemented across the Company.
- Vendors' Directory is maintained.
- File Life Cycle Management System (FLM) is fully implemented across the company.
- Online filing of APRs is facilitated in SAP for all the Executives and the Executives have been filing the APRs in SAP.
- Vigilance Monthly and Quarterly Reports are generated through SAP
- Vigilance clearance is accorded through the dedicated Vigilance portal in SAP.

Vigilance setup in BEL has been continuously endeavouring to bring transparency, fairness and equity in all transactions and processes of the company through creating a sense of awareness on Systems and Procedures through awareness campaign and training programmes.

Key activities carried out during the year 2024-25:

A) Observation of Vigilance Awareness Week 2024:

Inauguration and Integrity Pledge taken:

BEL has observed Vigilance Awareness Week from 28 October to 3 November 2024 with the theme "Culture of Integrity for Nation's Prosperity" at all Units/SBUs/Offices across the country. Capacity Building Programmes under three months campaign, competitions, outreach programmes, gramsabha, guest lectures, seminars, workshops, training on Vigilance Awareness, Vigithon, Walkathon, Marathon, Street Plays, Storytelling Sessions, Vendors Meet and other programmes were conducted on the occasion.

Distribution of Pamphlets/Banners/Slogans/Standeers on Vigilance:

Display of Banners, Boards near the Entrance Gate of all the 9 Units of BEL and in various Schools and Colleges wherever Awareness Week programme was conducted. Pamphlets on Integrity Pledge were made and distributed among Employees, Executives and Contract Personnel. Display of Banner during the Week at prominent places like Lalbagh Botanical Garden, Kanteerava Stadium, BEL Circle, Doddabommasandra Arch and Nanjappa Circle, BEL Institutions, BEL Hospital, BEL Thales Systems Ltd., BEL Kalakshetra, Central Research Laboratory, PDIC in Bengaluru.

Outreach activities:

- Vigilance Awareness Programmes were held at Govt. First Grade College, Yelahanka, Govt. Polytechnic, Arakere, Srirangapatna, Mandya and Jawahar Navodaya Vidyalaya, Bagalur, Bangalore. Around 500 students attended the programme. Essay writing, Slogan writing, Quiz and Poster competitions were conducted and prizes were distributed.
- Vigilance Awareness Programme was held for residents of Sumadhura Mathrushree Residency Apartment.
- 2 Street Plays sensitising the public on corruption were conducted at Lalbagh Botanical Garden, Bangalore.
- 3 Street Plays sensitising the public on corruption were conducted at BEL Circle Bus Stop, Doddabommasandra Market and Lake.
- Marathon, Walkathon and Cyclothon events were conducted for BEL Educational Institution students.

- Vigilance Awareness Programme for Gram Sabha was conducted at Govt High School, Bashettihalli.
- "VIGITHON" was conducted by Vigilance Study Circle, Bangalore Chapter at Kanteerava Stadium, Bangalore. Various Bangalore based PSUs like BEL, HAL, BEML, KIOCL, ITI were participated in large numbers.
- Live Direct Phone-in Programme on "Corruption Control and Vigilance Awareness Week 2024" was organised by DD Chandana TV channel. Shri Keshava Raju H. S., AGM (Vigilance)/ BEL participated as guest in the programme. He was interviewed by the channel. He provided valuable insights into vigilance practices and anti-corruption initiatives. He shared about lodging complaints through PIDPI. He answered to the queries by public through phone during the programme.
- Vendors Meet were organised in Bangalore Complex, Ghaziabad Unit, Chennai Unit, Navi Mumbai Unit, Pune Unit, Kotdwara Unit, Panchkula Unit and Regional Office Kolkata.

As a part of Capacity Building Programmes - precursor to VAW 2024, the following training programmes were conducted during three months campaign period (16 August – 15 November 2024):

- Ethics and Governance, ii) Cyber Hygiene and Security, and iii) Procurement were conducted by BAE for Bangalore Complex and through VC for Other Units, iv) Conduct Rules, and v) Systems and Procedures of the Organisation were conducted at individual Units.

B) Vigilance Programmes and other Programmes Organised in BEL:

- As a part of Post Graduate Certificate in Management course (PGCM) in supply chain management, training on "Vigilance Overview", "Overview of CVC Manual 2021 and BEL Vigilance Manual 2023" and "Case Studies on Procurement" for executives working in MM, Purchase and Finance was conducted at BEL Academy for Excellence (BAE), Bangalore.
- As a part of Vigilance Induction Programme, a training session was arranged for Probationary Engineers. It includes talk by CVO as "Voice of Leader", training on "Vigilance Overview and Structure", "Overview of BEL Procurement, Purchase Procedure and Sub-Contract Procedure", "Salient Features of Vigilance Manual, PIDPI Process and APR Filing", "Cyber

Hygiene and Security", "Ethics and Governance", "Salient Features of RTI", "Preventive Vigilance" and "Overview of BEL Procurement through Works Contract".

- Seminar on Cyber Hygiene and Security was organised by Vigilance Study Circle, Bangalore Chapter at BEL Academy for Excellence, Nalanda, Bengaluru.
- Story Telling Sessions were held on "Values and Ethics through Folktales" covering ethics, honesty and integrity, Ethical Leadership and Stage Play on Punyakoti and Kannada Folk Song by students of M/s. Dharithree Trust for senior management and "Ethical and moral values" for BEL Educational Institution students.
- 1,448 Executives and 89 Non-Executives were given basic awareness programme on Vigilance.

C) Vigilance Audit Conducted:

Second Surveillance Audit was conducted by M/s. TUV SUD South Asia Pvt. Ltd. at Pune Unit, Corporate Office, Bangalore Complex and Kotdwara Unit.

D) Annual Vigilance Meet 2024-25:

Annual Vigilance Meet 2024-25 was held at Lansdowne (near Kotdwara) from 17.02.2025 to 19.02.2025. The following talks/presentation was held during the meet:

- Talk by Ms Kalyani Sethuraman, IRAS, CVO/ HAL on various striking aspects of Vigilance investigation into the irregularities by presenting case studies on Civil Works and Bills Payable.
- Talk by Brigadier Vinod Singh Negi from Garhwal Rifles, Lansdowne on Vigilance activities in Indian Army.

Vigilance Magazine "Jagriti" was released by CVO during the meet.

Integrity Pact

One of the initiatives of the Central Vigilance Commission (CVC) to eradicate corruption in procurement activity is introduction of the Integrity Pact in large value contracts with Government Organisations. In line with the directives from Ministry of Defence and the Central Vigilance Commission, your Company has adopted Integrity Pact with all vendors / suppliers / contractors / service providers for all Orders / Contracts of value ₹ 300 Lakhs and above. The Integrity Pact essentially envisages an agreement between the prospective

vendors / bidders and the principal (BEL), committing the persons / officials of both sides, not to resort to any corrupt practices in any aspect / stage of the contract. Only those vendors/bidders, who commit themselves to such a Pact with the principal, would be considered competent to participate in the bidding process. Integrity Pact, in respect of a particular contract, would be operative from the stage of invitation of bids till the final completion of the contract. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

As recommended by the CVC, the Company has appointed Mr Sanjay Kumar Srivastava, IAS (Retd.), Mr Rajiva Ranjan Verma I.P.S (Retd.), Mr Ashwani Kumar, former CMD, Dena Bank for monitoring implementation of Integrity Pact in the Company.

Procurement from Micro & Small Enterprises (MSEs)

Your Company has been providing increased thrust on enhancing procurement from Micro & Small Enterprises (MSE) and has been implementing Public Procurement Policy for MSEs as per the guidelines/notification issued by the Ministry of MSMEs. BEL has on-boarded on the TReDS Platform, GeM, MSME Sambandh & MSME Samadhaan Portals complying with Government guidelines.

The Company has conducted and participated in Vendor Development Programmes for Indian vendors including MSME/Start-ups on various occasions throughout the year. BEL extends provisions as envisaged in Ministry of MSME notifications, released from time to time, to MSME/Start-ups in procurement.

BEL's procurement from MSEs is 34% of total Domestic procurement during FY 2024-25 against the mandatory target of 25% as per the Public Procurement Policy for MSEs.

Implementation of Official Language Policy

Your Company is committed to adhering to the Official Language (OL) policy of the Government of India. During 2024-25, the Company has achieved targets prescribed in the Annual Programme issued by Dept. of OL, Ministry of Home Affairs (MHA), GoI to transact official work in Hindi.

OL Inspections: The First Sub-Committee of Committee of Parliament on Official Language conducted OL inspections of Central Research Laboratory, Ghaziabad on 20 November 2024 and Bengaluru Complex on 22 January 2025. MoD officials conducted inspection of Ghaziabad Unit on 15 January 2025. Dy. Director (Implementation/South), Dept. of OL, MHA conducted OL inspection of CO on 2 July 2024. Corporate OL Inspection team conducted 06 inspections of its subordinate Units/Offices in India and 1 overseas office.

Participation: OL teams of BEL participated in the 4th All India OL Conference and 02 Regional OL Conferences organised by the Dept. of OL, MHA. Honourable Home Minister released BEL Defence Electronic Glossary during the All India OL Conference. Office Heads attended TOLIC meetings.

OL Programmes: All India BEL OL Conference was organised in BEL Hyderabad on 28 February 2025. A competition on OL Policy for the member offices of TOLIC (Undertakings) was organised in Bengaluru. OLIC meetings, Hindi Workshops and Technical Talks in Hindi were conducted by all Units/Offices. Hindi Month and Hindi Day was observed during September in all the Units and Offices of the Company.

Bilingualisation: All Units and Offices of the Company including Corporate Office are issuing documents in bilingual as per the Section 3(3) of Official Language Act, 1963. Usage of Hindi is being encouraged in correspondence and on computers. Individual orders under OL Rule 8 (4) were issued to officers/employees who are having proficiency in Hindi to do their complete work in Hindi. Also, a circular on creation of Check Points under Rule 12(1) of OL Rules was issued.

Computerisation and Website: Updated information pertaining to OL is being communicated through OL Portal GARIMA introduced by OL Dept. of Corporate Office. Quarterly progress reports from Units/Offices are being received online in SAP. Hindi notings are being written in File Life-cycle Management (FLM). Provision has been made to open the Homepage of Company's website in Hindi also.

Training and Reporting: Roster is maintained for Hindi language training and computer training which is updated from time to time. As per the Roster, employees were nominated for online training. Quarterly / half yearly reports are sent to OL Dept., MHA, GoI, MoD, Hindi Teaching Scheme and Town Official Language Implementation Committee (TOLIC) as per schedule.

Incentives and Awards: Company has various lucrative Incentive Schemes for doing original work in Hindi. These schemes are named after renowned Hindi Litterateur which carry cash awards from ₹ 2000 to ₹ 10,000. Employees have participated in the TOLIC competitions and won prizes. Corporate Office was awarded for excellence in OL implementation by TOLIC (Undertaking), Bengaluru. CMDs OL Shield for Excellence in OL implementation was awarded to the subordinate units situated in A, B and C region respectively.

Publications: Hindi Magazines were published by the Units / Corporate Office to propagate usage of Hindi in the company.

New Initiatives: In order to propagate Hindi among employees, a Linguistic Harmony Programme was organised in which popular television serials were screened. The first BEL OL Coffee Table book 'ATHAK' was published highlighting OL implementation, new initiatives and achievements of BEL. A dedicated section for OL has been introduced in the Company's website. Defence Electronics Glossary of BEL is prepared in coordination with the Commission for Scientific and Technical Terminology (CSTT), Ministry of Education. World Hindi Day was celebrated on 10 January and message of Honourable Prime Minister was read out. As part of Krishna Sobti Hindi Lecture Series, lectures were organised on general interest and technical topics.

Continuous efforts are being made to ensure OL implementation and for increasing progressive usage of Hindi across the Company.

Implementation of the Right to Information Act, 2005

In consonance with the provisions of the Right to Information Act, 2005 (the Act), your Company has well-defined mechanism in place to address the provisions of the Act. Your Company has a designated General Manager level officer as a "Nodal Officer" to oversee the implementation. The requests received are processed by 17 senior personnel designated as "Central Public Information Officers (CPIOs)" including one at Corporate Office and each at the Units/ROs. Your Company has a designated General Manager level officer as a "First Appellate Authority" to dispose of first appeals filed under the Act. In compliance to Government directives, your Company is successfully processing the applications under the Act, online.

The information to be provided as per Section 4(1) (b) of the Right to Information Act, 2005 has been posted on the website of company www.bel-india.in

The FAA, CPIOs and other internal stakeholders involved are sensitised about their obligations under the Act through training and workshops.

Your Company received 620 applications (including 56 transferred by other Public Authorities to BEL) during the period from April 2024 to March 2025, and 38 RTI applications were carried forward from year 2023-24. A total of 619 applications were responded to including 115 applications that were rejected, out of a total of 658 applications. Your Company received 91 First Appeals during the period, out of which 86 were disposed-off. Quarterly RTI returns for all the four (4) quarters have been submitted to the Central Information Commission.

Meetings of Board and Committee(s)

During the year, seven Board meetings were held and the maximum interval between any two meetings was not more than 120 days. The details of meetings of the Board and Committee(s) held during FY 2024-25 are furnished in the Corporate Governance Report, which forms a part of this report.

Change in Directors & Key Managerial Personnel and their Shareholding

The following changes took place in the Directorate and Key Managerial Personnel of your Company during FY 2024-25:

Sl. No.	Name of the Director	Designation	Date of Appointment	Date of Cessation
1	Mr Rajnish Sharma (DIN: 10738394)	Director (Bangalore Complex)	10.08.2024	Not Applicable
2	Mr T Natarajan (DIN: 00396367)	Govt. Nominee Director	Not Applicable	10.09.2024
3	Mr Rajeev Prakash (DIN: 08590061)	Govt. Nominee Director	10.09.2024	Not Applicable
4	Dr Parthasarathi P V (DIN: 06400408)	Independent Director	Not Applicable	28.12.2024
5	Mr Mansukhbhai S Khachariya (DIN: 01423119)	Independent Director	Not Applicable	28.12.2024
6	Dr Santhoshkumar N (DIN: 09451052)	Independent Director	Not Applicable	28.12.2024
7	Mr Prafulla Kumar Choudhury (DIN: 00871919)	Independent Director	Not Applicable	28.12.2024
8	Dr Shivnath Yadav (DIN: 09450917)	Independent Director	Not Applicable	28.12.2024
9	Mr Gokulan B (DIN: 09473378)	Independent Director	Not Applicable	20.01.2025
10	Mrs Shyama Singh (DIN: 09495164)	Independent Director	Not Applicable	07.02.2025

Mr Manoj Jain, Chairman & Managing Director, Mr Damodar Bhattad S, Director (Finance) and Chief Financial Officer and Mr S Sreenivas, Company Secretary are the KMPs, in terms of section 203 of the Companies Act, 2013.

Lt. General Vishwambhar Singh (Retd) (DIN:09461326) was appointed as Additional Director (Independent Director) on 23 April 2025, Mr Harikumar Raghavan Nair (DIN: 11086669) was appointed as Additional Director [Director (R&D)] on 2 May 2025, Mr Pradeep Tripathi, (DIN:11111295) was appointed as Additional Director (Independent Director) on 16 May 2025, Mr Bharatsinh Prabhatsinh Parmar, (DIN:07781550) was appointed as Additional Director (Independent Director) on 21 May 2025, Mr Kamesh Kasana (DIN:11194293) was appointed as Additional Director [Director (Other Units)] on 14 July 2025 and Ms Meera Mohanty (DIN:03379561) was appointed as Additional Director (Government Nominee Director) on 16 July 2025.

Mr Rajnish Sharma , Lt. General Vishwambhar Singh (Retd), Mr Harikumar Raghavan Nair, Mr Pradeep Tripathi, Mr Bharatsinh Prabhatsinh Parmar, Mr Kamesh Kasana and Ms Meera Mohanty are being appointed as Directors on terms as set out in the notice of 71st Annual General Meeting (AGM).

Mr K V Suresh Kumar, Director (Marketing), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The details of Directors and Key Managerial Personnel (KMPs) who are holding shares in the Company as on 31 March 2025 are given below:

Sl. No.	Name	Designation	No. of Equity Shares Held
1	Mr Manoj Jain (DIN: 09749046)	Chairman & Managing Director	7,590
2	Mr Bhanu Prakash Srivastava (DIN: 09578183)	Director (Other Units)	3,789
3	Mr Damodar Bhattad S (DIN: 09780732)	Director (Finance) & CFO	3,789
4	Mr Vikraman N (DIN: 10185349)	Director (HR)	3,789
5	Mr Rajnish Sharma (DIN: 10738394)	Director (Bangalore Complex)	3,789
6	Mr Sreenivas S	Company Secretary	3,789

The Company has not issued any convertible securities during the year.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors, in terms of Sections 134(3)(c) & 134(5) of the Companies Act, 2013 state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2025 and of the profit of the Company for the year ended 31 March 2025;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors ensured proper internal financial controls were in place and such financial controls were adequate and were operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and the same were adequate and operating effectively.

Integrated Report

The Company, has voluntarily provided an Integrated Report, which encompasses both financial and non-financial information to enable the Members to take well-informed decisions and have a better understanding of the Company's short, medium and long-term perspective. The Report also touches upon aspects such as the organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial capital, manufactured capital, intellectual capital, human capital, social and relationship capital and natural capital.

Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Events Subsequent to the Date of Financial Statements

There are no material changes and commitments affecting the financial position of the Company which occurred between 31 March 2025 and the date of signing of this Report.

Related Party Transactions

There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties that were entered into during FY 2024-25 were on an arm's length basis and were in the ordinary course of business. None of the transactions with related parties fall under the scope of Section 188(1) of the Companies Act, 2013. All Related Party Transactions are placed before the Audit Committee and also to the Board for approval, if required. Members may refer to the notes to the accounts for details of related party transactions. The policy for related party transactions has been uploaded on the Company's website www.bel-india.in. Information pursuant to Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 is attached to this report as **Annexure-1**.

Corporate Social Responsibility

Your Company has formulated a Corporate Social Responsibility Policy pursuant to the provisions of Section 135 & Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications, amendments issued by the Ministry of Corporate Affairs (MCA). The Corporate Social Responsibility Policy is posted on the Company's website, www.bel-india.in. The CSR activities undertaken by your Company are in-line with the applicable Government Legislations & Guidelines issued from time to time, directing CSR fund distribution, themes for CSR expenditure, areas of operation etc.

Our Community Interventions focus on holistic development, institution building and sustainability-related initiatives. Our focus sectors are Healthcare, Education, Skill Development, Rural Development and Environmental Sustainability. By implementing capacity building measures, empowering marginalised and underprivileged communities, we strive for inclusive growth and equitable societal development. During FY 2024-25, DPE guidelines for CSR Expenditure stipulate CPSEs to take up CSR interventions on the common theme of Health & Nutrition with preference being given to Aspirational Districts identified by NITI Aayog and PM Internship Program. Accordingly, the Company has rolled out focussed interventions to augment health infrastructure in Government Hospitals and make available mobile healthcare services at

the door-step of the rural populace. Encouraging scientific curiosity among students & general public, opening up opportunities to experience technology-enabled learning aids in government educational institutions, promoting vocational skills training to enhance employability of youth and creating a sustainable ecosystem for flora & fauna in the wild are high points in the CSR space. Pursuant to the requirement under the Companies (Corporate Social Responsibility) Rules, 2014 (as amended), a report on CSR activities for FY 2024-25 is annexed herewith as **Annexure-2**.

Statutory Auditors

Pursuant to Section 139(5) of the Companies Act 2013, for FY 2024-25, the Comptroller and Auditor General of India (C&AG) appointed M/s RAO & EMMAR, Chartered Accountants, Bengaluru, as Statutory Auditors of the Company for the audit of accounts of Bangalore Complex, Hyderabad unit, Chennai unit and Corporate Office. M/s C V Chitale & Co., Chartered Accountants, Pune were appointed as Branch Auditors of Pune & Navi Mumbai units. M/s Ashwani & Associates, Chartered Accountants, New Delhi, were appointed as Branch Auditors of Ghaziabad unit, Panchkula unit and Kotdwara unit. M/s P Subbarayudu & Co, Chartered Accountants, Vijayawada were appointed as Branch Auditors for the Machilipatnam unit.

The Statutory Auditors' Report on financial statements for the FY 2024-25 and 'Nil' comments of the Comptroller & Auditor General of India (C&AG) under Section 143(6) (b) of the Companies Act, 2013 on the financial statement, including consolidated financial statement, are appended to the Annual Report.

Cost Auditors and Maintenance of Cost Records

Your Company appointed M/s GNV & Associates, Cost Accountants, Bengaluru, as Cost Auditors of the Company for FY 2024-25 for the audit of the cost records of the Company. The Company maintains cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), the Company has appointed M/s Thirupal Gorige & Associates LLP, Practicing Company Secretaries, Bengaluru for FY 2024-25 to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed to this report as **Annexure-3**.

The Secretarial Auditor in his report observed that:

- During the year under review, the composition of Board was not in compliance with the Regulation 17(1) of SEBI (LODR) Regulation, 2015 from 10 August 2024 to 31 March 2025, and it was not in compliance with Section 149 of the Companies Act, 2013 from 28 December 2024 to 31 March 2025, due to vacancies in the position of Independent Directors.
- The Quorum of Board meeting held on 5 March 2025 was not in compliance with Regulation 17(2A) of SEBI (LODR) Regulations, 2015, due to vacancies in the position of Independent Directors.
- The Composition of Audit Committee was not in compliance with Section 177 of the Act and Regulation 18(1) of SEBI (LODR) Regulation, 2015 w.e.f. 20 January 2025, due to vacancies in the position of Independent Directors.
- The Quorum of Audit Committee meeting held on 30 January 2025 was not in compliance with Regulation 18(2)(b) of SEBI (LODR) Regulations, 2015, due to vacancies in the position of Independent Directors.
- The Composition of Nomination and Remuneration Committee was not in compliance with Regulation 19(1) & (2) of SEBI (LODR) Regulation, 2015 w.e.f. 28 December 2024 and was not in in compliance with Section 178(1) of the Act w.e.f. 20 January 2025, due to vacancies in the position of Independent Directors.
- The composition of Stakeholders Relationship Committee was not in compliance with Regulation 20 of SEBI (LODR) Regulation, 2015 and Section 178(5) of the Companies Act, 2013 w.e.f. 7 February 2025, due to vacancies in the position of Independent Directors.
- The composition of Risk Management Committee was not in compliance with Regulation 21 of SEBI (LODR) Regulation, 2015 w.e.f. 7 February 2025, due to vacancies in the position of Independent Directors.
- The composition of CSR Committee was not in compliance with Section 135 of the Companies Act, 2013 w.e.f. 7 February 2025, due to vacancies in the position of Independent Directors.

It is informed that the above mentioned non-compliance is due to non-appointment of requisite number of Independent

Directors on the Board of BEL. BEL being a Govt. Company, all Directors on the Board of BEL are appointed by the Govt. of India and the selection process & appointment, which involves various Ministries and approval by the ACC, takes time and is beyond the control of the Company.

Reporting of Frauds by Auditors

During the year, neither the Statutory Auditor nor the Secretarial Auditor have reported to the Audit Committee under Section 143(2) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return in the prescribed format has been hosted on the website of the company at - <https://bel-india.in/investors/#annualreports>

Risk Management

Pursuant to the Reg.21 of SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference, Risk Management Policy etc. are set out in the Corporate Governance Report and a detailed note on Risk Management is provided in the Management Discussion and Analysis Report, which forms a part of this report.

Company's Policy on Director's Appointment, Remuneration and Board Evaluation

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Senior Management and their remuneration, Board Evaluation etc. The details are set out in the Corporate Governance Report, which forms part of this report.

Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism named the Whistle-Blower Policy to deal with instances of fraud, mismanagement and unethical behaviour, if any. The details of the policy are set out in the Corporate Governance Report.

Declaration from Independent Director(s)

The Company has received necessary declaration from Independent Director(s) of the Company under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 that the Independent Director(s) of the Company meet with the criteria of his Independence laid down in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Management Discussion and Analysis Report

Management Discussion and Analysis Report required under the SEBI (LODR) Regulations, 2015 and also under the Government (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs), is attached to this Report as **Annexure-4**.

Particulars of Loans, Guarantees & Investments

In terms of Circular No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, the Company being a Government Company engaged in Defence production is exempt from Section 186 of the Companies Act, 2013.

Particulars of Employees and Related Disclosures

The provisions of Section 197 of the Companies Act and the relevant Rules regarding particulars of employees drawing remuneration in excess of the limits specified are exempted for Government Companies, in view of the Gazette Notification No. GSR 463 (E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. A detailed note on Internal Financial Controls is provided in the Management Discussion and Analysis Report, which forms part of this report.

Audit Committee

As on 31 March 2025, the Audit Committee comprised of Non-Executive -Nominee Director viz., Mr Rajeev Prakash and Dr. Binoy Kumar Das as its Members. During FY 2024-25, all the recommendations made by the Audit Committee were accepted by the Board.

Corporate Governance Report

In terms of Regulation 34 of the SEBI (LODR) Regulations, 2015 and DPE Guidelines, a Report on Corporate Governance along with a Compliance Certificate issued by the Statutory Auditors of the Company is attached with this report as **Annexure-5**.

Business Responsibility and Sustainability Report (BR&SR)

The SEBI (LODR) Regulations, 2015 mandated the inclusion of the Business Responsibility & Sustainability Report (BR&SR) as part of the Annual Reports for the top 1,000 listed entities based on market capitalisation. In terms of Regulation 34(2) (f) of Listing Regulations, a BR&SR for FY 2024-25 describing the initiatives taken by the Company from an Environmental, Social and Governance (ESG) perspective, in the format as

specified by SEBI from time to time is attached with this report as **Annexure-6**.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Your Company, being a Defence PSU, the disclosure of information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo under the provisions of Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 (as amended) is not required as the Ministry of Corporate Affairs vide Notification GSR No. 680 (E) dated 4 September 2015 has granted exemption to Defence Public Sector Undertakings.

Compliance with Secretarial Standards

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

Acknowledgement

Your Directors place on record their deep appreciation and gratitude for the valuable support received from all the customers, particularly the Defence Services and the Paramilitary Forces and look forward to their continued

support and co-operation in future. Your Directors also place on record their gratitude for the support received from the various Ministries of the Government of India, especially the Ministry of Defence, the Department of Defence Production. Your Directors express their gratitude to the Defence Research and Development Organisation (DRDO) and the various Research Laboratories under DRDO, particularly in the joint development programmes and new products. Your Directors express their sincere thanks to the Comptroller and Auditor General of India, Statutory Auditors, Branch Auditors, Cost Auditors, Secretarial Auditors, Company's Bankers, Collaborators and Vendors. Your Directors appreciate the sincere effort by the employees at all levels, which enabled the Company to achieve a good performance during the year. Your Directors express their appreciation and gratitude to all the shareholders/investors for the trust and confidence reposed in the Company and look forward to their continued support and participation in sustaining the growth of the Company in the coming years.

For and on behalf of the Board

Bengaluru
28 July 2025

Manoj Jain
Chairman & Managing Director

Annexure-1

Form No. AOC-II

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/agreements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts/arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
 - (f) Date(s) of approval by the Board: Not Applicable
 - (g) Amount paid as advances, if any: Not Applicable
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable
2. Details of material contracts or arrangements or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts/arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Date(s) of approval by the Board: Not Applicable
 - (f) Amount paid as advances, if any: None

For and on behalf of the Board

Bengaluru
28 July 2025

Manoj Jain
Chairman & Managing Director

Annexure-2

Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) Policy of BEL is approved by the Board of Directors and is in line with the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014, as amended. The objective is to contribute to inclusive growth, sustained and equitable development in society through capacity building measures, empowerment of the marginalized and underprivileged sections/communities. The CSR Policy has been uploaded in the website of the Company <https://www.bel-india.in>

2. Composition of CSR Committee during FY 2024-25:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Bhanu Prakash Srivastava (Ceased to be Chairman & Member w.e.f 20.06.2024)	Executive Director	3	1
2	Mr. Manoj Jain (Appointed as Chairman w.e.f. 20.06.2024)	Executive Director / Chairman	3	3
3	Dr. Shivnath Yadav (Ceased to be Member w.e.f 28.12.2024)	Independent Director	3	2
4	Mr. Mansukhbhai Shamjibhai Khachariya (Ceased to be Member w.e.f 28.12.2024)	Independent Director	3	2
5	Mr. Damodar Bhattad S	Executive Director / Member	3	3
6	Mr. Vikraman N	Executive Director / Member	3	3
7	Mr. Rajnish Sharma (Appointed as a Member w.e.f 10.08.2024)	Executive Director / Member	3	2
8	Mrs Shyama Singh (Appointed as Member w.e.f 28.12.2024. Ceased to be Director w.e.f. 07.02.2025)	Independent Director	3	0
9	Dr. Binoy Kumar Das (Appointed as a Member w.e.f 25.02.2025)	Non-Executive Nominee Director/Member	3	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

- i. Composition of CSR Committee Web-link: <https://bel-india.in/investors/#boardofdirectors>
- ii. CSR Policy Web-link: <https://bel-india.in/wp-content/uploads/2023/03/CSR-Policy-28.03.2023.pdf>
- iii. Approved CSR Projects Web-link: <https://bel-india.in/wp-content/uploads/2025/04/Annexure-A-CSR-PROJECTS-2024-25-ENGLISH.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company has carried out Impact Assessment of Infrastructure/Facilities created in Educational Institutions, Museum & and laying of RCC road under CSR, through an independent agency. The Executive Summary of Impact Assessment Report is available on the Company's website at <https://bel-india.in/wp-content/uploads/2025/05/IA-2024-25-ENGLISH.pdf>

5. (a) Average net profit of the company as per sub-section (5) of section 135. ₹ 40,94,37,41,361.00

(b) Two percent of average net profit of the company as per sub-section (5) of section 135. ₹ 81,88,74,827.00

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. Nil.

(d) Amount required to be set-off for the financial year, if any. Nil.

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]. ₹ 81,88,74,827.00

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). ₹ 25,24,30,491.00
- (b) Amount spent in Administrative Overheads. ₹ 3,89,94,000.00
- (c) Amount spent on Impact Assessment, if applicable: ₹ 39,995.00
- (d) Total amount spent for the Financial Year[(a)+(b)+(c)]. ₹ 29,14,64,486.00
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
29,14,64,486.00	52,50,22,077.00	29-04-2025	-	*	-

*Amount pertaining to 'other than on-going project' is ₹ 23,88,437.00 which will be transferred to Specified Funds under Schedule VII within the prescribed time limit.

- (f) Excess amount for set-off, if any: Nil.
7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)
					Amount (in ₹)	Date of Transfer	Deficiency, if any
1	2023-24	38,42,22,741.56	38,42,22,741.56	11,58,68,737.46	NIL		26,83,54,004.10
2	2022-23	30,81,97,901.00	19,20,34,895.92	4,26,72,865.99	NIL		14,93,62,029.93
3	2021-22	22,56,32,261.68	7,53,67,300.31	6,73,15,675.91	NIL		80,51,624.40
4	2020-21	24,09,27,914.33	1,14,70,622.30	1,14,70,622.30	NIL		Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.

If Yes, enter the number of Capital assets created/ acquired: Not Applicable.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

In order to have a long-term social impact through CSR, the Company has taken up several on-going CSR initiatives in project mode with project duration of more than one year, with mile-stone based payments spread across more than one fiscal year. The unutilized amount pertaining to these on-going projects has been transferred to BEL Unspent CSR Account and will be utilized as the projects progress. This is also in line with the Companies Act, 2013, Companies (CSR Policy) Rules, 2014 and amendments thereof.

For and on behalf of the Board

Bengaluru
28 July 2025

Manoj Jain
Chairman & Managing Director

Annexure-3

**Secretarial Audit Report For The
Financial Year Ended 31 March 2025**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Bharat Electronics Limited
Outer Ring Road
Nagavara, Bengaluru - 560045, Karnataka

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharat Electronics Limited (CIN: L32309KA1954GOI000787) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable during the audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable during the audit period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the audit period); and
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (SEBI (LODR) Regulation, 2015); and
- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable during the audit period).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above except as follows:

- (i) During the year under review, the composition of Board was not in Compliance with the regulation 17(1) of SEBI (LODR) Regulation, 2015 from 10 August 2024 to 31 March 2025, and it was not in compliance with section 149 of the Companies Act, 2013 from 28 December 2024 to 31 March 2025, due to vacancies in the position of Independent Directors.
- (ii) The Quorum of Board meeting held on 5 March 2025 was not in compliance with regulation 17(2A) of SEBI (LODR) Regulations, 2015, due to vacancies in the position of Independent Directors.
- (iii) The Composition of Audit Committee was not in compliance with section 177 of the Act and regulation 18(1) of SEBI (LODR) Regulation, 2015 w.e.f. 20 January 2025, due to vacancies in the position of Independent Directors.
- (iv) The Quorum of Audit Committee meeting held on 30 January 2025 was not in compliance with regulation 18(2) (b) of SEBI (LODR) Regulations, 2015, due to vacancies in the position of Independent Directors.
- (v) The Composition of Nomination and Remuneration Committee was not in compliance with regulation 19(1) & (2) of SEBI (LODR) Regulation, 2015 w.e.f. 28 December 2024 and was not in compliance with section 178(1) of the Act w.e.f. 20 January 2025, due to vacancies in the position of Independent Directors.
- (vi) The Composition of Stakeholders Relationship Committee was not in compliance with regulation 20 of SEBI (LODR) Regulation, 2015 and section 178(5) of the Companies Act, 2013 w.e.f. 7 February 2025, due to vacancies in the position of Independent Directors.
- (vii) The Composition of Risk Management Committee was not in compliance with Regulation 21 of SEBI (LODR) Regulation, 2015 w.e.f. 7 February 2025, due to vacancies in the position of Independent Directors.
- (viii) The Composition of CSR Committee was not in compliance with section 135 of the Companies Act, 2013

w.e.f. 7 February 2025, due to vacancies in the position of Independent Directors.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws / guidelines/rules applicable specifically to the Company:

- (i) Guidelines issued by Department of Public Enterprises;
- (ii) Guidelines/Circulars issued by Ministry of Defence from time to time;
- (iii) Order/Regulations issued by the Govt. of India from time to time;
- (iv) E-Waste (Management & Handling) Rules, 2016.

We further report that:

Subject to the above qualifications on composition of Board for specific period, the Board of Directors of the Company is duly constituted as on reporting date. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven/two days in advance as applicable and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and

Majority decision was carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there are following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards taken place: Nil.

For **Thirupal Gorige & Associates LLP**
Practising Company Secretaries

CS Thirupal Gorige
Designated Partner
FCS No. 6680; CP No.6424
UDIN: F006680G000378491

Place: Bengaluru
Date: 19 May 2025

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure A'

To
The Members
Bharat Electronics Limited
Outer Ring Road
Nagavara, Bengaluru - 560045, Karnataka

Our report of even date is to be read along with this letter.

- (1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
- (2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Bengaluru
Date: 19 May 2025

For **Thirupal Gorige & Associates LLP**
Practising Company Secretaries

CS Thirupal Gorige
Designated Partner
FCS No. 6680; CP No.6424
UDIN: F006680G000378491

Annexure-4

Management Discussion and Analysis Report

(A) Industry Structure and Developments, Strengths, Weaknesses, Opportunities and Threats, Major Initiatives undertaken and planned to ensure sustained Performance and Growth:

(a) General outlook of the economy, industry in which the Company operates, Government Budget, particularly the Defence Budget, market conditions and how these impact the Company, measures taken / action plan to protect the interest of the Company

The global economy exhibited steady yet uneven growth across regions in FY 2023-24, India displaying steady economic growth. As per estimates, in year 2025, India's real GDP is estimated to grow by 6.2%. India is poised to become the third largest economy, in the next three years with a GDP of USD 5 trillion.

Fiscal disciplines, growth in foreign direct investment (FDI), lower current account deficit, moderate inflation, strong external balances trade surplus and healthy remittance growth contributed to macroeconomic stability. As the world economy recovery is anticipated, the momentum of Indian economic growth is also anticipated to increase and remain one of the strongest economies.

The growth in Indian economy and also the turbulence in the global security environment have given a boost to the defence spending.

Defence

The Ministry of Defence budget estimates reinforce the government's focus on domestic procurement as well as integrated financial planning to meet capital acquisition (modernisation) requirements of the armed forces.

Indian Coast Guard (ICG) has been allocated as Capital expenditure for acquisition of Advanced Light Helicopters (ALH), Dornier Aircraft, Fast Patrol Vessels (FPVs), Training Ships, Interceptor Boats among other equipment. Similarly, the capital expenditure of DRDO is also strengthening for development of new technologies.

To reinforce the government's conscious efforts to strengthen the domestic defence industrial base, in FY 2025-26, three-fourths of the modernisation budget is provisioned for procurement through domestic sources.

Apart from this, Government has given special emphasis to strengthen strategic and dual-use sectors such as ship building and R&D, and give a fillip to the micro, medium and small enterprises (MSMEs), which are increasingly playing a crucial role in the defence industrial base.

Non-Defence

Apart from its core Defence business, BEL has ventured into several non-Defence areas like Homeland Security, Space Electronics, Network & Cyber Security, Rail & Metro solutions, Medical Electronics & Healthcare Solutions, Software Solutions, etc.

Homeland Security

The Homeland Security market in India is spread across Central/State Governments, entities including PSUs and Private Sector Organisations. The Indian security market is poised for rapid growth, with biometrics and smart surveillance emerging as significant segments. A significant market opportunity exists in police modernisation, critical infrastructure protection, border management, counter terrorism activities, urban area security, ground transportation, port & maritime security, etc. Prevailing internal security concerns due to terrorism, cybercrime and natural disasters, growth in public infrastructure, increased IT spending, increase in security spending are boosting demand for the Homeland Security market in India. The future growth and improved security measures will be driven by emphasis on AI, machine learning, IoT, big data analytics and advanced sensor systems.

In the FY 2025-26 budget, the Ministry of Home Affairs (MHA) has been allocated ₹ 2.33 Lakh Crore, with an increase of 6% over the revised estimate of ₹ 2.2 Lakh Crore for FY 2024-25. Of the Ministry's total budget, 69% of expenditure is on police, wherein ₹ 1.6 Lakh Crore has been allocated towards police in comparison to ₹ 1.46 Lakh Crore in FY 2024-25. Central Arms Police Force (CAPF) which is primarily responsible for internal security has been allotted ₹ 1,09,037 Crore in 2025-26 in comparison to ₹ 1,05,647 Crore in previous year with almost 75% of total allocation towards the CRPF, BSF and CISF. Remaining 29% is on grants to UTs and 1% on other items such as disaster management, rehabilitation of refugees and migrants, and conducting the Census.

During FY 2024-25, BEL has successfully completed 'Go-Live' of Emergency Response System (a Next Gen U.P. 112) for Uttar Pradesh Govt. It is an integrated service which includes helplines of Police, Fire, Medical, Women emergencies, disaster support, NHAI support, smart city management etc.

Energy Storage Products

Lithium Iron Phosphate (LFP) battery market is growing globally at CAGR 25% and expected to reach USD 124.4 billion by 2032. Indian demand is expected to reach ₹ 68,750 Crore by 2028. The expected business potential for BEL in this business is around ₹ 350 ~ ₹ 400 Crore over a period of 5 years.

BEL is addressing the energy storage product requirement for the niche defence applications. Lithium Iron Phosphate (LFP) cells (10Ah, 25Ah and 50Ah capacities) are being developed and manufactured for making battery packs & systems for various Under Water applications like High Endurance Autonomous Underwater Vehicles and Practice Torpedoes using indigenously manufactured LFP cells. The existing Silver-Zinc batteries used in practice torpedoes will be replaced with LFP battery technology. The LFP cell development and testing phase has been completed successfully and now battery system integration is in progress.

BEL is also developing LFP chemistry based batteries for Armored Fighting Vehicle, Tanks, Artillery Gun systems, Futuristic Infantry Combat Vehicle (FICV) etc. This development will replace the existing lead acid battery and will enhance the cranking performance of vehicles at high altitude and extreme low temperature, improve the endurance, operational life and reduce maintenance needs.

Space Electronics

ISRO has opened up opportunities for manufacturing of Launch Vehicles and small & micro satellites for the Indian industry. ISRO has ambitious plans to increase the number of satellite launches and commensurate with the plans of ISRO, the Department of Space has been allotted a budget of ₹ 13,416 Crore in FY 2025-26 compared to ₹ 13,043 Crore for the year 2023-24, which is an increase of 2.86%. Out of this, ₹ 6,103 Crore is earmarked for capital expenditure which is a push toward satellite technology development and space exploration. India has liberalised its foreign direct investment (FDI) policy, allowing up to 100% FDI under the automatic route for "manufacturing of components and systems/sub-systems for satellite & ground/user segments", 74%

for satellite manufacturing and operation, and 49% for launch vehicles and spaceports.

BEL is one of the major players in ground segment of Satellite Communication and desires to enter into Space Electronic Systems, manufacture of Small & Micro Satellites, Payloads for Satellites and Satellite Communication Services jointly with Indian private industry. BEL has long term objective of becoming a prominent player in Space Based Assets and Payloads.

BEL is a qualified industry partner of ISRO for Assembly, Integration and Testing (AIT) of satellites. It has completed AIT of three RISAT satellites at ISRO premises. BEL has collaborated with ISRO and has come out with new products like variants of Indigenous Receivers for Positioning and Navigation (IRNSS), Satcom Terminals, LTCC-based Substrates and high power space TWTAs, which have usage in Defence, Government services and paramilitary applications. Also, BEL is jointly working with ISRO for supply and commissioning of various types of Satellite networks and HUBs for satellite communication applications. BEL has plans to establish manufacturing facilities for LEO Satellites as well as Space based payloads for Defence space related projects. BEL is collaborating with Indian industry and OEMs for joint development of high through put satellite and LEO satellite constellation.

During this year, BEL has responded to EoIs from INSPACe for Earth Observation Stations (EOS) under public private partnership. BEL is shortlisted as one of the vendors by INSPACe for responding to RFP for EOS.

Network and Cyber Security

India's cyber security market is emerging as a global hub for innovation and cyber security. The cyber security market in India which is driven by investments by organizations to safeguard against cyber threats is expected to grow at a CAGR of 18.33% and reach to ₹ 1 Lakh Crore (USD 12.9 Billion) by 2030.

In order to address opportunities in cyber security market in a focused manner, a dedicated Strategic Business Unit (SBU) has been created at BEL Bangalore and has made key progress in implementing a sizeable amount of cyber security business such as Security Analytics Centre (SAC) for Govt. Agencies, Data-Diode Solutions, PKI and associated services for Defence forces, Security services for Banking/Govt. Agencies, Secure Rugged Laptops, Next Generation Firewall Systems, Security Operation Centre (SOC) for PSUs, etc.

In cyber domain, High Performance Computing (HPC) sector is witnessing robust growth, fuelled by the escalating demand for sophisticated data processing across diverse industries. The global HPC market is predicted to reach USD 71 Billion and the Indian HPC market is expected to reach USD 4.3 Billion by 2030. The setting up of HPC facility has been initiated at BEL Bangalore to address the business in the HPC segment.

BEL is vigorously pursuing current technologies like Quantum Key Distribution, Block-chain, Digital forensic, Remote Voting, IOT security etc. in collaboration with several start-ups, OEMs, Channel partners and Academia.

BEL has been empanelled by CERT-In for providing information security auditing services. BEL Network and Cyber security is an ISO 27001 Information security management systems-certified division. The group has obtained various Cyber Security certifications like CEH, GSEC, Lead Auditor for ISO 27001, CISSP, CSQE, CHFI, CCNA etc. to qualify in domestic and global tenders. During the year, BEL acquired Cyber security projects from customer like ICMR, AIIMS etc.

Railways and Metro

Indian Railways has prepared a National Rail Plan for India 2030. To enable Atmanirbhar Bharat and Make-In-India initiative, the plan is to create a future ready railway system by 2030, bringing down the logistic cost for Indian industries. A special thrust is given on promoting Digital India initiatives and adopting emerging technologies, including 5G, AI, ML and Drones.

The Railway capital expenditure for FY 2025-26 is estimated at ₹ 2,65,200 Crore, same as the revised estimate for 2024-25. Indian Railways is planning to re-develop 508 stations spread across 16 states and Union Territories. This ambitious project is estimated to cost ₹ 24,470 Crore. For Metro, total budget for the FY 2025-26 is ₹ 31,240 Crore against ₹ 21,335 Crore during FY 2024-25.

Some of the modernisation projects like National Common Mobility Card (NCMC) compliant Automatic Fare Collection (AFC) Gating system for Metros, Indian Computer-based Train Control (i-CBTC)/Intelligent Automatic Train Supervision (i-ATS), Train collision avoidance system (TCAS), Train control and management system (TCMS), Rolling Stock Driver Training Simulator, Real Time Information System (RTIS) for Indian Railways, traction super Supervisory Control And Data Acquisition (SCADA), CCTV Radios, Video Surveillance systems, LTE

based mission critical communication networks for the Railways, Platform Screen Doors (PSDs) etc. are being pursued by BEL. BEL is collaborating with DMRC, RDSO, NCRTC, BEML and various public/private organisations in the areas of i-ATS System, i-CBTC, traction super-SCADA, Rolling Stock Driver Training Simulator, TCAS (Kavach project), TCMS, PSDs, etc. BEL has developed PSD for public safety and is being installed in various Metro stations.

Civil Aviation

The global civil aviation market is valued at USD 1,042 Billion in FY2024-25 and is expected to reach USD 1,965 Billion by 2034 at a CAGR of 8.1%. The aircraft passenger traffic in India is estimated to reach 485 million by 2027 at a CAGR 9% between 2025 to 2027, and number of airports will increase to 350 by 2047 from existing 157 in the country. With 300 million passengers a year in 2030, India's aviation penetration would be at 10-15% and still be a potential market in the decades to come. Domestic air passenger traffic witnessed 15% growth (CAGR) while international air passenger traffic was 6.1% in the last decade. The budget allocation for civil aviation ministry for FY 2025-26 stood at ₹ 2,400 Crore.

The Airports Authority of India (AAI) has earmarked a sum of ₹ 25,000 Crore for a period of five years, for modernising 100 airports across the country.

To enable Aatmanirbhar Bharat and Make-In-India initiative, BEL is collaborating with AAI and global OEMs for modernisation of Airports and ground infrastructures, providing solutions for Air traffic management, Air Surveillance Radar (ASR), Mono-pulse Secondary Surveillance Radar (MSSR), Advanced Surface Movement & Guidance Control System (ASMGCS) solutions, other ground & navigations solutions, etc.

BEL has successfully developed an indigenous ASR Radar co-mounted with MSSR Radar for seamless air traffic control meeting global ATC compliant of ICAO/Eurocontrol standards. During the year, with indigenisation efforts, BEL has acquired first order of ASR/MSSR from HAL under competition. BEL is participating in many tenders and actively pursuing for export business in the segment.

Software

Government has allocated ₹ 4,349 Crore in the FY 2025-26 budget to schemes involving AI with focus on India AI mission aimed at adapting AI in critical sectors of the economy such as agriculture and healthcare. The Indian

IT industry, comprising of software products, IT services, engineering and R&D services, ITES/BPO, hardware and e-commerce is expected to grow to USD 500 billion by 2030, contributing 10% towards the country's GDP.

Emerging technologies such as Big Data Analytics, Artificial Intelligence (AI), Geo Analytics, Block chain and embedded software play a vital role in modern warfare and transforming every aspect of the product offerings.

BEL is handling multi-disciplinary projects catering to the in-house software requirements and is also exploring opportunities in both domestic and export markets through strategic partnership with industry leaders in areas of Homeland security, e-Governance, smart cities, digital transformation, healthcare, simulators, software assurance services, ERP, digital Agriculture, AI/ML, etc. BEL operates a Software Development Center (SDC) in dedicated to software development. Furthermore, BEL has established a new SDC in Delhi this year. To further its software development, services and support endeavours, BEL is also planning to establish additional SDCs at different locations across India.

Medical Electronics & Healthcare Solutions

Indian medical electronics market is expected to grow to USD 50 billion by 2030 symbolizing India's transformation from a major importer to a global hub of medical technology innovation and manufacturing, aligning perfectly with the global MedTech market's trajectory toward USD 900 billion by 2030.

After successfully manufacturing of 30,000 ICU ventilators and around 18,000 Oxygen Concentrators, during the pandemic, BEL has taken firm steps towards diversifying into the medical electronics and healthcare segment. One of the objectives of your company is to tap the opportunities in medical electronic equipment segment which covers 56% of MedTech market share and introduce affordable healthcare products/solutions to urban & rural populations in India and achieve Atmanirbharta in the Healthcare segment.

To quickly grow in this segment, a few niche products, indigenously designed by Indian companies, have been identified which can be manufactured at BEL through ToT. Your Company is also planning to come out with products for futuristic markets, either through the in-house effort or through collaborative R&D approach. With these approaches, BEL is planning to produce

Haemodialysis machines, patient monitoring system for ICUs, turbine-based ventilator, etc.

Focused approach for new areas in Defence

To give a focused approach to upcoming areas in Defence & Aerospace sector, BEL has ventured into Unmanned Systems, RF and IR Seekers, Missiles, Rockets, Glide Bombs, Arms & Ammunitions.

Unmanned Systems

The Unmanned Systems market comprising of Unmanned Aerial Vehicles (UAVs), Unmanned Underwater Vehicles (UUVs), Unmanned ground vehicles (UGVs) and Unmanned surface vehicles (USVs). The global UAVs market is projected to reach USD 125.91 billion by 2032. Due to Government initiatives and technological advancements, Drones and UAV is experiencing substantial demand in India, driven by sectors like agriculture, infrastructure, defence etc. Indian UAV including drones market is expected to reach ₹ 55,000 Crore (USD 6.5 billion) by 2032 with a CAGR of 9.5%.

As per reports, the UUV market is projected to reach USD 11.1 Bn by 2030, at a CAGR of 15%. The UGV is estimated to grow to USD 5.5 Bn by 2034, at a CAGR of 6.3%. Similarly, The USV market is projected to reach at USD 3.29 Bn by 2032, at a CAGR of 4.7%.

In FY 2025-26 budget, the government has allocated ₹ 57 Crore for drone and drone components under the Production Linked Incentive (PLI) scheme, a 72% increase from the previous year's ₹ 33 Crore, aiming to boost domestic drone manufacturing.

BEL has been addressing the UAV/UGV/UUV/USV requirements of the Indian Defence /Non-Defence segments by partnering with DRDO/ foreign OEMs/ Indian Academia/ Start-ups, etc. BEL has also been working on the Payloads (like EO, Communication, ESM, etc.), Data links and Ground Control Station requirements of the UAVs. BEL has also developed and supplying Drone Guard Systems for armed forces. In addition, BEL is engaged in with DRDO, Academia and Start-ups for development of Unmanned Systems.

To address the Unmanned Systems business opportunities in a focused manner with committed resources, a dedicated Strategic Business Unit (SBU) at BEL, Bangalore has been doing strategic partnerships and addressing requirements of the customers.

RF and IR Seekers

The global missile seekers market was valued at USD 3.91 billion in 2024 and is projected to grow at a CAGR of 12.5 % and expected to reach USD 7.95 billion by 2030.

Investments in missile defence systems is further propelled by escalated geopolitical tensions among major nations, the need for enhancing the military capabilities through modernization and ensuring the security and sovereignty of the nations. Governments are focusing on upgrading their existing weaponry to ensure national security, which continues to create a robust demand for advanced missile seekers.

The key drivers for the global growth of this segment continues to be increased geo political instabilities, the change in nature of the warfare strategies, continuous advancements in missile seeker technologies with increased R&D, increasing defence budgets of emerging economies, European and other countries in the need for securing their nation, etc.

In recent times, the missile seeker market has witnessed notable trends, including a shift towards multi-mode seekers that can operate across various environments and mission profiles. This flexibility allows for enhanced operational capabilities, ensuring effectiveness in diverse combat scenarios.

The domestic demand for this segment is driven by Govt. of India's policy initiative for development and procurement of strategic Missiles primarily from domestic market.

The indigenous R&D and development in the segment is led by DRDO and major milestones have been achieved, paving the way for commercial production of these Seeker based Missile systems. Some of the major missiles (based on Seeker technologies) which have completed their development and reached commercial production phase include Akash Prime and QRSAM. Major progress is being made in the development of other Missiles by DRDO for MPATGM etc which are going to contribute to the growth of domestic seekers market.

Domestic defence industry will have a major role and opportunity for absorption of technology and investments to be made for productionization of these systems in the years to come. BEL is associated with DRDO during various phases of development for technology absorption, engineering and productionization of RF and IIR seekers.

Arms & Ammunition

Global geo-political environment is leading to disruption in ammunition sector. Conflict around world is driving need for stockpile of ammunition. Wars are fought not in battlefield but at ammunition production facilities. The global ammunition industry continues to play a vital role in the modern battlefield and remains a strategic asset for any country. Increasing geopolitical uncertainties and supply chain disruptions started exposing opportunities for Indian companies to explore the global ammunition market and supply chains.

Arms & Ammunition including Smart Weapons and Precision Guided Munitions are critical for the strategic needs of the country for which self-reliance has to be ensured. Historically, the Services were dependent on imported Arms/Weapons. GoI/MoD through major policy initiatives for Make-In-India such as Indigenisation of Ammunitions, Positive Indigenisation list, Make-II, etc., is offering huge opportunity to domestic defence manufactures including BEL.

The global ammunition market is experiencing substantial growth, both in terms of volume and value and is expected to increase to ₹ 3,06,800 Crore (USD 36.1 Bn) in 2033.

In order to address opportunities and to effectively compete in this segment, a dedicated Strategic Business Unit (SBU) at BEL Bengaluru, has been doing strategic partnerships and addressing requirements of the customers.

BEL is engaged with DRDO, academia and start-ups and exploring strategic partnership with OEMs for joint development, co-production and collaborative R&D projects for advanced technologies in the domain of missiles seekers, glide bombs, rockets, ammunitions, electronic fuzes and its related parts. BEL has made substantial investment for creating hot integration and storage magazines facilities with all necessary regulatory license and approvals.

(b) Industry Structure and Developments

Over the last decade, there have been transformative changes in the domestic defence manufacturing eco system with Govt. of India (GoI), acting as a key enabler. There have been systemic changes on matters of policy, with a long-term view to strengthen domestic defence manufacturing aimed at competency building, creation of a culture of innovation in Defence, setting up defence manufacturing clusters, policy changes aimed at sourcing

of raw material, components and products manufactured in India through a cohesive, interlinked policy changes.

For the Year 2024-25, the value of domestic defence production has significantly increased and reached ₹1,46,000 Crore with Exports of ₹ 23,622 Crore for FY 2024-25. Ministry of Defence has set a target of ₹ 3 Lakh Crore for annual defence production & ₹ 50,000 Crore exports by 2028-29. This provides immense opportunity for the domestic defence manufacturers comprising of 16 DPSUs, more than 430 licensed private defence companies and approximately 16000 MSMEs for growth.

It is estimated that approximately 65% of defence equipment is manufactured domestically. The contribution of private sector towards defence manufacturing in the country has increased to 21% of total defence manufacturing.

There is a significant improvement in finalizing the defence contracts by MoD-India. During the FY 2024-25, MoD has signed 193 contracts with total contract value of approximately ₹ 2,09,050 Crore with approx. 81% of contracts by value awarded to domestic defence industry. Also, there is considerable improvement in the domestic ecosystem for Innovation in defence. Innovators and starts ups have access to grants from IDEX-DIO, Technology Development fund (TDF) of DRDO etc. Commercial contracts are also placed by MoD for successful projects.

DRDO leads in the development of major technologies for the defence industry in India. DRDO developed technologies are available to the domestic defence industry players on a non-exclusive basis for commercial production and sale.

Though, India continues to be among the top importer of defence goods, India's imports during 2020-24 period have decreased by 9.3% compared to previous block period of 2015-19. This can be attributed to make in India initiatives by GoI. GoI further aims to bring in changes in policies and procedures for expediting the defence procurement cycle to bring in efficiencies and better utilization of the installed domestic manufacturing capacities. BEL has been contributing to the make in India initiatives of GoI through IDEX-DIO.

To provide impetus to defence and aerospace sectors within the defence industrial corridors, seven defence testing facilities were approved by the government. These DTIS are conceived to operate as SPVs. Defence

testing facilities under Defence Testing Infrastructure Scheme (DTIS) of MoD are being set up in the defence Industrial Corridors (DICs) i.e. 04 each in Tamil Nadu and U.P. DIC. Under this scheme, BEL has participated in incorporation of four (04) Section-8 companies on mission mode in Defence Corridors for supporting Indian Defence Industry including MSMEs and start-ups. BEL is the lead for setting up of test facilities for EW and communication segment in DIC Tamil Nadu and DIC U.P. respectively. Also, BEL is a consortium partner for setting up of defence test facility for Electro-optics and Unmanned Aerial Systems in DIC Tamil Nadu and DIC UP respectively.

BEL is continuously making substantial investments in its R&D and manufacturing, through establishment of new manufacturing facilities, setting up Centre of Excellences (CoEs) in the emerging technologies (AI, Autonomous systems etc.) to take advantage of the business opportunities for domestic and export markets.

(c) SWOT Analysis

Strengths

- Leader in Defence Electronics in India.
- Strong multi-layered in-house R&D, skilled workforce and strong domain knowledge.
- Wide product range with strong PS network.
- Strong relationship with Customers.

Weaknesses

- Gaps in critical technology areas.
- Higher dependence on Defence market.
- High lead time to market.
- Regulatory requirements impacting agility.

Opportunities

- Substantial defence modernisation / upgrade plans
- Growing defence & security needs
- Strategic partnerships with friendly countries
- Introduction of IDDM category in DAP
- Positive Indigenisation List & Make-II projects

Threats

- Increased competition from Indian private and Global companies
- DRDO's Policy for DcPP and PA

- Changing Customer procurement philosophy
- Rapid changes in technologies
- Sourcing of few critical and denied technologies
- Policy favouring private sector

(d) Major initiatives undertaken/planned, including strategy, goals and targets set by the top management, to ensure sustained performance and growth of the Company

The Company has undertaken the following major initiatives to ensure sustained performance and growth of the Company:

(i) Strategic alliances in emerging businesses through Co-development, Co-production and Manufacturing ToT:

BEL is working in many strategic and other areas of national importance such as Weapon systems, Surveillance, tracking and multifunction AESA-based radars, naval & airborne applications, Next Generation Electronic Warfare Suites and Counter Measure Systems, Air Defence Systems including Seekers & Missiles, Unmanned Systems for Land, Air, surface & underwater applications, Anti-Submarine Warfare Systems, Software Defined Radios for Tactical applications, Network Centric Systems, Multi-sensor Stabilization Systems, Arms and Ammunitions, Transportation Solutions for Railways and Metros, Artificial Intelligence & Robotics, Space/Satellite Systems, etc.

Strategic alliances have been forged and other select partnerships are being pursued with Defence laboratories, reputed global OEMs, DPSUs, Academia, Start-ups, niche technology companies and Indian companies/agencies for addressing the emerging Defence and Non-Defence businesses and exports.

Some of the products & systems identified and being pursued for alliances for Co-development, co-production and manufacturing ToT and for Lifecycle Support include Surface-to-Air Missile (SAM) Systems, RF/IIR Seekers, Air Defence Radars (Land and Naval based), Navigational Complex System, Sonar Systems, Next Generation Night Vision Devices, Gun Upgrades/New Gun Programmes, Small Arms for Defence, Electronic Fuzes, Navigation Receivers, Ammunitions, Inertial Navigation systems, High Power Lasers, UAVs, Remotely Operated Vehicle (RoV), Counter Measure Systems, Electronics systems for futuristic AFV platforms FICV etc., Satcom Terminals, Rail & Metro solutions, etc.

(ii) Joint Ventures (for existing / emerging business areas):

BEL has been continuously exploring opportunities for establishing joint ventures / special purpose vehicles with reputed companies with complementary technologies / strength to bridge technology gaps, for business expansion as well as to enter into new and emerging business areas.

The Joint Venture BEL-THALES Systems Limited (BTSL) is formed between BEL and Thales, France with an objective to engage in design, development, marketing, supply and support of civilian and select Defence radars for the Indian and global markets. Benefitting from the confluence of work culture and technology/ manufacturing support of the parent companies, the JV has imbibed the best practices of both parent organisations and is growing into a centre for development, evolution and customisation of products as a trusted supplier.

BTSL achieved milestone turnover of ₹ 118 Crore for the Year 2024-25 experiencing strong growth of 26% from previous year's ₹ 93.77 Crore and highest ever Order book position of ₹ 238 Crore

The current Portfolio includes - Built to Print Export projects like FZ906, ARSI, SAF etc., Radar service management of Air Surveillance Radar (ASR) and Mono-pulse Secondary Surveillance Radar (MSSR) for HAL at multiple locations, etc. BTSL is also involved in supply chain activities for TRMs manufacturing. BTSL has set up a well-equipped Integration facility for high-end avionics systems, which has been further expanded for the manufacturing activity.

Bharat Electronics Limited (BEL) and Israel Aerospace Industries (IAI) have formed a joint venture company "BEL IAI AeroSystems Private Limited (BIA)" for providing post warranty product life cycle support in India. The JVC was incorporated on 25th September 2024 with its registered office in Delhi.

The Defence Testing Infrastructure Scheme (DTIS) is an initiative by the Ministry of Defence (MoD), Government of India, to enhance the country's defence sector capabilities including testing support to MSMEs/Start-ups. The scheme has been launched to promote and establish state-of-the-art defence testing infrastructure with Government assistance. The scheme is launched to boost domestic defence and aerospace manufacturing in India by establishing world class testing facilities through

participation of DPSUs and private companies along with State Defence Industrial Corridors (DICs) from Uttar Pradesh and Tamil Nadu.

For implementation of the scheme, MoD has formed consortiums of DPSUs, private companies and State DICs for incorporation of eight Section-8 companies in eight testing domains. BEL, as part of these consortiums, has participated in the formation of four Section-8 companies under the scheme (i) as a lead member, shareholder, and promoter for two companies i.e. Electronic Warfare (EW) and Communication domains and (ii) as a member, shareholder, and promoter for another two companies i.e. Electro-optics (EO) and Unmanned Aerial Systems (UAS) domains.

BEL has continued its expansion through inorganic route. In this connection this year, BEL has signed a MoU with SAFRAN France for setting up of JVC for manufacturing of smart precision-guided air-to-ground weapons 'Hammer'.

Technology Upgradation and R&D Challenges

Core technologies required for developing state-of-the art products and solutions are often not readily available. R&D on core technologies requires constant upgrade for realising solutions with a competitive edge. While it is inevitable to use proprietary technologies, getting locked to a single source for technologies/solutions is a major challenge.

The demands of reduced Size, Weight and Power (SWaP) along with quality requirements always push R&D efforts to the edge. At the component level, R&D efforts are steered towards meeting newer requirements of SoCs, MMICs, highly integrated processor ICs, microwave supercomponents, etc. At the product level, R&D efforts are towards creating modular, configurable, multi-function and fault-tolerant products. Realising Systems of Systems needs expertise in systems engineering, project management along with system integration expertise. Obsolescence of critical components, continued dependency on foreign OEMs and requirement to support the entire product life cycle are the other critical challenges.

Measures

To overcome the challenge of continuous upgrade of underlying core technologies for all products and solutions across BEL, a 3-tier R&D structure is put in place. The Central Research Laboratories (CRLs), one each located at Bengaluru and at Ghaziabad, are engaged in

blue sky research and applied research in core technology areas of Communication, C4I, Big Data, Network Centric Software, Electronic Warfare, Radio Frequency, Microwaves, Power Amplifiers, Antennas, Radar Signal and Data Processing, Image Processing, Electro-Optics and Lasers, Embedded Smart Computing, Sensors, Networking, Navigation, Artificial Intelligence, Cyber & Network Security, Crypto, Switching, Cloud and Data Analytics, Machine Intelligence, Robotics, Unmanned Vehicles, Network Management Systems, Decision Support Systems, Multi Sensor Tracking and Data Fusion, GIS, Simulation, War-gaming, Tactical algorithms, Cognitive Computing, Sensor-System Integration, Web Technologies, Software Engineering etc.

A centralized Product Development and Innovation Centre (PDIC) and the 3 Centres of Excellence (CoEs) in the areas of Electronic Warfare & Photonics (EW&P), Military Communication Systems (MCS) and Radar & Weapon Systems (R&WS), located at Bengaluru, focus on engineering of core technology modules into products / systems. The core areas of PDIC are Automation Solutions, Antennas, Crypto Solutions, Embedded Systems, Energy Systems, Engineering Solutions, RF and Microwaves, MMICs, SoCs, Sonar Systems, Super Components, Navigation and Stabilization, etc.

The Development and Engineering (D&E) divisions, operating at all the Strategic Business Units (SBUs) and Units, liaison with end customers for understanding their requirements, map them to technical specifications and develop products/solutions incorporating the core technology modules developed through the other tiers, i.e. CRLs and PDIC/CoEs.

The D&E of Software SBU, at Bangalore, addresses all requirements related to software modules either directly to the customers or through respective D&Es of SBUs/ Units. In addition, Software Development Centres (SDCs) have been established at Visakhapatnam and New Delhi. A new Software Development Centre is being established at Indore. The Software SBU is supported ably by the CRL scientists at Bangalore & Ghaziabad.

In BEL, the challenges are further being addressed through planned R&D initiatives, systems engineering, technology training for R&D Manpower, data driven obsolescence management and by leveraging expertise through suitable collaborative R&D partners and Subject Matter Experts (SMEs).

To overcome the challenge of lock-in to proprietary technologies, in feasible areas, the Company develops

technology modules / solutions based on alternate technologies and standard protocols with modular designs which can be evaluated using standard test and measuring instruments. Even when Technology Modules / Products / Solutions are Built to Specifications (tailor-made for the Defence forces), they are developed with standard interfaces so that they can be used as plug and play modules in larger systems to ensure modularity and scalability. This safeguards against the single-vendor / proprietary lock-in situations and ensures that the products / systems developed are easily maintainable.

Further, wherever a subsystem or a component is procured, multiple sources for this subsystem/component are identified to safeguard the Company from getting locked in to a single source. The ever increasing need for low size, weight, & power is being addressed through the development of a series of miniaturized platforms / products / solutions by optimizing processing performance, packaging and thermal management based on a standards-driven approach. Obsolescence is being addressed through obsolescence management plans, tools & actions, which help identify/create alternate sources and move towards indigenization.

R&D Initiatives and Achievements

BEL has been vigorously pursuing IPR related activities year after year. Concerted efforts put in have resulted in the grant of 141 IPRs including 80 patents during FY2024-25. Some of the granted patents are:

1. Multi-Channel Transmit-Receive Module Operating in X-Band for Radar Applications
2. Microwave Analog Attenuators for Receiver Gain Control
3. A Hybrid Stack-Up for Wide Band RF Crossovers
4. System and Method of Data Packet Pre-Processing for high data rate wireless transmission over dual carriers
5. Point to Multiple Point Communication System
6. Radiating Panel for Wide Elevation Coverage and High Gain for Antenna
7. Co-operative time synchronization for TDMA based multi-hop mobile ad-hoc network in tactical edge scenario

8. Multi-functional DDS-PLL based Synthesizer and Coherent Waveform Generator for Radar Applications
9. A method to reduce the computational complexity of the channel estimation in OFDM systems
10. Method and system for separating multiple radars using pulse returns
11. A server apparatus and a method for voice recording and monitoring
12. A system and method for traffic management in software defined networking high gain and ultra-low noise C band amplifier
13. A method and system for time synchronization in nano seconds order, by multicore satellite receiver architecture
14. A system and method for distributed sharing of spectrum sensing load in cognitive radio ad-hoc network
15. Method for polarity insensitive communication over differential signal transmission in half duplex mode
16. A system and method for selective packet processing
17. Method and System of resuming tracking of a target by video tracking system
18. Real Time Moving Map feature for Ultra-Wide Band Airborne Systems
19. Motorized Long Wave Infrared Dual Field of View Lens for Cooled Detectors
20. Method for common track identification maintenance for high availability Radar system

As on 31 March 2025, the cumulative IPRs granted/registered to BEL are 810 (Patents: 288, Copyrights: 489, Industrial Design: 22, SICLD: 6, Trademarks: 5) and cumulative IPRs filed by BEL are 1350 (including 777 filed Patents). In FY 2024-25, a total of 151 new IPR applications were filed (Patents: 86, Copyrights: 51, Industrial Design: 10, SICLD: 3, Trademarks: 1). R&D/D&E scientists/engineers have presented and published 121 papers in reputed Conferences/Seminars/Journals in 2024-25.

BEL has empaneled 24 new Collaborative R&D partners in the year 2024-25. As on 31 March 2025, cumulative Collaborative R&D partners empaneled are 346 (including 177 MSMEs). The partners are categorized under R&D

Solution Providers: 42, Design Service Providers: 229, Consultants: 43 and Production Service Providers: 45, of which 12 partners are empaneled under two categories.

BEL supported and participated in many Conferences during the year 2024-25, including:

1. DefConnect 4.0 flagship event by iDEX-DIO / DDP-MoD at Manekshaw Centre, New Delhi
2. Coders Re-Union by IAF at Software Development Institute
3. 15th EECS Research Students Symposium-2024 by & at IISc, Bengaluru
4. GAME ARTS Symposium by & at IISc, Bengaluru
5. VEDA-2024 by VEDAS at CSIR-CEERI/ Pilani, Rajasthan
6. AI Powered Defence: Concept to Obsolescence by CSI at Bengaluru
7. BIS - 24 by BEL & IETE at BAE-Nalanda, BEL, Bengaluru
8. Indocrypt 2024 by SETS at Chennai
9. Aero India 2025 International Seminar by AeSI at Bengaluru

Some of the new initiatives undertaken by BEL in collaboration with academia are:

1. Cooperation in Research and Technology/ Product Development (IIT Mandi)
2. Thin film for Microwave applications (IISc, Bangalore)
3. Information extraction from UAV video (IIT, Roorkee)
4. Detection & Classification of Mines using AI & ML (IISc, Bangalore)
5. GNSS based True North Heading Receiver (Osmania University, Hyderabad)
6. MIL-STD-110B HF Modem (IISc, Bangalore)
7. Massive MIMO algorithm for LEO SatCom (IIT, Delhi)
8. Conformal Antenna (IIT, Kanpur)
9. Crop area, yield and crop loss (Tamil Nadu Agricultural University)

New initiatives taken during the year 2024-25 including:

1. Setting up of an Artificial Intelligence Incubation Centre with Indian Army at BEL, Bengaluru

2. "Gyan Uday Hackathon 2024" was organized during 10th & 11th May 2024 at "Abhigyaan" auditorium, CRL Ghaziabad
3. "Gyanotsav Technical Symposium 2024" organized during 11th - 13th Nov 2024 by CRL Bengaluru on the commemoration of Coral Jubilee Celebration (35 years) of CRL Bengaluru
4. Centre for Artificial Intelligence and Autonomous Systems at CRL Bengaluru was established on 17th May 2024

Specific areas in which R&D was carried out and benefits derived as a result of the activities and details of major accomplished in the Equipments and Components area, during FY 2024-25:

During FY 2024-25, many R&D projects were taken up by BEL and several projects were completed in specific business segments / areas. These include R&D projects in technology areas like Missile Systems, Radars, Electronic Warfare, Avionics, Military Communication, Naval Systems, Sonars, C4I systems, Electro-optics and Laser, Tank Electronics, Gun Upgrades, Civilian Equipment, Homeland Security, Medical Electronics, and Components. The benefits derived are in the form of major share of revenues generated by the Company in the above business segments. Several technology modules have been developed, some of which have resulted in import substitution too. Some of the BEL developed solutions have also resulted in export orders received by the Company.

Details of major accomplishments in Equipments and Components area:

- The following equipment and components were launched during the year 2024-25:

1. Engineering Improvements of D4 system
2. AD Gun Training Simulator
3. Decoy System for AMS
4. Himshakti (COM Segment)
5. X Band DWR (SSPA Based)
6. QT Model for Sarang
7. MSSR Mk-XIIA
8. CMS Test-Bed
9. Super-SCADA for DMRC

10. CBRN HAZMAT Vehicle
 11. Development OF ILROS
 12. TI Sensors for BMP-II
 13. Driver Night Sight (HD)
 14. Torpedo Defence System (TDS)
 15. Night Sight for 7.62mm LMG
 16. PORTABLE DIVER DETECTION SONAR
 17. Light weight SDR-AR
 18. Naval Air and Surface Surveillance Radar
 19. DMD based Digital Light Engine for HUD
 20. GNSS based True North heading Receiver
- R&D projects which have fetched considerable revenues for the Company (both Defence and Non-Defence segments) during FY 2024-25 include:
 1. ATDS
 2. IACCS B-III Hardware & Services
 3. SDR TAC and DCT for ICG
 4. PSPU, BSU, TCM, Rx-Ex for WLR Plains
 5. GFCS
 6. IFDSS T-72
 7. WDTE
 8. Passive Phased Array & E-Scan IFF Antenna
 9. Aslesha Mk-I + Comm. Equipment
 10. GBVU COM JAM with DF
 - Some of the major Technology Modules and Subsystems developed indigenously during the year 2024-25, which have resulted in import substitution, are:
 1. Photonic Transmitter and Receiver for Atulya (ADFCR) Radar
 2. Network Management System software for SDR
 3. Routing module for FSHAKTI
 4. True North Finder Using Dual Antenna
 5. Air Traffic Management System for Civil Aviation
6. Pan Army Surveillance System (PASS)
 7. Aakraman - Counter Insurgency for Anti Terrorist Activity
 8. 3U VPX based baseband processing module
 9. C-band Data radio
 10. DVB-S2x modem Waveforms
 11. 2 KW Fibre Laser source
 12. Electro Optical Imaging Intelligent and Stabilized System (EOIIS)
 13. IR Jammer for APS (MBT)
 14. Digital Beam Former (64 channel) for AMDR (3D)
 15. 3.1 – 3.5GHz 150W GaN Amplifier
 16. Driver Display Unit (3.9" & 5.7") and Commander Display Unit (5.7" & 7")
 17. C Band 6-Bit Digital Phase Shifter MMIC, 4.8-6.2 G
 18. Solid State Power Controller (SSPC) – 16 Channel & 32 Channel
 19. C-Band 25W PA for Tropo Communication
 20. Gunners Control & Display (8.4" & 6.4")
- R&D projects undertaken by BEL during the year 2024-25 which have resulted in exports are:
 1. 3D Surveillance Radar for ASEAN
 2. CRS Coastal Radar System for ASEAN
 3. Maritime Rescue Coordination Centre for ASEAN
- (e) Diversification / Expansion Plans:**
- As a diversification strategy, the Company has been exploring opportunities in allied defence and non-defence areas for growth, leveraging its strengths & capabilities acquired in the defence electronics domain and capitalizing on the conducive policy environment encouraging indigenous solutions. This year, the company has achieved about 5.74% of turnover from non-defence segment. The company aims to achieve growth and sustain the revenues from the non-defence business in the coming years to about 20% of company's turnover.
- The Company has been putting continuous efforts & focus to enter and address several new areas in both defence & non-defence for further expanding its business in new markets for sustainable growth. Some of the areas being focused upon in defence include: Next Generation

indigenous Missile Systems, RF Seekers, Imaging Infra-Red (IIR) Seekers, Arms & Ammunition including precision guided munitions, Smart Weapons, Missile Electronics, Unmanned Systems, Airborne Radars, Navigation Receivers, Next Gen Image Intensifiers and Thermal Imaging solutions for Night Vision Devices, Indian Regional Navigation Satellite System (IRNSS) based solutions, Directed Energy Weapons, countermeasure systems for Air platforms, Avionics & EW suite for next. Gen Aircraft/ Helicopters, Software as a Service, Network & Cyber security etc.

Some of the areas being focused in the non-defence include: Solutions for Civil Aviation sector including Air Traffic Flow Management solutions, Advance Ground Control Surface Movement Radar, Air Surveillance Radar, Anti Drone systems, Space / Satellite Electronics, Satellite Communication Services, Railway and Metro Solutions, Software as a Service, Cyber Security Solutions, Homeland Security Business etc.

BEL also continuously strives to expand its business by capturing new customers in the existing geographical markets as well as new geographies for its proven products, systems & solutions. BEL has ventured into new business models like Government-owned Company Operated (GOCO), OPEX Model etc. (e.g. Class Room Jammers) to expand its business by capturing new customer segments. BEL is striving to exploit its dual-use technologies (e.g. SDR, Satcom solutions, Cyber security solutions, Software solutions, etc.) for expanding the market as well as customisation of its products / solutions to meet the new customer segments / geographical areas, especially in the export markets.

BEL is leveraging on its new International Marketing offices to expand the reach of its products & services to the new markets and also explore offset opportunities. BEL is also forging partnerships with other PSUs / industry players for quickly expanding the geo spatial reach through resource sharing.

Considering the present order book and expected growth of BEL due to continuous demand of defence equipment across the globe and growth of non-defence electronics applications complimented by significant opportunities, a dedicated Supply Chain Management (SCM) vertical is setup at corporate level. The SCM vertical at corporate is aimed at streamlining policies and procedures for strengthening BEL's supply chain network , bring in best practices and contribute to

improved operational effectiveness and overall project management for timely execution.

(f) Specific Measures on Risk Management, Cost Reduction and Indigenisation:

1. Risk Management:

Your company has an established Enterprise Risk Management (ERM) deployed across the company covering all business units and functional areas. ERM is also deployed in the newly formed strategic business units. The deployment of ERM is based on the Risk Management (RM) Policy of the Company, approved by the Board, and the recommendation of the Risk Management Committee (RMC) of the Board.

The Risk Management Policy is reviewed and revised periodically taking into account the changes in the external business environment and internal business organisation structure. Risks related to the new business and diversification areas are also identified and appropriate mitigation measures are being deployed.

The Risk Management Policy outlines the risk management structure, scope and objectives, areas of risks, roles and responsibilities of risk management committees at various levels, role and functions of risk champions and other concerned personnel in the company in respect of ERM implementation.

RM policy in the Company is implemented through an established ERM framework across the Company. The Risk Management framework of the Company has a three-tier structure, with Board of Directors (BOD) through RMC at the Apex level; Corporate Risk Management Committee (CRMC) at the corporate level and Unit Risk Management Committee's (URMCs) at the Strategic Business Units (SBUs)/Units/R&D centres etc.

A comprehensive framework for risk identification, evaluation, prioritization and mitigation of various risks associated with different areas such as technology, market, product, cyber security, Environmental Social and Governance (ESG), operations, finance, human resources, etc. are also defined in the policy.

Based on the analysis of the risks reported by the URMCs, risks which have potential impact across the company and necessitate the expert advice and direction of the RMC are identified by the CRMC in various areas like technology, marketing, operations, finance, cyber security, HR, ESG, etc. Based on the review by the RMC and its recommendations these risks are addressed by

introducing suitable mitigation measures including policy and/or business process improvements, as required.

The implementation of mitigation measures is further reviewed by the RMC for compliance and the implementation status is reported to the Board.

Risks which may have significant impact on the operations of the company or wherever deemed necessary, are reported to RMC. RMC reviews the Risks and recommends to the Board for further deliberations and approval of mitigation measures. RMC also gives necessary directions, from time to time for effective ERM implementation in the company.

2. Cost Reduction:

In the changing environment of competitiveness and more emphasis by Government on Atma-Nirbhar Bharat (Self Reliance), Cost Competitiveness has become more important for the company. As the profit margins are reducing, cost competitiveness works as survival strategy. BEL has adopted cost reduction strategy as one of the thrust areas. "Cost Reduction" Task Forces are set up in all the Units/SBUs with members from Cross Functional Areas. The Task Forces identify & take up projects and set target for achieving cost reduction with focus on both manufacturing & non-manufacturing areas and encompass all facets of business. Guidelines for Cost Reduction are modified from time to time to cater to the business needs across the company.

3. Indigenisation:

BEL strongly believes that achieving Self-reliance is one of the prime objectives to meet the strategic needs of the nation. Towards this endeavour, around 74% of the Company's turnover is generated from indigenous technology. In line with Government's "Make in India" policy, BEL has been taking several initiatives to achieve Self-Reliance through a strong thrust on In-house R&D and Indigenisation, Increased outsourcing from Indian Private industries, Public Private Partnerships, Joint Ventures, Capacity expansion, Infrastructure Development & modernisation etc. Major initiatives taken towards achieving the goals of Indigenisation & self-reliance include:

- Continuous product development through In-house R&D efforts, Joint development by partnering with DRDO, National R&D Labs & Academia and Collaborative R&D partnership with the Indian private sector (MSMEs/Start-ups) & foreign OEMs/ Design houses

- ToT-based In-depth manufacturing from foreign OEMs
- Import substitution of critical sub-systems through inhouse/domestic vendor development
- Three years R&D plan for Indigenous development
- Outsourcing & Vendor Development Policy
- Test facilities for use by Indian Private entities
- Eols published for imported items under Make-II to attract capable/prospective domestic manufacturers for Indigenisation
- Details of items planned for Indigenisation uploaded on 'Srijan Portal', Indigenisation portal of MoD.

The Government has taken several policy initiatives and brought reforms to encourage indigenous design, development & manufacture of defence equipment within India, with an aim to reduce dependency on imports. These initiatives, inter-alia, include (1) According priority to procurement of capital items from domestic sources under Defence Acquisition Procedure (DAP)-2020 (2) Notification of five 'Services Positive Indigenisation Lists' of total 509 items for which there would be an embargo on the import beyond the timeline indicated against them. There are as many as 75 items of BEL included in these lists.

In addition to this, setting up of the two defence corridors, one each in Uttar Pradesh and Tamil Nadu, aims to generate employment in the coming years. Subsequently, six nodes, namely Aligarh, Agra, Chitrakoot, Jhansi, Kanpur and Lucknow were identified for Uttar Pradesh Defence Industrial Corridor (UPDIC) and five nodes, namely Chennai, Coimbatore, Hosur, Salem and Tiruchirappalli for Tamil Nadu Defence Industrial Corridor (TNDIC). Defence Industrial Corridors (DICs) are aimed at providing a fillip to the defence manufacturing ecosystem in both States.

In order to meet the objectives set for Indigenisation of critical components, the Government of India has been implementing various Action Plans that would address all aspects of the eco-system.

BEL has a greater role to play and complement in realising the Government's objectives on Indigenisation. With the sustained business growth of BEL in Defence Electronics, the opportunities for its supply chain partners are also on the increase, especially for the MSMEs, Startups and domestic players as the company's "thrust and thirst"

has been on Indigenisation and Self-reliance since its inception.

While BEL's objective & initiatives provide tremendous scope for Indigenisation activities, the Company is confident of increased participation from all sectors will lead to self-reliance and a win-win situation among its supply-chain partners.

DPSUs Positive Indigenisation List:

- DPSUs Ist Positive Indigenization List released in Dec 2021 consists of 2 parts:
 - 2500 items (already indigenized) of which 152 items pertain to BEL.
 - 351 items (to be indigenized) during next 3 years, of which 18 items pertain to BEL, 12 items have already been indigenized.
- Out of 107 items in DPSU IIInd Positive Indigenization List (released in Mar 2022), 21 items of import value ₹ 1,768 Crore pertain to BEL. 8 items have already been indigenized.
- Out of 780 items in DPSU IIIrd Positive Indigenization List (released in Aug 2022), 69 items of import value ₹ 222 Crore pertain to BEL. 10 items have already been indigenized.
- Out of 928 items in DPSU IVth Positive Indigenization List (released in May 2023), 9 items of import value ₹ 317 Crore pertain to BEL. These 9 items have to be indigenized by 2028.
- Out of 346 items in DPSU Vth Positive Indigenization List (Released in June 2024), 71 items of import value ₹ 26 Crore pertain to BEL. These items have to be indigenized by Dec 2027.

(B) Internal Control System and its Adequacy:

BEL has a robust system of internal controls in place. It has documented policies and procedures on Purchase, Sub-contract, Works contract, Accounting, HR, IT and Security, Sub-delegation of Powers, etc. covering all financial and operating functions, and revised in tune with the changing times. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliance with regulations, etc. BEL has implemented File Life Cycle Management System (FLM) for online processing and approvals of procurement and other proposals, which facilitates complete transparency,

accountability, protection and security of the information/files. Elaborate guidelines for preparation of accounts are followed consistently for compliance with Indian Accounting Standards (Ind AS) and Companies Act, 2013.

BEL has implemented company-wide ERP system (SAP) with centralised deployment. Governance Risks and Compliance (GRC) Access Control module has been implemented as the primary means of addressing user access risks by embedding preventive rule based checks while assigning authorisations to business transactions.

Authorisations to users are given based on principles of Segregation of Duties and Least Privilege. Risk rules have been configured in the system in several business processes like Finance, Procure to Pay, Order to Cash, Material Management, HR and Payrolls. Risk analysis is regularly done to ensure that processes are under control. Additional control in the form of biometric fingerprint authentication for critical transactions is also in place. Audit logs for all changes in roles and authorisations are maintained.

BEL has its own Internal Audit Department commensurate with the size and nature of its operations, with teams of professionally qualified personnel who conduct regular and comprehensive internal audits to ensure that all checks and internal control systems are in place. Services of external professional audit firms are being utilised to carry out 100% vouching of vendor payments (including travel/medical claims reimbursements) in nine Units, BEL Corporate Office, CRL Bangalore Complex, CRL Ghaziabad and PDIC during 2024-25. The Company has sub-committee of the Board viz. Audit Committee (AC) to keep a close watch on compliance with Internal Control Systems. Also, being a Government Company, BEL is subject to Audit by Comptroller & Auditor General of India (C&AG).

The BEL Internal Audit Manual outlines the internal audit process in line with the changes that are taking place in the business world with respect to the business process, statutory compliances and the expectation of the stakeholders. It addresses the areas relevant for auditor's information and knowledge for conducting the audit in a meaningful way. Internal Audit Manual serves as a professional guide for conduct of audit and to improve professional approach for effective internal audit function.

BEL's Internal Audit checks the adequacy and effectiveness of internal control system through regular audits, system reviews, process reviews, data analytics,

etc. and provides assurance on compliance with the legal and regulatory requirements, internal policies and procedures of the Company. The State-of-the-art Data Analytical Tool is also being used in Internal Audit for data analytics for identification of outliers.

Internal Audit issues reports to the Auditees and after considering the Auditees’ replies / action taken reports, IA Centres submit reports of significant issues observed during audit to Head of Internal Audit on periodical basis. Head of Internal Audit submits his/her reports to Company’s Management at various levels for corrective actions and submits report to the Audit Committee of Board indicating status of compliance with well-established internal control systems of the Company and plan for mitigating the key risks associated with major activities of the Company.

BEL’s Internal Audit teams are located at major manufacturing units and Corporate Office of the Company which carry out audits as per risk-based Annual Audit Programme approved by Audit Committee of the Board. The Audit Committee of the Board of Directors, comprising Independent Directors, regularly reviews the significant audit findings, adequacy of internal controls, and compliance with accounting standards and policies from time to time and issues directives for compliance to further strengthen the internal control system keeping in view the dynamic environment in which the Company is operating.

The Company continues its efforts to align all its processes and controls with global best practices, to assure the highest level of Corporate Governance.

(C) Financial/Operational Performance:

1. Strategy & Objectives: The main objectives of the financing strategy of your Company are to generate adequate internal resources for profitable growth, to give value for money and create wealth for shareholders, to maintain the highest credit rating and to build in risk mitigation strategies in the business processes to minimise exposure to financial risks.

2. Performance Highlights:

Particulars	₹ in Lakh)	
	31 March 2025	31 March 2024
Revenue from Operations	23,65,801	20,16,939
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	6,76,759	4,99,817

Particulars	₹ in Lakh)	
	31 March 2025	31 March 2024
EBITDA Margin (EBITSA/Revenue from operations [Net])	28.61%	24.78%
Profit After Tax	5,28,825	4,02,000
No. of Days Inventory/Value of Production	139	133
No. of Days Trade Receivables/ Turnover	144	136
Current Ratio	1.76	1.54
Debt Equity Ratio	-	-

3. Analysis of Financial Performance of FY 2024-25:

- Turnover registered a growth of 16.17% from ₹ 19,81,993 Lakhs in 2023-24 to ₹ 23,02,410 Lakhs in 2024-25.
- Value of Production has increased from ₹ 20,38,050 Lakhs in 2023-24 to ₹ 23,83,493 Lakhs in 2024-25. Increase of 16.95%
- 31.55% increase in Profit After Tax, from ₹ 4,02,000 Lakhs in 2023-24 to ₹ 5,28,825 Lakhs in 2024-25.
- Increase of PAT to Turnover Ratio from 20.28% in 2023-24 to 22.97% in 2024-25.
- Turnover per Employee has increased from ₹ 221.77 Lakhs in 2023-24 to ₹ 260.34 Lakhs in 2024-25.
- Earnings Per Share has increased from ₹ 5.50 in 2023-24 to ₹ 7.23 in 2024-25.
- Book Value Per Share has increased from ₹ 22.00 in 2023-24 to ₹ 26.95 in 2024-25.
- Net Worth has increased from ₹ 16,08,239 Lakhs in 2023-24 to ₹ 19,69,768 Lakhs in 2024-25.
- Return on Net Worth has increased from 25.00% in 2023-24 to 26.85% in 2024-25. The main reason for the increase is due to an increase in Value of production by 16.95%.

(D) Corporate Social Responsibility:

Bharat Electronics limited remains committed to its corporate social responsibility and undertakes the CSR activities that benefit the rural and marginalised sections of the society. The key CSR interventions are in the sectors of Healthcare, Education, Skill development, Rural Development & Environment sustainability. The total prescribed CSR expenditure for FY 2024-25 is ₹ 8,188.75 Lakh. Department of Public Enterprise (DPE) has defined CSR themes viz., “Healthcare & Nutrition” & “PM

internship Scheme” for CSR interventions for FY 2024-25. During FY 2024-25, Health care related projects were taken up amount with a budget of ₹ 3,575.08 Lakh augmenting the health care infrastructure in rural and remote areas. Other sectors addressed during FY 2024-25 are Education, Skill Development, Environment sustainability and Rural Development.

BEL’s CSR interventions demonstrate its steadfastness in uplifting the underprivileged part of the society, contributing to its overall development thus creating a value for its stakeholders.

(E) Development in Human Resources:

BEL lays great importance on sustained personal and professional development of its employees in order to ensure that the employees remain future-ready and agile to meet the challenges of the evolving industry landscape.

The BEL’s Leadership Competency Development Framework, launched in July 2024, is a comprehensive

and well-crafted framework across 4 tier model – Young Leaders, Aspiring Leaders, Emerging Leaders and Visionary Leaders. The framework outlines critical leadership competencies to be developed at each of these levels to ensure a steady stream of future ready leaders.

The focused learning interventions cater to the developmental needs of the Executives with targeted training programs to hone the behavioral and leadership competencies in line with the BELs Leadership Competency Development Framework. Along with the ongoing efforts to transform the workforce into leaders of tomorrow, plethora of Functional and Technology specific programs, Management Development Programs, Quality Related Certification Programs are organized both Internally through Subject Matter Experts and Externally through Premier Training Institutions. These programs ensure that the Employees are always a notch ahead in adapting to the changing business needs.

Some of the Learning and Development initiatives rolled out during the year are enumerated below:

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
1	Agility Building for Effective Leadership(ABLE)	In-depth understanding/ involvement of various business concepts for building agility for effective leadership	Executives in E-VI to E-VII Grade	59
2	Advanced Competency Program(ACP)	Cultivating high-order behavioural competencies in senior executives such as seizing opportunities, building & leveraging partnerships, winning with change, etc.	Executives in E-VI to E-VII Grade	64
3	Advanced Leadership Program (ALP)	Shifting Perspectives from an operational to a more strategy focused mindset development	Executives in E-VI to E-VII Grade	31
4	ARISE	Developing various business fundamentals needed for young leaders for Leading Self	Executives in E-I to E-III Grade	70
5	Aspire	Developing basic understanding of business concepts across all functional areas	Executives in E-I to E-III Grade	32
6	Brain and Behaviour	Focus on psychological health challenges experienced by humans, Stress Management Techniques, and prioritizing good lifestyle choices for sustained brain health	Executives in E-V to E-VII Grade	300
7	Certificate program in Marketing Management	Exploring fundamentals of marketing, frameworks & strategies to enhance understanding of evolving market landscape & challenges for BEL. Understanding of global perspective for business growth.	Executives in E-IV & E-V Grade	30
8	Commercial Champions	Equipping executives with insights into the dynamics of SCM to tackle business challenges	All MM Executives	51
9	Communiscape	Developing a deeper insight into the nuances of impactful and effective communication with special focus on social media handling	Executives in E-I to E-III Grade	48

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
10	Creativity Crusaders	Managing R&D as a dynamic and holistic function for capability building & innovation management	All D&E, CRL, PDIC Executives	61
11	Domestic Enquiry	Equipping participants with the understanding of procedural and legal aspects of domestic enquiry	Executives across levels	32
12	Finance for Non Finance (HR)	Financial aspects to be considered for HR role	HR Executives	28
13	Finance for Non Finance (Marketing)	Financial aspects to be considered for Marketing role	Executives in Marketing & Product Support	59
14	Finance for Non Finance (Production and Allied Areas)	Financial aspects to be considered for Executives working in Production & its allied areas	Executives across levels from Production, MM, D&E, R&D, Purchase & allied areas	57
15	Financial Frontrunners	Developing in-depth financial acumen exploring cutting-edge financial techniques to enhance efficiency and drive growth	All Finance Executives	35
16	Groom	Workshop on the aspects of a well-groomed professional & displaying a professional presence at workplace	Executives in E-I to E-III Grade	54
17	HR for Non HR	Human Resources aspects to be considered by Line Managers in managing business and people	Executives in E-VI to E-VII Grade	27
18	I3	Designing & delivering effective presentations, structuring presentations	Executives in E-IV & E-V Grade	42
19	IGNITE	Facilitating creativity through design thinking and have a systematic approach towards managing innovation in the workplace	Executives in E-IV & E-V Grade	96
20	Induction Program	Extensive 27-days induction program to enable newly joined engineers and officers to understand business operations including plant & customer visit to ensure smooth integration into the new work environment	Executives in E-II Grade	305
21	Leader Finlearn	Cultivating a Finance Mindset through analysis of financial statements, understanding the relation between business operations and financial outcomes	Executives in E-VI to E-VII Grade	36
22	Leadership Acceleration Program	Enhancing leadership skills for nurturing a high performance culture, team building & conflict management, coaching & mentoring	Executives in E-VI to E-VII Grade	69
23	Leading for Success	Modifying perspectives of Executives to emphasize on importance of growth mindset to transition into a Management role	Executives in E-I to E-III Grade	45
24	Marketing Maestros	Strengthening the Marketing Management fundamentals for competitive advantage in a dynamic business environment	Executives in E-I to E-V Grade	58
25	PGCM-Supply Chain Management	Creating a talent pool of SCM specialists through imparting domain specific knowledge, skills & competencies to develop & implement strategies in supply chain domain	Executives in E-III & above Grade	25
26	Power of Collaboration	Outbound team-building program for cross-functional teams to develop necessary team skills for a conducive work environment	Executives across levels	162
27	refreSHER	Enhancing Women Leadership Skills	Women Executives in E-I to E-III Grade	73

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
28	RTI	Right To Information Act – Concept, Framework & relevance for Public Sector Enterprise	Executives Across levels	267
29	SHEen	Elevating Women Leadership Skills	Women Executives in EVI to EVII Grade	69
30	Spark	Enabling executives to understand and apply the concepts on creativity, lateral thinking, and innovation	Executives in E-I to E-III Grade	80
31	Symposium on Yoga (Health & Wellbeing)	Raise awareness about the advantages that yoga offers for physical, mental and emotional well-being.	Executives across levels	235
32	Torch	The power of collaboration to strengthen the system for building organizational capabilities through creativity & innovation	Executives in E-VI to E-VII Grade	88
33	Transformational Trailblazers	Refresher workshops to reinforce HRM latest trends and developments globally leading to a high performing workforce and organization	All HR Executives	23
34	unleaSHed	Strengthening Women Leadership Skills	Women Executives in E-IV & E-V Grade	56
35	Leadership Mindset	Imbibing a growth oriented mindset and conscious leadership approach	Executives in E-VII & above Grade	42
36	Leadership Cohort	Empowering Excellence through exclusive workshops for GMs on strategic orientation, financial acumen, and effective administration	Executives in E-VII & E-VIII Grade	14
37	Globe X	Navigating the complexities of International Trade including cross-border transactions, EXIM regulations & framework, financial mechanisms and global logistics	Executives in E-II to E-VIA Grade	25
38	Executive Coaching	Enabling Leaders to excel through personalized executive coaching	Executives in E-VIII Grade	8
39	Awareness session on CSR Essentials	Providing overview of key aspects of CSR & regulatory compliance, effective implementation of CSR initiatives and ensuring compliance	Executives in E-V to E-IX Grade	27
40	SHRM Senior Certified Professional Certification	Certification from Society for Human Resource Management for HR Professionals	Executives in E-IV to E-VIA Grade	10
41	STAR	Building Strategic and Resilient Leadership equipped with cross functional domain knowledge	Executives in E-VII Grade	51

During the FY 2024-25, various Technology programs were conducted to enhance Domain Knowledge and Competencies of our engineers in various technology areas.

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
Short term courses				
1	HF Antenna for communication & Jammer systems	Topics covering HF propagation, Antenna Fundamentals, HF antennas materials & construction, HF antenna performance and validation Field Evaluation, Antenna Tuners-design, Multi Frequency Jamming in HF- Approach & Methodology including Hands on sessions on HF Antenna design	Executives working in Antenna and Communication-on domain in E-II to E-V Grade	27
2	Ballistic Designs & Propulsion for Ammunition	Topics covering types of Ballistics, Ballistic Impact Design, Ballistic Response and Penetration Mechanics, Numerical studies, Terminal Ballistics and Impact Physics, Ballistic Missiles and Submarines. Hands on sessions were also conducted using Abaqus - FES.	Executives working in Arms, Ammunition and weapon domain in E-II to E-VI Grade	26
3	Advanced Structural & Thermal Analysis using ANSYS	Topics covering Analysis of systems using Finite element Analysis (FEA), Meshing and Advance Mechanical Connections, Advance Mechanical Connections, Interface Treatments, vibrations, Nonlinear Diagnostics including hands-on practice on ANSYS software	Executives working in D&E in E-II to E-V Grade	31
4	Electronics Cooling using ANSYS ICE Pak	Topics covering Ansys Solutions for Electronics Thermal Management, best practices, build an electronics system-level model, learn tips & tricks to increase productivity, transient power variation, set up & run a transient simulation including hands-on practice on ANSYS Icepak module	Executives working in D&E in E-II to E-V Grade	23
5	Solid Works Design, Modeling & Optimization	Topics covering Part & Assembly Modeling, Sheet Metal & Surface Modeling, Modal Analysis, Buckling Analysis, Thermal Analysis and Flow Simulation, Structural Coupled Analysis, Optimization of Designs including hands-on practice on Solid Works Software	Executives working in D&E in E-II to E-V Grade	28
6	Communication & Signal Processing for Electronic System	Topics covering Digital Modulation Techniques, Basics of Estimation and Detection, Polar codes with applications in 5G systems, Quantum Communications, 5G standards, Deterministic Ethernet Technologies, Massive Multiple Input Multiple Output (MIMO), and Orthogonal Frequency Division Multiplexing (OFDM). There were hands on sessions using MATLAB Software.	Executives working in Communication domain in E-II to E-VIA Grade	29
7	Antenna Design Techniques using CST Studio	Topics covering Electromagnetic radiation and antenna parameters, antenna types, Dipole antenna and patch antenna working principle, radiation properties, antenna efficiency, Hands on sessions for Antenna design using CST Microwave Studio	Executives working in Antenna Design and allied domain in E-II to E-V Grade	25
8	RF Measurements and Analysis	Topics covering Maxwell equations, Transmission line, characteristic impedance, reflection, transmission, distortion & dispersion, phase delay & group delay, Coaxial cables, RF circuit theory and S-parameters, Smith chart, RF power measurements and detectors, working principle of vector network analyzer and spectrum analyzer, Time domain & frequency domain measurements	Executives working in RF & Microwave domain in E-II to E-V Grade	55
9	AR/VR/MR/XR in Defence Electronics	Topics covering concepts of AR,VR,MR, XR-VR, AR and MR, XR Trends, Industry 4.0 and Digital Transformation, Potential of IOT and XR. Industry solution and demo with Vuforia Studio, Vuforia Engine, Vuforia Chalk, Vuforia Expert capture, Vuforia Studio interactive demo	Executives working in D&E & Testing in E-II to E-VIA Grade	26
10	Design of Air Frames, Shells and Warheads for Arms & Ammunition	Topics covering Warheads, Precision Guidance Monitor, Artillery Rockets & Shells, Flight dynamics & Stability Guidance, Control & Navigation, Integration, Arming Mechanism & Fuse Setter	Executives working in Arms, Ammunition and Weapon domain in E-II to E-V Grade	21

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
11	Design of broadband EW Antennas & Radomes	Topics covering Wide band/Broadband Antennas, Broadband Characteristics, UWB Antennas, Blade Antennas, Matching Techniques, Performance Parameters, Broadband Antennas for Vehicle-Mounted EW Systems	Executives working in Antenna & EW domain in E-II to E-V Grade	22
12	Modern EW Systems & It's Challenges	Topics covering Strategic and Tactical EW systems, Communication, Radar EW technologies, Design Challenges, Cognitive EW systems, Jamming & Anti-Jamming Techniques	Executives working in EW domain in E-II to E-V Grade	35
13	Workshop on IoT	Topics covering IoT Architecture and Layering Concepts, IoT platform, IoT Application development, Use of Python, Raspberry Pi, other micro-controllers & associated open source software tools	Executives working in D&E & testing domain in E-II to E-V Grade	23
14	Avionics Design & Rotor Dynamics	Topics covering Basics of vibrations, vibration in rotor bearing, Rotor Dynamics, Rotor Vibration, balancing of rotors, influence of bearings, Torsional Vibration Analysis, Rotor Vibration Measurement and Condition Monitoring	Executives working in Avionics, platform design & D&E domain in E-II to E-V Grade	22
15	Workshop on AI/ML	Topics covering Fundamentals of Artificial Intelligence, Python For AI and Deep Learning, Focus on Real-World Research and Industry Problems, Hands-On Training and Practice -Neural Networks, Object Detection Models etc Additionally it covers the recent AI Trends and their applications in areas like Image Processing, Computer Vision and Robotics	Executives in E-II to E-V Grade	32
16	Cyber Security for Web App's & API	Topics covering Web Fundamentals and Secure Configurations, Input-Related Defenses, Authentication and Authorization, Web Services and Front-End Security, APIs and Micro services Security, DevOps and Defending the Flag, Web Application Penetration and Cyber Security Testing	Executives in E-IV & E-V Grade	44
17	Network Security Essentials	Topics covering Introduction to Network fundamentals & network security, routers and firewalls, major network attacks, wireless security, network monitoring tools, browser security methods, password security methods, tools used to secure networks, identify and mitigate various types of network security threats and attacks that plague network security systems like sniffing, DoS & DDoS attacks, fraggle and smurf attacks, DNS poisoning, DNS security, information security, basics of cryptography & its applications	Executives in E-II to E-V Grade	26
18	Design Patterns for SW	Topics covering introduction to the concept, MVC, Roles, Interface-Vs-Implementation, Factory Method Design Pattern, Singleton Design Pattern, Abstract Factory Design Pattern, Proxy Design Pattern, Composite Design Pattern, The Flyweight Design Pattern, The Interpreter/Visitor Design, Chain of Responsibility Design Pattern and other advanced topics	Executives in E-II to E-V Grade	24
19	Node JS and Angular JS, C-Sharp	Topics covering introduction to Java Script, Components In React with Essentials, Node JS And Modules-HTTP Module, File System, URL Module Node Package Manager - Details of Package. Json File Events, Upload Files, Email. Connecting React Application to Node Js Backend Server Popular Node Js Packages such as Express, Mern Stack	Executives in E-II to E-V Grade	39
20	Overview of SAP S/4 HANA overview	Introduction To SAP S/4 HANA Business Suite, Data management(on-premise/cloud), embedded analytics, architecture, system-wide concepts, logistics, in-memory database concepts user experience-SAP Fiori, best practices, SAP success factors implementation challenges	Executives in E-II to E-V Grade	22
21	UI/UX Design for electronic systems	Topics covering fundamentals of UI Vs UX Design, Design Thinking & Design Cognition, refining design brief, modeling users/work domain, design ideation & architecture	Executives in E-II to E-V Grade	30

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
Certification Training programs				
22	RF Seekers & Anti-drone Technologies	Topics covering Active/Passive Seekers, Multi-band/Function Designs, Imaging Techniques, Drone Target Detection, Anti-Drone Technology Cognitive/Non-linear Drone trajectory tracking. There were Hands on sessions using MATLAB software	Executives working in RF seekers, Drones, unmanned systems domain in E-II to E-V Grade	46
23	MATLAB for Simulink/CV/IP/ Sensor Fusion	Topics covering Simulink Modeling, Signal Processing Techniques, Machine Learning Models, Computer Vision, Image Analysis, Deep Learning & Sensor Fusion Techniques using MATLAB software	Executives working in D&E and testing domain in E-II & E-III Grade	21
24	NPTEL (20 Unique NPTEL Certificate Course)	Topics covering Technology Domains that include introduction to probability theory and stochastic process, data structures and algorithms through java, electronics systems design: hands on circuits and PCB design with CAD software, system design through Verilog, robotics, programming in modern C++, VLSI design flow: RTL to GDS, artificial intelligence : search methods for problem solving, problem solving through programming in C, principle of vibration control, dynamic behaviour of material, applied accelerated artificial intelligence, applied accelerated artificial intelligence, advance power electronics and control, computer vision, dynamic behavior of material, de-mystifying networking, introduction to machine learning, system design using Verilog, digital design with Verilog	Executives in E-II to E-VIA Grade	7-Attending 23-Completed
One day Workshops				
25	QT Fundamental Technologies	Topics covering the QT technical capabilities, Design studio, demo etc.	Executives in E-II Grade	51
26	QT Quality Assurance Summit	Topics covering QT - QA tools for cross platform UI Testing, Code coverage, Static code analysis, Architecture verification	Executives in E-II to E-VI Grade	105
27	EW Fundamentals	Topics covering Fundamentals of EW systems	Executives in E-II & E-III	142
28	Solid edge & Simcentre	Topics covering Simcentre 3D overview and various techniques and applications	Executives in E-II to E-V	54
29	AI/ML Workshop	Topics covering Introduction to AI, AI building blocks, AI in electronics, Design Thinking etc.	Executives in E-II to E-VI Grade	73
30	One day AI/ML Workshop to the scientists of GAD/CRL by IISc	Topics covering advance concepts of AI/ML, latest researches in AI/ML, practical use cases of AI/ML at workplace, demo projects with a view on Robotics	Executives in E-II to E-VII Grade	220
31	One day work shop on RADAR Fundamentals	Topics covering fundamental concepts of RADAR, types of RADAR, basic working of RADAR, RADAR design concepts	Executives in E-II & E-III Grade	225
M.Tech Programs				
32	M.Tech (Industrial AI) -2024 from IIT Madras	Topics covering domain of Industrial AI: mathematical foundations for data science, applied time series analysis, multivariate data analysis, machine learning and its applications, applied deep learning, online & reinforcement learning, industrial AI laboratory, industrial AI at scale laboratory, AI in predictive maintenance, reliability and warranty, AI in process and logistic optimization, industrial vision AI	Executives in E-III to E-VI Grade	17-Attending

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
33	M.Tech (IC Design)-2024 from IIT Madras	Topics covering domain of IC Design: electrical networks and systems, probability foundations for electrical engineer, estimation theory, detection theory, applied linear algebra I for EE, digital signal processing, digital modulation and coding, introduction to wireless and cellular communication, communication networks, image processing, analog electronic circuits, digital IC design, semiconductor device modeling, analog IC design, power management integrated circuits, wave propagation in communication, advanced topics in signal processing-radar, introduction to machine leaning, advance topics in AI: Deep Leaning For Imaging, RF integrated circuits, digital design verification, CAD for VLSI broadband communication circuits, VLSI technology, VLSI data conversion circuits, WLAN: theory and practice, advanced topics in signal processing (modern computer), introduction to information theory and project	Executives in E-III to E-VI Grade	7-Attending
34	M.Tech-CSE (Information Security)2024 from IIT Madras	Topics covering logic and combinatorics in computer science, cryptography basics course, advanced data structures and algorithms with lab, information security and secure coding, cloud computing, mining massive data sets, machine learning, data analysis for research, secure systems engineering, computational number theory for cryptography, advanced computer organization with lab, advanced operating systems with lab, advanced networking with lab	Executives in E-III to E-VI Grade	5-Attending
35	M.Tech (Mechanical Design) 2022 from IIT Madras	Topics covering domain of product design, engineering design optimization, advanced composites, advanced mechanics of solids, product reliability, computational methods on engineering, advanced dynamics, vibrations, FEA, advanced composites	Executives in E-III to E-VI Grade	16-Attending
36	IITM - M.Tech (Communication & Signal Processing with Networks Specialization) 2021 from IIT Madras	Topics covering domain of communication & signal processing, with focus on networks that includes wireless LAN, Cellular Communication Networks	Executives in E-III to E-VI Grade	4-Attending 9-Completed

In the Quality Domain the following Programs were conducted during the FY 2024-25.

Sl. No	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
1	Certified Quality Engineer (ASQ-CQE)	The ASQ-CQE Certification is a globally recognized certification for Quality Engineers working in any field. This is the mother of all ASQ Certifications, and it is one of the most comprehensive programs on quality. The program covers the whole set of quality concepts which are imperative for any Engineer working in any field, and who intends to improve his/her working processes. The ASQ-CQE Body of Knowledge (BoK) covers all the latest and relevant global concepts on quality and related topics.	Executives in E-III to E-VIA Grade	24
2	Certified Reliability Engineer (ASQ-CRE)	The ASQ-CRE is one of the most sought-after and globally recognized certification for Design Engineers. The ASQ-CRE Body of Knowledge (BoK) includes Design review and control, Prediction, Estimation, Apportionment methodology, FMEA, Planning, Operation and analysis of reliability testing including mathematical modeling, understanding human factors in reliability and the ability to develop and administer reliability information systems for failure analysis, design, and performance improvement over the entire product lifecycle.	Executives in E-III to E-VIA Grade	20

Sl. No	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
3	Certified Supplier Quality Professional (ASQ-CSQP)	The ASQ-CSQP is one of the most sought-after and globally recognized certification for Material Management (Purchase & Subcontract department). The Certified Supplier Quality Professional works with an organization's supply chain and suppliers to continuously improve performance of key system components (increase lifecycle, reduce scrap, improve repair processes) by implementing process controls and developing quality assurance plans. The certified supplier quality professional tracks data, identifies improvement projects, and manages cross functional implementation to improve performance of key components and suppliers.	Executives in E-III to E-VIA Grade	20
4	Project Management Professionals (PMP)	The PMP Certification is one of the most sought-after and globally recognized certification for Project Managers. The Project Management Body of Knowledge (PMBOK) includes ten Knowledge Areas (KAs) and the Agile Practice Guide. There are a total of 49 processes in these ten KAs grouped under five Process Groups i.e. Initiating, Planning, Executing, Monitoring & Controlling and Closing Process Group. This program introduces the participants with the basic Project Management terminology, glossary and concepts including the Agile concepts as given in the PM-BOK Guide. This "35 Contact Hours Project Management Preparatory Training" Program is a mandatory requirement for taking the PMP certification exam offered by PMI-USA.	Executives in E-IV to E-VII Grade	42
5	Reliability, Availability, Maintainability (RAMS)	Awareness program for junior executives with respect to Reliability basics. The RAMS (Reliability, Availability, Maintainability and Safety) disciplines are a set of tools that make it possible to ensure that a product, process or system fulfills the mission for which it was designed, all under the conditions of reliability, maintainability, availability and well-defined safety.	Executives in E-II & E-III Grade	23
6	Basics of Project Management (BPM)	Awareness program for junior Executives' with respect to Project Management on basic knowledge about handling of projects. Project management involves planning, organizing, and overseeing tasks to achieve specific goals within defined constraints like time and budget, ensuring successful project completion.	Executives in E-II & E-III Grade	31
7	Certified Data Analytics (CDA) (ISI)	The CDA course covers data management techniques, supervised learning for developing models using statistical learning techniques, and machine learning techniques. The insights gained aids in a fact-based decision-making culture and aligning strategies with business needs.	Executives in E-III to E-VIA Grade	18
8	Basics of Data Analytics (Data-X) (ISI)	Based on the fundamentals of Certified Data Analytics course, this course provides insights into data analysis to develop specific strategies and actions to cost reduction, new product development and optimize customer offerings, and make smarter business decision that drives growth and reduces risks. The course covers overview of R Studio, Data Summarization, Visualization Techniques, Test of Hypothesis & ANOVA, Case Studies.	Executives in E-II & E-III Grade	26
9	ISO 14001:2015 EMS Internal Auditor Program	This course provides an understanding of the global environmental issues, the national and international legal and regulatory framework for environmental protection, and the requirements of the ISO 14001:2015 Standard. The program also covers the auditing requirements, and methodologies essential to conduct an effective internal audit as per ISO 19011 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of an internal auditor.	Executives in E-IV to E-VIA Grade	24

Sl. No	Name of the Program	Brief of the Program	Target Audience	Coverage (Count of Participants)
10	AS 9100 Lead Implementer Program	Lead Implementer is an important aspect of Aerospace Quality Management System. This course provides Introduction to Aerospace Standard (AS 9100), Foreign Object Damage (FOD), AS 9100 requirements Formats & Checklist.	Executives in E-II & E-III Grade	30
11	ISO 27001:2022 ISMS Internal Auditor Program	This course provides overview and requirements, internal audit process, Statement of Applicability, audit case studies, audit report & follow-up. The program also covers the auditing requirements, and methodologies essential to conduct an effective internal audit as per ISO 27001 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of an internal auditor.	Executives in E-IV to E-VIA Grade	21
12	ISO 45001:2018 OH&S Internal Auditor Program	This course provides overview and requirements, internal audit process, conformance & NC, case studies, audit report & follow-up. The program also covers the auditing requirements, and methodologies essential to conduct an effective internal audit as per ISO 45001 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of an internal auditor.	Executives in E-IV to E-VIA Grade	18
13	ISO 27001:2022 ISMS Lead Implementer Program	This course provides introduction to the concept, risk relationships, information security policy, ISO 27001 requirements, formats & checklist, Statement of Applicability.	Executives in E-I to E-III Grade	19
14	ISO 45001:2018 OH&S Lead Implementer Program	This course provides introduction to the concept, implementation plan of an OH&S Management Standard, ISO 45001 requirements, formats & checklist.	Executives in E-I to E-III Grade	21
15	ISO 14001:2015 EMS Lead Implementer Program	This course provides introduction to the concept, International Organization for Standardization, (ISO)-14001, global environmental issues, legal framework, formats & checklist.	Executives in E-II & E-III Grade	23
16	Integrated Quality Management (IQM)	Awareness program on use of quality tools for process improvements. Integrated Quality Management (IQM) combines various quality management systems into a single, cohesive framework to improve efficiency, streamline processes, and ensure compliance across an organization.	Executives in TC-1 to E-I Grade	71
17	SIX SIGMA DMAIC - GREEN BELT (DMAIC-GB)	The program covers basic concepts of Six Sigma, various quantitative data analysis techniques for structured problem solving method, lean concepts, principles and tools. This program will equip the participants to acquire Six Sigma Green Belt certifications, and to successfully apply the methodology for breakthrough improvement.	Executives in E-III to E-VIA Grade	107
18	Quality Concepts for Industry 5.0 Program	This course provides the overview on evolution of Quality5.0, establishing and implementing Quality 5.0 principles, Quality 5.0 tools & value propositions, ASQ Quality 5.0 study, context of Industry 5.0, alignment of TQM with Industry 5.0, etc., leverage data analytics, artificial intelligence, Internet of Things	Executives in E-II & E-VII Grade	23
19	Quality Management Tools Program	This course provides overview on Quality Control tools, Quality Management, Quality Planning, Lean Concepts and tools for process improvements.	Executives in E-II & E-III Grade	221
20	Workshops on Functional Domain Knowledge	Workshops were conducted on various functional domain knowledge including Operation Management, Product Process Innovation, Lean Six Sigma, Supply Chain Management, Effective Vendor Management, Risk management.	Executives in E-II & E-III Grade	144

Some of the external/open programs/conferences attended by our Executives are:

1. Project Management Professionals Conference 2024-25 organized by Project Management Institute
2. Training Program on “Preventive Forensics” for the CVOs & Vigilance Officers at NFSU, Gujarat organized by National Forensics Sciences University (NFSU)
3. National Conference of Corporate Company Secretaries
4. Management Development Program on latest advances in Innovation by Xavier Institute of Management & Entrepreneurship (XIME)
5. 48th Regional Conference of Company Secretaries, Bengaluru organized by Institute of Company Secretaries of India (ICSI)
6. Training on Ethics and Value in Public Governance organized by Institute of Secretariat Training and Management (ISTM)
7. Workshop on Income Tax (WITAX-12) organized by Institute of Secretariat Training and Management (ISTM)
8. 14th Executive Development Program for Executives of CPSEs organized by Standing Conference of Public Enterprises (SCOPE)
9. 52nd National Convention of Company Secretaries organized by Institute of Company Secretaries of India (ICSI)
10. One Day capacity building program during Vigilance Awareness Week (VAW) 2024 organized by Delhi Metro Rail Corporation Limited (DMRCL)
11. 5th edition of the Smart Railways Conclave, Accelerating towards Viksit Bharat, at New Delhi organized by Federation of Indian Chambers of Commerce and Industry (FICCI)
12. 2 Day Training Program on “CSR for High Impact Corporate Performance” organized by Institute of Public Enterprises
13. 3rd Annual Conference on White Collar Crime, Internal Audit and Internal Corporate Investigations organized by Achromic Point Consulting Private Limited
14. Training Program on Withholding Tax Fees organized by SPZ Esperti Fiscali Terp LLP

15. 3 Days training program on Public Procurement organized by IIM Visakhapatnam
16. Two days online training program on Preventive Vigilance and Good Governance organized by Pari Training Institute LLP
17. 3 Day Residential Training Programme for IOs/POs organized by CBI Academy Ghaziabad
18. Tech Conference 2024 - Redefining Trust Through Technology organized by Institute of Internal Auditors, India – Bangalore Chapter
19. HR Professionals’ Day 2025 organized by National Institute of Personnel Management- Karnataka Chapter
20. 3 Day residential training program on Public Procurement organized by Arun Jaitley National Institute of Financial Management (AJNIFM)
21. AMMO India 2024 - Conference on Military Ammunition organized by Federation of Indian Chambers of Commerce and Industry (FICCI)
22. Certificate Course on Internal Audit by Institute of Chartered Accountants of India
23. One-day workshop on Fostering Industrial Harmony and strengthening business: Practical Insights for Healthy Industrial Relations & Effective Negotiations organized by NIPM Karnataka Chapter
24. Vigilance Course for Junior and Middle Level Vigilance Officer by CBI Academy
25. Training program on preparation and maintenance of Reservation Roster Register for SCs, STs, OBCs, EWS and PWBD organized by The Institute of Good Governance
26. 35th National Meet of Forum of Women in Public Sector (WIPS)

Abhyudaya Centre for Learning (ACL): FY 2024-25 Initiatives

Abhyudaya Centre for Learning, a centralized Learning facility created for Non-Executive employees in 2024, launched its competency enhancement initiatives in the Technology, Quality and Behavioral domains during the year.

True to its motto, “Transform Talent, Inspire Excellence”, Abhyudaya Centre for Learning (ACL) is committed to develop people’s capabilities, hone their skills, forge teams and encourage excellence in the workplace, to meet the organization’s evolving needs and business goals.

Key programs organised by ACL in the Technology, Quality & Behavioural domains are:

Sl No	Program Name	Brief of the program	Target Audience	Coverage (Count of Participants)
1	Basic Electronics for Non-Electronics	To impart cross-functional knowledge for better understanding of allied functions & promote teamwork	Non-Executives with Qualification - BE/AMIE in Mechanical stream	93
2	Mechanical Engineering Fundamentals for Non-Mechanicals		Non-Executives with Qualification - BE/AMIE in Electronics stream	
3	RF Fundamentals	To impart knowledge in Core Electronics domain areas such as Radars, EW Systems, Communication, Antennas, RF basics & measurements, MI/EMC etc	Non-Executives with Qualification - Diploma (E&C) or allied branches & Working in Testing, QA, Assembly	137
4	Basics of Digital & RF Measurements			
5	EMC Course			
6	Microwave & Antenna Fundamentals		Non-Executives working in Testing, Assembly	
7	Electronic Warfare Systems		Non-Executives working in D&E, Testing & Assembly (EW related areas)	
8	Modern Radars		Non-Executives working in D&E, Testing & Assembly (Radar related area)	
9	SMT Technology & Fundamentals of Semiconductor Packages	To impart knowledge of various SMT components, their packaging & operations	Non-Executives working in D&E, Testing, Assembly, Production Control, QA	48
10	Geometric Dimensioning & Tolerances (GD&T)	To impart knowledge of Mechanical drafting & design	Non-Executives working in D&E, Production, CDO	52
11	Solid Works			
12	Cyber Security	To enhance Competency in Cyber Security domain	Non-Executives with regular work on PCs / MS Office Users	57
13	Advanced MS Office Applications	To enhance working knowledge of MS Office Applications		
14	SAP Modules	To enhance Competency in various SAP Modules - PLM, PP, MM, SD, HR, FI, QM	Non-Executives working in respective functions (PLM, PP, MM, SD, HR, FI, QM)	147
15	Competency Enhancement program for Finance	To enhance Competency in Finance domain	Non-Executives working in Finance Department	41
16	Productivity Enhancement Tools	To impart knowledge on various quality functions, productivity management techniques, QCC tools, ISO Certifications etc	Non-Executives working in production related areas	169
17	Quality management tools & techniques		Non-Executives – QC Circle members	78
18	Awareness on ISO Certification programs		Non-Executives inducted in WG-4 & above	142
19	Consequences of Counterfeit Components & FODs		Non-Executives working in D&E, Assembly, MM, PC, QA, Testing, Fabrication, Electroplating	93

Sl No	Program Name	Brief of the program	Target Audience	Coverage (Count of Participants)
20	Industry 4.0	Overview of Industry 4.0 & various technologies used such as IoT, AI, Big Data, Robotics & Automation etc	Non-Executives with Qualification - BE/AMIE	94
21	Personal Enrichment	Programs to enhance personal effectiveness at work by inculcating values that displays ethos of BEL, habits of high performers and competencies to achieve a successful career	Non-Executives eligible for E-1 & TC promotions (Age <57 years)	48
22	Personal Effectiveness		Non-Executives working as technicians, Engineering Assistants & Admin Assistants (Age < 45 years)	47
23	Personal Empowerment		Non-Executives with >= 10 years of service & Age < 55 years	26
24	Ignite your Creativity		Non-Executives with Age < 45 years	53
25	Team Elevation	3 unique team transformation programs to facilitate smooth transition from solo working to team collaborations	Non-Executives working as Engineering Assistants (Age < 45 years)	52
26	Team Effectiveness		Non-Executives working as Technicians & Admin Assistants (Age < 45 years)	
27	Team Enrichment		Non-Executives eligible for E-1 & TC promotions (Age <57 years)	
28	Re-energize your Life	3 Unique Wellness Programs to address holistic development of individuals	Male Non-Executives	91
29	Replenish your Life		Female Non-Executives (Age <= 45 years)	
30	Rejuvenate your Life		Female Non-Executives (Age > 45 years)	
31	Reboot - Retirement Planning	To equip individuals with knowledge to lead a fulfilling life, post-superannuation	All Non-executives due for superannuation	77
32	Effective Leadership-Workers Participation in Management	To impart knowledge on Organisation, Business Segments, Workers Rights & Responsibilities, promote team building & personality development	Non-Executive representatives of NTUs, Bi-partite Committees, Shop Councils	102
33	Gender sensitisation & POSH	Statutory Programs to impart knowledge on POSH, Vigilance & Safety aspects at the workplace	All Non-Executives	82
34	Vigilance Awareness			168
35	General Safety			84
36	Employment Law	To impart knowledge about the Organisation & the laws governing it		54
37	Know your Organisation			55
38	Induction program for Security Personnel	To provide an overview of the organization, various systems and processes to acclimatize the new joiners to the company's work environment	Newly recruited Security Personnel	22

Company Level Dashboard on Learning & Development

Summary of Training Statistics			
Particulars	2022-23	2023-24	2024-25
Training Mandays	67,498	75,912	76,941
Budget Spent (₹ in Crore)	8.52	7.53	8.68
Per Capita Mandays	7.40	8.27	8.41

Summary of programs conducted/launched in FY 2024-25			
Domain Area	Short Term Programs	Certification Programs	Post Graduate Programs
Leadership / Management Development Programs	55	2	1
Technology Enhancement Programs	46	0	3
Quality Enhancement Programs	23	12	0

Annexure-5

Corporate Governance Report

Philosophy and Code of Governance

Bharat Electronics Limited’s (the Company/BEL) philosophy of Corporate Governance is based on the principles of honesty, integrity, accountability, adequate disclosures, compliances, transparency in decision-making and avoidance of conflicts of interest. The Company gives importance to adopted corporate values and objectives and continuously ensures ethical and responsible leadership at all levels in discharging social responsibilities as a corporate citizen. The Company believes in customer satisfaction, financial prudence and commitment to values. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance philosophy.

The Company strives to transcend much beyond the basic requirements of Corporate Governance, focussing consistently towards value addition for all its stakeholders.

Board of Directors

Composition

Pursuant to the Companies Act, 2013, Bharat Electronics Limited is a ‘Government Company’ as 51.14% of the total paid-up share capital of the Company is held by the President of India as on 31 March 2025.

In line with the provisions of Regulations 17 of SEBI (LODR) Regulations, 2015, (hereinafter called ‘the Listing Regulations’) and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Dept. of Public Enterprises, Govt. of India (DPE Guidelines), the composition of the Board of Directors of the Company has an appropriate mix of Executive Directors represented by Functional Directors, including the CMD and the Non-Executive Directors represented by Government Nominee Directors & Independent Directors, to maintain the independence of the Board and to separate the

Board functions of management and control. As the Chairman is an Executive Director, Independent Directors comprise half of the strength of the Board.

As on 31 March 2025, the BEL Board of Directors comprises of six Whole-time Executive (Functional) Directors including the CMD and two Part-time Government (Non-Executive) Directors.

The composition of Board is not in terms of Regulation 17(1) of SEBI (LODR) Regulation, 2015 w.e.f 10 August 2024 and not in terms of Section 149 of the Companies Act, 2013 w.e.f 28 December 2024, due to non-appointment of requisite number of Independent Directors including one Independent Woman Director on the Board of BEL by Ministry of Defence, Government of India.

There are nine vacancies of Independent Directors, including one Independent Woman Director as on 31 March 2025. All the vacancies were notified in time to Govt. for filling up and the matter is under consideration of the Ministry of Defence, Government of India.

Meetings and Attendance of Board Meetings

During FY 2024-25, seven Board meetings were held and the maximum interval between any two meetings was not more than 120 days. The Board Meetings were held on 20 May 2024, 20 June 2024, 29 July 2024, 28 August 2024, 25 October 2024, 30 January 2025 and 05 March 2025. The requisite quorum was present for all the meetings except for the 450th Meeting held on 5 March 2025 due to non-availability of Independent Directors on the Board of BEL. Details of attendance of the Directors at the Board Meetings, Annual General Meeting and the number of other Directorships/Committee memberships held by them as on 31 March 2025 are given below:

Sl. No.	Name of Directors	Meetings held during respective tenure of Directors	No. of Meetings attended	Attendance at the last AGM held on 28 August 2024	No. of Directorship(s) held*	No. of Committee Membership across all Companies#		Directorship in other Listed Entity (Category of Directorship)
						As Member	As Chairman	
Whole-Time Functional (Executive) Directors								
1	Mr Manoj Jain	07	07	Yes	02	01	Nil	Nil
2	Mr Bhanu Prakash Srivastava	07	07	Yes	03	03	Nil	Nil
3	Mr Damodar Bhattad S	07	07	Yes	03	03	02	Nil
4	Mr Vikraman N	07	07	Yes	01	01	Nil	Nil
5	Mr K V Suresh Kumar	07	07	Yes	02	01	Nil	Nil

Sl. No.	Name of Directors	Meetings held during respective tenure of Directors	No. of Meetings attended	Attendance at the last AGM held on 28 August 2024	No. of Directorship(s) held*	No. of Committee Membership across all Companies#		Directorship in other Listed Entity (Category of Directorship)
						As Member	As Chairman	
6	Mr Rajnish Sharma (Appointed as Director w.e.f 10.08.2024)	04	04	Yes	01	Nil	Nil	Nil
Part-time Government (Non-Executive) Director								
7	Mr T Natarajan (Ceased to be Director w.e.f 10.09.2024)	04	02	No	02	Nil	Nil	Hindustan Aeronautics Ltd. - Nominee Director
8	Mr Rajeev Prakash (Appointed as Director w.e.f 10.09.2024)	03	Nil	NA	03	01	Nil	Mazagon Dock Shipbuilders Ltd. - Nominee Director
9	Dr Binoy Kumar Das	07	06	No	01	01	Nil	Nil
Part-time Independent (Non-Executive) Directors								
10	Dr Parthasarathi P V (Ceased to be Director w.e.f 28.12.2024)	05	04	No	01	Nil	Nil	Nil
11	Mr Mansukhbhai S Khachariya (Ceased to be Director w.e.f 28.12.2024)	05	04	Yes	01	01	01	Nil
12	Dr Santhoshkumar N (Ceased to be Director w.e.f 28.12.2024)	05	05	Yes	01	Nil	Nil	Nil
13	Mr Prafulla Kumar Choudhury (Ceased to be Director w.e.f 28.12.2024)	05	05	Yes	01	01	01	Nil
14	Dr Shivnath Yadav (Ceased to be Director w.e.f 28.12.2024)	05	05	Yes	01	01	Nil	Nil
15	Mr Gokulan B (Ceased to be Director w.e.f 20.01.2025)	05	05	Yes	01	01	Nil	Nil
16	Mrs Shyama Singh (Ceased to be Director w.e.f 07.02.2025)	06	06	Yes	01	02	Nil	Nil

*Directorship in Companies registered under the Companies Act, 2013, excluding Directorships in Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

#Pursuant to Regulation 26 of the Listing Regulations, the Chairmanship/Membership of Audit Committee and Stakeholders’ Relationship Committee in Public Limited Companies are considered. The Chairmanship/Membership of Audit Committee and Stakeholders’ Relationship Committee in Public Limited Companies are considered as on 31 March 2025 or on the date of cessation of Director.

None of the Directors had any relationship inter-se during FY 2024-25. None of the Non-Executive Directors held any equity shares or convertible instruments of the Company.

The number of Directorship and Committee positions given above are as notified by the Directors and it is confirmed that none of the Directors of the Company has been a member of more than ten Committees or acted as Chairman of more than five Committees across all Companies in which he/she is a Director. None of the Directors of the Company holds

directorships in more than ten public companies and none of the Directors of the Company serves as Director or as an Independent Director in more than seven listed Companies. None of the Whole-Time Directors/Managing Director of the Company serves as an Independent Director in more than three listed Companies.

The Company has proper systems to enable the Board to periodically review the Compliance Reports of all laws applicable to the Company and steps taken by the Company

to rectify instances of non-compliances. The Board reviewed Compliance Reports on a half-yearly periodicity.

Based on the declarations received from the Independent Directors, the Board of Directors confirms that the Independent Directors fulfils the criteria of independence specified in the Listing Regulations and that they are Independent of the Management. None of the Independent Directors of the Company resigned before the expiry of his/her tenure.

Familiarisation Programme for Independent Directors

At the time of induction of an Independent Director(s), a welcome letter is addressed to Director(s) along with details of duties and responsibilities required to be performed as a Director in addition to the compliances required from him under the Companies Act, 2013, the Listing Regulations and other applicable Regulations. The Management of the Company familiarises the newly appointed Director(s) about the Company, its operations, various policies and processes of the Company, various divisions of the Company and their roles and responsibilities, the governance and internal control processes and other relevant important information concerning the Company. Directors are also regularly encouraged and sponsored for attending important training programmes relating to Board related practices and orientation programmes etc. conducted by various institutes of repute. Details of training imparted to Directors are disclosed on the website of the Company at the web-link: https://bel-india.in/wp-content/uploads/2024/04/Info_Directors-Training_31012024_merged.pdf

Skills / Expertise / Competencies of the Board of Directors

As BEL is a Government Company and all Directors on its Board viz., Functional Directors, Government Nominee Directors and Independent Directors are appointed by the President of India, through the Administrative Ministry. The skills/expertise/ competencies as required in the context of business(es) & sector(s) pertaining to the Company are identified by the Government of India and accordingly, the selection of Directors on the Board of the Company is made by the Government as per a well laid out process for each category of Directors.

The desirable qualification and experience of the incumbents are as per the requirement of functional areas i.e. Finance, Operations, Technical, Human Resource and Marketing. At the time of recruitment of the Functional Directors, job description, desirable qualifications & experience of candidates are sent to the Public Enterprise Selection Board

through the Administrative Ministry for announcement of vacancy and recruitment of candidates.

Certificate from Company Secretary in Practice

M/s Thirupal Gorige & Associates LLP, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Companies by the SEBI/Ministry of Corporate Affairs or any such Statutory Authority as on 31 March 2025. The certificate is attached with this Report.

Mandatory Committees of the Board of Directors
Audit Committee

During FY 2024-25, the Composition of Audit Committee was in line with Section 177 of the Companies Act, 2013, Regulation 18 of SEBI (LODR) Regulation, 2015 and DPE Guidelines. However, during the period from 20 January 2025 to 31 March 2025 there have been vacancies in position of Independent Directors and hence the Composition of Audit Committee was not in line with Section 177 of the Companies Act, 2013, Regulation 18 of SEBI (LODR) Regulation, 2015 and DPE Guidelines. As on 31 March 2025 the Company's Audit Committee consists of two (2) Non-executive Government Nominee Directors. In addition, the Company's Statutory Auditors, Director (Bangalore Complex), Director (Finance), Director (Other Units) and Head of Internal Audit are also regularly invited to attend the Audit Committee meetings. The Chairman of the Audit Committee is an Independent Director. The Chairman of the Audit Committee attended the 70th Annual General Meeting of the Company held on 28 August 2024. The terms of reference of the Audit Committee are as specified in Section 177 of the Companies Act, 2013, Regulation 18 read with Schedule II Part-C of Listing Regulations and DPE Guidelines (except to the extent of exemptions provided to Govt. Companies). The Audit Committee met five (5) times during FY 2024-25 and the maximum interval between any two meetings was not more than 120 days.

Some of the important functions performed by the Audit Committee are as follows:

- Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference as stated in Schedule II Part C (A) (4) of the Listing Regulations;
- Review and monitor the auditor's independence, performance and effectiveness of the audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the Management, the performance of statutory and internal auditors, the adequacy of internal control;
- Review the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow-up thereon;
- Review of the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;

- Look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- Review the functioning of the Whistle Blower Mechanism;
- Review the Code of Conduct for Prevention of Insider Trading;
- Review the Management Discussion and Analysis of financial condition and results of operations;
- Review the statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
- Review management letters/letters of internal control weaknesses issued by the statutory auditors;
- Approval of appointment of a Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the utilisation of loans and/or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- Review the internal audit reports relating to internal control weaknesses;
- Review the follow-up action on the audit observation of the C&AG audit;
- Carry out any other function as may be referred to the Committee by the Board.

The Composition of the Audit Committee during FY 2024-25 and details of the Members participation at the meetings are as under:

Name	Category	Position Held as on 31 March 2025	Attendance at the Audit Committee Meetings held on:				
			20 May 2024	29 July 2024	04 October 2024	24 October 2024	30 January 2025
Mr Prafulla Kumar Choudhury (Ceased to be Chairman & Member w.e.f 28.12.2024)		-					
Dr. Shivrath Yadav (Ceased to be Member w.e.f 28.12.2024)		-					
Mr. Gokulan B (Ceased to be Member w.e.f 20.01.2025)		-					

Name	Category	Position Held as on 31 March 2025	Attendance at the Audit Committee Meetings held on:				
			20 May 2024	29 July 2024	04 October 2024	24 October 2024	30 January 2025
Mrs. Shyama Singh (Appointed as Member w.e.f 28.12.2024. Ceased to be Member w.e.f 07.02.2025)		-	NA	NA	NA	NA	✓
Dr. Binoy Kumar Das (Appointed as Member w.e.f 28.12.2024)			NA	NA	NA	NA	✓
Mr. Rajeev Prakash (Appointed as Member w.e.f 20.01.2025)			NA	NA	NA	NA	LA

 Independent Director  Government Nominee Director  Chairman  Member  Attended  Not Applicable

 Leave of Absence

Nomination and Remuneration Committee

During FY 2024-25, the Composition of Nomination and Remuneration Committee was in line with Section 178(1) of the Companies Act, 2013, Regulation 19 of SEBI (LODR) Regulation, 2015 and DPE Guidelines. However, the Composition of the Nomination and Remuneration Committee is not in terms of Regulation 19 of SEBI (LODR) Regulation, 2015 w.e.f 28 December 2024 and is not in terms of Section 178(1) of the Companies Act, 2013 w.e.f 20 January 2025 due to non-appointment of requisite number of Independent Directors on the Board of BEL by Ministry of Defence, Govt. of India. As on 31 March 2025 the Company’s Nomination and Remuneration Committee consists of two (2) Non-executive Government Nominee Directors and Chairman & Managing Director. The Chairman of the Nomination and Remuneration Committee attended the 70th Annual General Meeting of the Company held on 28 August 2024. The

terms of reference of the Nomination and Remuneration Committee are as specified in Section 178 of the Companies Act, 2013, Regulation 19 read with Schedule II Part-D of Listing Regulations (except to the extent of exemptions provided to Govt. Companies). The Nomination and Remuneration Committee met eight (8) times during FY 2024-25. Some of the important functions performed by the Nomination and Remuneration Committee include:

- Recommending policy to the Board in line with the provisions of the Companies Act, 2013, DPE Guidelines and Presidential Directives/Guidelines issued by the Government of India from time to time;
- Approval of Performance Related Pay to the employees of the Company;
- Selection of Executive Directors (EDs)/General Managers (GMs) below the Board level.

The Composition of the Committee during FY 2024-25 and details of the Members participation at the meetings of the said Committee are as under:

Name	Category	Position Held as on 31 March 2025	Attendance at the Nomination and Remuneration Committee Meeting held							
			16 May 2024	28 June 2024	18 July 2024	23 to 25 July 2024	27 August 2024	14 November 2024	20 November 2024	26 to 27 December 2024
Mr Santhosh Kumar N (Ceased to be Chairman & Member w.e.f 28.12.2024)		-	✓	✓	✓	✓	✓	✓	✓	✓
Dr Parthasarathi P V (Ceased to be Member w.e.f 28.12.2024)		-	✓	LA	LA	LA	LA	LA	LA	✓
Mrs Shyama Singh (Ceased to be Member w.e.f 07.02.2025)		-	✓	✓	✓	✓	✓	✓	✓	✓
Mr Bhanu Prakash Srivastava (Ceased to be Member w.e.f 20.06.2024)		-	✓	NA	NA	NA	NA	NA	NA	NA
Mr Manoj Jain (Appointed as Member w.e.f 20.06.2024)			NA	✓	✓	✓	✓	✓	✓	✓

Name	Category	Position Held as on 31 March 2025	Attendance at the Nomination and Remuneration Committee Meeting held							
			16 May 2024	28 June 2024	18 July 2024	23 to 25 July 2024	27 August 2024	14 November 2024	20 November 2024	26 to 27 December 2024
Mr Gokulan Bangakandy (Appointed as Member w.e.f 28.12.2024. Ceased to be Member w.e.f 20.01.2025)		-	NA	NA	NA	NA	NA	NA	NA	NA
Dr. Binoy Kumar Das (Appointed as Member w.e.f 28.12.2024)			NA	NA	NA	NA	NA	NA	NA	NA
M. Rajeev Prakash (Appointed as Member w.e.f 20.01.2025)			NA	NA	NA	NA	NA	NA	NA	NA

 Independent Director  Government Nominee Director  Whole-time Director  Chairman  Member  Attended

 Not Applicable  Leave of Absence

Remuneration Policy and Performance Evaluation of Directors

BEL, being a Central Government Public Sector Enterprise, the appointment, tenure and remuneration of Directors (Functional Directors including CMD) are determined by Govt. of India through Public Enterprises Selection Board (PESB)/ Search Committee, indicating the terms and conditions of the appointment, including the period of appointment, the scale of pay with components such as Basic Pay, Dearness Allowance, Entitlement to Accommodation etc. subject to the relevant rules of the Company. Pay scales of Functional Directors, including CMD, are governed by Presidential Directives received from the Ministry of Defence.

The Govt. Nominee Directors are appointed (as Ex-Officio Director) by the Ministry of Defence and they are not entitled to any remuneration/sitting fees.

The Non-Executive Independent Directors are appointed by the Government of India and they are entitled to sitting fees for attending the Board/Committee meetings as prescribed by the Board in adherence with the Govt. directives/statutory rules and regulations.

Remuneration paid to Directors during FY 2024-25 is as under:

(Amount in ₹)					
Name of Director	Designation As on 31.03.2025	Salaries & Allowances	Performance Linked Incentive	Other Benefits and Perquisites	Total
Mr Manoj Jain	Chairman and Managing Director, Director (R&D) – Addl. Charge	56,68,045	26,17,015	17,30,086	1,00,15,146
Mr Bhanu Prakash Srivastava	Director (OU)	43,96,473	23,49,217	20,34,829	87,80,519
Mr Damodar Bhattad S	Director (Finance) & CFO	40,89,595	21,84,498	20,88,859	83,62,952
Mr Vikraman N	Director (HR)	49,24,744	21,92,529	13,06,634	84,23,907
Mr K V Suresh Kumar	Director (Marketing)	40,70,748	20,52,204	20,76,662	81,99,614
Mr Rajnish Sharma (Appointed as Director w.e.f. 10.08.2024)	Director (Bangalore Complex)	25,66,658	8,67,368	28,42,579	62,76,605

Part-time Official (Government/Non-Executive) Directors are not paid any remuneration or sitting fees for attending Board/ Committee meetings. Part-time Independent (Non-Executive) Directors are paid sitting fees of ₹ 40,000 for each meeting of the Board & for each Independent Directors meeting and ₹ 35,000 for each Board Committee(s) meeting. Details of sitting fees paid to the Independent Directors for attending Board and Committee meetings during FY 2024-25 are given below:

Name of the Independent Directors	Amount (₹)
Dr Parthasarathi P V	2,70,000
Mr Mansukhbhai S Khachariya	2,30,000
Dr Santhoshkumar N	7,30,000
Mr Prafulla Kumar Choudhury	4,85,000
Dr Shivnath Yadav	4,50,000
Mr Gokulan B	5,90,000
Mrs Shyama Singh	6,30,000
Total	33,85,000

The Company does not pay any commission to its Directors. The Company has not issued any stock options to its Directors. Apart from receiving the sitting fee and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during FY 2024-25.

Stakeholders Relationship Committee

During FY 2024-25, the Composition of Stakeholders Relationship Committee was in line with Section 178(5) of the Companies Act, 2013, Regulation 20 of SEBI (LODR) Regulation, 2015. However, the composition of the

Stakeholders Relationship Committee was not in terms of Regulation 20 of SEBI (LODR) Regulation, 2015 and Section 178(5) of the Companies Act, 2013 w.e.f 7 February 2025 due to non-appointment of requisite number of Independent Directors on the Board of BEL by Ministry of Defence, Govt. of India. The Chairman of Stakeholders' Relationship Committee attended the 70th Annual General Meeting of the Company held on 28 August 2024. The terms of reference of the Stakeholder Relationship Committee are as specified in Section 178 of the Act and Regulation 20 read with Part D Schedule II of the Listing Regulations. The Stakeholders' Relationship Committee met once during FY 2024-25.

Some of the functions performed by the Stakeholders' Relationship Committee include:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Reviewing the measures taken for the effective exercise of voting rights by shareholders.
- Reviewing the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Reviewing the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

The Composition of the Stakeholders' Relationship Committee during FY 2024-25 and details of the members' participation at the meeting of the said Committee are as under:

Name	Category	Position Held as on 31 March 2025	Attendance at the Stakeholder Relationship Committee Meeting held on 30 January 2025
Mr Mansukhbhai S Khachariya (Ceased to be Chairman & Member w.e.f. 28.12.2024)		-	
Mrs Shyama Singh (Ceased to be Member w.e.f. 07.02.2025)		-	
Mr Bhanu Prakash Srivastava			
Mr Damodar Bhattad S			
Mr. Vikraman N			

 Independent Director  Whole-time Director  Member  Attended  Not Applicable

Complaints received from the shareholders are attended promptly as and when they are received. Grievances from shareholders, mainly relating to dividend payments and Annual Report were received and resolved during the year. Following are the details of investors' complaints during 2024-25 (SEBI SCORES):

No. Complaints Received	No. Complaints Resolved	No. Complaints Pending
02	02	Nil

Compliance Officer

Mr S Sreenivas is the Company Secretary & Compliance Officer. His contact details are:

Mr S Sreenivas

Company Secretary
Bharat Electronics Limited
Regd. & Corp. Office, Outer Ring Road,
Nagavara, Bengaluru – 560045
Telephone: 080-25039266
Email: secretary@bel.co.in

Corporate Social Responsibility Committee

In pursuant to the provisions of Section 135 of the Companies Act, 2013, Rules made thereunder (as amended) and DPE Guidelines, Corporate Social Responsibility (CSR) Committee has been constituted. During FY 2024-25, the Composition of CSR Committee was in line with Section 135 of the Companies Act, 2013. However, the Composition of CSR Committee was not in terms of Section 135 of the Companies Act, 2013 w.e.f. 7 February 2025 due to non-appointment of requisite number of Independent Directors on the Board of BEL by Ministry

of Defence, Govt. of India. The salient terms of reference of the CSR Committee include reviewing the CSR Policy and making it more comprehensive to indicate the activities to be undertaken by the Company as specified under Schedule-VII of the Companies Act, 2013 and the DPE Guidelines as amended from time to time. The CSR Committee met Three (3) times during FY 2024-25.

Some of the important terms of reference of the Committee are as follows:

- Formulating, reviewing and recommending to the Board, Corporate Social Responsibility Policy and the activities to be undertaken by the Company;
- Recommending the projects, programmes, annual action plan and amount of expenditure to be incurred on the activities undertaken;
- Reviewing the performance of the Company in the area of Corporate Social Responsibility;
- Monitoring the Corporate Social Responsibility Policy of the Company from time to time.

The composition of the CSR Committee during FY 2024-25 and the details of members' participation at the meetings of the said Committee are as under:

Name of the Member	Category	Position Held as on 31 March 2025	Attendance at the Corporate Social Responsibility Committee Meeting held on		
			18 May 2024	23 October 2024	28 February 2025
Mr Bhanu Prakash Srivastava (Ceased to be Chairman & Member w.e.f. 20.06.2024)		-			
Mr Manoj Jain (Appointed as Chairman w.e.f. 20.06.2024)					
Dr Shivnath Yadav (Ceased to be Member w.e.f. 28.12.2024)		-			
Mr Mansukhbhai S Khachariya (Ceased to be Member w.e.f. 28.12.2024)		-			
Mr Damodar Bhattad S					
Mr Vikraman N					
Mr Rajnish Sharma (Appointed as a Member w.e.f. 10.08.2024)					
Mrs Shyama Singh (Appointed as Member w.e.f 28.12.2024. Ceased to be Member w.e.f 07.02.2025)		-			
Dr. Binoy Kumar Das (Appointed as a Member w.e.f. 25.02.2025)					

 Independent Director  Government Nominee Director  Whole-time Director  Chairman  Member  Attended

 Not Applicable  Leave of Absence

Risk Management Committee

Pursuant to the requirements of Regulation 21 of the Listing Regulations, the Board of Directors has constituted a Risk Management Committee with the majority of Members from the Board of Directors including one Independent Director. The Board of Directors reviews and monitors the status of Risk Management through the Risk Management Committee, which examines the risks identified by the internal Corporate Risk Management Committee, assesses the current status of Risk Management in the Company, monitors and reviews the implementation and effectiveness of the risk mitigation measures. The Risk Management Policy is posted on the Company’s website, www.bel-india.in. The Risk Management Committee met two (2) times during FY 2024-25 and the maximum interval between any two meetings was not more than 210 days. A write-up on Risk Management Procedure forms a part of the Management Discussion and Analysis Report.

The composition of the Risk Management Committee during FY 2024-25 and the details of members’ participation at the meetings of the said Committee are as under:

Name of the Member	Category	Position Held as on 31 March 2025	Attendance at the Risk Management Committee Meeting held on:	
			15 July 2024	17 January 2025
Mr K V Suresh Kumar				
Mr Bhanu Prakash Srivastava				
Dr Santhosh Kumar N (Ceased to be Member w.e.f. 28.12.2024)		-		
Mr Manoj Jain (Ceased to be a Member w.e.f. 10.08.2024 as Director (BG) – Addl. Charge)		-		
Mr Damodar Bhattad S				
Mr Rajnish Sharma (Appointed as a Member w.e.f. 10.08.2024)				
Mr Gokulan B (Appointed as a Member w.e.f. 28.12.2024. Ceased to be Member w.e.f 20.01.2025)		-		

 Independent Director  Whole-time Director  Chairman  Member  Attended  Not Applicable  Leave of Absence

Independent Directors’ Meeting

During the year 2024-25, one meeting of Independent Directors was held on 19 September 2024 inter alia, to:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairman of the Company, taking into account, the views of Executive and Non-Executive Directors;
- Assess the quality, contents and timelines of the flow of information between the Company’s Management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
- Policy on evaluation of performance of Directors and the Board.

Except Mr Mansukhbhai S Khachariya, all the Independent Directors of the Company were present in Independent Directors’ meeting held on 19 September 2024.

Other Non-Mandatory Committees

The following Sub Committees of the Board have been constituted:

Research & Development Committee

R&D Committee has been constituted to consider and approve major Research, Development and Engineering proposals.

Capital Investment Committee

Capital Investment Committee has been constituted to consider and approve major capital investment proposals.

Share Transfer Committee

Share Transfer Committee comprising the Chairman & Managing Director, Director (Finance) and Director (Other Unit) has been constituted to consider and approve share transfer, transmission, duplicate certificates etc.

Note: The Company Secretary is the Secretary to all the Committees of the Board referred to above.

Particulars of Senior Management

A. Details of Senior Management as on 31 March 2025:

Sl. No.	Name	Designation
1	Mr Damodar Bhattad S	Director Finance & CFO (KMP)
2	Mr Sreenivas S	Company Secretary (KMP)
3	Mrs Durga G K	ED (Software) - BG
4	Mrs Prabha Goyal	ED (NM) - Delhi
5	Mrs Ancy James	ED (EM) - BG
6	Mr Anoop Kumar Rai	CS (CRL) - GAD
7	Mrs Rashmi Kathuria	GM (SCCS) - GAD
8	Mr Suryanarayana Murthy G	GM - Pune
9	Mr Nandha Kumar T D	GM (PDIC)
10	Mr Srinivas K	GM (EWNS) - HYD
11	Mr Rajendra Aiwale	GM (Seekers) - BG
12	Mr Hari Kumar R	GM (TP) - CO
13	Mrs Vanisree V	CTO (EW&P) - CO
14	Mr Prahalad P S	GM (CM) - Delhi
15	Cdr. [Retd.] K Kumar	GM (NS-S&CS) BG
16	Mr Giriraja N	GM (DCCS) - GAD
17	Mr Anil K Sogi	GM (EW&A) - BG
18	Mr Jitendra Singh	GM - MC
19	Mr Tribhuwan Narayana Singh	GM (Comps) - BG
20	Mrs Niti Pandit	GM (SP) - CO
21	Mr Ramkumar B	GM (HR) - CO
22	Mrs Manjula Devi N	GM (MS) - BG
23	Mrs Rama S	GM (Finance) - CO
24	Mr Pradeep Kumar Sethia	GM (IA) - CO
25	Mr Murali Meenpidi Thekkedath	GM (PS) - Delhi
26	Mrs Dharani B	CTO (R&WS) - CO
27	Mr Viswanadham C H	GM (EWLS) - HYD
28	Mr Srinivas Rao H P	GM (IM) - Delhi
29	Mr Sanjay Agarwal	GM (CS) - CO
30	Mr Kamesh Kasana	GM (Mil.Com) - BG
31	Mr Ambrish Tripathi	GM - KOT
32	Mrs Hemavathy Muthusamy	GM (NW&CS) - BG
33	Mr Indrajit Singh	GM (Finance) - BG
34	Mr Dheeraj Talwar	GM (Radar) - GAD
35	Mr Sanjeevkumar Mahajan	GM (NS-R&FCS) - BG
36	Mrs Deepa Bajpai	GM - PK

Sl. No.	Name	Designation
37	Mr Jayandran I	GM - CHN
38	Mr J Prabhakara Rao	GM - NAMU
39	Mrs Seema Yadav	GM (Quality) - CO
40	Cmde. Srinivas (Retd.)	GM (A&A) - BG
41	Mrs Rekha Sastry	GM (US) - BG
42	Mrs Hemalatha B J	GM (MR) - BG
43	Mr Sameer	GM (NCS) - GAD

B. Changes took place in the Senior Management during FY 2024-25:

i) Retirement

Sl. No.	Name	Designation	Date of Cessation
1	Mr Manoj Kumar	ED (NM) - Delhi	30.04.2024
2	Mr Sankarasubramanian R	ED (Radar) & UH - GAD	30.04.2024
3	Mr Loyola Pedro Vianney G	ED (CHN)	31.07.2024
4	Mr Anil Pant	GM (US) - BG	31.10.2024
5	Mr Pugazhenthir R	GM (HLS & SCB) - BG	31.07.2024
6	Mr Rudhiramoorthy A	GM (NAMU)	31.05.2024
7	Mr Naresh Kumar S	ED (PD&IC)	28.02.2025
8	Mr Sampathkumar P	CTO (Com)	31.01.2025
9	Mr Mohan R P	GM (HR) - BG	31.07.2024
10	Mr Ramakrishnan L	CS (CRL) - BG	31.01.2025
11	Mr Visweswar Putcha	GM (A&A) - BG	30.06.2024

ii) Appointment/Promotion

Sl. No.	Name	Designation	Date of Promotion/Appointment
1	Mrs Prabha Goyal	ED (NM) - Delhi	01.08.2024
2	Mrs Ancy James (Smt.)	ED (EM) - BG	01.08.2024
3	Mr Dheeraj Talwar	GM (Radar) - BG	01.08.2024
4	Mr Sanjeevkumar Mahajan	GM NS (R&FCS) - BG	01.08.2024
5	Mrs Deepa Bajpai	GM - PK	01.08.2024
6	Mr Jayandran I	GM - CHN	01.08.2024
7	Mr J Prabhakara Rao	GM - NAMU	01.08.2024
8	Mrs Seema Yadav	GM (Quality) - CO	01.09.2024
9	Cmde. Srinivas (Retd.)	GM (A&A) - BG	16.10.2024
10	Mrs Rekha Sastry	GM (US) - BG	01.01.2025
11	Mrs Hemalatha B J	GM (MR) - BG	01.01.2025
12	Mr Sameer	GM (NCS) - GAD	01.01.2025

Code of Conduct

The Board of Directors of the Company has laid down a Code of Business Conduct and Ethics for all Board Members, KMPs and Senior Management of the Company pursuant to Regulation 17(5) of the Listing Regulations and DPE Guidelines. The Code of Business Conduct and Ethics has been posted on the Company's website, www.bel-india.in. All Board Members, the KMPs and Senior Management Personnel have affirmed compliance with the Code of Business Conduct and Ethics as on 31 March 2025. A declaration to this effect signed by the Chairman & Managing Director is attached to this Report.

Code for Prevention of Insider Trading and Fair Disclosure

In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended), the Company has put in place a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider and Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the Code) duly approved by the Board of Directors. This Code is applicable to all the designated persons, including their immediate relatives, who are privy to price-sensitive information and any other connected as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary is responsible for the implementation of the code. The Code has been posted on the Company's website www.bel-india.in.

Subsidiary Companies

The Company does not have any material unlisted Indian Subsidiary Company as on 31 March 2025. The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Audited Annual Financial Statements, including quarterly results of the subsidiaries, including the investments made by the subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company are placed before the Board of Directors of the Company. A policy on Material Subsidiaries has been formulated and has been posted on the Company's website at <https://bel-india.in/wp-content/uploads/2024/04/Policy-for-Determining-Material-Subsidiaries.pdf>

Presidential Directives and Guidelines

Your Company has been following the Presidential Directives and Guidelines issued by the Govt. of India from time to time.

CEO/CFO Certification

As required under the Listing Regulations and DPE Guidelines, the CEO and CFO certificate is attached to this Report.

Reconciliation of Share Capital Audit

In pursuant to Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, the Company obtains a Reconciliation of Share Capital Audit Report (RSCAR) from a Practising Company Secretary every quarter to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), and physical holding with the total issued and listed capital. The RSCAR confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL. The RSCAR is forwarded to the Stock Exchanges (BSE & NSE).

DPE Grading

The DPE Guidelines on Corporate Governance for the CPSEs provide that the CPSEs would be graded on the basis of their compliance with the Guidelines. The DPE has graded BEL as 'Excellent' for the year 2024-25.

Transfer to Investor Education and Protection Fund Account

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). Further, all the shares in respect of which the dividend has remained unclaimed for seven consecutive years or more from the date of transfer to the unpaid dividend account shall also be transferred to the IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

During FY 2024-25, an unclaimed/unpaid amount pertaining to the Second Interim dividend 2016-17, Final dividend 2016-17 and Interim dividend 2017-18 were transferred to IEPF. The unclaimed/unpaid dividend amount pertaining to the Final dividend 2017-18, is due for transfer to IEPF during 2025-26. The Company has posted on its website www.bel-india.in on a separate page titled 'Investors – Dividend', the details of unclaimed dividend and guidance information for claiming unpaid dividends. Shareholders are requested to make use of the claim form provided there to claim unpaid/unclaimed dividends. Details of shares transferred to IEPF have been uploaded on the website of IEPF as well as of the Company.

In respect of dividends/shares which have been transferred to the IEPF, shareholders can claim the same from the IEPF authority by following the procedure prescribed under IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

General Body Meetings

(a) Location and time, where last three AGMs were held: The details of the last three Annual General Meetings are as follows:

Financial Year	Venue	Date & Time
2021-22	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	30 August 2022 at 10:00 A.M.
2022-23	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	28 August 2023 at 10:00 A.M.
2023-24	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	28 August 2024 at 10:00 A.M.

- (b) **Special resolutions passed in the previous three AGMs:** Special resolutions passed in the 68th Annual General Meeting held on 30 August 2022 for alteration of the Capital Clause in the Memorandum of Association and appointment of Independent Directors viz, Dr Parthasarathi P V, Mr Mansukhbhai S Khachariya, Mr Prafulla Kumar Choudhury, Dr Shivnath Yadav, Dr Santhoshkumar N, Mr Gokulan B and Mrs Shyama Singh.
- (c) **Special Resolution passed last year through postal ballot - details of voting pattern:** No special resolution was passed through postal ballot during 2023-24.
- (d) **Person who conducted the postal ballot exercise:** Not Applicable.
- (e) **Special resolution is proposed to be conducted through postal ballot:** At present, there is no proposal to pass any special resolution through Postal Ballot.
- (f) **Procedure for Postal Ballot:** Not Applicable.

Means of Communication

As required under the Listing Regulations, the Company issues a notice in advance, to the Stock Exchanges, of the Board Meetings in which the unaudited/audited financial results are due for consideration. The quarterly (unaudited) and annual (audited) financial results of the Company are uploaded on the NSE Electronic Application Processing System (NEAPS) and the BSE Listing Centre in accordance with the requirements of Listing Regulations. The approved financial results are published within 48 hours of the conclusion of the Board meeting in at least one English daily newspaper (Financial Express, Business Standard, Business Line) circulating in the whole or substantially the whole of India and in one daily newspaper (Prajavani, Vijaya Karnataka, Samyukta) published in the language of the region (Kannada), where the registered office of the Company is situated and also uploaded on the Company's website www.bel-india.in.

The Company discloses to the Stock Exchange, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Regulations including material information having a bearing on the performance/operations of the Company or other price-sensitive information. The official media releases and presentations made to institutional investors/analysts are posted on the Company's website.

In compliance with Regulation 46 of the Listing Regulations, the Company disseminates on its website information which inter-alia contains, details regarding the Board of Directors composition of various committees of the Board of Directors, code of conduct, policy dealing with RPTs, contact information of the designated officials of the Company responsible for assisting and handling investor grievances etc.

General Information for Shareholders

Annual General Meeting

Date : 28 August 2025

Time : 09:30 AM (IST)

Venue: The 71st AGM of the Company will be held through VC/OAVM pursuant to MCA and SEBI Circulars and as such there is no requirement to have venue for the AGM. For more details, please refer to the Notice of 71st AGM of the Company.

Financial Calendar 2025-26

Financial Year	:	1 April 2025 to 31 March 2026
First quarter results	:	By the end of July 2025
Second quarter results	:	By the end of October 2025
Third quarter results	:	By the end of January 2026
Annual Audited results	:	By the end of May 2026
Annual General Meeting:	:	By August/September 2026

Book Closure

From 15 August 2025 to 17 August 2025 (both days inclusive).

Dividend Payment Date

Dividends will be paid within 30 days from the date of declaration.

Listing on Stock Exchanges

BEL's shares are currently listed on the following stock exchanges:

(1) Bombay Stock Exchange Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001.

(2) National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051.

The Company has paid listing fees for the financial years 2024-25 and 2025-26 to both the stock exchanges.

Custody Fees to Depositories

The Company has paid annual custody fees for the financial years 2024-25 & 2025-26 to both the Depositories, viz., National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

Registrar and Share Transfer Agent

Integrated Registry Management Services Pvt. Ltd., Bengaluru, a SEBI registered Category-I Registrar and Share Transfer Agent is the Company's Registrar and Share Transfer Agent (RTA) [SEBI Reg. No: INR000000544]. The RTA's address is given below to forward all share transfer/ transmission/ split/ consolidation/ issue of duplicate certificates/change of address requests/dematerialisation/rematerialisation requests and related matters as well as all dividend related queries and complaints etc.

Address and contact details of Company's RTA:

Integrated Registry Management Services Pvt. Ltd.
No. 30, Ramana Residency, 4th Cross Sampige Road,
Malleswaram Bengaluru – 560 003
Telephone: 080-23460815/16/17/18
Fax: 080 23460819
E-mail: irg@integratedindia.in.

Category-wise Shareholders Pattern as on 31 March 2025

Sr.	Category	No. of shareholders	No. of shares	% Holding
1	Central Government	1	3,73,79,21,934	51.14
2	Mutual Funds/ UTI	394	1,09,79,07,772	15.02
3	Financial Institutions/ Banks	7	75,33,798	0.10
4	Alternative Investments Funds	44	97,91,130	0.13
5	Insurance Companies	102	30,39,52,698	4.16
6	Provident Funds/ Pension Funds	45	10,67,13,025	1.46
7	NBFCs registered with RBI	14	2,80,479	0.00
8	Foreign Portfolio Investors	983	1,28,33,91,147	17.56
9	Bodies Corporate	4,207	4,31,12,265	0.59
10	Individuals	26,42,472	68,21,81,228	9.33
11	Trusts	69	24,85,496	0.03
12	NRIs	30,067	3,41,20,827	0.47
13	Foreign Individuals	1	120	0.00
14	Clearing Members	28	3,19,350	0.00
15	LLP	0	0	0.00
16	Investor Education and Protection Fund Authority Ministry of Corporate	1	67560	0.00
17	Others Category	0	0	0.00
Total		26,78,435	7,30,97,78,829	100.00

Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialised form w.e.f. 1 April 2019, except in case of request received for transmission or transposition of securities. However, shareholders are not barred from holding shares in physical form. Members holding shares in the physical form are requested to consider converting their holdings to the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). As on 31 March 2025, 99.99% of the total equity shares of the Company are held by the investors in dematerialised form with NSDL and CDSL. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE263A01024. The Company's shares are highly liquid and are actively traded in BSE and NSE.

Top 10 Shareholders (Other than Promoters) as on 31 March 2025 (Based on PAN)

Sr.	Name of the Shareholder	No. of Shares	% Holding
1	CPSE EXCHANGE TRADED SCHEME (CPSE ETF) (VARIOUS SCHEMES)	24,72,02,449	3.38
2	KOTAK FLEXICAP FUND (VARIOUS SCHEMES)	18,36,51,617	2.51
3	LIFE INSURANCE CORPORATION OF INDIA (VARIOUS SCHEMES)	13,80,83,806	1.89
4	NPS TRUST- A/C HDFC PENSION MANAGEMENT COMPANY LTD SCHEME E - TIER I (VARIOUS SCHEMES)	10,67,13,025	1.46
5	SBI NIFTY 50 ETF (VARIOUS SCHEMES)	9,58,91,817	1.31
6	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING EQUITIES (VARIOUS SCHEMES)	7,93,71,005	1.09
7	HDFC VALUE FUND (VARIOUS SCHEMES)	7,00,54,244	0.96
8	UTI NIFTY 50 INDEX FUND (VARIOUS SCHEMES)	6,49,15,747	0.89
9	GOVERNMENT OF SINGAPORE (VARIOUS SCHEMES)	6,06,26,725	0.83
10	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS BLUECHIP (VARIOUS SCHEMES)	5,10,43,557	0.70

Distribution of Shareholding as on 31 March 2025

No. of Equity Shares held	No. of Shareholders	%	No. of Shares	%
Upto 500	24,61,913	91.92	19,96,17,680	2.73
501 – 1,000	1,10,971	4.14	8,36,67,659	1.14
1,001 – 2,000	55,428	2.07	8,07,88,436	1.11
2,001 – 3,000	18,927	0.71	4,83,59,246	0.66
3,001 – 4,000	8,879	0.33	3,15,48,282	0.43
4,001 – 5,000	5,602	0.21	2,60,55,703	0.36
5,001 - 10,000	9,086	0.34	6,56,66,084	0.90
10,001 and Above	7,629	0.28	6,77,40,75,739	92.67
Total	26,78,435	100.00	7,30,97,78,829	100.00

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31 March 2025, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The details are disclosed in Note No. 33 of Notes to Accounts in the Annual Report.

Plant Locations

- Jalahalli Post, Bengaluru – 560013, Karnataka.
- Site IV, Sahibabad Industrial Area, Bharat Nagar Post, Ghaziabad – 201010, Uttar Pradesh.
- Plot No.405, Industrial Area, Phase III, Panchkula – 134113, Haryana.
- Balbhadrapur, Dist. Pauri Garhwal, Kotdwara – 246149, Uttarakhand.
- Plot No.L-1, M.I.D.C. Industrial Area, Navi Mumbai – 410208, Maharashtra.
- N.D.A. Road, Pashan, Pune – 411021, Maharashtra.

- Industrial Estate, Nacharam, Hyderabad – 500076, Telangana.
- Post Box No.26, Ravindranath Tagore Road, Machilipatnam – 521001, Andhra Pradesh.
- Post Box No. 981, Nandambakkam, Chennai – 600089, Tamil Nadu.

Address for Correspondence

Company Secretary
Bharat Electronics Limited
Registered Office and Corporate Office,
Outer Ring Road, Nagavara, Bengaluru – 560 045
Telephone: (080) 25039300, Fax: (080) 25039233
E-mail: secretary@bel.co.in
Website: www.bel-india.in

Credit Rating

ICRA (Credit Rating Agency) has reaffirmed the following credit ratings of the Company:

- Long-term rating of [ICRA]AAA (Stable) to ₹ 500 Crore fund based Cash Credit and up to ₹ 300 Crore unallocated.
- Short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) to ₹ 6,500 Crore non-fund based - Others.

Other Disclosures:

- The Company has not entered into any materially significant related party transactions that may have potential conflict with the interests of the Company at large. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms’ length basis and were approved by the Audit Committee. Nonetheless, transactions with related parties have been disclosed in Note No.31 of Notes to Accounts in the Annual Report. The Board’s approved policy for related party transactions has been placed on the Company’s website and can be accessed through <https://bel-india.in/codes-policies/>
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years;

During FY 2024-25:

- The composition of Board was not in terms of Regulation 17(1) of SEBI (LODR) Regulation, 2015 w.e.f 10 August 2024 and not in terms of Section 149 of the Companies Act, 2013 w.e.f 28 December 2024.

- The Quorum of Board meeting held on 5 March 2025 was not in terms of Regulation 17(2A) of SEBI (LODR) Regulations, 2015.
- The Composition of Audit Committee was not in terms Section 177 of the Companies Act, 2013, Regulation 18(1) of SEBI (LODR) Regulation, 2015 and DPE Guidelines w.e.f 20 January 2025.
- The quorum of Audit Committee meeting held on 30 January 2025 was not in terms of Regulation 18(2) of SEBI (LODR) Regulations, 2015.
- The Composition of Nomination and Remuneration Committee was not in terms of Regulation 19(1) & (2) of SEBI (LODR) Regulation, 2015 till w.e.f 28 December 2024 and was in terms of Section 178(1) of the Companies Act, 2013 w.e.f 20 January 2025.
- The Composition of Stakeholders Relationship Committee was not in terms of Regulation 20 of SEBI (LODR) Regulation, 2015 and Section 178(5) of the Companies Act, 2013 w.e.f 7 February 2025.
- The Composition of Risk Management Committee was not in terms of Regulation 21 of SEBI (LODR) Regulation, 2015 w.e.f 7 February 2025.
- The Composition of CSR Committee was not in terms of Section 135 of the Companies Act, 2013 w.e.f 7 February 2025.

The NSE & the BSE have imposed fines of ₹ 3,06,800/- each (including GST) for the quarter ended 31 December 2024, for non-compliance of Regulation 17(1) in respect of composition of Board of Directors due to insufficient number of Independent Directors. The Board suggested that NSE & BSE should be informed about the procedure for appointment of Directors followed by the Company as per DPE Guidelines, being a Government Company the Independent Directors are appointed by the Administrative Ministry. Hence, the penalty levied on BEL by NSE & BSE can be excused. Accordingly, a reply was sent to BSE & NSE and no fine was paid.

During FY 2023-24:

- The composition of the Board was not in terms of Regulation 17(1) of SEBI (LODR) Regulation, 2015 from 16 June 2023 to 31 July 2023.

The NSE & the BSE have imposed fines of ₹ 88,500/- each (including GST) for the quarter ended 30 June 2024 and ₹ 1,82,900/- each (including GST) for the quarter ended 30

September 2024, for non-compliance of Regulation 17(1) in respect of composition of Board of Directors due to insufficient number of Independent Directors. The Board suggested that NSE & BSE should be informed about the procedure for appointment of Directors followed by the Company as per DPE Guidelines, being a Government Company the Independent Directors are appointed by the Administrative Ministry. Hence, the penalty levied on BEL by NSE & BSE can be excused. Accordingly, a reply was sent to BSE & NSE and no fine was paid.

During FY 2022-23: Nil.

(c) The Company has established a vigil mechanism and adopted a Whistle Blower Policy for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s Code of Business Conduct and Ethics Policy. The employees are encouraged to raise any of their concerns by way of whistle-blowing and none of the employees have been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company www.bel-india.in.

(d) **Compliance with Discretionary Non-Mandatory Provisions:** The status of the compliance with the non-mandatory recommendation in the Listing Regulations is as under:

- The Company has the position of the Chairman & Managing Director (Executive) & there is no Non-Executive Chairman.
- Process of communicating with shareholders is very robust and the procedure has been explained under ‘Means of Communication’.
- The financial statements of the Company are disclosed with unmodified audit opinion.
- The Head of Internal Audit reports directly to Chairman & Managing Director and is a permanent invitee to the meeting of the Audit Committee.
- During the year 2024-25, one meeting of Independent Directors was held on 19 September 2024 without the presence of non-independent Directors and members of the management. Except Mr Mansukhbhai S Khachariya, all the Independent Directors of the Company were present in the meeting.

(e) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified in Regulation 32 (7A) of the Listing Regulations.

(f) During FY 2024-25, the Board of Directors accepted all the recommendations of its Committees which were mandatorily required.

(g) All details of total fees for services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor is a part during FY 2024-25 are given below:

Particulars	Amount (₹ in Lakhs)
Audit Fees	50
Tax Audit Fees	6
Other Services	15
Reimbursement of Expenses	16
Total	87

(h) The details of complaints filed, disposed of and pending during FY 2024-25 pertaining to sexual harassment are provided in the Business Responsibility & Sustainability Report Annexed to Board’s Report.

(i) No items of expenditure, other than those directly related to its business or incidental thereto, those spent towards the welfare of its employees/ex-employees, towards fulfilling its Corporate Social Responsibility, were debited in the books of accounts.

(j) Expenses incurred for the Board of Directors and Top Management are in the nature of salaries, allowances, perquisites, benefits and sitting fees as permissible under the rules of the Company. No other expenses, which are personal in nature, were incurred for the Board of Directors and Top Management.

(k) Administrative and office expenses as a percentage of total expenses and reasons for the increase, if any:
Administrative and office expenses were 2.86% of the total expenses for the year 2024-25 against 2.99% in the previous year.

(l) The Company has not given any loans and advances to firms/company in which directors are interested.

Compliance

The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations and all mandatory requirements of the DPE Guidelines on Corporate Governance for CPSEs except composition of Board of Directors, Composition of Board Committees, quorum of meeting of Board of Directors held on 5 March 2025 and quorum of meeting of Audit Committee held on 30 January 2025. The Company has also been submitting to the stock exchanges and to the Government, quarterly

compliance report on Corporate Governance. As required under the Listing Regulations with the stock exchanges, the Auditors’ Certificate on compliance with conditions of Corporate Governance by the Company is attached to this report.

For and on behalf of the Board

Bengaluru
28 July 2025

Manoj Jain
Chairman & Managing Director

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
Bharat Electronics Limited
Outer Ring Road, Nagavara
Bengaluru - 560045, Karnataka.

In pursuance of Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have examined the relevant registers, records, forms, returns and disclosures received from the Directors of BHARAT ELECTRONICS LIMITED having CIN L32309KA1954GOI000787 and having registered office at Outer Ring Road, Nagavara, Bengaluru - 560045, Karnataka (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate.

On the basis of the written disclosures/declarations received from the Directors of the Company and according to the verifications (including viewing Director Master Data & DIN status at the portal www.mca.gov.in) as considered necessary and to the best of our information, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31 March 2025 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Designation	Date of appointment in Company	Date of cessation
1.	Mr Manoj Jain*	09749046	Managing Director	26/09/2022	-
2.	Mr Bhanu Prakash Srivastava	09578183	Whole-time Director	20/04/2022	-
3.	Mr Damodar Bhattad S	09780732	Whole-time Director	11/01/2023	-
4.	Mr Vikraman N	10185349	Whole Time Director	01/06/2023	-
5.	Mr K V Suresh Kumar	10200827	Whole Time Director	16/06/2023	-
6.	Mr Rajinsh Sharma	10738394	Additional Director	10/08/2024	-
7.	Mr T Natarajan	00396367	Govt. Nominee Director	02/01/2023	11/09/2024
8.	Mr Rajeev Prakash	08590061	Nominee Director	10/09/2024	-
9.	Dr Binoy Kumar Das	09660260	Govt. Nominee Director	04/07/2022	-
10.	Dr Parthasarathi P V	06400408	Independent Director	28/12/2021	28/12/2024
11.	Mr Mansukhbhai S Khachariya	01423119	Independent Director	28/12/2021	28/12/2024
12.	Dr Santhoshkumar N	09451052	Independent Director	28/12/2021	28/12/2024
13.	Mr Prafulla Kumar Choudhury	00871919	Independent Director	28/12/2021	28/12/2024
14.	Dr Shivrath Yadav	09450917	Independent Director	28/12/2021	28/12/2024
15.	Mr Gokulan B	09473378	Independent Director	20/01/2022	20/01/2025
16.	Mrs Shyama Singh*	09495164	Independent Director	07/02/2022	07/02/2025

*As per MCA records, the name is Mrs Shyama Kumari (Maiden name).

Mr Manoj Jain appointed as Chairman and Managing Director w.e.f 20/06/2024.

For **Thirupal Gorige & Associates LLP**
Practising Company Secretaries

CS Thirupal Gorige
Designated Partner
FCS No. 6680; CP No.6424
UDIN: F006680G000381571

Place: Bengaluru
Date: 19 May 2025

Declaration of Compliance with the Code of Business Conduct and Ethics

Pursuant to the relevant provisions under SEBI (LODR) Regulations, 2015 and the Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises as contained in the DPE OM No. 18(8)/2005-GM dated 22 June 2007, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Business Conduct & Ethics for Board Members, KMPs & Senior Management of Bharat Electronics Limited, for the year ended 31 March 2025.

For and on behalf of the Board

Bengaluru
28 July 2025

Manoj Jain
Chairman & Managing Director

Certificate by CEO & CFO

**for the purpose of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
& as required under DPE Guidelines on Corporate Governance**

To,
The Board of Directors
Bharat Electronics Limited

We hereby certify that:

- We have reviewed the financial statements and the cash flow statement for the period ended 31 March 2025 and to the best of our knowledge and belief:
 - These results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These results together present a true and fair view of the Company's affairs and are in compliance with existing Indian Accounting Standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violation of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Management, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and the Management:
 - Any significant changes in internal control over financial reporting during the period;
 - Any significant changes in accounting policies during the period; and
 - Any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Bengaluru
Date: 19 May 2025

Damodar Bhattad S
Director (Finance) & CFO

Manoj Jain
Chairman & Managing Director

Independent Auditor's Certificate on Compliance with the Corporate Governance

To,
The Members
Bharat Electronics Limited
Outer Ring Road, Nagavara,
Bengaluru-560045, Karnataka.

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. This certificate is issued in accordance with the terms of our engagement letter dated 19 September 2024.
2. The report contains details of compliance of conditions of Corporate Governance by **BHARAT ELECTRONICS LIMITED** (the "Company"), for the year ended March 31, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

3. Compliance with the terms and conditions of the Listing Regulations relating to corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.
4. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

5. Our responsibility is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2025.

7. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special purposes' (Revised 2016) and Guidance Note on Certification of Corporate Governance', both issued by Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations for the year ended March 31, 2025, except the following:
 - a. The composition of Board is not in terms of Regulation 17(1) of SEBI (LODR) Regulation, 2015 with effect from 10 August 2024 to 31 March 2025 and not in terms of section 149 of the Companies Act, 2013 with effect from 28 December 2024 to 31 March 2025 due to vacancies in the position of Independent Directors.
 - b. The Quorum of Board meeting held on 5 March 2025 was not in compliance with regulation 17(2A) of SEBI (LODR) Regulations, 2015, due to vacancies in the position of Independent Directors.

- c. During the period from 20 January 2025 to 31 March 2025 there have been vacancies in the position of Independent Directors and hence the Composition of Audit Committee is not in line with section 177 of the Companies Act, 2013, Regulation 18(1) of SEBI (LODR) Regulation, 2015 and Department of Public Enterprises Guidelines.
- d. The Quorum of the Audit Committee meeting held in 30 January 2025 was not in compliance with regulation 18(2)(b) of SEBI (LODR) Regulations, 2015 due to vacancies in the in the position of Independent Directors.
- e. The Composition of the Nomination and Remuneration Committee is not in compliance of Regulation 19 (1) & (2) of SEBI (LODR) Regulations, 2015 with effect from 28 December 2024 and is not in terms of section 178(1) of the Companies Act, 2013 with effect from 20 January 2025 due to vacancies in the position of Independent Directors.
- f. The composition of the Stakeholders Relationship Committee is not in compliance of Regulation 20 of SEBI (LODR) Regulations, 2015 and section 178(5) of the Companies Act, 2013 with effect from 7 February 2025 due to vacancies in the position of Independent Directors.
- g. The Composition of Risk Management Committee was not in compliance with Regulation 21 of SEBI (LODR) Regulations, 2015 with effect from 7 February 2025 due to vacancies in the position of Independent Directors.

- h. The Composition of CSR Committee is not in terms of Section 135 of the Companies Act, 2013 with effect from 7 February 2025 due to vacancies in the position of Independent Directors.

10. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

11. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Rao & Emmar**
Chartered Accountants
Firm Registration Number: 0030845

Praveen B J
Partner

Place: Bengaluru
Date: 19 May 2025

Membership Number: 215713
UDIN: 25215713BMJHHX4428

Annexure-6

Business Responsibility & Sustainability Report

Section A: General Disclosures

I. Details of the listed entity:

1. Corporate Identity Number (CIN) of the Listed Entity

:

L32309KA1954GOI000787
2. Name of the Listed Entity

:

Bharat Electronics Limited
3. Year of Incorporation

:

1954
4. Registered office address

:

Outer Ring Road, Nagavara, Bengaluru -560045.
5. Corporate address

:

Outer Ring Road, Nagavara, Bengaluru -560045.
6. E-mail

:

secretary@bel.co.in
7. Telephone

:

080-25039300
8. Website

:

www.bel-india.in
9. Financial year for which reporting is being done

:

2024-25
10. Name of the Stock Exchange(s) of where shares are listed

:

1. BSE Limited
2. National Stock Exchange India Limited
11. Paid-up Capital

:

₹7,30,97,78,829
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:

:

Mr S Sreenivas
Company Secretary
Bharat Electronics Limited
Regd. & Corp. Office,
Outer Ring Road,Nagavara,
Bengaluru – 560045
Telephone: 080-25039266
E-mail: secretary@bel.co.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)

:

Standalone Basis
14. Name of assurance provider

:

Sustainability Actions Private Limited
15. Type of assurance obtained

:

Reasonable

II. Products/services:

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Designing, developing, manufacturing and supplying a wide range of strategic electronic products / systems	90.47%
2	Services	Installation, Repairs and maintenance, AMC contracts for products / systems delivered by the Company	9.53%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Weapon Systems	2927	20
2	Electronic Warfare Systems	2008	18
3	Radar & Fire Control System	2651	15
4	Communication Systems	2630	15

III. Operations:

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	09	35*	44
International	-	6	6

* Regional Offices (ROs) - 4, Corporate Office -1 and 30 Regional Product Support Centres (RPSCs), Water Front Centres (WFC) & Software Development Centres (SDC).

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	36*
International (No. of Countries)	14

* 28 States and 8 Union Territories. Our product reach cover the entire Indian Territory through our Defence Forces / Non-Defence Customers.

b. What is the contribution of exports as a percentage of the total turnover of the entity?

3.86%

c. A brief on types of customers

Indian Armed Forces (Army, Navy, Air Force), Paramilitary, Coast Guard, Civil Bodies,& Foreign Customers.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
Employees						
1.	Permanent (D)	8,844	6,893	77.94	1,951	22.06
2.	Other than Permanent (E)	9,480	7,182	75.76	2,298	24.24
3.	Total employees (D + E)	18,324	14,075	76.81	4,249	23.19
Workers						
4.	Permanent (F)	2,355	1,743	74.01	612	25.99
5.	Other than Permanent (G)	5,559	4,224	75.98	1,335	24.02
6.	Total workers (F + G)	7,914	5,967	75.40	1,947	24.60

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
Differently abled Employees						
1.	Permanent (D)	204	168	82.35	36	17.65
2.	Other than Permanent (E)	47	32	68.09	15	31.91
3.	Total differently abled employees (D+E)	251	200	79.68	51	20.32
Differently abled Workers						
4.	Permanent (F)	81	61	75.31	20	24.69
5.	Other than Permanent (G)	27	17	62.96	10	37.04
6.	Total differently abled workers (F+G)	108	78	72.22	30	27.78

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	Nil	0.00
Key Management Personnel	1*	Nil	0.00

* KMP (CS) excluding Chairman & Managing Director and Director (Finance) & CFO who are part of Board.

22. Turnover rate for permanent employees and workers:

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.00	0.48	2.48	1.54	0.49	2.03	2.67	0.88	3.5
Permanent Workers	1.36	0.04	1.40	0.97	0.23	1.20	0.26	0.07	0.33

V. Holding, Subsidiary and Associate Companies (including joint ventures):

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	BEL Optronic Devices Limited	Subsidiary	100	No
2	BEL-THALES Systems Limited	Subsidiary	74	No
3	GE BE Private Limited	Associate	26	No
4	Defence Innovation Organisation	Associate	50	No
5	BEL IAI Aerosystems Private Limited	Associate	40	No
6	Electronic Warfare (Defence) Testing Foundation	Associate	40	No
7	Communication (Defence) Testing Foundation	Associate	40	No
8	UAS Testing Foundation	Associate	20	No
9	LENS (Laboratory for Electro-Optical Navigational Systems) Foundation	Associate	15	No

VI. CSR Details:

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- (ii) Turnover (in ₹): ₹ 2,30,24,09,83,334
- (iii) Net worth (in ₹): ₹ 1,96,97,67,73,486

VII. Transparency and Disclosures Compliances:

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Centralized Public Grievance Redress and Monitoring System(CPGRAMS) under the Ministry of Personnel, Public Grievances & Pensions, the department of Administrative Reforms & Public Grievance (www. pgportal.gov.in)	117	Nil	Nil	83	Nil	Nil
Investors (other than shareholders)	NA	Nil	Nil	-	Nil	Nil	-
Shareholders (SEBI Scores)	Yes*	2	Nil	-	3	1	Pending complaints are closed during 2024-25
Employees and workers	Yes	235	32	In Progress	224	24	All the 24 Pending complaints are closed during 2024-25
Customers	Yes**	15,282	4,171	***	13,667	1,821	***
Value Chain Partners	Yes, through CPGRAMS Portal	9	1	-	8	0	-
Other (please specify) - (i) Public grievance & Pensions	Yes	5	Nil	-	4	Nil	-

* The Company has Stakeholder Relationship Committee to redress the complaints received from the shareholders as per SEBI Listing Regulations. Hence, there is no weblink.

** BEL has a grievance redressal mechanism in place where customer can call in Toll Free number 1800 425 0433 and register their complaints on a product / system being used by them and which has been supplied by BEL. There are also informal channels available wherein customer can register their complaints through fax / email to the concerned department handling that product category and the same is uploaded on the centralised CRM system.

*** Some of the complaints remain unresolved at the end of the year due to non-availability of spare part /sub system from the original supplier, delay in supply due to supply-chain issues or obsolescence of electronic items for which BEL has to find equivalent alternative/design a Form fit equivalent which may take time.

26. Overview of the entity’s material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Carbon Footprint	Opportunity	With growing concern for Green House Gas (GHG) emissions, BEL is shifting towards tapping “Clean & Renewable” Energy sources for meeting the power requirements.	Not applicable	Positive : Achieving “Carbon Neutral Status” through renewable energy resources and energy conservation measures.
2	Environmental Footprint- Water Management	Risk	Water scarcity can impair the company's operations and disrupt business.	Employee awareness on water management, more efficient use of water in campuses, Rain water harvesting & recycling of wastewater resulting in reduction of wastewater generation.	Negative
3	Community and Social Impact	Risk	Any adversarial relationship with communities can hurt the company's ability to create longer term value.	Focused interventions are undertaken in the sectors of school education, Healthcare, Rural Development, Environmental Sustainability & Vocational Skill Development. BEL contribute towards inclusive growth, sustained and equitable development in society through Capacity building measures, empowerment of the marginalised and underprivileged sections/ Communities.	Negative: Impacts the brand reputation in the industry.
		Opportunity	BEL has undertaken various CSR programmes / initiatives/ projects as per the Company's CSR Policy, which is in-line with Section 135 & Schedule VII of the Companies Act, 2013. BEL integrates its CSR planning with its business plans and strategies. Our company's objective is to support meaningful socio-economic sustainable development and enable a larger number of people to participate and benefit in country's economic progress.	Not applicable	Positive: Supporting the CSR activities helps us to create a meaningful impact for the communities we interact with.
4	Cyber Security	Risk	Privacy and Data Security is becoming a major risk due to increasing digitisation.	Information Security Management Policy and Cyber Security and Cyber Resilience Policy are in place for protecting the Organization’s cyberspace against cyber-attacks, threats and vulnerabilities.	Negative: Breach of Privacy and Data Security.
5	Disaster Recovery	Risk	1. Business interruption due to fire hazard.	1. Emergency preparedness and response plan is in place at dept./unit level 2. Mock drills are being conducted regularly for the same.	Negative: Disruption to business operations leads to negative financial implication.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Training and Education	Opportunity	Skilled employees and workers form an asset to the Company. The highly trained employees and worker perform their tasks more efficiently, in less time and with less chances of injury.	1. Providing a needs-based and innovative range of training courses 2. Providing programmes that are specifically designed for roles which require upgraded skills.	Positive: Consistent efforts would lead to positive impact due to improvement in productivity, reduction in defects, etc.
7	Maintenance	Risk	Risk of sub-optimal maintenance schedule/plan resulting in un-economical maintenance costs.	Operational performance & maintenance (PM & breakdown) are being monitored regularly.	Negative: Business continuity gets impacted leading to financial loss.
8	Environmental Pollution	Risk	Failure to provide a safe working environment exposes BEL to suboptimal productivity, loss of business reputation and other costs.	1. All the necessary pollution control norms for air, noise etc. are followed. 2. Disposal of hazardous waste is monitored within permissible limits.	Negative: Incidents impact business reputation leading to negative financial implication.
9	Health, Safety and Environment	Risk	1. Non-compliance with safety measures by employees. 2. Non-awareness of hazardous nature of material. 3. Not following COVID-19 safety measures.	1. Strict adherence to BBS (behaviour-based safety system). 2. Focus on reducing the generation of effluent and arresting at the source and following MSDS for hazardous material handling. 3. Detailed SOP for COVID-19, employee training & adherence followed strictly. 4. Medical check-up, vaccination drive as per Govt. Regulations.	Negative: Incidents impact employee morale and business reputation leading to negative financial implication.
10	Data Protection	Risk	1. Risk of confidential data leakage via USB drives/flash drives 2. Exposure of Company data because of work from home and access to respective data.	1. All privileged system access are reviewed periodically & data leakage prevention system is implemented at these equipment. 2. Restricted data access control & data encryption to monitor work from home activities.	Impacts the brand reputation in the industry thereby leading to financial loss.

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://bel-india.in/codes-policies/								
2. Whether the entity has translated the policy into procedures.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
4. Name of the national and international codes / certifications / labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	19 Units/SBUs are certified with QMS AS9100D, and 8 SBUs/Units are certified with ISO9001, all 9 Units are certified for OHSMS ISO14001 and 7 Units are certified for ISO45001, 14 SBUs/Units are Certified for ISO27001 and EM SBU is certified for ISO 13485 and 13 Labs across the Organization have been certified for ISO17025 standards.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Bharat Electronics Limited (BEL), we believe that true progress is defined not only by technological innovation but also by our unwavering commitment to responsible business conduct and sustainable development. This Business Responsibility and Sustainability Report (BRSR) reflect our on-going efforts to embed Environmental, Social, and Governance (ESG) principles into every facet of our operations. Aligned with the vision of Atmanirbhar Bharat, BEL continues to enhance its indigenous R&D capabilities and build resilient supply chains that reduce dependence on imports and generate employment. Alongside technological excellence, we remain committed to minimizing our environmental footprint by improving energy and water efficiency, transitioning toward clean technologies, and managing emissions and waste responsibly across all our manufacturing units. On the social front, we take pride in nurturing talent, promoting diversity, and empowering communities through targeted CSR initiatives in education, healthcare, skill development, and digital inclusion. Our people are our greatest strength, and we remain focused on building a work environment that promotes fairness, safety, growth, and well-being. Governance remains the cornerstone of our growth. Our transparent and ethical decision-making, backed by strong internal controls and stakeholder engagement mechanisms, ensures sustainable value creation and long-term trust.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Director (Human Resources)								
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues?	The Board oversees the compliance and implementation of the policies through its various Committees.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The Board oversees the compliance and implementation of the policies through its various Committees									As and when Required								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles									
The entity does not have the financial or/human and technical resources available for the task	Not applicable.								
It is planned to be done in the next financial year									
Any other reason (please specify)									

Section C: Principle Wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Workshops on Right to Information Act - Concept Framework & Relevance for Public Sector Enterprises, Ethical leadership, Inclusive Development	100%
Key Managerial Personnel	-	-	-
Employees other than BoD and KMPs	121	Awareness sessions/Training Programs on CDA, Health, Safety and Wellbeing, POSH and Gender Sensitization, ESG Principles, Vigilance, RTI, Contract/ Vendor Management, Product Safety, Cyber security & data protection, etc.	60.56%
Workers	83	These programs create awareness among employees on significant topics/issues.	58.92%

2. Details of fines/penalties /punishment/ award/ compounding fees/settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine*	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-

Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/ No)
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

Note: *The NSE & the BSE have imposed fines of ₹ 3,06,800/- each (including GST) for the quarter ended 31 December 2024, for non-compliance of Regulation 17(1) in respect of composition of Board of Directors due to insufficient number of Independent Directors. The Board suggested that NSE & BSE should be informed about the procedure for appointment of Directors followed by the Company as per DPE Guidelines, being a Government Company the Independent Directors are appointed by the Administrative Ministry. Hence, the penalty levied on BEL by NSE & BSE can be excused. Accordingly, a reply was sent to BSE & NSE and no fine was paid.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has adopted the Code of Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Accordingly, Whistle Blower Policy has been formulated in the Company with a view to provide a mechanism for employees of the Company for any potential violation of the code, to approach the Chairman of the Audit Committee.

Web link of the policy is available at - <https://bel-india.in/wp-content/uploads/2024/04/Code-of-Business-Conduct-and-Ethics-for-Board-Members-Key-Managerial-Personnel-and-Senior-Management-of-Bharat-Electronics-Limited.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25	FY 2023-24
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	83	111

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	15%	16%
	b. Number of trading houses where purchases are made from	450	460
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	50%	50%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Nil	Nil
	b. Number of dealers / distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.42%	1.11%
	b. Sales (Sales to related parties / Total Sales)	0.11%	0.15%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.00%	0.00%
	d. Investments (Investments in related parties / Total Investments made)	25.69%	21.27%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	MSME SC/ST Vendor Development programmes conducted at four events.	5%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

The Company being a Govt. Company, all the Directors are appointed by Govt. of India, the issue with respect to conflict of interest of Directors does not arise. Further, the Company has Related Party Transaction Policy is in place to manage conflict of interest through Audit Committee and Board.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024-25 (₹ in Crore)	FY 2023-24 (₹ in Crore)	Details of improvements in environmental and social impacts
R&D	Not tracked	Not tracked	-
Capex	100%	100%	Employment generation and development in surroundings.*

* The Capex expenditure is intended towards improving surroundings and environment.

2. a. Does the entity have procedures in place for sustainable sourcing?
No.
- b. If yes, what percentage of inputs were sourced sustainably?
Not Applicable.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company does not recycle products because most of the products are used for strategic/national security applications. Products delivered to customers are not returned to the company. In few cases products itself comes back for upgradation which will be upgraded and made reusable product. For such product which does not come back to us, guidelines have been provided to customers for handling and disposal of their End of life products. However, services have been provided to customers who are willing to return products for scientific disposal. End-of-life products are scientifically processed and recycled through agency approved by the Pollution Control Board. The company has a structured mechanism to deliver waste from the manufacturing process of its products/equipment through authorised recyclers approved by the Pollution Control Board. Metal waste, waste oil, solvents and copper containing rejects are sent (100%) to authorised recyclers for recycling and recovery. Paper and plastic are handed over to recyclers. In addition, the food waste is used for biogas generation in the Bio-Methanation plant, which in turn is used for light cooking purposes or organic matter are converted to manure in organic waste converter.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes. BEL has already obtained the registration under the EPR framework under Importer category of Plastic Waste Management Rules. Registrations under Brand owner category under Plastic waste Rules, Producer category under E-waste rules is in progress.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Product specific Life Cycle Assessment has not been carried out. Raw materials to finished product are handled scientifically. Waste materials generated in the value added process are disposed of scientifically for recycling. Products supplied are provided with disposal guidelines for disposing the product after the End of Use of product.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
	Not Applicable.	

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
	-	-

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

Note:

BEL has facilitated the Election Commission of India (ECI) to dispose off the obsolete Electronic Voting Machines (EVMs) of around 808 MT through authorised agency in FY 2024-25.

BEL has facilitated the Election Commission of India (ECI) to dispose off the obsolete Electronic Voting Machines (EVMs) of around 1,560 MT through authorised agency in FY 2023-24.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	6,893	6,893	100	6,893	100	NA	NA	6,893	100	*	*
Female	1,951	1,951	100	1,951	100	1,951	100	NA	NA	1,951	100
Total	8,844	8,844	100	8,844	100	1,951	22.06	6,893	77.94	1,951	22.06
Other than Permanent employees											
Male	7,182	7,182	100	7,182	100	NA	NA	-	-	NA	NA
Female	2,298	2,298	100	2,298	100	2,298	100	NA	NA	-	-
Total	9,480	9,480	100	9,480	100	2,298	24.24	-	-	-	-

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	1,743	1,743	100	1,743	100	NA	NA	1,743	100	*	*
Female	612	612	100	612	100	612	100	NA	NA	612	100
Total	2,355	2,355	100	2,355	100	612	25.99	1,743	74.01	612	25.99
Other than Permanent workers											
Male	4,224	4,224	100	4,224	100	NA	NA	-	-	NA	NA
Female	1,335	1,335	100	1,335	100	1,335	100%	NA	NA	-	-
Total	5,559	5,559	100	5,559	100	1,335	24.02	-	-	-	-

* Refer note 3

Notes:

- The above manpower data is as on 31.03.2025. The Company has a Medical scheme to address the medical needs of Employees/workers and their dependants. Each Unit of BEL has an Occupational Health Centre/ Medical Centre to address the medical needs of employees. In case of specialized treatment, employees/workers can avail treatment in empanelled hospitals.
- In case of Other than Permanent Employees/workers i.e. Trainee/Project Engineers, Health Insurance premium is borne by the Management. In case of contract workmen, they are covered under ESI & Medical Insurance. However, in case of emergency treatment, they can avail medical facilities in Medical center of the Unit.
- Day care facilities are extended to women employees in accordance with the Factories Act, 1948. Further, male employees who are single parents are also extended day care facility.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2024-25	FY 2023-24
Cost incurred on wellbeing measures as a % of total revenue of the Company *	1.24%	1.18%

* Considered welfare expense and contribution to BERECHS.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	NA	NA	NA	NA	NA	NA
Others- a) Post-Retirement Medical Benefit	100%	100%	NA	100%	100%	NA
Others- b) Superannuation Pension Scheme	100%	100%	NA	100%	100%	NA

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. BEL works towards creating an inclusive and accessible work environment in line with the Rights of Persons with Disabilities Act, 2016. The facilities and infrastructure are designed to be barrier free and accessible to employees with disabilities. The Company’s physical infrastructure is equipped with ramps, lifts, rest rooms, etc., which are disabled friendly.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

BEL is committed to fostering a diverse and inclusive workplace that upholds the principles of equality, dignity and respect for all employees. Our commitment ensures that recruitment, training, promotion and all other employment practices are free from discrimination in any form. Further, BEL ensures compliance to Rights of Persons with Disabilities Act, 2016. Relaxations and concessions are extended to PwBDs in recruitment as per the Government directives.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Employee Grievance Redressal and Monitoring System (e-GRAMS) exists in BEL which covers all Employees. Employees can register their Grievance online pertaining to payment of salary, leave, transfer, promotions, seniority, work assignment, designation, non-extension of any welfare amenities provided under law or benefit due under the rules etc. affecting an individual employee. Timelines have been clearly defined at each level for prompt redressal of grievances.
Other than Permanent Workers	Yes. The HR department is the nodal point for temporary workmen to redress their grievances related to work, working conditions, payment of wages, complaints related to contractor, etc., The HR department takes up the grievance with the concerned stakeholders namely, departmental heads, Unit / SBU Heads, contractors, etc., to ensure speedy redressal and closure.
Permanent Employees	Yes. Employee Grievance Redressal and Monitoring System (e-GRAMS) exists in BEL which covers all Employees. Employees can register their Grievance online pertaining to payment of salary, leave, transfer, promotions, seniority, work assignment, designation, non-extension of any welfare amenities provided under law or benefit due under the rules etc. affecting an individual employee. Timelines have been clearly defined at each level for prompt redressal of grievances.
Other than Permanent Employees	Yes. The HR department is the nodal point for temporary employees to redress their grievances related to work, working conditions, remuneration, etc. The HR department takes up the grievance with the concerned stakeholders namely, departmental heads, Unit / SBU Heads, etc., to ensure speedy redressal and closure.

Note: The well-structured grievance redressal system provides employees ample opportunity to address and resolve the grievances. The system consists of a multi-level escalation matrix to ensure that employee concerns are heard, addressed fairly and resolved in a timely manner.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees /workers in respective category, who are part of association(s) or Union(D)	% (D/C)
Total Permanent Employees	8,844	7,823	88.46	8,937	8,019	89.73
- Male	6,893	6,089	88.34	7,009	6,283	89.64
- Female	1,951	1,734	88.88	1,928	1,736	90.04
Total Permanent Workers (Non-Executives)	2,355	2,151	91.34	2,507	2,322	92.62
- Male	1,743	1,653	94.84	1,863	1,786	95.87
- Female	612	498	81.37	644	536	83.23

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation*	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	6,893	4,042	58.64	3,919	56.85	7,009	2,295	32.74	6,518	92.99
Female	1,951	1,114	57.10	1,170	59.97	1,928	675	35.01	1,793	93.00
Total	8,844	5,156	58.30	5,089	57.54	8,937	2,970	33.23	8,311	93.00
Workers										
Male	1,743	1,043	59.84	1,042	59.78	1,863	615	33.01	1,733	93.02
Female	612	306	50.00	277	45.26	644	225	34.94	598	92.86
Total	2,355	1,349	57.28	1,319	56.01	2,507	840	33.51	2,331	92.98

*Note: For FY 2023-24, under Skill Upgradation, general awareness programs on topics such as Vigilance, RTI, Gender Sensitization, Housekeeping (5S), Retirement Planning etc. and induction programs have also been considered in addition to programs related to leadership development, technical, functional, quality domains. For 2024-25, only the trainings pertaining to skill upgradation under Leadership development, Technical, Functional and Quality domains have been considered.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	6,893	6,893	100	7,009	966	13.78
Female	1,951	1,951	100	1,928	235	12.19
Total	8,844	8,844	100	8,937	1,201	13.44
Workers						
Male	1,743	1,743	100	1,863	102	5.48
Female	612	612	100	644	68	10.56
Total	2,355	2,355	100	2,507	170	6.78

Note: Data presented for FY 2023-24 was based on the number of promotions during the respective FY. Performance Appraisal Reviews was 100% for FY 2023-24 also.

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? If yes, the coverage such system?

Yes, Occupational Health and Safety Management System (ISO 45001:2018) is implemented in 7 viz, Bangalore Complex, Ghaziabad Unit, Hyderabad Unit, Chennai Unit Navi Mumbai Unit, Pune Unit and Kotdwara Unit out of 9 Units and is in progress at remaining Units of BEL.

The following aspects are covered as part of the OHSMS ;

- EHS policy
- Documents like HS manuals, Operational Control procedure (OCP), Work instructions, emergency preparedness plan, etc.
- Internal auditor training and audits
- Plant level safety committee meetings

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

'Hazard Identification and Risk Assessment' process is used to identify work related hazards and the HIRA document is maintained and audited periodically.

Safety Officers and Safety Committee members identify hazards and assess risks during plant inspections, surveys and audits.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.

Yes. Apart from the statutory Plant level Safety Committee, 15 Divisional 'SHE' Committees are formed. These committees consist of workers, who report the work related hazards. These committees meet once in a month, discuss and solve safety issues at the SBU/divisional level. Another method to report hazards is through 'Near Miss' formats which are made available in all departments. The workers are sensitized to inform Safety Engineering/HR department regarding hazards and unsafe work conditions.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

Yes. All employees/workers of BEL are covered under a comprehensive Medical Scheme which provides health care to employees and their dependent families. In addition, BEL Medical Centres in bigger Units provide basic medical care to employees and their dependant families. Further, as a part of Preventive Health Care, employees/workers in the age group of 45 years and above are required to undergo medical check-up periodically.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

BEL gives utmost importance to safety and health of all the workers in the organisation. The Health and Safety policy clearly states and commits to provide safe working environment and healthy workplace to all its employees. BEL strictly complies with all the statutes and regulations with respect to safety and health, Viz. The Factories Act 1948, etc.

The Safety Committee meetings with Workers' representatives are conducted regularly for monitoring safety and health as per statutory pre-requisites. The statutory medical examination of workers deployed in hazardous processes is periodically conducted.

Industrial safety training is conducted periodically for employees, contract staff and trainees. In addition, Safety Audits and Plant safety inspections are carried out at regular intervals.

7 viz, Bangalore Complex, Ghaziabad Unit, Hyderabad Unit, Chennai Unit Navi Mumbai Unit, Pune Unit and Kotdwara Unit out of 9 Units are ISO 45001-2018 Occupational Health and Safety Management System (OHSMS) certified.

The following measures taken by the entity to ensure a safe and healthy workplace:

- Provisions for adequate ventilation, lighting, machine guards and exhaust systems at the workplace
- Provision of drinking water, rest rooms and first aid centres
- Provision of personal protective equipment (PPE), wherever necessary
- Awareness on Safety created through display of signage, precautionary boards at prominent locations and organising trainings on safety, health and first aid
- Implementation of Safety Work Permit Systems to ensure safe work practices in high risk areas.
- Implementation of OSHMS & EMS
- Periodic health check-up to monitor the health of employees
- Celebration of National safety Day by displaying safety banners, administration of safety pledge and displaying safety awareness posters, etc to promote the culture of safe work practices.
- Conducting Fire Mock Drills periodically
- Presence of effective emergency preparedness and response plan

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	172	22	In process	153	18	All the 18 Pending complaints are closed during 2024-25
Health & Safety	63	10	In process	71	06	All the 6 Pending complaints are closed during 2024-25

14. Assessments for the year:

%of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No high consequence injuries/incidents or significant risks.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of:

(A) Employees (Y/N) - Yes

(B) Workers (Y/N) - Yes

BEL has a policy in place to support the families of deceased employees through financial, medical and educational assistance / skill development, etc., to help them mitigate the hardship and to cope with the adverse circumstances.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Payments are made to the Contractors after ensuring remittance of statutory dues to the concerned authorities by verifying deposit/remittance challans submitted along with Bills.

3. Provide the number of employees / workers having suffered high consequence workrelated injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

BEL does not have structured and formal transition assistance programs. However, all employees who are due for retirement are provided training on financial planning and well-being post retirement.

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has a robust system for the identification of key stakeholders. Stakeholder engagement is an ongoing and well defined process. For each category of stakeholder, the company has designated functional departments with identified company representatives to interact with correspondent stakeholders at different hierarchical levels with stakeholder counterparts, to understand and address their requirements and expectations and collaborates with them for creating shared value. The Company has built constructive relationship with all its stakeholders based on mutual trust, transparency, ethics, responsibility and accountability. Open communication channels and dialogue process with stakeholders along with their feedback on various issues concerning company's operations and shareholders expectations has enabled us to establish sustainable relationships with the stakeholders. Apart from Customers, Shareholders, Employees, Suppliers, Bankers, Collaborators and JV Partners, Government, Regulatory & Statutory Bodies and Auditors, all community members in the vicinity of the location of the plant/Divisions of the Company are considered as key stakeholders of the Company.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	NO	Email, Letters, Meetings	Scheduled / as and when required	To understand customer requirements; Regarding technical, commercial matters, Product portfolio, product life cycle support and various issues related to products being supplied by the Company
Shareholders	NO	Website, Email, Letters, Meetings, Newspaper Publications, Annual Reports	As and when required	Shareholder's meeting and Resolution of grievances if any.
Employees	NO	E-Newsletter, Internal Website	Periodic and as and when required	Information on Company activities, customer requirements, compliance requirements, matters related to employee welfare measures
Vendors/ Suppliers	NO	Website, Emails	As and when required	Procurement Procedures, Bids /Tenders published, Purchase Orders and Payment related information. Other notifications related to procurement information.
Industry bodies, Regulators	NO	Email, Letters,	Meeting As and when required	Industry Representations to Govt etc and feedback /comments on policies and procedures affecting the Industry/company; Ensure compliance to rules and regulations.
Communities	NO	As needed	As and when required	Communicate the purpose of the business operations and performance of the company and other related information of interest to the concerned communities.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company interacts with various stakeholders through sub-committees of the Board viz. CSR Committee, Risk Management Committee, R&D Committee & Capital Investment Committee and other Management Committees constituted for the purpose.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company continuously engages with its stakeholders to build and sustain relationships enabling the Company to be informed of their expectations with changes in environment and societal needs. The structured approach of engagement methods is covered in Stakeholder Engagement section of Integrated Annual Report. CSR projects undertaken in the areas of Education, Health Care, Skill development, Sanitation, renewable energy etc are based on inputs received from stakeholders. Stakeholders requirements and expectations are reviewed by the sub-committees of the Board and Directions of the Board sub committees are implemented in the policies and activities of the Company.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company focusses on development, institution building, and sustainability-related initiatives for empowering marginalised and underprivileged communities for inclusive growth and equitable societal development. The majority of CSR projects are undertaken for vulnerable/marginalised stakeholder groups. The Company has rolled out focussed interventions to augment health infrastructure in Government Hospitals and make available mobile modern healthcare services at the door-step of the rural populace. These include donation of Mobile Mini Hospitals, Mobile cancer detection Units and diagnostic facility units, assistive devices such as tricycles, motorized tricycles, crutches ,hearing aids , braille kits etc for persons with disabilities; promoting vocational skill training to enhance the employability of the youth from marginalized groups.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees covered		Total (C)	No. of employees covered	
		No. (B)	% (B/A)		No. (D)	% (D/C)
Employees						
Permanent	8,844	872	9.86	8,937	300	3.36
Other than Permanent	9,480	438	4.62	8,728	110	1.26
Total Employees	18,324	1,310	7.14	17,665	410	2.32
Workers						
Permanent	2,355	228	9.68	2,507	93	3.71
Other than Permanent	5,559	198	3.56	5,217	107	2.05
Total Workers	7,914	426	5.38	7,724	200	2.59

Note: BEL ensures due diligence for human rights in all its processes and complies to relevant statutes / Government directives pertaining to Equal Opportunity, Diversity & Inclusion, Equal Remuneration, Prevention of Sexual Harassment, Right to Information, Anti-corruption, etc.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	8,844	-	-	8,844	100	8,937	-	-	8,937	100
Male	6,893	-	-	6,893	100	7,009	-	-	7,009	100
Female	1,951	-	-	1,951	100	1,928	-	-	1,928	100
Other than permanent	9,480	-	-	9,480	100	8,728	-	-	8,728	100
Male	7,182	-	-	7,182	100	6,576	-	-	6,576	100
Female	2,298	-	-	2,298	100	2,152	-	-	2,152	100
Workers										
Permanent	2,355	-	-	2,355	100	2,507	-	-	2,507	100
Male	1,743	-	-	1,743	100	1,863	-	-	1,863	100
Female	612	-	-	612	100	644	-	-	644	100
Other than permanent	5,559	-	-	5,559	100	5,217	-	-	5,217	100
Male	4,224	-	-	4,224	100	3,827	-	-	3,827	100
Female	1,335	-	-	1,335	100	1,390	-	-	1,390	100

Note: In addition to minimum wages, contract workers are provided transport and canteen facility at subsidized rates.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	No.	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	83,93,429	-	-
Key Managerial Personnel	1	43,80,030	-	-
Employees other than BoD and KMP	7,343	18,20,553	2,019	18,12,294
Workers	354	10,81,583	51	5,66,719

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	20.56%	20.33%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

The HR Heads and Business Leaders of the Company are responsible for addressing human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

BEL has established robust systems and mechanisms namely, Internal Complaints Committee (POSH), Employee Grievance Redressal & Monitoring System, Safety, Health & Environment Committee, Whistle Blower Policy and Vigilance set up which have been institutional in redressing grievances related to human rights. Further, the contracts and recruitment policy of BEL prohibit forced / child labour.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	02	00	-	03	01	Pending complaint closed during 2024-25
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	02	03
Complaints on POSH as a % of female employees / workers	0.10%	0.16%
Complaints on POSH upheld	00	01

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

It is ensured that no work related adverse consequences are meted out to the Complainant by placing the Complainant & Respondent in different work places, in case both were in the same work place. Moreover, the complainant can report any such incidences to the higher authorities for appropriate action.

9. Do human rights requirements form part of your business agreements and contracts?

Clauses pertaining to Human Rights are incorporated in agreements on case-to-case basis.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No action was taken since no significant risk / concern was identified.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
The e-Grievance handling mechanism for employees has been designed for speedy redressal of grievance and complaints with respect to employees and addresses complaints related to human rights violations.

2. Details of the scope and coverage of any Human rights due-diligence conducted.
BEL ensures due diligence for human rights in its HR processes viz., recruitment, promotions, training & development, etc., and complies to relevant statutes / Government directives pertaining to Equal Opportunity, Diversity & Inclusion, Equal Remuneration, Prevention of Sexual Harassment, Safety & Health, Working conditions, Prohibition of child labour & forced labour, Anti-corruption, etc.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
Yes. The infrastructure facilities offer a barrier free access to visitors with disabilities. There are ramps, lifts, rest rooms which are Disabled friendly.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25	FY 2023-24
From Renewable sources		
Total electricity consumption (A)	1,39,575.66 Giga Joules	94,007.13 Giga Joules
Total fuel consumption (B)	1,572.19 Giga Joules**	Nil
Energy consumption through other sources (C)*	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	1,41,147.85 Giga Joules	94,007.13 Giga Joules
From Non-Renewable sources		
Total electricity consumption (D)	88,889.53 Giga Joules	1,27,068.04 Giga Joules
Total fuel consumption (E)	25,557.23 Giga Joules	1,658.30 Giga Joules
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	1,14,446.76 Giga Joules	1,28,726.34 Giga Joules
Total energy consumed from Renewable and Non-Renewable sources (A+B+C+D+E+F)	2,55,594.61 Giga Joules	2,22,733.47 Giga Joules
Turnover of the unit	23,658.01 Crore	19,819.93 Crore
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	10.80GJ/ Crore	11.04GJ/ Crore
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	2.62GJ/ Crore	3.03GJ/ Crore
Energy intensity in terms of physical output	-	-
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

* Renewable fuel in the form of biogas generated from food waste in Bangalore Complex

** Other sources under Renewable Energy Sources is accounted in Total Electricity Consumption.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.
No.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	1,000
(ii) Groundwater	9,40,226	8,23,612
(iii) Third party water	4,85,157	6,27,525
(iv) Seawater / desalinated water	0	0
(v) Others (Canal water)	21,821	21,000
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	14,47,204	14,73,137
Total volume of water consumption (in kilolitres)	14,47,204	14,73,137
Turnover of the unit	23,658.01 Crore	19,819.93 Crore
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	61.17KL/Crore	73.04KL/Crore

Parameter	FY 2024-25	FY 2023-24
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	14.85 KL/Crore	20.04 KL/Crore
Water intensity in terms of physical output	-	-
Water intensity (optional)- the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, a reasonable assurance of the disclosure has been carried out by an independent external agency, Sustainability Actions Private Limited.

4. Provide the following details related to water discharged:

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilo litres)		
(i) To Surface water	Nil	Nil
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	Nil	Nil
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	Nil	Nil
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment *	5,700.00	89,318.40
- With treatment – please specify level of treatment	-	-
(v) Others	Wastewater treated & reused for industrial & horticulture application	Wastewater treated & reused for industrial & horticulture application
- No treatment*	-	-
- With treatment – please specify level of treatment	401744.74 KL; STP & ETP having Tertiary treatment (3 stages)	562723.45 KL; STP & ETP having Tertiary treatment (3 stages)
Total water discharged (in kilolitres)	4,07,444.74 KL	6,52,041.85 KL

* Water discharged to the Municipality network as per the provisions of the Consent and is being treated at the Common Effluent & Sewage Treatment Plants of the Municipality.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, a reasonable assurance of the disclosure has been carried out by an independent external agency, Sustainability Actions Private Limited.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Wastewater generated during the manufacturing process is separated at source and is treated appropriately to meet the standards prescribed by the Pollution Control Board. BEL has taken a step forward in treating wastewater to meet reusable standards thus recycling it for production purposes. Likewise, domestic wastewater is treated and recycled for horticultural purposes. The dual plumbing system is a part of the design for all new buildings. The five-star GRIHA-rated BEL Academy for Excellence and C-type residential areas are equipped with dual pumping system.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	mg/Nm3	22.5	24.3
SOx	mg/Nm3	10.5	11.7
Particulate matter (PM)	mg/Nm3	42.9	45.6
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	mg/Nm3	2.6	4.2
Hazardous air pollutants (HAP)	-	-	-
Others –(Pb, Acid Fumes, Acid mist, Solvent vapour)	mg/Nm3	8.1	10.5

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

Yes, a reasonable assurance of the disclosure has been carried out by an independent external agency, Sustainability Actions Private Limited.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9,204.38*	8,930.70*
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	17,926	25,572.5
Turnover of the unit		23,658.01Crore	19,819.93Crore
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT/ Crore	(Measured in terms of per crore rupees of turnover) 1.14 MT/Crore	(Measured in terms of per crore rupees of turnover) 1.71 MT/Crore
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / revenue from operations adjusted for PPP)	MT/ Crore	0.28 MT/Crore	0.47 MT/Crore
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) the relevant metric may be selected by the entity	-	-	-

* Source of emission factors taken from IPCC 4th assessment report.

* In addition to Scope 1 emission mentioned above following is the emissions from biogenic sources for the year 24-25: 70.31 MT of CO₂ emissions (from Biogas Plant)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

Yes, a reasonable assurance of the disclosure has been carried out by an independent external agency, Sustainability Actions Private Limited.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. BEL has contributed to sustainable development through installation of renewable energy initiatives such as setting up of Wind Power Plants of cumulative capacity 13.9 MW in Davanagere & Hassan districts of Karnataka for captive consumption and also, 7.4 MWp Grid Connected Solar PV Power Plants are cumulatively installed in all units of BEL. All units of BEL have achieved RE100 status in the fourth quarter of the FY through the purchase of green power from state DISCOMs. Green building concept is being followed for all new buildings. For all future buildings, GRIHA rating (Green Rating for Integrated Habitat Assessment) will be targeted. These initiatives help in reducing the release of Green House Gases (GHG) into the atmosphere.

Setting up of an additional 4 MW of wind Power Plant as further enhancement towards Green Energy initiative leading reduction in CO2 emissions to the environment is in progress and is expected to be completed by March 2026.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	42.70	110.99
E-waste (B)	122.73	77.54
Bio-medical waste (C)	2.72	1.18
Construction and Demolition Waste (D)	-	-
Battery waste (E)	96.15	183.75
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)		
i. Used oil & coolant oil	11.53	23.918
ii. Plating metal sludge /Paint sludge / ETP sludge	27.52	49.748
iii. Spent etching chemicals and solvents	9.18	5.166
iv. Others	77.15	33.93
Subtotal (G)	127.02	112.762
Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
i. Metal scrap	534.17	328.6
ii. Non metal scrap	279.78	600.4
iii. Other scraps	102.18	158.9
Subtotal (H)	954.2	1,087.8
Total (A+B + C + D + E + F + G + H)	1,345.52	1,574.02
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.056	0.078
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / revenue from operations adjusted for PPP)	0.0,138	0.0,214
Waste intensity in terms of physical output	-	-
Total Scope 1 and Scope Waste intensity (optional) the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		NA
(i) Recycled *		
• Plastic waste	85.05	78.71
• E-waste	89.16	68.18
• Battery waste	86.14	59.91
• Other Non-hazardous waste	1,217.8	820.46
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	1,478.15	1,027.26
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste (Plastic waste)		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Parameter	FY 2024-25	FY 2023-24
Category of waste (E-waste)		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste (Bio-medical waste)		
(i) Incineration	2.70	1.18
(ii) Land filling	0	0
(iii) Other disposal operations	0	0
Total	2.70	1.18
Category of waste (Battery waste)		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
Total	-	-
Category of waste (Other Hazardous waste) *		
(i) Incineration	0	0
(ii) Land filling	52.54	20.92
(iii) Other disposal operations	84.47	51.38
Total	137.01	72.3
Category of waste (Other Non-hazardous waste)		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
Total	-	-

* Quantity disposed appearing more than generation is due to carry forward of waste generated during previous year and disposed in current year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

Yes, a reasonable assurance of the disclosure has been carried out by an independent external agency, Sustainability Actions Private Limited.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Hazardous Waste Management: When handling with hazardous waste, the principle of reduction, reuse, recovery and recycling is practiced. The production of hazardous waste has been reduced at the process level by introducing appropriate chemicals and procedures that produce less hazardous sludge in the wastewater detoxification process, in addition to the use of cleaner technologies. The use of sodium hypochlorite, and sodium bisulphate in place of lime, bleach powder and iron sulphate help reduce the amount of hazardous sludge. In addition, the introduction of cyanide-free galvanizing and copper plating processes have helped reduce the production of hazardous waste. In the previous year, BEL achieved continual improvement by the elimination of IPA use in HF Oxide etching process in the solar plant. These initiatives resulted in generation of less hazardous waste. Bharat Electronics Limited has set up a system for the safe handling of hazardous waste by creating an exclusive, well-protected place for the safe storage of hazardous waste. BEL has tied up with the State Pollution Control Board’s Treatment, Storage & Disposal Facility operators to dispose of solid hazardous waste that can be land filled. Recyclable waste is handed over to authorised facilities of the Pollution Control Board for scientific processing and recycling. This system effectively prevents pollution from hazardous waste.

E- Waste Management: Electronic waste that is generated during the manufacturing of products is segregated, stored and handed over to authorised agencies of the Pollution Control Board for scientific processing, recovery and recycling. End of Life electronic waste such as computers and other electronic items are also handed over to authorised agencies of the Pollution Control Board for scientific processing, recovery and recycling. End of Life e-waste products such as electronic voting machines are received back under Extended Producer responsibility initiative and are disposed scientifically. Users of electronic products receive handling and disposal guidelines for the safe disposal of electronic waste after expiry. Efforts are being made to reduce the hazardous component in electronic products by introducing as many RoHS-compliant components as possible.

Solid Waste Management: BEL has put in place a source segregation system for proper handling of waste. Biodegradable waste such as food waste and green waste of colony is composted through the 1.0 tonne organic waste converter with an average of 0.45 to 0.6 Tons per day, wherein manure is generated. The manure so generated is used for horticulture application in the BEL Estate area. The green waste generated in BEL is subjected to natural composting. Leaf shredding machine is available for reduction of the size of green waste. In addition, the food waste generated in the factory canteen is transported to Bio-Methanation plant on daily basis. The anaerobic biogas plant is based on UASB technology with a capacity of 2.0 tonnes and leads to a saving of about 50 SCM PNG per day in cooking. Land fillable waste is sent to a well-established solid waste treatment facility for processing.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Yes/No) If no, the reasons thereof and corrective action taken, if any.
BEL does not have any operations/offices in/around ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable. There are no projects undertaken for EIA assessments during the FY 2024-25					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules there under. If not, provide details of all such non-compliances, in the following format:

Sl. No.	Specify the law /regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes. BEL is compliant with all the applicable environmental law/ regulations/ guidelines in India such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and rules there under.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable.

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
(ii) Nature of operations
(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment - please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover		Assessment will be taken up	
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

BEL operates in industrial areas/estates, hence its influence on biodiversity is very minimal.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

SL. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	RoHS-compliant components and processes are introduced to comply with the European & other international directives	Restriction of Certain Hazardous Substance (RoHS) compliant processes have been introduced into the PCB manufacturing and metal finishing processes. 1) Environmentally friendly materials have been introduced, such as low smoke halogen cables, low VOC metal finish (polyurethane), cyanide-free silver, zinc and copper plating, and trivalent chromium-based chromate conversion coating. 2) A technical series of document have been published on RoHS compliant cadmium plating alternatives for fasteners and screws. 3) New standard is released for environmental friendly automated cleaning process of Printed wiring assembly using Aqueous based cleaner replacing the use of Iso-propyl Alcohol.	This helps spread awareness and compliance of RoHS compliant alternatives among BEL's various D&E and quality engineers.
2	Energy conservation/ efficient measure	1) Purchase of green energy to meet additional power requirement other than captive RE power. 2) Installation of cumulative 13.9 MW of wind plants in Davanagere & Hassan, Karnataka and cumulative 2.8 MW Rooftop Solar Power Plants at BE-BG. 3) All lightings replaced with LED lights in factory & estate areas. 4) Replacement of reciprocating air compressors with energy efficient oil free screw air compressors. 5) Old Air Conditioners replaced with energy efficient rated ACs. 6) Cooling towers replaced with IE-3 rated motor cooling towers. 7) Installation of VFDs for existing cooling towers. 8) Reduction in use of fossil fuel energy: Installation of 500 KWP solar power plant, produced 2.29 TJ energy.	BEL has achieved RE-100 status.
3	Water Conservation	1) Installed Roof top rainwater harvesting system for reuse of water for RO generation; this enables every year to collect 500-600 m3 of rain water of low TDS which in turns result in use of saving about 800-1000 m3 of fresh water.	Achieved "Water Positive Status" through water conservation measures adopted.

SL. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		2) Innovative recharging of bore wells enable us to collect the runoff water adjacent to the building and near to the borewells for facilitating recharging of aquifers. 45 recharge pits have been created in BG campus of 685 acres. Overflow from recharging pit is diverted to large-scale rainwater harvesting reservoir having capacity of 170 million liters with expected annual yield of around 234 million liters. 3) Re-use of tertiary treated wastewater for horticulture application in order to conserve fresh water resource. 4) Several water conservation projects like automation of desmearing process for demand based water supply, automation of bore well water drawing system, level controller for water tanks, efficient dish washing system and the use of swill water with air agitation are implemented for conserving water. Implementation of these water conservation projects have led to a consistent reduction of water consumption each year. 5) Installation of sewage treatment plant of 300 KLD at Kotdwara Unit for achieving Zero liquid discharge.	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. BEL being a premier Navratna defence PSU recognises the importance of business continuity in its business and has put in place policies and complies with all the regulations stipulated by the Govt. to ensure mission critical operations continue in the event of an interruption with respect to the chemical disaster and fire hazard. BEL has well laid down procedures for handling, storage, and usage of various chemicals which are used for various applications. On-Site emergency plan as per the Factories Act 1948, Sec 41B (4) is in place to prevent any disaster arising inside BEL BG Cx and the following practices adopted,

- Chemical Handling and awareness programs are conducted for workers
- Chemical Storage and its compliance is reviewed and updated
- Chemical & Fire hazard related Mock drills are conducted for handling emergency
- Safety Data Sheet for every chemical is made available at the work area.

Regular training on chemical handling to all the workers by both internal and external faculties are being imparted. Safety inspection and audit for the chemical areas are conducted by safety officers and by the external auditors.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not applicable.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No negative social and environmental impacts found on its value chain.

8. How many Green Credits have been generated or produced:

- By the listed entity - Not Applicable.
- By the top ten (In terms of value of purchases and sales, respectively) value chain partners - Not Applicable.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
The Company has taken Corporate Membership with ten (10) Nos. of trade and industry chambers / associations
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
2	Confederation of Indian Industry (CII)	National
3	The Associated Chambers of Commerce of India (ASSOCHAM)	National
4	Standing Conference of Public Enterprises (SCOPE)	National
5	Electronics Industries Association of India (ELCINA)	National
6	Society for Defence Technologists (SODET)	National
7	Society of Indian Aerospace Technologies & Industries (SIATI)	National
8	Society of Indian Defence Manufacturers (SIDM)	National
9	Indian Space Association (ISpA)	National
10	India Electronics Semiconductor Association (IESA)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sl. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web-link
Nil	Nil	Nil	Nil	Nil	Nil

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY 2024-25 (In ₹)
Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Describe the mechanisms to receive and redress grievances of the community.
Centralized Public Grievance Redress and Monitoring System(CPGRAMS) under the Ministry of Personnel, Public Grievances & Pensions, the department of Administrative Reforms & Public Grievance (www.pgportal.gov.in)

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	33.87%	37.28%
Sourced directly from within the district and neighbouring districts	60.14%	59.64%

5. Job creation in smaller towns Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25	FY 2023-24
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	10.48%	11.00%
Metropolitan	89.52%	89.00%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl. No.	State	Aspirational District	Amount spent (In ₹)*
1	Tamil Nadu	Virudhanagar	25,62,000
2	Telangana	Kumurambheem Asifabad	19,35,000
3	Telangana	Mulugu	19,35,000
4	Telangana	Bhadradri Kothagudem	19,35,000

*Amount spent during FY 2024-25 (including on-going projects).

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Yes

(b) From which marginalized /vulnerable groups do you procure?

Social Category (SC/ST) and women entrepreneurs.

(c) What percentage of total procurement (by value) does it constitute?

2%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes / No)	Basis of Calculating benefit share
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable	Not Applicable	Not Applicable

6. Details of beneficiaries of CSR Projects:

Sl. No	No. of Projects	No. of Persons benefitted from	% of Beneficiaries from vulnerable and marginalized groups
CSR sectors		CSR Projects (approx.)	
Healthcare	23	13,26,808	80
Rural Development	2	4,90,000	75
Education	10	24,676	80
Skill Development	2	2,815	75
Environmental Sustainability	2	1,000	65
Protection & restoration of sites of culture importance	1	5,000	70

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

BEL has a central Complaint Management system, as a part of its customer Relationship Module (CRM module) in SAP system, wherein customers can call up on toll Free number / send fax or email and register their complaints. The Toll free Number/ Fax number / email address is made available to customers at the time of delivery of products / systems. The number is also shared with the users by field engineers of BEL to make it easy for them to register their complaints directly.

The complaints once registered, are sent to the respective product support departments who then take suitable and necessary action to rectify the faults and update the system with the progress on each complaint. The progress status is shared with the customer on the phone / email or through the official channels of customers.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil		Nil	Nil	Nil
Advertising	Nil	Nil		Nil	Nil	Nil
Cyber-security	Nil	Nil		Nil	Nil	Nil
Delivery of essential services	Nil	Nil		Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil		Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil		Nil	Nil	Nil
Other	15,282	4,171	**	13,667	1,821	**

** Some of the complaints remain unresolved at the end of the year due to non availability of spare part /sub system from the original supplier, delay in supply due to supply-chain issues or obsolescence of electronic items for which BEL has to find equivalent alternative/design a Form fit equivalent which may take time.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.

Yes. Cyber Security Policy of the Company is classified as document for internal circulation.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Robust systems have been put in place to identify the issues faced by the customers and ensure timely resolution of the same. Efforts are made to continually strengthen the quality assurance system, improve delivery timelines and address issues of safety and security and disposal as per the applicable laws of the country.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - Nil.
- Percentage of data breaches involving personally identifiable information of customers - Nil.
- Impact, if any, of the data breaches - NA.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Details of BEL's products and Services can be accessed from its website www.bel-india.in

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Company complies with the regulations and relevant voluntary codes concerning marketing communications, including advertising, promotion and sponsorship. The Company's communications are aimed at enabling customers to make informed purchase decisions. The Company also makes efforts to educate customers on responsible usage of its products

and services through training programs for the end users as well as repair technicians at customer workshops, during customer meets and other forums with senior officers of the customer departments where customer concerns w.r.t. delivery, product improvements, new technologies, improved usage mechanisms are addressed

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Company follows Obsolescence management policy where in it keeps the customer informed, well in advance, of the non-availability of a particular part / sub-system due to discontinuation by the OEM/ stoppage of production of components / parts or the technology going obsolete. This is followed up by offering the customer a choice to either upgrade the system with the new technology alternate OR Last time buy of parts which are going obsolete.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. All the essential details of the product like Product name, BEL part number, serial number, date of manufacture/quality control etc. are displayed on the product being delivered to the customer. This information is etched on the sticker which is either pasted / screwed onto the product body at a prominent place.

Company carries out yearly Customer Satisfaction survey covering the following customer segments:

- a. Ordering customer segment / procurement department.
- b. Execution customer segment i.e. agencies involved in inspection of the products being manufactured at different stages.
- c. End User segment i.e. users involved in installation and commissioning of the products and systems, usage of the systems during its active life and those involved in maintaining the system during its active life.

The feedback, thus received, is analysed by the senior management of the company and suitable corrective action is taken through measures adopted and executed by the heads of the manufacturing units.

Since the customers of the company are spread PAN India, the survey covers all the locations where customer departments are located.

For and on behalf of the Board

Bengaluru
28 July 2025

Manoj Jain
Chairman & Managing Director

To,
The Board of Directors
Bharat Electronics Limited
Outer Ring Road, Nagavara,
Bengaluru -560045

Independent Assurance Statement

Scope and Approach

Sustainability Actions Private Limited ("SAPL") has been engaged by the management of Bharat Electronics Limited ("BEL" or "the Company"), as an Independent Reasonable Assurance Provider of the Company's Business Responsibility and Sustainability Report (BRSR) Core Matrices (refer to Annexure I) for the Financial Year 2024-25.

Reporting Criteria

Our reasonable assurance covers the sustainability Information listed in Annexure-I of this report. The reporting boundary is disclosed in Question 13 of Section A: General Disclosure of the BRSR, with exceptions noted under respective questions.

The criteria utilized by the Company to prepare the identified sustainability information are as follows:

- Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended;
- Chapter IV-B of SEBI master circular for compliance with the provisions of the SEBI (LODR) Regulations by listed entities, issued vide SEBI/HO/CFD/PoD2/CIR/P/0155 and dated November 11, 2024;
- "Guidance Note for Business Responsibility and Sustainability Reporting Format" by Securities and Exchange Board of India (SEBI); and
- SEBI/HO/CFD/PoD-1/P/CIR/2024/177 dated December 20, 2024 – Industry Standards Note on Reporting of BRSR Core.
- SEBI/HO/CFD/PoD-1/P/CIR/2025/42 dated March 28, 2025 – Measures to facilitate ease of doing business with respect to framework for assurance or assessment, ESG disclosures for value chain, and introduction of voluntary disclosures on green credits.

Management Responsibilities

The Company's Management is responsible for identification of key aspects, content and presentation of the Business Responsibility and Sustainability Report in accordance with the Criteria mentioned above. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Business Responsibility

and Sustainability Report and measurement of BRSR Core Matrices which are free from material misstatement, whether due to fraud or error.

Independence and Quality Control

We are independent from the entity in accordance with the requirements of independence and quality assurance set out in BRSR provisions and professional pronouncements and have fulfilled our additional professional obligations in accordance with these requirements.

Our assurance engagements are based on the assumption that the data and information provided by the company to us as part of our review have been provided in good faith and free from material misstatements. We were not involved in the preparation of any statements or data included in the Report except for Assurance Statement. Our firm applies International Standard on Quality Management and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We apply SQC 1 for quality control in assurance and related services.

Reasonable Assurance

A reasonable assurance engagement includes identifying and assessing the risks of material misstatement of the Identified Sustainability Information, whether due to fraud or error, and responding to the assessed risks as required by the circumstances.

As part of our assurance process, a multi-disciplinary team of sustainability and assurance specialists reviewed the disclosures presented within the Report and referenced information, and sampled the disclosures and were reviewed through the company's customised sustainability information management system.

The procedures conducted were based on professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluation of quantification methods and reporting policies, analytical procedures, and reconciliation with underlying records.

Given the circumstances of the engagement, in executing the procedures outlined above, we:

- Obtained an understanding of the identified sustainability information and related disclosures;
- Acquired knowledge of the assessment criteria and assessed their adequacy for evaluating and/or measuring the identified sustainability information;
- Conducted inquiries with Company's management, including the environment team, compliance team, human resources team, and other relevant personnel responsible for preparing the Report;
- Developed an understanding and performed an evaluation of the design of key systems, processes, and controls for recording, processing, and reporting the identified sustainability information at the corporate office and other locations.
- Based on our understanding and the potential risks of material misstatement in the identified sustainability information, we determined the nature, timing, and extent of further procedures.
- We tested the Company's process for compiling sustainability information by comparing or reconciling it with the underlying records.
- We verified the consolidation of data from various plants and offices on a sample basis within the reporting boundary to ensure the completeness of the reported data.

We believe that the evidence we have gathered is both sufficient and appropriate to provide a basis for our reasonable assurance opinion.

Our Responsibility

Our responsibility is to express a reasonable assurance conclusion on the identified sustainability indicators, based on the procedures we have performed and the evidence we have obtained. We conducted our engagement in accordance with the International Standard for Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE 3000'), and the terms of reference for this engagement as agreed with the Company. Those standards require that we plan and perform our engagement to obtain reasonable assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

Reasonable Assurance Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the company's identified sustainability criteria as per BRSR core framework for the financial year ended 31st March 2025 are not prepared, in all material respects, in accordance with the Reporting Criteria.

Inherent Limitations

We have relied on the information, documents, records, data, and explanations provided to us by the Company for the purpose of our review. The assurance scope excludes:

- Any disclosure other than those mentioned in the scope section above
- Data and information outside the defined reporting period
- Data related to Company's financial performance, strategy and other related linkages expressed in the Report.
- The reported financial data are based on audited financial statements issued by the Company's statutory auditors which is subject to a separate audit process. We were not involved in the review of financial data from the Annual Report.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.
- While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
- The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

For and behalf of Sustainability Actions Pvt. Ltd.
(CIN – U74999HR2021PTC093811)

Saket Sinha
(Director)

28 July 2025
Gurgaon, India

Annexure – I		
BRSR Core attributes		
	BRSR Indicator	Type of Assurance
P1 E8	Number of days of accounts payable	Reasonable
P1 E9	Concentration of purchases & sales done with trading houses, dealers and related parties Loans and advances & investments with related parties	Reasonable
P3 E1c	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	Reasonable
P3 E11	Details of safety related incidents including lost time injury frequency rate, recordable work-related injuries, no. of fatalities	Reasonable
P5 E3b	Gross wages paid to females as % of wages paid	Reasonable
P5 E7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including complaints reported, complaints as a % of female employees and complaints upheld	Reasonable
P6 E1	Details of total energy consumption (in Joules or multiples)	Reasonable
P6 E1	Details of total energy intensity	Reasonable
P6 E3	Details of water withdrawal by source	Reasonable
P6 E3	Details of water consumption	Reasonable
P6 E4	Details of water discharged	Reasonable
P6 E6	Details of Air Emissions (Other than GHG emissions)	Reasonable
P6 E7	Details of greenhouse gas emissions (Scope 1)	Reasonable
P6 E7	Details of greenhouse gas emissions (Scope 2)	Reasonable
P6 E7	Details of greenhouse gas emissions (Scope 1 and Scope 2) intensity	Reasonable
P6 E9	Details related to waste generated by category of waste	Reasonable
P6 E9	Details related to waste recovered through recycling, re-using or other recovery operations	Reasonable
P6 E9	Details related to waste disposed by nature of disposal method	Reasonable
P8 E4	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	Reasonable
P8 E5	Job creation in smaller towns	Reasonable
P9 E7	Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events	Reasonable

Independent Auditors' Report

We are issuing this revised report to comply with the observations made by the Office of the Comptroller and Auditor General of India, with respect to the matters reported in "ANNEXURE A" (Reporting on Matters Specified in Paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020) to the Independent Auditor's Report. This report supersedes our Independent Auditor's Report dated May 19, 2025.

To the Members of Bharat Electronics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **BHARAT ELECTRONICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements"). These Standalone Financial Statements include the financial information / statements of the Company's branches located at Ghaziabad, Panchkula, Kotdwara, Pune, Navi Mumbai, and Machilipatnam, which have been audited by the respective branch auditors for the year ended March 31, 2025.

In our opinion and to the best of our information and according to the explanations given to us and based on the audit reports provided by the branch auditors, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the

Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit and other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and by the branch auditors referred to in the "Other Matters" paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matters	Auditor's Response
1	Revenue recognition (including recognition of contract assets, contract cost, and trade receivables) as per Ind AS 115 - Revenue from Contracts with Customers ("Ind AS 115"). (Refer Note 23, 12, 7 to the Standalone Financial Statements respectively). The Company is engaged in the manufacturing of electronic equipment and systems for the defence sector. Due to long term nature of contracts with the customers, various terms of the contracts pertaining to identification of performance obligation, allocation of transaction price and recognition of contract assets, trade receivables and contract costs, involve judgments. Therefore, revenue recognition is considered as Key Audit Matter.	Our audit procedures included the following: a. Obtained an understanding and evaluated the design and operating effectiveness of internal controls implemented by the Management with respect to recognition of revenue, contract assets, receivable and contract cost as per Ind AS 115. b. Obtained customer contracts on sample basis to evaluate terms of the contract to verify whether the accounting policy adopted by the Company complies Ind AS 115. c. Tested the Management's evaluation of Ind AS 115 and tested on a sample basis Managements working for recognition and measurement of multiple performance obligations and related variable considerations if any.

Sl. No.	Key Audit Matters	Auditor's Response
		d. In respect of revenue transactions selected on sample basis, we have inspected the underlying documents to verify that the control has been transferred to the customer and the Company has right to consideration. e. In case of contract assets as at year end, we verified on sample basis whether right to consideration is impaired and if so, whether appropriate adjustment in the financial statements is made. f. Tested on sample basis whether revenue transactions near to the reporting data have been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation as per the terms of delivery specified in the contract. g. On sample basis verified whether the Company has unconditional right to consideration in respect of trade receivable balances recognised during the year. h. Verified on sample basis whether contract cost recognised during the year is incurred either to obtain the contract or to fulfil contract based on criteria specified under Ind AS 115. i. Verified whether appropriate presentation and disclosure is made in the financial statements.
2	Recognition and measurement of Intangible Assets under development (Refer Note 5 to the Standalone Financial Statements). Total value of Intangible Assets under Development is ₹ 57,482 Lakhs as at 31 March 2025. The Company undertakes various internal projects to develop advanced electronic warfare systems which can potentially be sold to its customers to generate future economic benefit to the Company. The Company recognises cost incurred in respect of such development phase of projects as intangible assets under development based on the recognition criteria specified as per Ind AS 38. Because identifying projects as being in the development stage requires a high degree of judgment and the level of complexity involved in assessing saleability and marketability of such projects, recognition and measurement of intangible assets under development is considered as Key Audit Matter.	Our audit procedures included the following: a. Understood and evaluated the internal controls implemented by the Management to ensure compliance with recognition and measurement criteria specified under Ind AS 38. b. Obtained project-specific list of intangible assets under development to understand nature and align with our audit understanding of the Company's activities and business scope. c. Performed audit procedures to verify accuracy and existence of cost capitalised under Intangible Assets under Development. d. Assessed whether cost capitalised by the Company is in nature of development phase by obtaining technical assessment performed by the Management to evaluate: • Technical feasibility of completing the intangible asset. • Intentions and ability of the Company to complete and use the intangible asset. • Whether intangible asset can generate probable future economic benefit. • Whether availability of adequate technical, financial and other resources to complete the development. • Whether expenditure incurred with respect to development projects can be reliably measured. e. Obtained project wise aging of intangible assets under development to identify projects exceeding the originally estimated costs or time for completion. f. Reviewed year-end impairment assessment by Management and conducted audit procedures to evaluate the existence of similar conditions in other projects and assess any financial impact. g. Verified on sample basis that capitalisation of Intangible assets under development as Development Cost under Intangible Assets are based on customer orders/ Letter of Intent, and useful lives are determined based on their availability for Company use. h. Verified whether appropriate presentation and disclosure is made in the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Management Discussion and Analysis and Board of Directors' Report along with its Annexures, which is expected to be made available to us after that date. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard. When we read the Management Discussion and Analysis and Board of Directors' Report along with its Annexures, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and

prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal

financial controls with reference to the Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the branches or business activities within the Company to express an opinion on the Standalone Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such branches included in the Standalone Financial Statements of which we are the independent auditors. For the other branches included in the Standalone Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matter' in this audit report.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- We did not audit the financial statements/financial information of six branches included in the Standalone Financial Statements of the Company whose financial statements/ financial information reflect total assets of ₹ 7,85,047 Lakhs as at March 31, 2025, revenue from operations of ₹ 7,81,861 Lakhs and total profit before tax of ₹ 2,25,808 Lakhs for the year ended on March 31, 2025. The financial statements / financial information of these branches has been audited by the branch auditors appointed by the Comptroller & Auditor General of India, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.
- As on 31 March 2025, the Company's Board of Directors comprises six Whole-time Executive (Functional) Directors including the Chairman and Managing Director and two Part-time Government (Non-Executive) Directors. The composition of the Board is not in terms of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with effect from 10 August 2024 and not in terms of section 149 of the Companies Act, 2013 with effect from 28 December 2024, due to non-appointment of requisite number of Independent Directors on the Board of the Company by Ministry of Defence, Government of India.

There are nine vacancies of Independent Directors, including one Independent Woman Director as on 31 March 2025. All the vacancies were notified in time to the Government for filling up and the matter is under consideration of the Ministry of Defence, Government of India.

Our opinion on the Standalone Financial Statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of reports of the branch auditors on the financial statements/financial information of the branches, we give in **Annexure 'A'**; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the branch auditors on the financial statements/financial information of the branches we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 (j)(vi) below on reporting under Rule 11(g). In case of New York, Singapore and Other offices, not visited by us, the Returns/records received from the said offices have been verified and found to be adequate for the purpose of our audit.
 - c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by the branch auditors (Ghaziabad, Panchkula, Kotdwara, Pune, Navi Mumbai and Machilipatnam) have been sent to us and have been properly dealt with by us in preparing this report.
 - d) The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - e) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting

Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- f) According to the information and explanation provided to us and as per Notification no. GSR 463(E) dated 5 June 2015, Section 164 (2) of the Act – 'Disqualifications for appointment of director' is not applicable to the Company, being a Government Company.
- g) With reference to the maintenance of accounts and other matters connected therewith, refer to our comment in Paragraph 2 (b) above and refer to our comment in paragraph 2(j)(vi) below, on reporting under rule 11 (g).
- h) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the Standalone Financial Statements.
- i) According to the information and explanation provided to us and as per Notification No. GSR 463(E) dated 5 June 2015, Section 197 of the Act – 'Overall maximum managerial remuneration and managerial remuneration in case of absence or inadequacy of profits' is not applicable to a Government Company. Accordingly, reporting under section 197 (16) of the Act is not applicable.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and on the consideration of reports of the branch auditors:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 30(8)(i) and 30(8)(ii) to the Standalone Financial Statements.
 - ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses. The Company did not have any long-term

derivative contracts. Refer Note 21 to the Standalone Financial Statements.

- iii. There has been no delay in amount required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
- iv. (a) The Management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 30 (21) (e) to the Standalone Financial Statements.
- (b) The Management has represented to us, that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 30 (21) (f) to the Standalone Financial Statements.
- (c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub-clause j) (iv)(a) and (iv)(b) above, contain any material misstatement.

v. As stated in Note 30(17) to the Standalone Financial Statements

- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company, has used an accounting software, for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail (edit log) facility/feature was enabled at the database level to log any direct changes. During the course of our audit, so far it relates to audit trail in respect of transactions, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

3. As required by Section 143(5) of the Act, we have considered the directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and Standalone Financial Statements of the Company in "**Annexure C**".

For **RAO & EMMAR**
Chartered Accountants
Firm Registration Number: 003084S

B J Praveen
Partner
Membership Number: 215713
UDIN: 25215713BMJHNV1362

Bengaluru
08 July 2025

"Annexure A" to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading, “Report on Other legal and Regulatory Requirements” of our report on even date:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. a. A. The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- B. The Company is maintaining proper records showing full particulars of intangible assets.
- b. The Company has a regular program of physical verification of its property, plant and equipment by which its property, plant and equipment are verified in a phased manner over a period of three

years and in some branches/locations annually. In our opinion, the periodicity of physical verification of property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, a portion of property, plant and equipment were verified during the year and according to the information and explanation provided to us by the Management, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, title deeds of immovable properties as disclosed in the Standalone Financial Statements are held in the name of the Company except the following.

(in ₹ Lakhs)

Description of the Property	Gross Carrying Value	Held in the name of	Whether Promoter, Director, their relative or employee	Period held	Reason for not being held in the name of the Company
Defense system Integration complex (DSIC) Land at Palasamudram	7,309.91	Government of Andhra Pradesh	No	9 years	As per agreement to sale, Sale deed will be executed after commencement of production by utilising at least 50% of land allotted by Govt.
Freehold land admeasuring 96.27 acres at Ibrahimpatnam	1,210.85	Andhra Pradesh Industrial Infrastructure Corporation*	No	11 years 8 Months	Sales deed is pending to be executed.
Freehold land admeasuring 26.55 acres at Ibrahimpatnam	5,22.31	Telangana State Industrial Infrastructure Corporation Limited	No	8 years 10 months	Sales deed is pending to be executed.
2.5 MW Windmill at Davangere	-	Government of Karnataka	No	19 years	Lease Deed is pending with Forest Department of government of Karnataka. Currently Matter is in dispute in the High Court of Karnataka.
Freehold Land at Sohna, Haryana	0.14	No Title Deeds	No	50 years 10 months	The total freehold land of 36.72 acres at Sohna (Haryana) is not registered in the Company's name. Registration is not required, as the property was awarded to the Company by operation of law under the Land Acquisition Act, 1894. The award was published in the official Gazette of the State Government of Haryana and ownership rests with the Company. However, for the purpose of recording rights in the land revenue records, the mutation process is underway. As of March 31, 2025, mutation proceedings for land measuring 24.20 acres have been completed. For the remaining 12.52 acres, mutation is pending with the concerned Tehsildar.

* Now known as Telangana State Industrial Infrastructure Corporation Limited

- d. The Company has chosen cost model for its property, plant and equipment (including Right to Use Assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including Right to Use Assets) or intangible assets does not arise.
- e. According to the information and explanations provided to us, there are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a. The inventory, except goods in transit and inventory lying with sub-contractors, has been physically verified by the Management during the year. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate. In respect of good-in-transit, subsequent goods delivery documents have been verified by the Management. Inventory lying with sub-contractors having substantial values have been confirmed by the Management from such sub-contractors. The discrepancies noticed on verification between the physical stocks and the book records were not 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of account.
- b. According to the information and explanations provided to us, the Company has been sanctioned working capital limits in excess of five Crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- The Management of the Company has provided us with the quarterly returns or statements (except for quarter ended March 31, 2025, which is yet to be submitted), which they have represented to us have been filed by the Company with their banks or financial institutions based on the sanction terms. Based on our procedures and in our opinion the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company.
- iii. a. According to the information and explanations provided to us, during the year, the Company has

made investments in the following Companies, as below.

Associate Companies

- BEL IAI Aerosystems Private Limited, New Delhi.
- Electronic Warfare (Defence) Testing Foundation, Chennai.
- Communication (Defence) Testing Foundation, Ghaziabad.
- UAS Testing Foundation, Kanpur.

Others

- LENS Foundation, Chennai.

(Refer Note 6 to the Standalone Financial Statements)

Further, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except loans to its employees as per the standard Company policy.

- b. According to the information and explanations provided to us and based on our review of the terms of policy, conditions and circumstances, the investments made and the terms and conditions of the grant of loans/advances in the nature of loans are not prejudicial to the Company’s interest.
- c. According to the information and explanations provided to us, in respect of loans, the schedule of repayment of principal and payment of interest have been stipulated. The repayments or receipts are as per the schedule stipulated.
- d. In respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. According to the information and explanations provided to us, no loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- f. According to the information and explanations provided to us, the Company has not granted loans repayable on demand in current year or without specifying any terms or period of repayment. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties.

- iv. According to the information and explanation provided to us and as per notification no. GSR 463(E) dated 5 June 2015, sections 185 and 186 of the Act with respect to granting of loans, investments, guarantees and security, is not applicable to a Government Company engaged in defence sector/production.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules made thereunder or amounts which are deemed to be deposits. We were informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

All earlier year deposits (collected prior to February 2006) have matured and settled except for ₹ 36.95 Lakhs, out of which ₹ 36.50 Lakhs is retained as per Garnishee Order of Lokayukta, Bengaluru and balance of ₹ 0.45 Lakhs though matured is unpaid due to legal issues.

- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act, and are of the opinion that, prima facie, the prescribed records

have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues referred in sub clause (a) above were in arrears as at 31 March 2025, for a period of more than six months from the date they became payable except the following.

- As at 31 March 2025, Kotdwara Unit of the Company has not deposited Property tax demand of ₹744.20 Lakhs received from Kotdwara Municipal Corporation and the matter is under discussion with authorities.

- b. According to the information and explanations given to us, there are no statutory dues referred in sub clause (a) above as at 31 March 2025, which have not been deposited by the Company on account of disputes, except for the following:

(in ₹ Lakhs)

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period to which the amount pertains	Forum where the dispute is pending
Income Tax Act, 1961	Disallowance as per assessment orders	4419	-	2009- 10 2010- 11 2012- 13 2013- 14 2017- 18 2018- 19 2020- 21 2021- 22	Commissioner of Income Tax
Income tax Act, 1961	Tax Deducted at Source	40.13	-	2007-08 2009-10 2010-11 2013-14 2017-18	TDS Circle

(in ₹ Lakhs)

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period to which the amount pertains	Forum where the dispute is pending
Goods & Service Tax	Central Goods & Service Tax	65.77	10.46	2017- 18	High Court
Goods and Service Tax Act, 2017	Tax, Interest and Penalty	23.48	1.02	2018- 19	Goods and Service Tax Department, Navi Mumbai
Goods and Service Tax Act, 2017	CENVAT Credit and ITC	8.05	-	2017- 18	First Appellate Authority
Goods and Service Tax Act, 2017	Input Tax Credit	31.76	-	2018- 19	Punjab & Haryana High Court, Chandigarh
Goods and Service Tax Act, 2017	Input Tax Credit	121.81	-	2019- 20	Punjab & Haryana High Court, Chandigarh
Goods and services Act ,2017	Goods and Service Tax including penalty	0.21	-	2017-18 2018-19	The Assistant Commissioner of Central Tax
Goods and services Act ,2017	Goods and Service Tax including penalty	18.17	-	2017-18	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Goods and services Act ,2017	Goods and Service Tax including interest and penalty	6.56	-	2018-19	Assistant commissioner of State Taxes
Goods and services Act ,2017	Goods and Service Tax including penalty	0.12	-	2018-19	Deputy commissioner of state taxes
Goods and services Act ,2017	Goods and Service Tax including interest and penalty	2769.62	-	2020-21	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Goods and services Act ,2017	Goods and Service Tax including penalty and Interest	1017.30 + Interest	-	2019-23	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Goods and services Act ,2017	Goods and Service Tax including interest and penalty	23.77	-	2020-21	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Goods and Service Tax Act	Penalty under Goods and Service tax	3.74	-	Prior to 2017	Joint Commissioner (Appeals) Goods and Service Tax, Chennai*
ESI Act, 1948	ESI Contribution	10.17	3.25	1992- 93	A.P High Court
ESI Act, 1948	Interest & Cost of recovery	20.26	8	1998- 01	A.P High Court
ESI Act, 1948	Interest & Damages towards late deposit	3.52	-	2000- 01	Punjab & Haryana High Court, Chandigarh
Central Excise Act, 1944	Central Excise	23.65	10	1990- 91	Commissioner Appeals
Central Excise Act, 1944	Interest on Central Excise Duty	243.87		2011- 12 2012- 13	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Central Excise Duty including penalty	6.04	0.50	1991- 92	Commissioner Appeals
Customs Act, 1962	Customs duty including interest and penalty	607.72	500.77	2015-16	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs duty including penalty	3080.92	-	2016-17 2019-20	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs duty	0.20	0.20	2017-18	Assistant Commissioner of Customs

(in ₹ Lakhs)

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period to which the amount pertains	Forum where the dispute is pending
Customs Act, 1962	Customs duty including penalty	6171.53	-	2020-21	Principal commissioner of Customs
Customs Act, 1962	Customs duty including penalty	2571.84	-	2022-23	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Customs Act, 1962	Custom Duty including penalty, redemption fees	1010.59	-	2022-23	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Customs Act, 1962	Custom Duty including penalty, redemption fees and interest	718.51 (pertaining to BG Complex and Ghaziabad)	-	2018-22	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Customs Act, 1962	Custom Duty including penalty, redemption fees	470.67	-	2018-23	Order issued by Authority/ Forum before March 31, 2025, Appeal to be filed by the Company.
Customs Act, 1962	Customs Duty	25.45	-	2002- 03	Commissioner (Appeals) of Customs
Custom Act, 1962	Custom Duty	563.60	42.27	2021- 22	Customs, Excise and service Tax Appellate Tribunal (CESTAT)
Service Tax Act, 1994	Service Tax including penalty	1426.62	53.50	2014-15 2015-16	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Madhya Pradesh VAT Act, 2002	Value added tax	72.62	26.87	2011-12	MP commercial Tax appellate board
Bihar sales Tax act, 1947	Bihar sales tax	66.44	-	1995-98	Joint commissioner of commercial taxes
Rajasthan Sales Tax Act, 1994	Sales Tax	58.85	3.40	2008- 09	Rajasthan Tax Board
Chapter V of the Finance Act 1994	Service Tax	30.93	3.09	2016-17 2017-18	Customs Excise and Service Tax Appellate Tribunal (CESTAT Chennai)
Tamil Nadu Value Added Tax, 2006	Sales Tax	106.64	-	2015-16	Sales tax Tribunal Chennai
Tamil Nadu Value Added Tax, 2006	Sales Tax	30.97	-	2016-17	Sales tax Tribunal Chennai

viii. According to the information and explanations given to us and records examined by us, there are no transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a. Based on our audit procedures; in our opinion and according to the information and explanations

given to us, the Company does not have any loans or borrowings from any lender. Accordingly, reporting on clause 3 (ix) (a) is not applicable.

b. According to the information and explanations given to us, our audit procedures and as represented to us by the Management, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c. According to the information and explanations given to us and in our opinion, no term loans are availed by the Company in the current year. Accordingly reporting on clause 3 (ix) (c) is not applicable.

d. According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short- term basis have been used for long-term purposes by the Company.

e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds (borrowings) from any entity or person on account of or to meet the obligations of its subsidiaries or associate.

f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company.

x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting on clause x(b) is not applicable.

xi. a. Based upon the audit procedures performed by us and according to the information and explanation provided to us by the Management, no fraud by the Company or no fraud on the Company has been noticed or reported to us during the year.

b. According to information and explanation provided to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and

Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

c. According to information and explanation provided to us and based on our audit procedures and enquiry with the vigil mechanism committee, there were complaints received during the year which we have taken into consideration while determining the nature, timing and extent of audit procedures.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting on clause 3 (xii) (a), (b) & (c) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of transactions have been disclosed in the Standalone Financial Statements as required by Ind AS 24 'Related Party Disclosures' to the extent applicable to Government companies. Refer Note 31 to the Standalone Financial Statements.

xiv. a. According to the information and explanations given to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

b. We have considered, the Internal Audit reports, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with them during the year. Accordingly, reporting on clause 3(xv) of the Order is not applicable.

xvi. a. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934. Accordingly, Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

- b.

In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii.

The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- xviii.

There has been no resignation of the statutory auditors during the year. Accordingly, reporting on clause 3 (xviii) of the Order is not applicable.
- xix.

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any

assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx.

a.

There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b.

According to the information and explanations provided to us, an amount of ₹ 5,250 Lakhs remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to an ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Refer Note 30 (15) to the Standalone Financial Statements.

For **RAO & EMMAR**
Chartered Accountants
Firm Registration Number: 003084S

B J Praveen
Partner
Membership Number: 215713
UDIN: 25215713BMJHNV1362

Bengaluru
08 July 2025

"Annexure B" to the Independent Auditors’ Report

Referred to in paragraph 2 (h) under the heading, “Report on Other legal and Regulatory Requirements” of our report on even date:

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).

We have audited the internal financial controls with reference to the Standalone Financial Statements of **BHARAT ELECTRONICS LIMITED** (“the Company”) as of 31 March 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and by the branch auditors, in terms of their reports, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial controls with reference to the Standalone Financial Statements

A Company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the Standalone Financial Statements includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and based on audit reports of branch auditors, the Company has, in all material respects, adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at March 31, 2025, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls

stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Standalone Financial Statements insofar as it relates to six branches, is based on the corresponding reports of the auditors of such branches.

Our opinion is not modified in respect of the above matter.

For **RAO & EMMAR**
Chartered Accountants
Firm Registration Number: 003084S

B J Praveen
Partner
Membership Number: 215713
UDIN: 25215713BMJHNV1362

Bengaluru
08 July 2025

"Annexure C" to the Independent Auditors' Report

Referred to in paragraph 3 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the areas to be examined by the Statutory Auditors as per directions of the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013 for the year ended 31 March 2025.

In our opinion and to the best of our information and according to the explanations given to us and based on the audit reports provided by the branch auditors, we report the following:

Sl. No.	Directions/sub directions	Action taken	Impact
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for statutory auditor of lender company).	According to the information and explanations provided to us, the Company has not received any loan from the bank or financial institutions. Accordingly, reporting on this clause is not applicable.	Nil
3	Whether funds, (grants/subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilised as per its term and conditions? List the cases of deviation.	According to the information and explanations provided to us and based on records during the year no funds have been received towards specific schemes from Central/ State Government, or its agencies. The funds received in earlier years have been appropriately accounted and utilised for the purpose for which it is received.	Nil

For **RAO & EMMAR**
Chartered Accountants
Firm Registration Number: 003084S

B J Praveen
Partner
Membership Number: 215713
UDIN: 25215713BMJHNV1362

Bengaluru
08 July 2025



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प्रधान निदेशक रक्षा-वाणिज्यिक लेखापरीक्षा का कार्यालय
बेंगलूरु - 560 001

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
DEFENCE-COMMERCIAL, BENGALURU - 560 001

17.07.2025

दिनांक / DATE.

To
Shri Manoj Jain,
Chairman and Managing Director,
Bharat Electronics Limited,
PO Nagavara, Outer Ring Road,
Bengaluru – 560 045.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025.

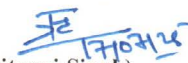
I forward **Nil Comments Certificate** of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025.

It may please be ensured that the comments are:

- (i) Printed in toto without any editing;
- (ii) Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index; and
- (iii) Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully,


(Hrituraj Singh)
Dy. Director (Admin)

Encl: As above.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARAT ELECTRONICS LIMITED, BENGALURU FOR THE YEAR ENDED 31 MARCH 2025

The preparation of financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 08 July 2025 which supersedes their earlier Audit Report dated 19 May 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India


(Rajesh Ranjan)
Principal Director of Audit, Defence - Commercial

Place: Bengaluru
Date: 17 July 2025

भारतीय लेखापरीक्षा एवं लेखा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT
पहला तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूरु - 560001
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Standalone Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2025	As at 31 March 2024
ASSETS				
(1) Non-current assets				
(a)	Property, plant and equipment	1	3,12,419	2,69,911
(b)	Capital work-in-progress	2	46,879	45,377
(c)	Investment property	3	4	4
(d)	Other intangible assets	4	4,887	5,978
(e)	Intangible assets under development	5	57,482	43,730
(f)	Financial assets			
(i)	Investments	6	82,038	76,779
(ii)	Trade receivables	7	-	-
(iii)	Loans	8	663	703
(iv)	Other financial assets	9	1,932	1,428
(g)	Deferred tax assets (net)	10	53,412	57,416
(h)	Inventories	11	-	-
(i)	Other non-current assets	12	19,375	25,124
			5,79,091	5,26,450
(2) Current assets				
(a)	Inventories	11	9,06,966	7,40,759
(b)	Financial assets			
(i)	Trade receivables	7	9,09,196	7,36,219
(ii)	Cash & cash equivalents	13	68,168	1,14,900
(iii)	Bank balances [other than (ii) above]	14	8,71,562	9,81,910
(iv)	Loans	8	147	141
(v)	Other financial assets	9	23,900	28,890
(c)	Current tax assets (net)	15	35,149	44,859
(d)	Other current assets	12	6,47,629	7,41,437
			34,62,717	33,89,115
TOTAL ASSETS			40,41,808	39,15,565
EQUITY AND LIABILITIES				
EQUITY				
(a)	Equity share capital	16	73,098	73,098
(b)	Other equity		18,96,670	15,35,141
			19,69,768	16,08,239
LIABILITIES				
(1) Non-current liabilities				
(a)	Deferred income	17	5,387	5,709
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		5,869	6,025

Standalone Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2025	As at 31 March 2024
(ii)	Trade payables	19		
-	total outstanding dues of micro enterprises & small enterprises; and		-	-
-	total outstanding dues of creditors other than micro enterprises & small enterprises		-	-
(iii)	Other financial liabilities	20	1,457	480
(c)	Provisions	21	89,476	96,104
(d)	Other non-current liabilities	22	-	-
			1,02,189	1,08,318
(2) Current liabilities				
(a)	Deferred income	17	308	310
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		254	226
(ii)	Trade payables	19		
-	total outstanding dues of micro enterprises & small enterprises; and		17,338	21,217
-	total outstanding dues of creditors other than micro enterprises & small enterprises		3,14,167	3,48,148
(iii)	Other financial liabilities	20	1,36,526	1,31,303
(c)	Other current liabilities	22	14,28,251	16,28,904
(d)	Provisions	21	73,007	68,900
(e)	Current tax liabilities (net)	15	-	-
			19,69,851	21,99,008
TOTAL EQUITY AND LIABILITIES			40,41,808	39,15,565

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **RAO & EMMAR**,
Chartered Accountants
Firm Regn No. 003084S

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

Bengaluru
19 May 2025

S Sreenivas
Company Secretary
Membership No. : F4686

Standalone Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2025	For the year ended 31 March 2024
I	Revenue from operations	23	23,65,801	20,16,939
II	Other income	24	76,759	75,584
III	Total income (I+II)		24,42,560	20,92,523
IV	EXPENSES			
a	Cost of material consumed		12,56,140	10,49,762
b	Consumption of stock in trade		43,041	62,886
c	Changes in inventories of finished goods, work in progress & scrap	25	(81,083)	(56,057)
d	Employee benefits expense	26	2,73,436	2,46,670
e	Finance costs	27	961	702
f	Depreciation and amortisation expense	28	43,558	41,243
g	Other expenses	29	1,97,508	2,13,861
	TOTAL EXPENSES (a to g)		17,33,561	15,59,067
V	Profit before exceptional items & tax (III - IV)		7,08,999	5,33,456
VI	Exceptional items		-	-
VII	Profit before tax (V - VI)		7,08,999	5,33,456
VIII	Tax expense	10		
-	Current tax		1,76,135	1,44,959
-	Earlier years tax		274	(6,890)
-	Deferred tax		3,765	(6,613)
	Total provision for taxation		1,80,174	1,31,456
IX	Profit for the year (VII - VIII)		5,28,825	4,02,000
X	Other comprehensive income / (loss)			
	Items that will not be reclassified subsequently to profit or loss			
-	Remeasurement of the net defined benefit liability/asset		1,104	(7,705)
-	Equity instruments through other comprehensive income		2	2
-	Income tax relating to these items		(278)	1,939
	Total other comprehensive income / (loss) (net of tax)		828	(5,764)
XI	Total comprehensive income for the year (IX + X) [comprising profit and other comprehensive income for the year]		5,29,653	3,96,236
XII	Earnings per equity share (face value of INR 1/- each) :	30(1)		
(1)	Basic [in INR]		7.23	5.50
(2)	Diluted [in INR]		7.23	5.50

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

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Bengaluru
19 May 2025

Standalone Statement of Changes in Equity

(₹ in Lakhs)

A. Equity share capital

Particulars	Note no.	Amount
Balance as at 1 April 2024		73,098
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
Balance as at 31 March 2025		73,098

Particulars	Note no.	Amount
Balance as at 1 April 2023		73,098
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
Balance as at 31 March 2024		73,098

B. Other equity

Particulars	Note no.	Reserves & surplus				Other reserve		Total other equity
		Capital reserve *	Capital redemption reserve *	General reserves	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *	
Balance as at 1 April 2024		4,669	1,868	4,70,814	11,22,919	13	(65,142)	15,35,141
Profit for the year		-	-	-	5,28,825	-	-	5,28,825
Addition during the year		-	-	-	-	2	826	828
Total		4,669	1,868	4,70,814	16,51,744	15	(64,316)	20,64,794
Amount transfer to general reserve		-	-	40,000	(40,000)	-	-	-
Transaction with owners in their capacity as owner								
Dividends	16	-	-	-	(1,68,124)	-	-	(1,68,124)
Issue of bonus shares	16	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-
Balance as at 31 March 2025		4,669	1,868	5,10,814	14,43,620	15	(64,316)	18,96,670

Standalone Statement of Changes in Equity

(₹ in Lakhs)

Particulars	Note no.	Reserves & surplus				Other reserve		Total other equity
		Capital reserve *	Capital redemption reserve *	General reserves	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *	
Balance as at 1 April 2023		4,669	1,868	4,30,814	9,07,115	11	(59,376)	12,85,101
Profit for the year		-	-	-	4,02,000	-	-	4,02,000
Addition during the year		-	-	-		2	(5,766)	(5,764)
Total		4,669	1,868	4,30,814	13,09,115	13	(65,142)	16,81,337
Amount transfer to general reserve		-	-	40,000	(40,000)	-	-	-
Transaction with owners in their capacity as owner								
Dividends	16	-	-	-	(1,46,196)	-	-	(1,46,196)
Issue of bonus shares	16	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-
Balance as at 31 March 2024		4,669	1,868	4,70,814	11,22,919	13	(65,142)	15,35,141

* Refer Note 16.

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **RAO & EMMAR,**
Chartered Accountants
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Membership No. 215713

S Sreenivas
Company Secretary
Membership No. : F4686

Bengaluru
19 May 2025

Standalone Statement of Cash Flows

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before exceptional items and tax	7,08,999	5,33,456
Adjustments for:		
Depreciation and amortisation expense	43,558	41,243
Provision for intangible assets under development	-	9,666
Intangible assets under development charged off	129	-
Transfer from government grants	(324)	(336)
Interest income	(61,587)	(56,736)
Dividend income	(3,291)	(9,458)
Interest on lease liability	416	421
Finance costs	545	281
Profit on sale of property, plant and equipment	(255)	(334)
Operating Profit Before Working Capital Changes	6,88,190	5,18,203
Increase / (Decrease) due to:		
Trade receivables	(1,72,977)	(34,018)
Loans	34	(16)
Other financial assets	(489)	7,074
Other assets	99,557	61,163
Inventories	(1,66,207)	(99,554)
Trade payables	(37,860)	37,362
Other financial liabilities	6,601	4,957
Other liabilities	(2,00,653)	99,838
Provisions	(1,417)	11,089
Cash Generated from Operations	2,14,779	6,06,098
Income taxes paid (net)	(1,66,738)	(1,41,297)
Cash Flow Before Exceptional Items	48,041	4,64,801
Exceptional items	-	-
Net Cash from / (used in) Operating Activities	48,041	4,64,801
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipment and other intangible assets	(1,00,407)	(64,714)
Receipt of grant	-	-
Proceeds from sale of property, plant and equipment	304	485
Increase / Decrease from term deposits & other bank balances	1,10,151	(5,67,601)
Equity investments in subsidiaries & associates	(1,510)	(2,199)
Investments in others	(3,747)	(8,140)
Interest received	66,759	43,826
Dividend received	3,291	9,458
Net Cash from / (used in) Investing Activities	74,841	(5,88,885)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend paid	(1,68,056)	(1,46,154)
Repayment of lease liabilities	(597)	(578)
Interest on lease liability	(416)	(421)
Finance costs	(545)	(281)
Net Cash from / (used in) Financing Activities	(1,69,614)	(1,47,434)

Standalone Statement of Cash Flows

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(46,732)	(2,71,518)
Cash and Cash Equivalents at the beginning of the year	1,14,900	3,86,418
Cash and Cash Equivalents at the end of the year	68,168	1,14,900

1. Cash flow in respect of CSR Activities is ₹ 2,770 (₹ 2,755).
2. Non-cash changes recognised in respect of liabilities on account of financing activities is Nil (Nil).
3. Previous year's figure have been regrouped/reclassified wherever necessary.

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **RAO & EMMAR,**
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Company Secretary
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Bengaluru
19 May 2025

Standalone Notes to Accounts

Note 1 - Property, plant and equipment

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2024	Additions / adjustments during the year	Deductions/ adjustments during the year	As at 31 March 2025	Accumulated depreciation / amortisation as at 1 April 2024	Depreciation / amortisation for the year	Deductions / adjustments during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Owned Asset										
Freehold land	14,361	-	-	14,361	-	-	-	-	14,361	14,361
Roads and culverts	3,345	2,125	-	5,470	800	242	-	1,042	4,428	2,545
Buildings	1,07,819	28,779	-	1,36,598	23,221	5,040	-	28,261	1,08,337	84,598
Installations	6,803	950	1	7,752	3,679	584	1	4,262	3,490	3,124
Plant and machinery	2,03,309	18,542	405	2,21,446	1,13,997	17,527	405	1,31,119	90,327	89,312
Electronic equipment	75,217	9,984	1,141	84,060	56,984	6,157	1,135	62,006	22,054	18,233
Equipment for R & D lab	71,160	11,902	173	82,889	51,498	7,150	173	58,475	24,414	19,662
Vehicles	1,400	338	2	1,736	921	210	2	1,129	607	479
Office equipment	20,896	8,971	223	29,644	13,310	3,132	182	16,260	13,384	7,586
Furniture, fixtures and equipment	12,033	1,625	72	13,586	7,597	1,012	71	8,538	5,048	4,436
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
Right of use Asset										
Lease of other assets	6,020	46	90	5,976	788	434	90	1,132	4,844	5,232
Leasehold land	21,017	942	-	21,959	674	160	-	834	21,125	20,343
Total	5,43,445	84,204	2,107	6,25,542	2,73,534	41,648	2,059	3,13,123	3,12,419	2,69,911

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2023	Additions / adjustments during the year	Deductions/ adjustments during the year	As at 31 March 2024	Accumulated depreciation / amortisation as at 1 April 2023	Depreciation / amortisation for the year	Deductions/ adjustments during the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Owned Asset										
Freehold land	14,361	-	-	14,361	-	-	-	-	14,361	14,361
Roads and culverts	2,864	481	-	3,345	640	160	-	800	2,545	2,224
Buildings	98,776	9,044	1	1,07,819	19,117	4,101	(3)	23,221	84,598	79,659
Installations	5,856	991	44	6,803	3,190	533	44	3,679	3,124	2,666
Plant and machinery	1,89,359	14,322	372	2,03,309	97,711	16,658	372	1,13,997	89,312	91,648
Electronic equipment	67,652	7,947	382	75,217	51,109	6,252	377	56,984	18,233	16,543
Equipment for R & D lab	60,186	11,245	271	71,160	44,609	7,160	271	51,498	19,662	15,577
Vehicles	1,257	160	17	1,400	755	176	10	921	479	502
Office equipment	17,266	3,739	109	20,896	11,174	2,246	110	13,310	7,586	6,092
Furniture, fixtures & equipment	11,004	1,082	53	12,033	6,706	944	53	7,597	4,436	4,298
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
Right of Use Asset										
Lease of other assets	6,125	240	345	6,020	589	428	229	788	5,232	5,536
Leasehold land	21,037	-	20	21,017	513	161	-	674	20,343	20,524
Total	4,95,808	49,251	1,614	5,43,445	2,36,178	38,819	1,463	2,73,534	2,69,911	2,59,630

Standalone Notes to Accounts

(₹ in Lakhs)

- i.

Freehold land consists of 2,086.07 acres (2,086.13 acres) and Leasehold land consists of 989.28 acres (989.28 acres).
Freehold land includes INR 155 (INR 287) [represents absolute figure] transferred to investment property during the year.
- ii.

Freehold land includes 5.32 acres (5.32 acres) leased to commercial / religious organisations and in their possession.
- iii.

Contractual Commitments
Refer Note 30(6) for outstanding Contractual Commitments.
- iv.

Deemed Cost
On transition to Ind AS (01.04.2015), the company has elected to continue with the carrying value of all its property, plant and equipment as at 1 April 2015 measured as per previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.
- v.

Estimation of Useful Life of Assets
The management has estimated the useful life of the various categories of Property, Plant and Equipment (which are different from the useful life indicated in Schedule II to the Companies Act, 2013) after taking into consideration, factors like expected usage of assets, risk of technical and commercial obsolescence, etc.

The estimated useful lives of various categories of Property, Plant and Equipment is as follows:

Asset Class	Years
Buildings	20-40
Roads and Culverts	20-40
Installations	10
Plant and Machinery	2-25
Electronic Equipment	5-7
Vehicles	4-5
Office Equipment	5-7
Furniture, Fixtures and equipment	6-10
Equipment for R & D Lab	5
- vi.

Depreciation / Amortisation
Depreciation is calculated on a straight-line basis over the estimated useful lives of the Assets.

Leased Assets are amortised on a straight-line basis over their estimated useful lives or their respective lease term whichever is shorter.
- vii.

Method of Accounting Depreciation
Depreciation / Amortisation has been calculated as per the Accounting Policy No. 8 of the Company and recognised as expenses in the Statement of Profit and Loss. Amount of Depreciation recognised as part of Cost of Other Asset is Nil (Nil).
- viii.

Impairment of Assets

Refer Note 30 (4).
- ix.

Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, Plant and Equipment.

Standalone Notes to Accounts

(₹ in Lakhs)

- x.

Land acquired free of cost from the Government in some units has been accounted in line with provisions of Ind AS 101.
- xi.

Details of Registration, Pending Litigation etc.,

a.

Pending execution of title/sale deed and handing over physical possession of land allotted by Andhra Pradesh Industrial Infrastructure Corporation (APIIC) in respect of land admeasuring 5.60 acres (5.60 acres) in Mallapur allotted to BEL, Hyderabad and the matter being under litigation, no provision towards registration and other costs has been made in the books of account. Cost of land paid to APIIC amounting to ₹ 65 (₹ 65) has been shown in Note 12 - Other Non current Assets to the Financial Statements under the heading Capital Advances.

b.

Based on the Memorandum of Understanding reached with the Defence authorities, assets constructed on the land allotted to BEL and in possession of BEL are capitalised under respective heads for setting up of the Hyderabad Unit. Pending finalisation of the terms and conditions by the appropriate authorities, the cost of land admeasuring 25.11 acres (25.11 acres) has not been accounted in the books of accounts.

c.

Land admeasuring 122.82 acres (122.82 acres) at Ibrahipatnam allotted by APIIC/TSIIC possession is given, for which sale deed is pending.

d.

A demand of ₹ 648 (₹ 648) being 50% of the compensation amount decreed by City Civil Court, Hyderabad has been received towards additional compensation from TSIIC dated 31.01.2015 for land of 22.375 acres (22.375 acres) which is part of the Freehold Land mentioned above. The demand is under dispute and hence, no provision in respect of the same has been made in the books of accounts.

e.

Free hold Land to the extent of 1.22 acres (1.22 acres) which was allotted by Government Authorities in Bengaluru in return for handing over of Land measuring 1.24 acres (1.24 acres) is under litigation.

f.

The Company has installed Windmill Generator at three locations. Out of which : Windmill Generator-I capitalised in the year 2006-07 on Lease Land. Lease deed in respect of aforesaid land is under litigation with High Court of Karnataka.

g.

The title deed in respect of land in Panchkula measuring 0.566 acres (0.566 acres) is under litigation. Three cases are pending in the Civil Court Ambala, SDM Cum. Assistant Collector, UT, Chandigarh and District Court Panchkula.

h.

Sale deed is pending for finalisation of the land admeasuring 913.99 acres (913.99 acres) at Palasamudram (Defence System Integration Complex - DSIC), Ananthapur Dist. AP.

i.

Land measuring 12.52 acres (12.52 acres) at Sohna (Haryana),mututaion is pending with concerned Tehsildar (Ghaziabad Unit).
- xii.

Company has installed solar power plants on lease land in Ordance Factory Board at Medak, Itarsi, Bolangir, HVF Avadi, GCF Jabalpur, VFJ Jabalpur, Hazratpur, Muradnagar, Nalanda, MSF Ishopore by paying a nominal value of INR 1 (represents absolute figure) as annual lease rent for every plant.
- xiii.

Prepaid rent for 3 MW Hassan & 8.4 MW Davangere windmill plants are capitalised as Right of Use on transition to Ind AS 116.
- xiv.

Land admeasuring 31.15 acres (31.15 acres) located at Devanahalli, Bengaluru is received from Karnataka Industrial Area Development Board (KIADB) and the cost of land along with the cost of registration of ₹ 8,916 (₹ 7,974) capitalised under Lease hold land. As per the terms of the lease agreement, on sucessful commencement of the project the same will be converted as freehold land. Increase in capitalised value by ₹ 942 during the current year is for final compensation paid to KIADB as per the contract.

Standalone Notes to Accounts

(₹ in Lakhs)

- xv. Short term lease amount expended during the year is Nil (Nil).
- xvi. Leasehold land includes 9.62 acres (9.62 acres) leased to NCRTC for use during construction and is in their possession as at the year end. (Ghaziabad Unit).
- xvii. DAV Public School was provided a portion of leasehold land by the Unit. Unit has filed a case against DAV Public School for eviction (Ghaziabad Unit).
- xviii. Repayment of Lease for Right to Use Asset during the year amounts to ₹ 597 (₹ 578).
- xix. Gross block and Accumulated Depreciation for Electronic Equipment include ₹ 247 and ₹ 247 (₹ 247 & ₹ 247) towards assets procured out of Other Grants.
- xx. Electronic Equipment of acquisition value ₹ 14,615 (₹ 8,635) are lying with vendors. Plant & Machinery of acquisition value ₹55 (₹55) is lying outside the factory premises.
- xxi. Additions related to R&D assets during the year which are not included in the R&D assets class however capitalised under natural code heads amounts to ₹ 3,762 (₹ 2,495).
- xxii. Site Restoration Obligation: Refer Note 21 (iii) for Site Restoration Obligation in respect of Wind Mill & Solar Power Plants. Gross Block Value of Plant & Machinery includes Site Restoration Obligation of ₹ 2,440 (₹ 2,395) in respect of Wind Mill & Solar Power Plants. Difference of ₹ 53 between SRO Assets and SRO provision under note 21,is due to the revision of Gross Block Value as the deemed cost of the Property, Plant and Equipment on transition to Ind AS (01.04.2015).

Standalone Notes to Accounts

(₹ in Lakhs)

Note 2 - Capital work-in-progress

Particulars	As at 31 March 2025	As at 31 March 2024
Civil Construction	26,754	34,557
Plant & Machinery	15,061	7,362
Others	4,085	3,276
Capital Items in Transit	979	306
	46,879	45,501
Less : Provision for impairment	-	(124)
	46,879	45,377

Capital Work in Progress 2024-25

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	28,885	6,987	750	581	37,202
Others	7,991	1,420	188	78	9,677
Total	36,876	8,406	937	659	46,879

Others includes for Asset Class like Installation, Electronic Equipment, Furnitures etc.

Completion schedule - Time or Cost overrun 2024-25

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project-Ibrahimpatnam	13,049	-	-	-	13,049
DSIC Palasamudram	-	6,610	-	-	6,610
D29 GSEs	5,864	-	-	-	5,864
Project-RF Super Component Facility	2,717	-	-	-	2,717
D 29 Golden LRUs	931	-	-	-	931
EVM Project - Civil	634	-	-	-	634
Clean Room - MWC Building	187	-	-	-	187
Wind Energy Power Plant	-	12	-	-	12
Rain Water Harvesting	10	-	-	-	10
Total	23,391	6,622	-	-	30,013

Completion schedule - Suspended projects 2024-25

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total	-	-	-	-	-

Standalone Notes to Accounts

(₹ in Lakhs)

Capital Work in Progress 2023-24

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	19,355	7,311	5,991	4,886	37,543
Project temporarily suspended	-	-	-	124	124
Others	6,610	875	276	73	7,834
Provision for impairment	-	-	-	(124)	(124)
Total	25,964	8,186	6,268	4,959	45,377

Others includes for Asset Class like Installation, Electronic Equipment, Furnitures etc.

Completion schedule - Time or Cost overrun 2023-24

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project-Ibrahimpatnam	3,493	-	-	-	3,493
D29 GSEs	2,049	-	-	-	2,049
DSIC Palasamudram	-	702	-	-	702
D29 Lab Test Rig	324	-	-	-	324
EVM Project-Civil	-	278	-	-	278
Production Building	-	-	124	-	124
Project-RF Super Component Facility	-	85	-	-	85
MCG CADDs Building	42	-	-	-	42
D 29 Golden LRUs	31	-	-	-	31
Renovation - Custom Room	11	-	-	-	11
Classroom Jammers	3	-	-	-	3
Total	5,952	1,065	124	-	7,142

Completion schedule - Suspended projects 2023-24

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Production Building	-	-	124	-	124
Total	-	-	124	-	124

- i. Refer Note 30(6) in respect of contractual commitments.
- ii. Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, plant and equipment.
- iii. **Impairment of Assets**
Building under construction with carrying value of ₹ 124 is halted for more than three years as the contractor to whom the said work was awarded is in the process of winding up, and there has been no progress in the work. An amount of ₹ 124 was impaired in the financial year 2018-19. Suspended Project of ₹ 124 has been restarted. Work awarded during the FY 2024-25 and work is under progress. Accordingly, ₹ 124 which was impaired in the FY 2018-19 has been withdrawn during the FY 2024-25.
- iv. Civil construction mainly comprises of Production related building and Regional product support Centres.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 3 - Investment property

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	As at 1 April 2024	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2025	As at 1 April 2024	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Freehold land*	-	-	-	-	-	-	-	-	-	-
Buildings**	8	-	-	8	4	-	-	4	4	4
Total	8	-	-	8	4	-	-	4	4	4

* Freehold land includes INR 4,273 (INR 4,118) [represents absolute figure] which is rounded off.

** Building Includes INR 19,920 (INR 19,920) [represents absolute figure] of depreciation which is rounded off.

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	As at 1 April 2023	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2024	As at 1 April 2023	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Freehold land*	-	-	-	-	-	-	-	-	-	-
Buildings**	14	-	6	8	8	-	4	4	4	6
Total	14	-	6	8	8	-	4	4	4	6

* Freehold land includes INR 4,118 (INR 3,830) [represents absolute figure] which is rounded off.

** Building Includes INR 19,920 (Nil) [represents absolute figure] of depreciation which is rounded off.

i. Amount recognised in Statement of Profit & Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a. Rental Income	263	219
b. Direct Operating Expenses (including R&M) from property that generated rental income	-	-
c. Direct Operating Expenses (including R&M) from property other than above	-	-
d. Depreciation	-	-
e. Profit from Investment property	263	219

- ii. Refer Note 30(6) for Contractual Commitments.

iii. Fair Value of the investment properties

Particulars	As at 31 March 2025	As at 31 March 2024
Land	4,132	3,120
Building	830	406

iv. Deemed Cost

On transition to Ind AS (01.04.2015), the company has elected to continue with the carrying value of all its investment property as at 1 April 2015 measured as per previous GAAP and used that carrying value as the deemed cost of the investment property.

Standalone Notes to Accounts

(₹ in Lakhs)

v. Estimation of Useful Life of Assets

The management has estimated the useful life of the various categories of Property, Plant and Equipment (which are different from the useful life indicated in Schedule II to the Companies Act, 2013) after taking into consideration, factors like expected usage of assets, risk of technical and commercial obsolescence, etc.

The estimated useful life of Property, Plant and Equipment is as follows :

Asset Class	Years
Buildings	40

vi. Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the Assets. The amount of Depreciation has been recognised as expense in the Statement of Profit and Loss.

vii. Method of Accounting Depreciation

Depreciation has been calculated as per the Accounting Policy No. 8 of the Company and recognised as expenses in the Statement of Profit and Loss.

viii. Related Party Transactions

Investment Property includes Building and land measuring 0.48 acres (0.42 acres) given under cancellable operating lease to Subsidiary Company BEL Thales Systems Ltd. Also Refer Note 31.

ix. Details of Registration, Pending Litigation etc.

A. Nil (Nil).

x. Restriction on the realisability of Investment Property : There is no restriction on the land allotted to the Company by Government

xi. During the year 2023-24 a Building was reclassified from Investment property to Property, Plant and Equipment having a gross book value of ₹ 6 and Accumulated Depreciation of ₹ 4.

xii. Estimation of Fair Value : The Company has estimated the fair value of Investment Property based on the Government Guidance Value (municipal value) of the similar properties in the investment property's location and not based on the valuation by registered valuer.

xiii. Freehold Land comprises of 1.65 acres (1.59 acres) in Bengaluru.

Note 4 - Other intangible assets

PARTICULARS	GROSS CARRYING AMOUNT				AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2024	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2025	As at 1 April 2024	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Software licenses / implementation Enterprise resource planning (ERP)	3,452	760	2	4,210	2,539	629	1	3,167	1,043	913
Others (Development Cost) *	9,832	60	-	9,892	4,767	1,281	-	6,048	3,844	5,065
Total	13,284	820	2	14,102	7,306	1,910	1	9,215	4,887	5,978

* Includes funding to other development agencies.

Standalone Notes to Accounts

(₹ in Lakhs)

PARTICULARS	GROSS CARRYING AMOUNT				AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2023	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2024	As at 1 April 2023	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Software licenses / implementation Enterprise resource planning (ERP)	3,052	400	-	3,452	1,579	960	-	2,539	913	1,473
Others (Development Cost) *	9,413	419	-	9,832	3,303	1,464	-	4,767	5,065	6,110
Total	12,465	819	-	13,284	4,882	2,424	-	7,306	5,978	7,583

* Includes funding to other development agencies.

i. Deemed Cost

On transition to Ind AS (01.04.2015), the company has elected to continue with the carrying value of all its other intangible assets as at 1 April 2015 measured as per previous GAAP and used that carrying value as the deemed cost of other intangible assets.

ii. Estimated useful life

The estimated useful lives of the Other Intangible Assets is as follows :

Asset Class	Years
Software licenses / implementation Enterprise Resource Planning (ERP)	3
Others (Development Cost)	3 - 15

iii. Amortisation

Amortisation is calculated on a straight-line basis over the estimated useful lives of the Assets. The amount of amortisation has been recognised as expense in the Statement of Profit and Loss.

iv. Method of Accounting Amortisation

Amortisation has been calculated as per the Accounting Policy No. 8 of the Company and recognised as expenses in the Statement of Profit and Loss.

v. Refer Note 30(6) for Contractual Commitments.

vi. Impairment of Assets

Refer Note 30(4).

vii. The restriction on the title of the assets is governed by the terms of agreement.

Note 5 - Intangible assets under development

Particulars	As at 31 March 2025	As at 31 March 2024
Internally developed	66,652	60,609
Less : Provision for impairment	(9,170)	(16,879)
	57,482	43,730

Standalone Notes to Accounts

(₹ in Lakhs)

Intangible assets under development 2024-25

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	13,892	5,225	4,223	43,191	66,530
Project temporarily suspended	15	52	52	3	122
Provision for impairment	-	-	(170)	(9,000)	(9,170)
Total	13,906	5,277	4,105	34,194	57,482

Completion schedule - Time or cost over run 2024-25

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
QRSAM	21,684	-	-	-	21,684
ATULYA	9,125	-	-	-	9,125
Development of DJAG System for Jaguar	6,605	-	-	-	6,605
QT model for Sarakshi	1,765	-	-	-	1,765
Shatrughat & Samaghat	1,598	-	-	-	1,598
TEJ System	1,147	-	-	-	1,147
Hemo Dialysis Machine	843	-	-	-	843
Himsravan	816	-	-	-	816
Photonic ESM Receiver	801	-	-	-	801
Drone Elint	703	-	-	-	703
EA System	362	-	-	-	362
BLI Receiver	361	-	-	-	361
Unified Video and Data Recorder	274	-	-	-	274
Weapon Management Computer (WMC)	-	239	-	-	239
Weapon Interface Computer (WIC)	-	218	-	-	218
PGB500	117	-	-	-	117
X-Band RF Seeker	-	100	-	-	100
Total	46,201	557	-	-	46,757

Completion schedule - Suspended projects 2024-25

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project temporarily suspended	-	122	-	-	122
Total	-	122	-	-	122

Standalone Notes to Accounts

(₹ in Lakhs)

Intangible assets under development 2023-24

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project in progress	5,839	4,226	19,426	31,119	60,609
Provision for impairment	(337)	(210)	(9,120)	(7,213)	(16,879)
Total	5,502	4,016	10,306	23,905	43,730

Completion schedule - Time or cost over run 2023-24

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
QRSAM	15,791	-	-	-	15,791
ATULYA	-	8,637	-	-	8,637
Development of DJAG System for Jaguar	6,543	-	-	-	6,543
Shatrughat & Samaghat	1,600	-	-	-	1,600
QT model for Sarakshi	880	-	-	-	880
HEMO Dialysis Machine	605	-	-	-	605
Himsravan	547	-	-	-	547
TEJ System	539	-	-	-	539
Drone Elint	379	-	-	-	379
BLI Receiver	312	-	-	-	312
Flight Control System Test Unit (FTU)	58	-	-	-	58
Total	27,255	8,637	-	-	35,892

Completion schedule - Suspended projects 2023-24

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

- i. Refer Note 30 (6) for Contractual Commitments.
- ii. **Impairment of Assets :-**
An amount Nil (₹ 9,666) was provided as impairment loss since development activity is not being continued at present and also as per company's assessment the probability of generating economic benefit was not certain. An amount of ₹ 7,709 (₹ 545) was provided during previous years was written off during current year. (Refer Note 30(4)).
- iii. An amount of ₹ 129 (Nil) chaged off to Statement of Profit and Loss.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 6 - Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Fair Valuation of loan given to Subsidiary (Deemed Investment)		
BEL Optronics Devices Ltd., Pune	227	227
(I) Investment in Equity Instruments (Unquoted)		
(a) Subsidiary (at Amortised Cost)		
BEL Optronics Devices Ltd., Pune 9,32,23,820 (9,32,23,820) equity shares of INR 10 each fully paid	18,962	18,962
BEL Thales Systems Limited, Bengaluru 42,63,538 (42,63,538) equity shares of INR 100 each fully paid	4,264	4,264
(b) Associate (at Amortised Cost)		
GE-BE Private Ltd., Bengaluru 26,00,000 (26,00,000) equity shares of INR 10 each fully paid	260	260
BEL IAI Aerosystems Private Ltd., New Delhi 1,64,000 (Nil) equity shares of INR 100 each fully paid	164	-
Defence Innovation Organisation, Bengaluru 50 (50) equity shares of INR 1,000 each fully paid	1	1
ELectronic Warfare (Defence) Testing Foundation, Chennai 46,960 (Nil) equity shares of INR 1,000 each fully paid	469	-
Communication (Defence) Testing Foundation, Ghaziabad 41,811 (Nil) equity shares of INR 1,000 each fully paid	418	-
UAS Testing Foundation, Kanpur 30,000 (Nil) equity shares of INR 1,000 each fully paid	300	-
(c) Others (at FVOCI) (refer note iii below)		
Mana Effluent Treatment Plant Ltd., Hyderabad 500 (500) equity shares of INR 1,000 each fully paid	18	16
(d) Others (at Amortised Cost)		
LENS Foundation, Chennai 1,54,575 (Nil) equity shares of INR 100 each fully paid	155	-
(II) Other Investments (Unquoted)		
a) Investment in Co-operative Societies (at Amortised Cost)*		
Cuffe Parade Persopolis Premises Co-operative Society, Mumbai 40 (40) equity shares of INR 50 each fully paid	-	-
Sukh Sagar Premises Co-op. Society, Mumbai 10 (10) equity shares of INR 50 each fully paid	-	-
Shri. Sapta Ratna Co-op. Society Ltd., Mumbai 10 (10) equity shares of INR 50 each fully paid	-	-
Dalamal Park Co-op. Society Ltd., Mumbai 5 (5) equity shares of INR 50 each fully paid	-	-
Chandralok Co-op. Housing Society Ltd., Pune 30 (30) equity shares of INR 50 each fully paid	-	-
b) Others (at FVTPL)		
Life Insurance Corporation of India (Refer Note xi)	56,800	53,049
	82,038	76,779

* INR 4,750 (INR 4,750) [represents absolute figure] which is rounded off. The same represents value of share acquired in Housing Societies as per their by-law regulation.

i.	Particulars	2024-25	2023-24
	Aggregate value of quoted investments and market value thereof	-	-
	Aggregate value of unquoted investments	82,038	76,779
	Aggregate amount of impairment in value of investments	-	-

ii. Refer Note 32 for classification of financial instruments.

Standalone Notes to Accounts

(₹ in Lakhs)

iii. a. The Company has designated investment in equity shares of following companies at FVOCI because these equity shares represent investments that are intended to be held for long-term for strategic purposes. Fair Value of the Investment based on Net Asset Value Method is given below :

Particulars	Fair value as at 31 March 2025	Dividend income recognised during 2024-25	Fair value as at 31 March 2024	Dividend income recognised during 2023-24
Mana Effluent Treatment Plant Ltd., Hyderabad	18	-	16	-

b. Company has not received any dividend so far on these Investments.

c. No strategic investments were disposed off during 2024-25, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

iv. Related party disclosure

For Related Party Disclosures refer Note 31.

v. An amount of INR 50,000 [represents absolute figure] has been contributed towards equity capital in M/s Defence Innovation Organisation (DIO) during FY 2018-19. DIO was incorporated on 10 April 2017 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 100 (BEL: 50%; HAL: 50%) with an objective of funding innovation in defence sector. The registered office of the company situated in BEL's premises in Bengaluru. An amount of ₹ 5,000 has been provided in the books of account towards contribution to initial corpus fund. As on 31.03.2024, an amount of ₹ 4,000 was pending for disbursement and same was disbursed during the FY 2024-25.

vi. An amount of ₹ 164 has been contributed towards equity capital in M/s BEL IAI Aerosystem Private Limited (BIAPL) during FY 2024-25. BIAPL was incorporated on 25 September 2024 under Companies Act, 2013 with an authorised share capital of ₹ 410 (BEL: 40%; IAI 60%) with an objective to establish Single Point of Contact (SPOC) for Carrying out Post Warranty Product Support Services.

vii. An amount of ₹ 469 has been contributed towards equity capital in M/s Electronic Warfare (Defence) Testing Foundation (EWDTF) during FY 2024-25. EWDTF was incorporated on 21 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,175 (BEL: 40%; HAL 20%, IOL 20%, BDL 10%, TIDCO 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Electronic Warfare (EW) Domain.

viii. An amount of ₹ 418 has been contributed towards equity capital in M/s Communication (Defence) Testing Foundation (CDTF) during FY 2024-25. CDTF was incorporated on 31 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,045 (BEL: 40%; HAL 25%, BEML 25%, AWEIL 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Communication (C) Domain .

ix. An amount of ₹ 300 has been contributed towards equity capital in M/s UAS Testing Foundation (UASTF) during FY 2024-25. UASTF was incorporated on 31 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,500 (BEL: 20%; HAL 33.33%, BEML 20%, YIL 10%, GIL 10% and Endure Air 6.67%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Unmanned Aerial System (UAS) Domain.

Standalone Notes to Accounts

(₹ in Lakhs)

- x. An amount of ₹ 155 has been contributed towards equity capital in M/s LENS (Laboratory for Electro-Optical Navigational System) Foundation during FY 2024-25. LENS was incorporated on 15 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,500 (IOL: 35%; AVNL 35%, BEL 15%, GSL 10% and TIDCO 5%) with an objective of Defence Testing Infrastructure Scheme (DTIS), Laboratory for Electro-Optical Navigational System Domain. However, issued share capital is ₹ 1,031 as on 31.03.2025.
- xi. The company has invested its leave Encashment liabilities in LIC's New Group Leave Encashment Plan.

Note 7 - Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Unsecured, Considered Doubtful		
Trade receivables	2,99,650	2,29,732
Less: Provision*	(2,99,650)	(2,29,732)
Sub Total (A)	-	-
Current		
Secured, considered good	189	690
Unsecured, considered good	9,09,007	7,35,529
Sub Total (B)	9,09,196	7,36,219
Total (A+B)	9,09,196	7,36,219

* Includes provision towards Liquidated Damages.

Non Current Trade Receivable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered doubtful	7,128	168	47,302	18,581	46,483	28,509	1,34,454	2,82,625
Undisputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	284	284
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	16,741	16,741
Less : Provision	(7,128)	(168)	(47,302)	(18,581)	(46,483)	(28,509)	(1,51,480)	(2,99,650)
Total	-	-	-	-	-	-	-	-

Standalone Notes to Accounts

(₹ in Lakhs)

Current Trade Receivable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,57,827	4,793	4,88,786	79,448	1,08,083	41,809	27,952	9,08,697
Undisputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	498	498
Disputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	1,57,827	4,793	4,88,786	79,448	1,08,083	41,809	28,450	9,09,196

Non Current Trade Receivable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered doubtful	4,112	120	29,510	13,122	29,641	16,636	1,19,813	2,12,954
Undisputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	339	339
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	16,438	16,438
Less : Provision	(4,112)	(120)	(29,510)	(13,122)	(29,641)	(16,636)	(1,36,591)	(2,29,732)
Total	-	-	-	-	-	-	-	-

Standalone Notes to Accounts

(₹ in Lakhs)

Current Trade Receivable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	1,32,721	4,191	3,97,176	65,572	79,754	31,891	24,113	7,35,418
Undisputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	801	801
Disputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	1,32,721	4,191	3,97,176	65,572	79,754	31,891	24,914	7,36,219

i. Payment Terms

- A. In majority of contracts, payment (net of advance received, if any) is due on delivery of items. However, in some contracts a portion of dues (Typically 5% to 10%) is linked to satisfaction of further performance obligation like completion of installation and commission activity etc. In respect of turnkey contracts, payment (net of advance, if any) is linked to achievement of specified milestone.
- B. Advance including progressive payments received from customer are classified as contract liability and adjusted on completion of related performance obligation.
- C. Amount retained by customer in respect of completed performance obligation, due to linking of payment with completion of other performance obligations in the contract, is classified as contract asset. Balance amount receivable is classified as Trade receivable.

ii. Financial instruments

Refer Note 32 for classification of financial instruments.

iii. Impairment of financial assets

Provisions for impairment has been made in line with Accounting Policy No. 30 of the company.

iv. Related party disclosure

For Related Party Disclosures refer Note 31.

v. Security, Hypothecation etc

Refer Note 34.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 8 - Loans

Particulars	As at 31 March 2025	As at 31 March 2024
Non current		
Unsecured, considered good		
Loans to employees	663	703
	663	703
Unsecured, considered doubtful Others		
Loans to employees	1	1
Less: Provisions	(1)	(1)
	-	-
Loans to others	132	132
Less: Provisions*	(132)	(132)
	-	-
Sub Total (A)	663	703
Current		
Unsecured, Considered Good		
Loans to related parties	-	-
Others		
Loans to employees	147	141
Sub Total (B)	147	141
Total (A+B)	810	844

* Includes ₹ 132 (₹ 132) in respect of loans which are credit impaired.

i. Financial Instruments

Refer Note 32 for classification of financial instruments.

ii. Impairment of Financial Assets

Provisions for impairment has been made in line with Accounting Policy No. 30 of the company.

iii. Related Party Disclosure

For Related Party Disclosures refer Note 31.

iv. Security, Hypothecation etc

Refer Note 34.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 9 - Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Unsecured, Considered Good		
Security deposits	1,735	1,255
Bank deposits with more than 12 months maturity **	197	173
	1,932	1,428
Unsecured, Considered Doubtful		
Security deposits	119	83
Less: Provisions	(119)	(83)
	-	-
Advance to employees	9	-
Less: Provisions	(9)	-
	-	-
Advance to others	14	14
Less: Provisions	(14)	(14)
	-	-
Receivables other than trade receivables	1,070	1,037
Less: Provisions*	(1,070)	(1,037)
	-	-
Other assets	576	339
Less: Provisions	(576)	(339)
	-	-
Sub Total (A)	1,932	1,428
Current		
Unsecured, considered good		
Security deposits	2,483	1,724
Advance to employees	165	177
Advance to others	5	3
Interest accrued but not due on term deposits	9,707	14,879
Receivables other than trade receivables	1,332	1,986
Other assets	10,208	10,121
Sub Total (B)	23,900	28,890
Total (A+B)	25,832	30,318

* Refer Note 30 (22).
** Represents balances held as margin money against bank guarantee.

i. Financial Instruments

Refer Note 32 for classification of financial instruments.

ii. Impairment of Financial Assets

Provisions for impairment has been made in line with Accounting Policy No. 30 of the company.

iii. Related Party Disclosure

For related party disclosures refer Note 31.

iv. Net carrying amount of Nil (Nil) has been added in other assets with respect to Property, Plant and Equipment not in active use and pending for disposal.

v. Security, Hypothecation etc

Refer Note 34.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 10 - Deferred tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets	74,798	77,486
Deferred tax liabilities	(21,386)	(20,070)
	53,412	57,416

i. Income Tax recognised in Statement of Profit or Loss

Sl. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Income Tax Expenses:		
	- Current period	1,76,135	1,44,959
	- Changes in estimates related to earlier years	274	(6,890)
2	Deferred tax:		
	- Origination and reversal of temporary differences	3,765	(6,613)
3	Total deferred tax expense/(benefit)	3,765	(6,613)
4	Income tax expenses	1,80,174	1,31,456

ii. Income Tax recognised in other comprehensive income

Sl. No	Particulars	As at 31 March 2025			As at 31 March 2024		
		Before Tax	Tax (expense)/benefit	Net of Tax	Before Tax	Tax (expense)/benefit	Net of Tax
1	Remeasurement of the net defined benefit liability/(asset)	1,104	(277)	827	(7,705)	1,940	(5,765)
2	Equity instruments through other comprehensive income	2	(1)	1	2	(1)	1
	Total	1,106	(278)	828	(7,703)	1,939	(5,764)

iii. Income Tax recognised directly in Equity

There are no income tax recognised directly in equity for the year ended 31 March 2025 & 31 March 2024.

iv. Reconciliation of Effective Tax Rates

Particulars	As at 31 March 2025		As at 31 March 2024	
	Rate	Amount	Rate	Amount
Profit Before Tax		7,08,999		5,33,456
Tax using the company's Domestic Tax Rate	25.17%	1,78,441	25.17%	1,34,260
Effect of				
Additional deduction on Research & Development Expenses	-	-	-	-
Exempt Income	-	-	-	-
Tax Incentives	-	-	-	-
Changes in estimates related to previous years	0.04%	274	-1.29%	(6,890)
Non-deductable Expenses	0.60%	4,282	0.67%	3,563
Impact on change in tax rate				
Others	-0.40%	(2,823)	0.10%	523
Effective Tax rate	25.41%	1,80,174	24.64%	1,31,456

Standalone Notes to Accounts

(₹ in Lakhs)

v. Deferred Tax (Assets) and Liabilities are attributable to the following :

Sl. No	Particulars	Deferred Tax (Assets)		Deferred Tax Liability		Net Deferred Tax (Assets)/ Liability	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
1 .	Trade Receivables	(12,845)	(11,312)	-	-	(12,845)	(11,312)
2 .	Inventory	(15,478)	(16,687)	-	-	(15,478)	(16,687)
3 .	Provision others	(21,689)	(23,854)	-	-	(21,689)	(23,854)
4 .	Employee Benefits	(19,416)	(18,009)	-	-	(19,416)	(18,009)
5 .	Other Intangible Assets	-	-	90	222	90	222
6 .	Deferred Revenue	(22)	(22)	-	-	(22)	(22)
7 .	Other Assets	-	-	-	-	-	-
8 .	Property, Plant and Equipment	-	-	17,576	16,129	17,576	16,129
9 .	ICDS Adjustment	-	-	-	-	-	-
10 .	Equity Investments	-	-	4	3	4	3
11 .	Other Financial Liabilities	-	-	8	8	8	8
12 .	Provision for Impairment	(5,348)	(7,602)	-	-	(5,348)	(7,602)
13 .	Intangible Assets under development	-	-	3,708	3,708	3,708	3,708
14 .	Total	(74,798)	(77,486)	21,386	20,070	(53,412)	(57,416)
15 .	Set off of (Asset)/Liability	21,386	20,070	(21,386)	(20,070)	-	-
	Net Deferred Tax (Asset)/ Liability	(53,412)	(57,416)	-	-	(53,412)	(57,416)

vi. Movement for Deferred Tax (Assets) and Liabilities :

Sl. No	Particulars	Balance as on 01.04.2024	Recognised in P&L during 2024-25	Recognised in OCI during 2024-25	Balance as on 31.03.2025
1 .	Trade Receivables	(11,312)	(1,533)	-	(12,845)
2 .	Inventory	(16,687)	1,209	-	(15,478)
3 .	Provision others	(23,854)	2,165	-	(21,689)
4 .	Employee Benefits	(18,009)	(1,645)	238	(19,416)
5 .	Other Intangible Assets	222	(132)	-	90
6 .	Deferred Revenue	(22)	-	-	(22)
7 .	Other Assets	-	-	-	-
8 .	Property, Plant and Equipment	16,129	1,447	-	17,576
9 .	ICDS Adjustment	-	-	-	-
10 .	Equity Investments	3	-	1	4
11 .	Other Financial Liabilities	8	-	-	8
12 .	Provision for Impairment	(7,602)	2,254	-	(5,348)
13 .	Intangible Assets under development	3,708	-	-	3,708
	Total	(57,416)	3,765	239	(53,412)

Standalone Notes to Accounts

(₹ in Lakhs)

Movement for Deferred Tax (Assets) and Liabilities :

Sl. No.	Particulars	Balance as on 01.04.2023	Recognised in P&L during 2023-24	Recognised in OCI during 2023-24	Balance as on 31.03.2024
1 .	Trade Receivables	(12,372)	1,060	-	(11,312)
2 .	Inventory	(15,380)	(1,307)	-	(16,687)
3 .	Provision others	(20,160)	(3,694)	-	(23,854)
4 .	Employee Benefits	(18,321)	776	(464)	(18,009)
5 .	Other Intangible Assets	409	(187)	-	222
6 .	Deferred Revenue	(261)	239	-	(22)
7 .	Other Assets	-	-	-	-
8 .	Property, Plant and Equipment	15,938	191	-	16,129
9 .	ICDS Adjustment	-	-	-	-
10 .	Equity Investments	2	1	-	3
11 .	Other Financial Liabilities	8	-	-	8
12 .	Provision for Impairment	(4,665)	(2,937)	-	(7,602)
13 .	Intangible Assets under development	4,463	(755)	-	3,708
	Total	(50,339)	(6,613)	(464)	(57,416)

vii. Tax Losses carried forward :

There are no Tax Losses on which Deferred Tax Asset has been recognised for the year ended 31 March 2025 & 31 March 2024.

viii. Unrecognised Deferred Tax (Assets) / Liabilities : There are no temporary differences on which deferred tax (Assets)/Liability have not been recognised for the year.

Note 11 - Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Raw Materials & Components	61,160	65,811
Add: Raw Materials & Components in Transit	64	101
Less: Provisions	(61,224)	(65,912)
	-	-
Stock in Trade	8	22
Less : Provisions	(8)	(22)
	-	-
Stores & Spares	202	292
Less: Provisions	(202)	(292)
	-	-
Loose Tools	65	76
Less: Provisions	(65)	(76)
Sub Total (A)	-	-
Current		
Raw Materials & Components	5,15,017	4,15,337
Add: Raw Materials & Components in Transit	18,339	32,322
	5,33,356	4,47,659
Work In Progress	3,33,721	2,62,535
Finished Goods	29,099	17,208
Add: Finished Goods in Transit	5,316	7,306
	34,415	24,514

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Stock in Trade	1,119	1,535
Add: Stock in Trade in Transit	322	-
	1,441	1,535
Stores & Spares	2,269	3,100
Add: Stores & Spares in Transit	6	8
	2,275	3,108
Loose Tools	1,251	898
Add: Loose Tools in Transit	2	1
	1,253	899
Disposal Scrap	505	509
	505	509
Sub Total (B)	9,06,966	7,40,759
Total (A+B)	9,06,966	7,40,759

- i. Raw Materials and Components include ₹ 15,762 (₹ 16,213) being materials with sub-contractors, out of which ₹ 85 (₹ 80) of materials is subject to confirmation and reconciliation. Against ₹ 85 (₹ 80), an amount of ₹ 84 (₹ 59) has been provided for.
- ii. **Raw Material and Components (RMC) Stock verification discrepancies for the year are as follows :**
Shortages of ₹ 3,263 (₹ 1,833) and surplus of ₹ 587 (₹ 428). Pending reconciliation, an amount of ₹ 2,630 (₹ 1,406) has been provided for.
- iii. Valuation of Inventories has been made as per Company's Accounting Policy No. 18.
- iv. **A.** The United Nations Climate Change Secretariat has granted 15,856 (15,856) TON CO2EQ carbon credit for the 2.5 MW BEL Grid Connected Wind Power Project Davangere District, Karnataka for the verification period from 05.11.2007 to 31.03.2012 (05.11.2007 to 31.03.2009). The carbon credits are included under Finished Goods at a value of ₹ 2 (₹ 2). The CER is valued at cost as required by Guidance Note on CER issued by ICAI.
- B.** CER under Certification : Nil (Nil) CERs.
- C.** Depreciation & Operation Cost of Emission Reduction Equipment during the year :

Sl. No.	Particulars	2024-25	2023-24
i.	Depreciation	305	300
ii.	Operation Cost of Emission Reduction Equipment	240	207
Total		545	507

v. Security, Hypothecation etc

Refer Note 34.

vi. Amount recognised in Statement of Profit & Loss

Write-down of inventories (including stock verification discrepancies) to net realisable value amounted to ₹ 1,282 (₹ 1,792) has been recognised in the statement of profit and loss for Work in progress and Finished goods.

- vii. Reversal of write down of inventories (including stock verification discrepancies) of ₹ 1,146 (₹ 2,317) has been made during the year, which were recognised as an expenses in the previous year for Work in progress and Finished goods.

Standalone Notes to Accounts

(₹ in Lakhs)

viii. Impairment of Assets

Provisions for inventory has been made in line with Accounting Policy No. 18 of the Company.

- ix. Materials amounting to ₹ 5,884 (₹ 4,503) are located physically at Customer Premises.
- x. The Company has received/retained the assets of the customer as per the contractual terms and those do not form part of the inventory.

Note 12 - Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Capital advances	1,294	3,061
	1,294	3,061
Advances other than Capital advances		
Advances for purchase	422	1,392
Less: Provisions	(422)	(1,392)
	-	-
Contract asset	59,338	42,465
Less: Provisions	(59,338)	(42,465)
	-	-
Others		
Balances with customs, port trust and other government authorities	843	638
Less: Provisions	(843)	(638)
	-	-
Prepaid expenses	73	69
Claims receivable purchases	930	1,186
Less: Provisions	(930)	(1,186)
	-	-
Contract costs	18,010	21,996
Less: Provisions	(2)	(2)
	18,008	21,994
Others - Assets	8	11
Less: Provisions	(8)	(11)
	-	-
Sub Total (A)	19,375	25,124
Current		
Advances other than Capital advances		
Advances to employees	432	459
Advances for purchase	1,00,553	1,13,719
Contract asset	4,46,971	5,42,240
Others		
Balances with customs, port trust and other government authorities	60,592	55,352

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	1,191	1,115
Prepaid taxes	2,943	3,002
Claims receivable purchases	5,651	2,982
Contract costs	28,597	21,781
Others - Assets	699	787
Sub Total (B)	6,47,629	7,41,437
Total (A+B)	6,67,004	7,66,561

i. Impairment of Assets

Provisions for impairment of non financial assets has been made in line with accounting policy No. 13 of the company.

ii. Related Party Disclosure

For related party disclosures refer Note 31.

iii. Closing balance of contract costs represents, cost to obtain the contract from customer ₹ 281 (₹ 711) & cost to fulfill contract is ₹ 46,324 (₹ 43,064).

iv. Amortisation and Impairment of Contract Costs

Amortisation of contract costs determined based on the period of benefit expected from the contract cost is ₹ 20,139 (₹ 19,358). Impairment of contract costs recognised is Nil (₹ 2).

v. Impairment of a contract asset

Impairment of a contract asset charged during the year is ₹ 17,027 (₹ 20,595).

vi. Security, Hypothecation etc

Refer Note 34.

Note 13 - Cash & cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balance with banks	48,167	57,399
Cash on hand	1	1
Term deposits	20,000	57,500
	68,168	1,14,900

i. Refer Note 32 for classification of financial instruments.

ii. There are no repatriation restrictions with regard to cash and cash equivalents.

iii. Cash and cash equivalents includes Term Deposits with original maturity period up to three months. Term Deposits with original maturity period beyond Three months upto Twelve months have been included in Bank balances (Refer Note 14) and Term Deposits with original maturity period beyond Twelve months have been included in Other financial assets (Refer Note 9).

iv. Security, Hypothecation etc

Refer Note 34.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 14 - Bank balances [other than (ii) above]

Particulars	As at 31 March 2025	As at 31 March 2024
Term deposits	8,66,600	9,79,500
Unpaid dividend account *	4,962	2,410
	8,71,562	9,81,910

* Includes ₹ 4,606 (₹ 2,122) of tax withheld on distribution of dividend.

i. Refer Note 32 for classification of financial instruments.

ii. There are no repatriation restrictions with regard to bank balances.

iii. Security, Hypothecation etc

Refer Note 34.

Note 15 - Current tax assets / liability

Particulars	As at 31 March 2025	As at 31 March 2024
Current tax assets (net)		
Advance payment of income tax	35,149	44,859
	35,149	44,859
Current tax liability (net)		
Provision for taxation	-	-
	-	-

Note 16

a. Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
i. Authorised capital		
750,00,00,000 (750,00,00,000) Equity Shares of INR 1(INR 1) each	75,000	75,000
ii. Issued, subscribed & fully paid-up capital		
730,97,78,829 (730,97,78,829) Equity Shares of INR 1 (INR 1) each	73,098	73,098

iii. Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the reporting period	7,30,97,78,829	73,098	7,30,97,78,829	73,098
Add : Shares issued during the year	-	-	-	-
Less : Shares Bought Back during the year	-	-	-	-
Shares outstanding at the end of the reporting period	7,30,97,78,829	73,098	7,30,97,78,829	73,098

Standalone Notes to Accounts

(₹ in Lakhs)

iv. Shares in the company held by each share holder holding more than 5%.

Name of Shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% of Share holding	No. of Shares	% of Share holding
Government of India	3,73,79,21,934	51.14%	3,73,79,21,934	51.14%

v. Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the previous 5 years.

Equity shares allotted as fully paid up by way of bonus shares -

Year	2020-21	2021-22	2022-23	2023-24	2024-25
No. of shares	-	-	4,87,31,85,886	-	-

vi. Aggregate number and class of shares bought back during the pervious 5 years.

Equity shares bought back

Year	2020-21	2021-22	2022-23	2023-24	2024-25
No. of shares	-	-	-	-	-

Particulars	As at 31 March 2025	As at 31 March 2024
vii. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment	-	-
viii. The aggregate value of calls unpaid (including Directors and Officers of Company)	-	-
ix. Shares forfeited	-	-

x. Terms, Rights, preferences and restrictions attaching to each class of shares

- A. The Company has only one class of shares viz, Equity Shares.
- B. Each holder of Equity Shares is entitled to one vote on show of hands and in poll in proportion to the Number of shares held.
- C. Each Shareholder has a right to receive the dividend declared by the Company.
- D. On winding up of the Company, the equity shareholders will be entitled to get the realised value of the remaining assets of the Company, if any, after distribution of all preferential amounts as per law. The distribution will be in proportion to the number of equity shares held by the shareholders.

xi. Interim Dividend and Final Dividend

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Final dividend for FY 2023-24 and FY 2022-23 respectively	58,478	43,859
Interim dividend for FY 2024-25 and FY 2023-24 respectively	1,09,647	1,02,337

Standalone Notes to Accounts

(₹ in Lakhs)

b. Nature and purpose of Reserves

a. Capital Reserve

Capital Reserve is created by transfer from Retained earnings an amount equal to capital profit earned by the company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b. Capital Redemption Reserve

Capital Redemption Reserve is created by transfer from General Reserve an amount equal to face value of the Shares bought back. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

c. Equity Investment through Other Comprehensive Income (OCI)

The company has elected to recognise changes in fair value of certain equity investments in other comprehensive income. The change in fair value is accumulated in this reserve. If and when the investment is de-recognised the accumulated amount will be transferred to Retained earnings.

d. Other Comprehensive Income (OCI)

Other comprehensive income are those gains or losses which are not yet realised and excluded from the statement of profit and loss. It mainly consists of remeasurement of the net defined benefit liability / asset (net of tax).

- xii. Government of India being the Promoter holding 51.14% (51.14%) of Shares as on 31.03.2025. No. of Equity Shares held as on Balance Sheet date is 373,79,21,934 (373,79,21,934).

Note 17 - Deferred income

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Government grants - deferred	5,387	5,709
Sub Total (A)	5,387	5,709
Current		
Government grants - deferred	308	310
Sub Total (B)	308	310
Total (A+B)	5,695	6,019

I. Refer Accounting Policy 16 for method of presentation.

Particulars	As at 31 March 2025	As at 31 March 2024
II. Nature of utilisation of govt. grant		
a) Revenue Expenditure	-	-
b) Capital Expenditure		
- Property, Plant and Equipment	5,695	6,019
III. Other forms of government assistance that has directly benefited the company	-	-
IV. Details of unfulfilled conditions attached to govt. grant	-	-
V. Contingencies attached to govt. grant	-	-

- VI. The above grants received represents viability gap funding towards Solar Power Plants, assistance towards roof top solar systems and Modified Special Incentive Package Scheme (M-sips) subsidy for Zns Project.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 18 - Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Secured		
Term loan from banks	-	-
Sub Total (A)	-	-
Current		
Other borrowings	-	-
Current maturities of long term debt	-	-
Sub Total (B)	-	-
Total (A+B)	-	-

- i. The monthly statements of current assets have been filed by the Company and they are in agreement with the books of accounts.

Note 19 - Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Sub Total (A)	-	-
Current		
- Dues to Micro & Small Enterprises	17,338	21,217
- Others	3,14,167	3,48,148
Sub Total (B)	3,31,505	3,69,365
Total (A+B)	3,31,505	3,69,365

Non Current Trade Payable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			<1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Standalone Notes to Accounts

(₹ in Lakhs)

Current Trade Payable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	More than 3 years	
MSME	3,179	9,179	4,751	71	-	-	17,180
Others	39,003	1,51,269	1,09,097	6,983	3,938	3,622	3,13,912
Disputed dues - MSME	-	158	-	-	-	-	158
Disputed dues - Others	-	203	-	-	-	52	255
Total	42,183	1,60,808	1,13,848	7,054	3,938	3,675	3,31,505

Others includes dues outstanding to Medium Vendors.

Non Current Trade Payable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			< 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Current Trade Payable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			<1 year	1-2 years	2-3 years	More than 3 years	
MSME	2,553	11,099	7,379	15	9	5	21,059
Others	13,410	2,15,720	95,728	14,033	1,886	7,116	3,47,893
Disputed dues - MSME	-	158	-	-	-	-	158
Disputed dues - Others	-	203	-	-	-	52	255
Total	15,963	2,27,179	1,03,107	14,048	1,894	7,173	3,69,365

Others includes dues outstanding to Medium Vendors.

- i. The information regarding dues to Micro and Small Enterprises as required under Micro, Small & Medium Enterprise Development (MSMED) Act, 2006 as on 31 March 2025 is furnished below

Particulars	2024-25	2023-24
a. The principal and the interest due thereon remaining unpaid as at 31 March :		
Principal *	18,505	21,994
Interest	19	24
b. The interest paid by the Company in terms of section 16 of the MSMED Act along with the amount of the payment made beyond the appointed day during the year ending 31 March :		
Principal	-	-
Interest	17	3
c. The interest reversed by the company during the year ended 31 March	5	-

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
d. Interest due and payable for the period of delay (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.	-	-
e. Interest accrued and remaining unpaid at the end of the year ending 31 March.	19	24
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	2	4

* Includes amount shown under Note 20.

ii. Financial Instruments

Refer Note 32 for classification of financial instruments.

iii. Related Party Disclosure

For Related Party Disclosures refer Note 31.

iv. The exposure of company to currency and liquidity risk related to Trade Payables is disclosed at Note 33.

v. The information has been given in respect of such suppliers to the extent they could be identified as Micro & Small enterprises on the basis of information available with the Company.

Note 20 - Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non current		
Security deposits including retention money	1,457	480
Sub Total (A)	1,457	480
Current		
Security deposits including retention money	43,644	34,185
Interest accrued and due on trade payables*	19	24
Non trade Payables - Others**	10,603	12,362
Unpaid matured deposits	37	37
Unpaid dividend	356	288
Non trade payables dues to micro and small enterprises	1,167	777
Outstanding expenses***	78,900	81,919
Other liabilities	1,800	1,711
Sub Total (B)	1,36,526	1,31,303
Total (A+B)	1,37,983	1,31,783
Amount to be transferred to the Investor Education & Protection Fund as at Balance Sheet date	Nil	Nil

* Refer Note 19.

** Includes an amount payable to Capital items.

*** Includes provision towards unspent CSR expenditure of ₹ 9,532 (₹ 6,631).

i. Financial instruments

Refer Note 32 for classification of financial instruments.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 21 - Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Employee benefits		
Long - term compensated absences	51,515	46,463
Provident fund Interest obligation	3,458	4,409
Others		
Provision for onerous contracts	376	1,572
Provision for performance warranty	31,634	41,212
Provision for Site restoration obligation	2,493	2,448
Sub Total (A)	89,476	96,104
Current		
Employee Benefits		
Gratuity	2,099	2,130
Long-term compensated absences	7,257	7,114
BEL retired employees' contributory health scheme (BERECHS)	12,756	13,467
Provident fund interest obligation	2,182	94
Others		
Provision for performance warranty	43,237	38,889
Provision for onerous contracts	5,476	7,206
Sub Total (B)	73,007	68,900
Total (A+B)	1,62,483	1,65,004

i. Movement of provisions for the year ended 2024-25

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	80,101	8,778	2,448
Additional provision recognised during the year	32,001	3,642	45
Amount used during the year	-	-	-
Amount reversed during the year	37,231	6,568	-
As at 31 March	74,871	5,852	2,493

Movement of provisions for the year ended 2023-24

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	63,240	5,646	2,408
Additional provision recognised during the year	38,010	6,848	40
Amount used during the year	-	-	-
Unused amount reversed during the year	21,149	3,716	-
As at 31 March	80,101	8,778	2,448

Standalone Notes to Accounts

(₹ in Lakhs)

ii. Provision for Warranties - as per Accounting Policy No. 20 of the Company.

Provision for warranties is made in respect of products whose normal warranty period is outstanding. As the warranty provision period varies from product to product, provision is made at Strategic Business Unit (SBU) level based on average period of warranty period. Provision is made based on trend based estimate of the likely expenses to be incurred. The provision is measured at the present value of the estimated cost of Warranty.

iii. Provision for Site restoration - as per Accounting Policy No. 23 of the Company.

In accordance with the terms and conditions of the Lease agreement entered into with Lessor, the company is required to return the land in its original condition. Accordingly, provision in respect of Site restoration obligation has been made. The provision required is reviewed and required adjustment made at each year end.

The provision is measured at the present value of the best estimate of the cost of restoration.

iv. Provision for Onerous contracts - as per Accounting Policy No. 23 of the Company.

In respect of certain contracts entered into by the company, it is expected that the likely cost to complete the contract would exceed the Revenue received / receivable against the contract. In such cases, provision in respect of the expected losses has been made. The provision required is reviewed and required adjustment made at each year end. The provision is measured at the present value of the best estimate of loss likely to be incurred.

- v. Performance warranty obligation in respect of sale where back to back warranty of vendor is available, potential liability, if any, in the event of default of vendor is not ascertainable and not expected to be significant.
- vi. An amount of ₹ 13,622 (₹ 6,711) has been debited against Natural Code Heads with respect to Warranty Cost.

(A) POST EMPLOYMENT BENEFIT OBLIGATION

(i) Gratuity:

The Company provides gratuity to employees in India as per payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation :

Particulars	2024-25	2023-24
i) Change in Present Value of Obligations :		
Present Value of Obligation as at the beginning of the year	69,932	69,311
Current Service Cost	1,400	1,354
Interest Cost	4,599	4,761
Past Service Cost	-	-
Benefits paid	(7,894)	(6,572)
Actuarial (gains) / Losses recognised in other comprehensive income		
Changes in financial assumptions on planned liability - loss / (gains)	1,437	1,334

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
Experience adjustments on planned liability - loss / (gains)	(328)	(256)
Present Value of Obligation as at the end of the period	69,146	69,932
ii) Change in Fair Value of plan assets :		
Fair value of plan assets at the beginning of the year	67,802	69,037
Expected return on plan assets	4,525	4,751
Contributions	2,130	275
Benefits paid	(7,894)	(6,572)
Actuarial gain / (loss) on Plan Assets recognised in other comprehensive income	484	311
Fair value of plan assets as at the end of the period	67,047	67,802
Defined benefit (Asset) / liability	2,099	2,130
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Net defined benefit (asset) / liability	2,099	2,130
iii) Expenses Recognised in the Statement of Profit & Loss :		
Current Service cost	1,400	1,354
Net Interest on Net Defined Benefit Obligations	75	10
Past service cost	-	-
Expenses recognised in the statement of profit and loss	1,475	1,363
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :		
Actuarial (gain)/loss on Plan Obligations	1,109	1,078
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(484)	(311)
Effect of Balance Sheet Asset limit	-	-
Amounts recognised in the statement of Other Comprehensive Income	625	767
v) Amounts recognised in Balance Sheet :		
Present Value of Obligation as at the end of the period	69,146	69,932
Fair Value of Plan Assets at the end of the period	67,047	67,802
Funded Status [(Surplus) / Deficit]	2,099	2,130
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Liability / (Asset) for the year as on 31 March as per Balance Sheet	2,099	2,130
vi) Plan Assets		
Categories of Plan Assets are as follows :		
State Govt. Securities	-	-
Govt. of India Securities	-	0.52%
High Quality Corporate Bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Investment with Insurer	99.99%	99.47%
Others (Bank balance)	0.01%	0.01%

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
vii) Actuarial Assumptions :		
Discount Rate	6.72%	6.97%
Rate of increase in compensation level	7.00%	7.00%
Expected rate of Return on Plan Assets	6.72%	6.97%
Estimated Average Future working life	15.20	14.80
viii) Best Estimate of Contribution to be paid :		
The best estimate of contribution to be paid towards Gratuity during the annual period beginning after the Balance Sheet is ₹ 2,099 (₹ 2,130).		
ix) Sensitivity Analysis :		
Discount Rate (0.50% movement)increase	7.22%	7.47%
Increase/(decrease) in defined benefit Obligation as at the end of the period	(2,819)	(2,725)
Discount Rate (0.50% movement)decrease	6.22%	6.47%
Increase/(decrease) defined benefit Obligation as at the end of the period	3,056	2,947
Salary Escalation Rate (0.50% movement)increase	7.50%	7.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	633	616
Salary Escalation Rate (0.50% movement)decrease	6.50%	6.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	(672)	(695)

Additional Disclosures :

- Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 50 basis points.
- No change in the methods and assumptions used for preparing sensitivity analysis as compared to previous year
- Maturity profile of the Gratuity defined benefit obligation is given below:

Year	As at 31 March 2025	As at 31 March 2024
Year 1	4,657	5,034
Year 2	12,477	12,684
Year 3	7,543	8,055
Year 4	7,477	7,318
Year 5	6,344	7,289
Next 5 years	21,090	22,590

(ii) BEL RETIRED EMPLOYEES CONTRIBUTORY HEALTH SCHEME (BERECHS) :

The Company has a contributory health scheme for its retired employees "BEL Retired Employees' Contributory Health Scheme" (BERECHS), which is a funded scheme. Company remits fund to the BREM Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. The primary objective of the scheme is to provide medical facilities to employees retiring on attaining the age of superannuation, or on VRS. Benefits under the Scheme shall be available to the employees who become member and their spouses only.

Standalone Notes to Accounts

(₹ in Lakhs)

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation :

Particulars	2024-25	2023-24
i) Change in Present Value of Obligations :		
Present Value of Obligation (PVO) as at the beginning of the year	1,57,103	1,48,142
Current Service Cost	8,232	7,461
Interest Cost	10,649	10,184
Past service cost	4,832	-
Benefits paid	(8,655)	(13,776)
Actuarial (gains) / Losses recognised in other comprehensive income		
Changes in financial assumptions on plan liability - loss / (gains)	(6,802)	15,967
Experience adjustments on plan liability - loss / (gains)	7,098	(10,875)
Impact on Change in Demographic assumption on Plan liabilities - loss / (gains)	-	-
Present Value of Obligation as at the end of the period	1,72,457	1,57,103
ii) Change in Fair Value of plan assets :		
Fair value of plan assets at the beginning of the year	1,43,636	1,22,761
Expected return on plan assets	10,179	9,269
Direct Contributions to meet direct benefit payment	-	-
Benefit paid	(8,655)	(13,776)
Actuarial gain / (loss) on plan Assets recognised in other comprehensive income	1,073	1
Contribution to plan assets	13,467	25,381
Fair value of plan assets at the end of the period	1,59,700	1,43,636
Defined benefit (Asset) / liability	12,757	13,467
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Net defined benefit (asset) / liability	12,757	13,467
iii) Expenses Recognised in the Statement of Profit & Loss :		
Current Service cost	8,232	7,461
Net Interest on net defined benefit obligation	469	915
Past service cost	4,832	-
Net Expenses Recognised in the Statement of Profit & Loss	13,533	8,376
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :		
Actuarial (gain)/loss on plan Obligations	296	5,092
Difference between Actual Return and expected Interest on Plan Assets (gain)/loss	(1,073)	(1)
Amounts recognised in the statement of Other Comprehensive Income	(777)	5,092
v) Amounts recognised in Balance Sheet :		
Present Value of Obligation as at the end of the period	1,72,457	1,57,103
Fair Value of Plan Assets at the end of the period	1,59,700	1,43,636
Funded Status [(Surplus) / Deficit]	12,757	13,467
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Liability / (Asset) for the year as on 31 March as per Balance Sheet	12,757	13,467

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
vi) Plan Assets		
Categories of Plan Assets are as follows:		
Government of India Securities	-	-
State Government Securities	-	-
High Quality Corporate Bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	99.99%	99.99%
Others (Bank balance)	0.01%	0.01%
vii) Actuarial Assumptions :		
Discount Rate	6.72	6.97
Medical inflation rate	6.50	7.00
Attrition Rate	1.50	1.50
viii) Best Estimate of Contribution to be paid :		
The best estimate of contribution to be paid towards BERECHS during the annual period beginning after the Balance Sheet is ₹12,757 (₹13,467).		
ix) Effect of a one percentage point increase in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation :		
Effect on the aggregate of the service cost and interest cost	3,613	2,029
Effect on the defined benefit obligation	30,148	16,586
Effect of a one percentage point decrease in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:		
Effect on the aggregate of the service cost and interest cost	(2,790)	(1,749)
Effect on the defined benefit obligation	(23,277)	(14,292)
x) Sensitivity Analysis :		
Discount Rate (0.50% movement) increase	7.22	7.47
Increase/(decrease) Defined benefit Obligation as at the end of the period	(12,287)	(8,673)
Discount Rate (0.50% movement)decrease	6.22	6.47
Increase/(decrease) Defined benefit Obligation as at the end of the period	14,109	9,613
Medical Inflation Rate (0.50% movement) increase	7.00	7.50
Increase/(decrease) Defined benefit Obligation as at the end of the period	14,070	7,980
Medical Inflation Rate (0.50% movement) decrease	6.00	6.50
Increase/(decrease) Defined benefit Obligation as at the end of the period	(12,365)	(7,407)

Additional Disclosures :

- Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 50 basis points.
- No change in the methods and assumptions used for preparing sensitivity analysis as compared to previous year.

Standalone Notes to Accounts

(₹ in Lakhs)

- Maturity profile of the BERECHS defined benefit obligation is given below:

Year	As at 31 March 2025	As at 31 March 2024
Year 1	8,801	8,595
Year 2	9,178	9,050
Year 3	9,521	9,705
Year 4	9,836	10,257
Year 5	10,120	10,793
Next 5 years	54,593	61,325

* Sum of ₹749 (₹891) paid towards BERECHS expenditure is due from BREM Trust and the same is included in PVO.

(iii) EMPLOYEES PROVIDENT FUND [INTEREST SHORTFALL] :

Employees Provident Fund is managed by Provident Fund Trust of the Company. The Company contributes Management's contributions payable towards Employee Provident Fund to the Trust.

The Contribution made by the company and shortfall of interest if any, is recognised as an expense in statement of profit and loss under Employee benefits expense. In accordance with the actuarial valuation of provident fund liabilities and based on the assumptions, there is a shortfall in interest cost as the present value of the expected future earnings of the fund is less than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of the provident fund trust.

Particulars	2024-25	2023-24
i) Change in Present Value of Benefit Obligations :		
Present Value of Obligation as at the beginning of the year	4,23,730	3,91,192
Current Service Cost	12,923	13,305
Interest Cost	26,684	28,062
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Actuarial (gain) / Loss	5,659	7,902
Benefits paid/payable	(1,51,940)	(74,639)
Contributions	57,248	57,908
Present Value of Obligation as at the end of the period	3,74,304	4,23,730
ii) Change in Fair Value of plan assets :		
Fair value of plan assets at the beginning of the year	4,19,321	3,88,629
Expected return on plan assets	26,377	27,878
Contributions*	70,171	70,674
Benefit paid	(1,51,940)	(74,639)
Actuarial gain / (loss) on Plan Assets	12,444	6,779
Fair value of plan assets at the end of the period	3,76,373	4,19,321
iii) Expenses Recognised in the Statement of Profit & Loss :		
Opening Net Liability	-	-
Current Service cost	12,923	13,305
Interest Cost	26,684	28,062
Expected return on Plan Assets	(26,377)	(27,877)

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
Net Actuarial (gain) / loss recognised in the period	-	-
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Expenses Recognised in the Statement of Profit & Loss	13,230	13,490
iv) Amounts recognised in Balance Sheet :		
Present Value of Obligation as at the end of the period	3,74,304	4,23,730
Fair Value of Plan Assets at the end of the period	3,76,373	4,19,321
Effect of Balance Sheet asset limit	5,527	-
Difference	3,458	4,409
Unrecognised Actuarial (gains) / losses	-	-
Liability recognised in Balance Sheet	3,458	4,409
v) Amount for the Current Period :		
Present Value of Obligation	3,74,304	4,23,730
Plan Assets	3,76,373	4,19,321
Effect of Balance Sheet asset limit	5,527	-
Surplus/ (Deficit)	(3,458)	(4,409)
Experience Adjustments on Plan liabilities - (Loss)/ Gain	(5,492)	(7,763)
Experience Adjustments on Plan Assets - (Loss)/ Gain	12,444	6,779
vi) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :		
Actuarial (gain)/loss on Plan Obligations	5,659	7,902
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(12,444)	(6,779)
Effect of Balance Sheet asset limit	10,244	3,286
Amounts recognised in the statement of Other Comprehensive Income	3,458	4,409
vii) Category of Assets as at 31 March :		
Government of India Securities & State Government Securities	51.83%/40.94%	52.82%/56.16%
High Quality Corporate Bonds	35.39%/32.08%	30.61%/27.72%
Mutual Funds	4.46%/4.88%	3.73%/3.18%
Others	6.05%/17.14%	10.22%/8.83%
Recoverable from Enterprise **	2.27%/4.96%	2.62%/4.11%
Total	100%/100%	100%/100%
vii) Actuarial Assumptions :		
Discount Rate	6.72%	6.97%
Salary escalation rate	7.00%	7.00%
Expected rate of Return on Plan Assets	7.87%/8.10%	7.98%/8.12%

* Includes ₹ 2,182 (₹94) towards interest shortfall of the provident fund Trust for the current year and provided.
** The unsecured/secured (principal) portion of the investment which amounts to ₹ 12,077 (₹ 13,326) lakhs has been considered by the Trust as a Non-Performing Investment and this amount has been classified as an amount recoverable from the enterprise in the event of default/loss on sale of asset and accordingly provided.

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
B. Long Term Compensated Absence :		
The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the Company are entitled to two types of Long Term Compensated Absences: Annual Leave (AL) & Half Pay Leave (HL) in case of Executives and Annual Leave (AL) & Sick Leave (SL) in case of Non-Executives. The scheme provides for compensation to employees against the unavailed Leave (AL & HL in case of Executives and AL & SL in case of Non-Executives) on attaining the age of superannuation, VRS or death. AL can also be encashed during service or at the time of resignation.		
The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary :		
i) Expenses Recognised in the Statement of Profit & Loss :		
Net Expenses Recognised in the Statement of Profit & Loss [2024-25 Leave Encashed : ₹3158, Provisions : ₹5195] [2023-24 Leave Encashed : ₹2106, Provisions : ₹7133]	8,353	9,239
ii) Amounts to be recognised in Balance Sheet :		
Liability recognised in Balance Sheet [As per Actuarial Valuation]	58,772	53,577
iii) Actuarial Assumptions :		
Discount Rate	6.72%	6.97%
Rate of increase in compensation level	7.00%	7.00%
iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.		
Current leave obligations expected to be settled within the next 12 months	7,257	7,114
Leave obligations expected to be settled beyond 12 months	51,515	46,463
Total	58,772	53,577

C. Pension Scheme :	
The Company has got a defined contribution pension benefit plan for the benefit of its employees in respect of which contribution is made on an annual basis to a Trust setup for this purpose.	
The benefit under the scheme are available for the employees as per the rules laid down in this regard.	
i) A narrative description of the specific or unusual risks arising from a defined benefit plan (i.e. Gratuity and BERECHS)	
The specific risk relating to defined benefit plans are as follows :-	
Movement in long term government bond rate between two reporting periods which will impact discount rate and consequently the present value of obligations.	
Risk of higher / lower salary escalation / benefit as considered for valuation vis-a-vis the actual experience through the Financial Year.	
However, both the risks are mitigated on a regular basis i.e. yearly as valuations are done after every year based on updated assumptions.	
ii) A narrative description of any asset-liability matching strategies.	
The gratuity Plan and BERECHS Medical Plan of the company is a funded plan. The assets backing this plan are predominantly insurer-managed funds. Hence the company has limited flexibility in terms of implementing asset-liability matching strategies for this plan.	

Standalone Notes to Accounts

(₹ in Lakhs)

iii) A description of the funding arrangements and funding policy.

- a) The Gratuity plan of the company is a funded plan. 99.99 % (99.47%) of the plan assets backing this plan are insurer managed assets and Nil (.52%) of the plan assets are invested in Central and State Government Securities. The annual contribution to the fund is normally set equal to the deficit as disclosed by the preceding actuarial valuation of the benefit obligations.
- b) The BERECHS Medical plan of the company is a funded plan. 99.99% (99.99%) of the plan assets backing this plan are insurer managed assets The annual contribution to the fund is normally set equal to the deficit as disclosed by the preceding actuarial valuation of the benefit obligations.

Note 22 - Other liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Sub Total (A)	-	-
Current		
Contract liability		
- Deferred revenue	6,525	12,455
- Customer advance received	13,89,862	15,89,103
Statutory liabilities	26,335	24,234
Others	5,529	3,112
Sub Total (B)	14,28,251	16,28,904
Total (A+B)	14,28,251	16,28,904

i. Related Party Disclosure

For Related Party Disclosures refer Note 31.

- ii. Revenue recognised during the period is ₹ 6,75,683 (₹ 5,59,586) that was included in the contract liability balance at the beginning of the period.

Note 23 - Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of Products	20,82,998	17,82,263
Income from Services	2,19,412	1,99,730
Revenue from Contracts with customers	23,02,410	19,81,993
Other operating revenue		
Sale of scrap	1,278	1,057
Transport receipts	258	297
Rent receipts	814	739
Canteen receipts	1,582	1,769
Electricity charges collected	169	238
Water charges collected	58	63
Provisions withdrawn		
- Onerous contracts (net)	2,926	-
- Doubtful debts, Liquidated Damages	13,723	4,705

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
- Inventory	4,266	3,703
- Loans & advances	332	98
- Performance warranty (net)	5,231	-
- Others	129	26
	26,607	8,532
Government grants including duty drawback	1,761	1,176
LD recovered from vendors	24,185	16,252
Miscellaneous	6,679	4,823
Total other operating revenue	63,391	34,946
Total revenue from operations	23,65,801	20,16,939

(i) Disaggregation of revenue recognised against contracts with customers (2024-25)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Products	19,06,005	85,357	9,322	82,314	20,82,998
Income from Services	1,60,515	46,892	5,084	6,921	2,19,412
Total	20,66,520	1,32,249	14,406	89,235	23,02,410

Disaggregation of revenue recognised against contracts with customers (2023-24)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Products	14,59,059	2,25,228	22,589	75,387	17,82,263
Income from Services	1,40,506	38,768	19,421	1,035	1,99,730
Total	15,99,565	2,63,996	42,010	76,422	19,81,993

(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price.

Particulars	2024-25		2023-24	
	Amount	Amount	Amount	Amount
Revenue as per Statement of Profit and Loss				
Sale of Products	20,82,998		17,82,263	
Income from Services	2,19,412		1,99,730	
Total (a)		23,02,410		19,81,993
Add / (Less) adjustment to contract price				
Foreign Exchange variation claim	(41,676)		(38,590)	
Price revision	547		964	
Discount and rebate offered	16		22	
Others	(2,745)		(4,979)	
Total adjustment (b)		(43,858)		(42,583)
Contract price (a + b)		22,58,552		19,39,410

Standalone Notes to Accounts

(₹ in Lakhs)

Satisfaction of performance obligation

- A.** In majority of the contract, performance obligation is satisfied “at a point in time” which is primarily determined on customer obtaining control of the asset. One of the prime indicator considered for this is transfer of significant risk and rewards to the customer based on Inco terms. Where a contract involves multiple performance obligation, the criteria specified in Ind AS 115 is applied to determine the point in time when the performance obligation is satisfied.
- B.** Under “Bill and hold” arrangement performance obligation is satisfied on unconditional appropriation of the goods to the contract. Normally no obligation towards custodial service exists.
- C.** Contract with the customer normally do not contain significant financing component and any advance payment received and /or amount retained by customer is with intention of protecting either parties to the contract.
- D.** Variable consideration primarily consists of amount receivable/reimbursable against foreign exchange variation clause. The amount of revenue recognised in respect of the same is determined based on the methodology specified in the contract. The amount is recognised as revenue on accrual/admittance of claim by customer.
- E.** The company’s turnover mainly includes supply of defence electronics equipment and systems.
- F.** Contract entered into with customer, typically do not have a return/refund clause.
- G.** Warranties provided are primarily in the nature of performance warranty.
- H.** The company normally uses the input method to recognise revenue in respect of contracts in which performance obligation are satisfied over a period of time. For revenue recognition, the percentage of completion method is adopted where in the percentage of actual cost incurred to total estimated cost is applied to the contract price for arriving at the quantum of revenue to be recognised.
- I.** Contract with customer (other than AMC) in respect of which revenue is recognised over a period of time typically involves multiple activities of different nature like construction of building, supply and installation of equipment, networking of equipment and system etc. Due to this it is not possible to quantify in physical terms the quantum of work done (i.e. output) reliably. Whereas, under input method, the cost incurred in respect of these varied activities can be captured and compared to the total estimated cost to be incurred (which can be estimated reliably), for arriving at the percentage of completion. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation.
- J.** For revenue recognition in respect of performance obligation satisfied at a “point in time” the following criteria is used for determining whether customer has obtained “Control on asset ”
- Control is not retained
 - Customer has legal title to the asset
 - The entity has transferred physical possession of the asset
 - Customer has accepted the asset
 - Entity has the present right to payment for the asset
- K.** Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.
- L.** No non-cash considerations are received/given during the current/previous year.

iii. Retention Sale

The Value of Retention Sales (i.e., Goods retained with the Company at the Customers’ request and at their risk) included in Turnover during the year is ₹ 53,008 (₹ 29,219).

Out of the above, the Value of Ex-works Sales is ₹ 198 (₹ 807).

Standalone Notes to Accounts

(₹ in Lakhs)

Note 24 - Other Income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income from staff / IT refund / others*	2,534	1,523
Income from long term investments (Dividend)**	3,291	9,458
Interest income on term deposits	61,587	56,736
Profit on sale of PPE	255	334
Rental income - Investment property	263	219
Foreign exchange gain / loss	6,577	5,125
Gain / (loss) on mutual funds	2,053	1,939
Miscellaneous (Net of expenses)	199	250
	76,759	75,584

*For related party disclosures refer Note 31.

** Represents Income from subsidiary & associates recognised at Cost.

- i.** Foreign Exchange Gain / Loss is on account of rate variations arising on transactions in foreign currency between the date of recording of such transactions and the settlement / reporting date.

Note 25 - Changes in inventories of finished goods, work in progress & scrap

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Work-in-progress:		
- Closing Inventory	3,33,721	2,62,535
- Opening Inventory	2,62,535	1,93,943
	(71,186)	(68,592)
Finished goods:		
- Closing inventory	34,415	24,514
- Opening inventory	24,514	37,007
	(9,901)	12,493
Scrap :		
- Closing Inventory	505	509
- Opening Inventory	509	551
	4	42
	(81,083)	(56,057)

Standalone Notes to Accounts

(₹ in Lakhs)

Note 26 - Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, Wages and Bonus/Ex-gratia	2,20,315	2,02,003
Retirement benefit expenses		
Gratuity	1,475	1,363
Contribution to Provident and Pension Funds	15,821	13,248
Management Contribution to BEL Superannuation (Pension) Scheme	6,395	6,208
Provision for BEL Retired Employees Contributory Health Scheme	13,533	8,376
	37,224	29,195
Welfare expenses	15,897	15,472
	2,73,436	2,46,670

- i. Refer Note 21 (A) (iii), accordingly a provision of ₹ 1,249 (₹ 275) was reversed.
- ii. Refer note 31 for remuneration of Key Managerial Personnel.
- iii. Above expenses includes an amount of ₹ 390 (₹ 314) pertaining to CSR Administration Overhead (refer note 30 (15) for details).

Note 27 - Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expenses		
Interest on dues to Micro & Small Enterprises	13	12
Interest expense on lease liability	416	421
Interest on income tax	1	-
Other interest expenses	509	247
	939	680
Other borrowing cost		
Loan processing charges	22	22
	961	702

Note 28 - Depreciation and amortisation expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation/amortisation on property, plant and equipment	41,054	38,230
Amortisation on other intangible assets	1,910	2,424
Depreciation on right of use assets	594	589
	43,558	41,243

Standalone Notes to Accounts

(₹ in Lakhs)

Note 29 - Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Power and fuel*	4,774	4,812
Water charges	444	574
Royalty & technical assistance	738	328
Rent	1,693	1,652
Rates & taxes	1,244	1,155
Insurance	3,553	2,425
Auditors remuneration		
Audit fees	46	46
Tax audit fees	5	5
Other services (Certification fees)	15	16
Reimbursement of expenses	16	10
	82	77
Cost audit fee	5	4
Repairs & maintenance		
Buildings	4,494	3,735
Plant & machinery	2,132	1,807
Others	12,196	12,035
	18,822	17,577
Bank charges	253	456
Printing and stationery	339	304
Advertisement & publicity	1,455	1,327
Travelling expenses	19,363	18,236
Hiring charges for van & taxis	1,807	1,661
Packing & forwarding	3,294	2,633
Bad debts & advances written off	8,309	16,602
Less: Charged to provisions	(8,305)	(16,602)
	4	-
Provision for obsolete / redundant materials	6,633	10,343
Provision for doubtful debts, LD, customers' claims & disallowances	1,08,247	87,809
Provision for doubtful advances, claims	752	2,038
Provision for performance warranty (net)**	-	16,861
Provision for onerous contracts (net)**	-	3,132
Write off of raw materials, stores & components due to obsolescence & redundancy	7,197	1,447
Less: charged to provisions	(7,163)	(1,447)
	34	-
Provision others ***	-	2
Provision for intangible assets under development	-	9,666
Write off of intangible assets under development	129	-
Contract costs charged off	839	-
Corporate social responsibility	7,799	6,284

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Others		
Other Misc. Direct Expenditure****	14,662	17,866
After Sales Service	574	320
Telephones	889	1,008
Expenditure on Seminars & Courses	917	530
Other Selling Expenses	349	1,519
Miscellaneous	6,980	6,561
	24,371	27,804
Less: Expenditure allocated to capital jobs	(9,166)	(3,299)
	1,97,508	2,13,861

* Power expenditure incurred during the FY is after netting off Wind Energy Generation of ₹ 1,568 (₹ 1,538).

** Refer note 21.

*** Contract Cost Written off Nil (₹ 4,180) against "Provision others".

**** Includes expenses towards outsourcing of production area.

Note 30 - General Notes to Accounts

1 Earnings per Equity Share

Particulars	2024-25	2023-24
a From continuing operations		
Basic earnings per share [INR]	7.23	5.50
Diluted earnings per share [INR]	7.23	5.50
b Amounts used as the numerators in calculating basic and diluted earnings per share	5,28,825	4,02,000
c Weighted average number of equity shares used in computing basic and diluted earnings per share	7,30,97,78,829	7,30,97,78,829

2 Statement of Compliances

The standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provision of the Act.

The Company's standalone financial statements up to and for the year ended 31 March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

3 Operating Cycle

As per the requirement of Schedule III to the Companies Act, 2013, the Operating Cycle has been determined at Strategic Business Unit (SBU) / Unit level, as applicable.

4 Impairment of Assets

The Company has analysed Indications of impairment of assets of each geographical composite manufacturing unit considered as Cash Generating Units (CGU). On the basis of assessment of internal and external factors, an accumulated amount of ₹ 9,170 (₹ 17,003) is provided as provision for impairment as on Balance Sheet date. During the year an amount of Nil (₹ 9,666) has been provided as impairment of asset.

Standalone Notes to Accounts

(₹ in Lakhs)

5 Short Term Borrowings

- The Company has been sanctioned working capital limit of ₹ 5,00,000 (₹ 5,00,000) by Consortium Bankers (SBI Lead Bank). The sanctioned limit includes fund based limit of ₹ 50,000 (₹ 50,000) and non fund based limit of ₹ 4,50,000 (₹ 4,50,000).
- The interest rate payable on fund based limit is linked to SBI 3 Months MCLR Rate. [Interest rate payable as on 31.03.2025 is 8.55 % p.a. (8.20%)].
- The amount utilised is repayable on demand. Utilisation as on 31.03.2025 is Nil (Nil).
- The above sanction limit is secured by hypothecation of Current Assets of the Company (Refer Note 34).

6 Contractual Commitments

Particulars	As at 31 March 2025	As at 31 March 2024
A. Estimated amount of contracts remaining to be executed on capital account and not provided as on 31 March		
Property, plant and equipment (Net of Advance)	72,722	78,108
Investment property	-	-
Other intangible assets	15,914	6,804
B. Contractual commitment for repair and maintenance or enhancement of investment property	-	-
C. Other commitments i.e., Non-cancellable contractual commitments (i.e., cancellation of which will result in a penalty disproportionate to the benefits involved) as on 31 March	-	-

7 Expenditure incurred on Research and Development:

The Company incurred on Research and Development during the year, which are included in the respective natural classification is given below:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expenditure		
Materials	30,742	24,124
Employees Remuneration & Benefits	74,976	66,111
Depreciation	9,120	8,971
Others	25,861	19,642
Gross Expenditure	1,40,699	1,18,848

Standalone Notes to Accounts

(₹ in Lakhs)

8 Contingent Liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
Claims not acknowledged as debts		
i. Statutory Dues		
a. Direct Taxes (Income taxes)	4,459	4,616
b. Indirect Taxes (Service tax, Excise Duty, Custom Duty and GST)	13,316	6,902
ii. Arbitration (Vendor, Customer and Others)	1,39,519	1,46,795
iii. Outstanding Letters of Credit	63,587	1,25,694
iv. Provisional Liquidated Damages upto 31 March on unexecuted customer orders where the delivery date has expired	80,368	76,604

In respect of certain Labour and other cases, liability is not ascertainable as on date, as the matter is yet to be adjudicated. However such liability is not expected to be material.

9 Contingent Assets:

Particulars	As at 31 March 2025	As at 31 March 2024
Nil	-	-

10 Confirmation of Balances

Letters requesting confirmation of balances have been sent in respect of Trade Receivables, Trade Payables, Advances and Deposits. Wherever replies have been received, reconciliation is under process and impact on financial statements is not expected to be material.

11 The date on which the code of Social Security, 2020 will come to effect has not been notified and the company will assess the impact of the code when it comes into effect and will record the impact in the period the code becomes effective.

12 Leases

Adoption of Ind AS 116

Effective 1 April, 2019, the company has adopted Ind AS 116 “Leases” using modified retrospective approach. The adoption of the standard did not have any material impact on the financial statements of the company.

a) As a lessor

i) The future minimum Lease Rent Receivable

Particulars	As at 31 March 2025	As at 31 March 2024
Not later than one year	61	61
Later than one year and not later than five years	274	265
Later than five years	2,575	2,645

ii) The company has Leased out few portions of Land to different organisations under non-cancellable Operating Lease. Lease period is spread over from the year 1967 to 2077. The leases have various terms, escalation clause, lease renewal rights etc. On renewal, the terms of the lease are renegotiated.

The company has not recognised any income as contingent rent.

Standalone Notes to Accounts

(₹ in Lakhs)

b) As a Lessee:

The right of use asset is recognised at :

- a) The carrying amount of prepaid rent when no future lease payments are payable; or
- b) At the carrying amount and discounted at incremental borrowing rate.

The company has not recognised any expenses as contingent rent.

The maturity analysis of Contractual Cash flows of Lease Liabilities is disclosed in Note 33.

13 Segment Reporting

Ministry of Corporate Affairs vide Notification no. 463 (E) dated 5 June, 2015 as amended has exempted the Companies engaged in Defence Productions from the requirement of Segment Reporting.

14 Unhedged Foreign Exchange Exposure

The disclosure of “Foreign Exchange Exposure”, the major currency-wise exposure as on 31 March 2025 is given below. [Foreign currencies are shown in Lakhs]. (Previous year figures are shown in brackets).

Currency	Payables		Receivables / Contract Asset		Contingent Liability*	
	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent
USD	1,474	1,27,404	467	39,582	608	52,530
	(1,009)	(85,011)	(559)	(46,142)	(1,174)	(98,908)
EURO	526	49,903	52	4,738	120	11,389
	(292)	(26,825)	(29)	(2,561)	(284)	(26,078)
GBP	15	1,642	-	-	4	468
	(24)	(2,523)	-	-	(3)	(301)
JYEN	663	385	-	-	-	-
	(8)	(5)	-	-	(129)	(72)
CHF	10	1,006	-	-	11	1,051
	(28)	(2,610)	-	-	(22)	(2,082)
Others	-	12	-	-	-	-
	(7)	(130)	-	-	-	-
Total (₹)		1,80,352		44,320		65,439
		(1,17,104)		(48,703)		(1,27,441)
Amount covered by Exchange Rate variation clause from Customers out of the above		49,385		-		23,758
		(39,595)		-		(22,003)

* includes exposures relating to outstanding Letters of Credit and Capital Commitments.
During the FY 2024-25, the Company has not entered into any Forward Contracts to cover Foreign Currency fluctuations in respect of Firm Commitments. There are no outstanding Forward Contracts as on 31.03.2025.

Standalone Notes to Accounts

(₹ in Lakhs)

15 Disclosure relating to CSR Expenditure

a. Gross amount required to be spent by the Company during the FY 2024-25 is ₹ 8,189 (₹ 6,598).

b. Amount spent during the FY 2024-25:

Sl. No.	Particulars	In Cash	Yet to be paid in Cash	Total	Provision * for unspent amount	CSR Grand Total
i)	Construction / Acquisition on any asset	-	-	-	-	-
		-	-	-	-	-
ii)	Purposes other than (i) above	2,770	145	2,915	5,274	8,189
		(2,755)	(1)	(2,756)	(3,842)	(6,598)

* ₹ 5,250 (₹ 3,842) provided pursuant to Company (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), towards unspent CSR account as this pertains to ongoing projects and ₹ 24 (Nil) pertains to single year project.

Above expenses also includes CSR Administration Overhead of ₹ 390 (₹ 314) which is grouped under Employee benefits expense.

c. Movement of CSR Provision

Sl. No.	Particulars	2024-25	2023-24
i	As at 1 April	6,631	5,786
ii	Additional provision recognised during the year	5,274	3,842
iii	Less: Amount used during the year	2,373	2,997
iv	Less: Amount reversed during the year	-	-
v	As at 31 March	9,532	6,631

Sl. No.	Particulars	2024-25	2023-24
1	Amount required to be spent by the Company during the year	8,189	6,598
2	Amount of Expenditure incurred	2,915	2,756
3	Shortfall at the end of the year	5,274	3,842
4	Total of previous years shortfall	4,258	2,789
5	Reasons for shortfall	Pertains to Ongoing Projects and Single year project	
6	Nature of CSR activities	Education, Healthcare & Nutrition, Skill India Initiative, Rural Development projects, Sustainable Development of Environment.	
7	Details of related party transaction e.g. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard	NA	NA
8	Whether a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA	NA

Standalone Notes to Accounts

(₹ in Lakhs)

16 In view of ongoing conflict in Israel, the Company has analysed the existing contract/agreements with companies based in Israel. In our opinion there is no material financial impact as on 31.03.2025.

17 Dividend not recognised at the end of the reporting period

The directors have recommended a final dividend of INR 0.90 (INR 0.80) per share. [Represents absolute figure].

The proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would results in cash outflow of approximately of ₹ 65,788 (₹ 58,478).

18 An amount of ₹ 39 (₹ 27) has been contributed to Defence production IT Division which has been created as one of the division of HAL to implement IT related initiatives in Dept. of Defence production including Ordnance Factory Board (OFB) and Defence Public Sector Units.

19 Value of remaining Performance Obligations (pending orders to be executed)

Unrecognised revenue from contracts with customer which are partially satisfied or unsatisfied (Pending orders to be executed)

Particulars	Total Amount	Within a Years	1-2 Years	2-3 Years	More than 3 Years
Unexecuted order value as on 31.03.2025	71,65,000	31,33,000	16,67,400	8,79,000	14,85,600
Unexecuted order value as on 31.03.2024	75,93,372	33,47,501	19,31,328	9,73,095	13,41,448

Typically major orders are from Defence which involves long gestation period. Company expects to recognise revenue in respect of unsatisfied (or partially unsatisfied) performance obligation over a period of 3 - 5 years.

20 Financial Ratios as per Revised Schedule III Requirements :-

Sl. No.	Particulars	2024-25	2023-24	%age change	Remarks
Numerator	Current Assets	34,62,717	33,89,115		
Denominator	Current Liabilities	19,69,851	21,99,008		
(a)	Current Ratio (in times)	1.76	1.54	14.29	
Numerator	Total Debt	-	-		
Denominator	Shareholder's Equity / Net Worth	19,69,768	16,08,239		
(b)	Debt-Equity Ratio (in times)	-	-	-	
Numerator	Earnings available for debt service (PAT + Interest Cost + Depreciation / Amortisation)	5,73,344	4,43,945		
Denominator	Debt Service (Interest + Lease Payments + Principal Repayments)	961	702		
(c)	Debt Service Coverage Ratio (in times)	596.61	632.40	(5.66)	
Numerator	Profit After Tax (PAT)	5,28,825	4,02,000		
Denominator	Average Shareholder's Equity / Net Worth	17,89,004	14,83,219		
(d)	Return on Equity Ratio (in %age)	29.56	27.10	9.08	

Standalone Notes to Accounts

(₹ in Lakhs)

Sl. No.	Particulars	2024-25	2023-24	%age change	Remarks
Numerator	Sales & Services	23,02,410	19,81,993		
Denominator	Average Inventory	8,23,863	6,90,982		
(e)	Inventory Turnover Ratio (in times)	2.79	2.87	(2.79)	
Numerator	Sales & Services	23,02,410	19,81,993		
Denominator	Average Trade Receivables	8,22,708	7,19,210		
(f)	Trade Receivables Turnover Ratio (in times)	2.80	2.76	1.45	
Numerator	Purchases	14,65,388	12,12,202		
Denominator	Average Trade Payables	3,50,435	3,50,684		
(g)	Trade Payables Turnover Ratio (in times)	4.18	3.46	20.81	
Numerator	Sales & Services	23,02,410	19,81,993		
Denominator	Working Capital	14,92,866	11,90,107		
(h)	Net Capital Turnover Ratio (in times)	1.54	1.67	(7.78)	
Numerator	Profit After Tax (PAT)	5,28,825	4,02,000		
Denominator	Sales & Services	23,02,410	19,81,993		
(i)	Net Profit Ratio (in %age)	22.97	20.28	13.26	
Numerator	Earnings Before Interest and Tax (EBIT)	7,09,960	5,34,158		
Denominator	Capital Employed	18,10,176	14,66,000		
(j)	Return on Capital Employed (in %age)	39.22	36.44	7.63	
Numerator	Income from long term investments (Dividend)	3,293	9,460		
Denominator	Investments in Equity Instruments	25,011	23,503		
(k)	Return on Investment (in %age)	13.17	40.25	(67.28)	Mainly due to decrease in dividend received from GE BE by ₹ 6,370 during the year.

21 Other Disclosure required as per the amendments in Schedule III.

- a The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b Struck off Companies

₹ In INR (Represents absolute figure)

Name of the Struck off Company	Nature of Transactions with struck off company	Relationship with the struck off company, if any to be disclosed	As at 31 March 2025	As at 31 March 2024
Absolute Trading Pvt.Ltd.	Trade payables		-	33,203
Aircomfort Engineers Private Limited	Trade payables		32,253	32,253
Arctic India Sales Private Limited	Trade payables		1,10,520	1,10,520
Bigtech Software Private Limited	Trade payables		68,759	68,759

Standalone Notes to Accounts

(₹ in Lakhs)

₹ In INR (Represents absolute figure)				
Name of the Struck off Company	Nature of Transactions with struck off company	Relationship with the struck off company, if any to be disclosed	As at 31 March 2025	As at 31 March 2024
Chawla Health Care Private Limited	Trade payables		45,515	40,184
Chawla Health Care Private Limited	Security Deposit received		45,515	4,87,435
El Camino Technologies Private Limited	Trade payables		19,500	19,500
Exigent Solutions Private Limited	Advance paid		-	19,50,934
Exigent Solutions Private Limited	Trade payables		-	19,50,934
Innowire Technologies Private Limited	Trade payables		-	4,98,550
Kaptron Private Limited	Trade payables		-	1,26,000
Ravi Thermal Engineers Pvt Ltd	Trade payables		48,960	48,960
Reethis Digital Media Pvt. Ltd.	Trade payables		70,335	70,335
Heidelberg India Private Limited	Recoverable from Vendor		73,602	76,459
Road Carrier Of India Private Limited	Security Deposit received		25,000	25,000
S P Enterprise Private Limited	Advance Received		1,908	1,908
S.B.S. Technocarts & Engineers Private Limited	Security Deposit received		2,00,000	2,00,000
S.B.S. Technocarts & Engineers Private Limited	Trade payables		2,00,000	2,71,192
Sharp Products Private Limited	Advance Received		28,932	28,932
Solastek Network Systems Private Limited	Trade payables		11,02,839	11,02,839
Star Informatics Private Limited	Security Deposit received		-	1,50,450
Swathi Airconditioning Private Limited	Security Deposit received		-	6,251
Value Point It Services Private Limited	Security Deposit received		2,000	2,000
Value Point It Services Private Limited	Trade payables		2,000	1,971
Veeran Engineers	Security Deposit received		4,74,942	4,74,942
Epicurean Enterprises Pvt.Ltd.	Security Deposit received		11,122	11,122
Future Lighting India Limited	Security Deposit received		1,468	1,468
Purus Filtrotech Private Limited	Security Deposit received		21,000	21,100
Ibode India Pvt Ltd.	Trade payables		10,400	10,400
Ravi Thermal Engineers Pvt Ltd	Trade payables		48,960	48,960
D R Shares Private Limited	Shareholders		9,900	9,900
Garg Capital And Stock Private Limited	Shareholders		9,900	9,900
Tangmarg Investment And Trading Private Limited	Shareholders		9,378	7,540
Meenakshi Indial Limited	Shareholders		5,000	-

- c The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (RoC) beyond the statutory period.
- d The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Standalone Notes to Accounts

(₹ in Lakhs)

- a.

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b.

provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a.

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b.

provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g

The Company has not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

22

Receivable other than trade receivable includes, a fraud on the company by the employees during the year 2018-19 amounting to ₹ 1,000 has been detected during the routine internal audit. Out of the said amount, ₹ 64 has been recovered and the balance amount of ₹ 936 is recognised as receivable, pending recovery, the same has been provided for as doubtful in the Statement of Profit and Loss. The company has filed civil suits on respective employees and vendor. During the Financial Year 2022-23, ₹ 54 has been incurred towards court fees for filing civil suits.

23

Previous years's figure have been regrouped / reclassified wherever necessary. Figure in brackets relate to previous year.

24

All figures in financial statements are rounded off to nearest rupees in lakhs unless otherwise mentioned.

25

The standalone Ind AS financial statements were approved for issue on 19 May 2025 by the Board of Directors.
- Note 31 - Related Party Transactions
- a. Subsidiaries & Associates
- | Name of the Entity | Place of Business | Ownership interest held by the company | | Ownership interest held by the non controlling interests | | Principal Activities |
|---|-------------------|--|---------------------|--|---------------------|--|
| | | As at 31 March 2025 | As at 31 March 2024 | As at 31 March 2025 | As at 31 March 2024 | |
| BEL Optronics Devices Ltd. (BELOP) - Subsidiary | India | 100% | 100% | - | - | - Manufacture and Supply of Image Intensifier Tubes. |
| BEL - THALES Systems Ltd. - Subsidiary | India | 74% | 74% | 26% | 26% | Design, Develop, Supply and Support of Defence and Civilian Radars. |
| GE BE Private Limited - Associate | India | 26% | 26% | - | - | - Manufacturing of Medical Equipment. |
| BEL IAI Aerosystems Private Limited - Associate | India | 40% | - | 60% | - | - Single Point of Contact (SPOC) for Carrying out Post Warranty Product Support Services |
| Defence Innovation Organisation - Associate | India | 50% | 50% | 50% | 50% | Carrying out Defence related Research and Developmental activities. |
- 256
- Standalone Notes to Accounts
- (₹ in Lakhs)
- | Name of the Entity | Place of Business | Ownership interest held by the company | | Ownership interest held by the non controlling interests | | Principal Activities |
|---|-------------------|--|---------------------|--|---------------------|--|
| | | As at 31 March 2025 | As at 31 March 2024 | As at 31 March 2025 | As at 31 March 2024 | |
| Electronic Warfare (Defence) Testing Foundation - Associate | India | 40% | - | 60% | - | - Defence Testing Infrastructure Scheme (DTIS) under Electronic Warfare (EW) Domain |
| Communication (Defence) Testing Foundation - Associate | India | 40% | - | 60% | - | - Defence Testing Infrastructure Scheme (DTIS) under Communication (C) Domain |
| UAS Testing Foundation - Associate | India | 20% | - | 80% | - | - Defence Testing Infrastructure Scheme (DTIS) under Unmanned Aerial System (UAS) Domain |
- b. Key Management Personnel's Details
- i. Name of Key Management Personnel's
- Mr Manoj Jain, Chairman & Managing Director from 20.06.2024
Additional Charge as Director (Research & Development) from 20.12.2024
Director (Research & Development) from 26.09.2022 till 17.07.2024,
Additional charge as Director (BG Complex) from 01.08.2023 till 09.08.2024 and
Additional Charge as Director (Human Resources) from 01.11.2022 till 31.05.2023.

Mr Bhanu Prakash Srivastava, Director (Other Units) from 20.04.2022,
Additional Charge as Chairman & Managing Director from 01.11.2022 till 19.06.2024
Additional Charge as Director (Research & Development) from 18.07.2024 to 19.12.2024 and
Director (Marketing) from 01.11.2022 till 15.06.2023.

Mr Damodar Bhattad S, Director (Finance) & CFO from 11.01.2023

Mr Vikraman N, Director (Human Resources) from 01.06.2023

Mr Kaipa Venkata Suresh Kumar Director (Marketing) from 16.06.2023

Mr Rajnish Sharma, Director (BG Complex) from 10.08.2024

Mr Vinay Kumar Katyal, Director (BG Complex) from 27.11.2018 till 31.07.2023,

Mr S Sreenivas, Company Secretary from 01.04.2014
- ii. Compensation to Key Management Personnels
- | Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|------------------------------|----------------------------------|----------------------------------|
| Short term employee benefits | 441 | 338 |
| Post employment benefits | 15 | 13 |
| Long term employee benefits | 89 | 78 |
| Termination benefits | - | - |
| Share based payment | - | - |
| Total | 545 | 429 |
- 257

Standalone Notes to Accounts

(₹ in Lakhs)

c. Post Employment Benefit Plans

Particulars	Contribution by the company	
	For the year ended 31 March 2025	For the year ended 31 March 2024
BEL Provident Fund Trust	12,914	12,380
BEL Gratuity Trust Fund	2,130	275
Bharat Electronics Limited Superannuation (Pension) Trust	6,395	6,208
Bharat Electronics Limited Retired Employees Medical Trust (BREMT)*	13,467	25,381

*Refer note 21 (A) (ii) in respect to BREMT.

d. The transactions with Related Parties other than Key Management Personnel are as follows (Previous Year figures are shown in brackets) : -

Particulars	Subsidiaries		Associates						Grand Total
	BEL Optronics Devices Ltd (BELOP)	BEL-THALES Systems Ltd	GE BE Private Ltd	Defence Innovation Organisation	BEL IAI Aerosystems Private Limited	Electronic Warfare (Defence) Testing Foundation	Communication (Defence) Testing Foundation	UAS Testing Foundation	
Purchase of Goods	9,448 (4,505)	10,979 (8,018)	-	-	-	-	-	-	20,427 (12,523)
Sale of Goods	-	-	2,547 (2,271)	-	-	-	-	-	2,547 (2,271)
Services Received	-	321 (99)	-	-	-	-	-	-	321 (927)
Services rendered	1 (1)	3 (6)	-	-	-	-	-	-	4 (7)
Rent Received (Lease)	-	81 (68)	-	-	-	-	-	-	81 (68)
Interest Income	-	-	-	-	-	-	-	-	-
Dividend Income on Investments	500 (202)	61 (156)	2,730 (9,100)	-	-	-	-	-	3,291 (9,458)
Loan disbursed	-	-	-	-	-	-	-	-	-
Trade Payables Outstanding as on 31.03.2025	45 (1,025)	437 (741)	-	-	-	-	-	-	482 (1,766)
Trade Receivables Outstanding as on 31.03.2025	1 (1)	2 (7)	372 (730)	-	-	-	-	-	375 (738)
Investment in Equity as on 31.03.2025	19,189 (19,189)	4,264 (4,264)	260 (260)	1 (1)	164	469	418	300	25,065 (23,714)
Rights Issues during 2024-25	-	-	-	-	-	-	-	-	-
Contribution Outstanding as on 31.03.2025	-	-	-	-	-	-	-	-	-
	-	-	-	(4,000)	-	-	-	-	(4,000)

Directors sitting fees :

The sitting fees paid to Non Executive Directors is ₹ 34 during the Financial Year 2024-25 and ₹ 45 during the Financial Year 2023-24.

e. All transactions dealt with related parties are on arm’s length basis. In respect of loan to subsidiary (BELOP) refer note "g" below.

Standalone Notes to Accounts

(₹ in Lakhs)

f. All Outstanding balances are Unsecured. All Outstanding balances (Other than loan) is repayable in cash within next 6 months. For Outstanding balance of loans refer note "g" below.

g. Loans to Related Parties

1. The Company has entered into an agreement with BELOP in August 2016 to fund a Term Loan of ₹ 4,600 out of which ₹ 2,935 has been disbursed and an amount of Nil (Nil) is outstanding as on 31.03.2025.

h. Management Contracts including deputation of Employees

Two Officials of BEL have been deputed to BELOP (Subsidiary) and Seven Officials of BEL have been deputed to BEL-THALES Systems Limited (Subsidiary) and their Salary and Other Costs is paid by BELOP and BEL-THALES System Limited. respectively during the year as per terms and conditions of employment.

i. Transaction with Government and Government Related Entities

As BEL is a government entity under the control of Ministry of Defence (MoD), the company has availed exemption from detailed disclosures required under Ind AS 24 with respect to related party transactions with government and government related entities.

However as required under Ind AS 24, following are the individually significant transactions : -

An amount of ₹ 85,979 (₹ 74,765) was paid as Dividend during the FY 2024-25.

In addition to the above, around 96% (94%) of the Company's Turnover, around 94% (93%) of Trade Receivables and around 97% (98%) of Customer's Advance is with respect to government and government related entities.

j. Investment with respect to BELOP includes fair valuation of loan.

k. Defence Innovation Organisation (DIO) was incorporated on 10 April 2017 as a ‘Not for Profit’ Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 100 (BEL: 50%; HAL: 50%) with an objective of funding innovation in defence sector. The registered office of the company is situated in BEL's premises in Bengaluru.

l. BEL IAI Aerosystems Private Limited (BIAPL) was incorporated on 25 September 2024 under Companies Act, 2013 with an authorised share capital of ₹ 410 (BEL: 40%; IAI 60%) with an objective to establish Single Point of Contact (SPOC) for Carrying out Post Warranty Product Support Services.

m. Electronic Warfare (Defence) Testing Foundation (EWDTF) was incorporated on 21 May 2024 as a ‘Not for Profit’ Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,175 (BEL: 40%; HAL 20%, IOL 20%, BDL 10%, TIDCO 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Electronic Warfare (EW) Domain.

n. Communication (Defence) Testing Foundation (CDTF) was incorporated on 31 May 2024 as a ‘Not for Profit’ Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,045 (BEL: 40%; HAL 25%, BEML 25%, AWEIL 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Communication (C) Domain.

o. UAS Testing Foundation (UASTF) was incorporated on 31 May 2024 as a ‘Not for Profit’ Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,500 (BEL: 20%; HAL 33.33%, BEML 20%, YIL 10%, GIL 10% and Endure Air 6.67%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Unmanned Aerial System (UAS) Domain.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 32 - Financial Instruments - Fair Value Measurements

1 Accounting classification and fair values

The following tables shows the carrying amount and fair values of financial assets and liabilities:

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets measured at fair value						
I Investments						
i Equity Instruments – Mana Effluent treatment Plant Ltd	-	18	-	-	16	-
ii LENS Foundation	-	-	155	-	-	-
a. Investment in Life Insurance Corporation (LIC) of India (towards Leave encashment & BERECHS)	56,800	-	-	53,049	-	-
Sub Total	56,800	18	155	53,049	16	-
Financial Assets not measured at fair value						
II Trade Receivables	-	-	9,09,196	-	-	7,36,219
III Loans						
a Loans to Related Parties	-	-	-	-	-	-
b Loans to Employees	-	-	810	-	-	844
c Loans to Others	-	-	-	-	-	-
IV Cash and cash equivalents	-	-	68,168	-	-	1,14,900
V Other Bank Balances	-	-	8,71,562	-	-	9,81,910
VI Other Financial Assets						
a Security deposits	-	-	4,218	-	-	2,979
b Advance to Employees	-	-	165	-	-	177
c Advance to Others	-	-	5	-	-	3
d Receivables (other than Trade Receivables)	-	-	1,332	-	-	1,986
e Bank deposits with more than 12 months maturity	-	-	197	-	-	173
f Interest accrued but not due on term deposits	-	-	9,707	-	-	14,879
g Other financial Assets	-	-	10,208	-	-	10,121
Other Investments						
a Investment in Co-operative societies, Housing Societies etc.*	-	-	-	-	-	-
b Investment in Subsidiaries	-	-	23,453	-	-	23,453
c Investment in Associates	-	-	1,612	-	-	260
Sub Total	-	-	19,00,633	-	-	18,87,904
Total	56,800	18	19,00,788	53,049	16	18,87,904

* INR 4,750 (INR 4,750) [represents absolute figure] which is rounded off.

Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Liabilities measured at fair value						
Total	-	-	-	-	-	-
Financial Liabilities not measured at fair value						
I Borrowings	-	-	-	-	-	-
II Trade Payables	-	-	3,31,505	-	-	3,69,365
III Other Financial Liabilities						
a Security Deposits including retention money	-	-	45,101	-	-	34,665
b Interest accrued and due on term loan	-	-	-	-	-	-
c Interest Accrued and due on Trade Payables	-	-	19	-	-	24
d Non Trade payables - Others	-	-	10,603	-	-	12,362
e Unpaid Matured Deposits	-	-	37	-	-	37
f Unpaid Dividend	-	-	356	-	-	288
g Non Trade Payables Dues to Micro and Small Enterprises	-	-	1,167	-	-	777
h Outstanding Expenses	-	-	78,900	-	-	81,919
i Other Lease liability	-	-	6,123	-	-	6,251
j Other Liabilities	-	-	1,800	-	-	1,711
Total	-	-	4,75,611	-	-	5,07,399

2 Fair value hierarchy

The hierarchy levels used for Fair value measurements of Financial instruments wherever applicable is given below:

Particulars	Note	As at 31 March 2025			As at 31 March 2024		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
I Financial Assets and Liabilities measured at Fair value – recurring fair value measurements							
A Financial Assets							
i Financial Investments at FVPL	6	-	56,800	-	-	53,049	-
ii Financial Investments at FVOCI - Unquoted	6	-	-	18	-	-	16
II Financial Assets and Liabilities which are measured at Amortised Cost		No separate Fair value is disclosed as the Carrying value of these Assets and Liabilities represents their Fair Value.					

Level 1: Level 1 hierarchy includes Financial instruments measured using quoted prices.

Level 2: The fair value of Financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case of unlisted equity shares.

3 Valuation technique used to determine Fair Value

a. LIC Investment - (Level 2)

Based on valuation report of the Scheme provided by LIC.

b. Mana Effluent Treatment Plant Ltd - (Level 3)

BEL has invested in equity securities of Mana Effluent Treatment Plant Ltd. which is an unlisted company. The Company's cost of investment in Mana Effluent Treatment Plant Ltd is only ₹ 5 (out of issued Share Capital of ₹ 205). The company has opted for Net Asset Value method for fair valuation.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 33 - Financial risk management

i) Risk Management framework and policies

The Company is broadly exposed to credit risk, liquidity risk and market risk (fluctuations in exchange rates, interest rates and price risk) as a result of financial instruments.

Board of Directors have the overall responsibility for the establishment, monitoring and supervision of the Company's Risk Management framework. The Board has set up a Risk Management Committee, for this purpose, which is responsible for developing and monitoring the risk management policies. The Company has an established Risk Management Policy that outlines risk management structure and provides a comprehensive frame work for identification, evaluation, prioritisation, treatment of various risks associated with different areas of finance and operations.

The company has a centralised Treasury function which is responsible to undertake appropriate measures to mitigate financial risk in accordance with the policies and procedures formulated by the Board. Hedging transactions are undertaken by a team with appropriate skills and experience in consultation with an external expert. The Company does not trade in derivatives for speculation.

ii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk).

iii) Currency Risk

BEL is exposed to foreign exchange risk arising from foreign currency transactions primarily relating to purchases and sales made in foreign currencies such as US Dollar, Euro, Great Britain Pound, Swiss franc and Japanese Yen. Foreign exchange risk arises from existing and future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

The Company has a Board approved currency risk management policy implemented by a Risk Management Committee that reviews the Company's exposure to this risk on a regular basis. The Risk Management Policy recommends hedging upto 50% of the open foreign currency exposure. However the decision to enter into a hedging arrangement is made by the Risk Management Committee based on the relevant data inputs and the advice of the external specialist consultant retained for this purpose.

The Company's export proceeds are realised mostly by remittance into an Export Earners Foreign Currency account (EEFC) which is then utilised for payments to be made in foreign currency, thereby mitigating the currency risk on exports. Imports to the extent of around 13% (13%) of annual foreign exchange outgo are not covered by the Exchange Rate Variation (ERV) clause in the related customer contract and hence are open to currency risk. These imports are benchmarked as per the policy and appropriate decision on covering the risk is taken on a case to case basis. The Company's currency risk policy advocates forward contract hedging for mitigating risk wherever required.

As on 31 March 2025, there are no outstanding forward contracts.

Standalone Notes to Accounts

(₹ in Lakhs)

The company's exposure to foreign currency risk in respect of major currencies is given below :

Particulars	As at 31 March 2025					As at 31 March 2024				
	USD	EURO	GBP	CHF	J Yen	USD	EURO	GBP	CHF	J Yen
Trade Payable	1,474	526	15	10	663	1,009	292	24	28	8
Trade Receivable / Contract asset	467	52	-	-	-	559	29	-	-	-
Net Exposure	1,007	474	15	10	663	450	263	24	28	8

iv) Foreign Currency sensitivity

The sensitivity of profit or loss to changes in the exchange rate arises mainly from foreign currency denominated financial instruments. The sensitivity to variations in respect of net exposure of major currencies is given below. This analysis assumes that all other variables remain constant.

Particulars	Impact on Profit Loss / (Gain)	
	As at 31 March 2025	As at 31 March 2024
USD – Increase by 5%	4,351	1,896
USD – Decrease by 5%	(4,351)	(1,896)
EURO – Increase by 5%	2,248	1,207
EURO – Decrease by 5%	(2,248)	(1,207)
GBP – Increase by 5%	84	128
GBP – Decrease by 5%	(84)	(128)
CHF – Increase by 5%	50	131
CHF – Decrease by 5%	(50)	(131)

v) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

vi) Variable Rate Borrowing:

The company has been sanctioned a working capital limit of ₹ 5,00,000 (₹ 5,00,000). The sanctioned limit includes fund based limit of ₹ 50,000 (₹ 50,000) and non fund based limit of ₹ 4,50,000 (₹ 4,50,000). The fund based limit of ₹ 50,000 has not been utilised during the year [Outstanding as on 31 March 2025 is Nil (31 March 2024 is Nil)]. The outstanding balance as on 31.03.2025 with respect to non fund based limit is ₹ 2,80,100 (₹ 3,20,500). The interest is payable based on SBI's 3 months MCLR rate. As the borrowing is nil there is no impact on likely change in interest rates.

vii) Equity Price Risk

The company's exposure to equity price risk is negligible as its equity investment (other than in Subsidiaries and Associates) is negligible.

viii) Liquidity Risk

Liquidity Risk is the risk that a Company could encounter if it faces difficulty in meeting the obligations associated with financial liabilities by delivering cash and other financial asset or the risk that the Company will face difficulty in raising financial resources required to fulfill its commitments. The Company's exposure to liquidity risk is very minimal as it has a prudent liquidity risk management process in place which ensures maintaining adequate cash and marketable securities to pay its liabilities when they are due. To ensure continuity of funding, the Company has access to short-term bank facilities

Standalone Notes to Accounts

(₹ in Lakhs)

in the nature of bank overdraft facility, cash credit facility and short-term borrowings to fund its ongoing working capital requirements and growth needs when necessary.

The Company meets its liquidity requirement mainly through internally generated cash flows which is monitored centrally by treasury. There is an established process of rolling cash forecasts from various operating units which form the basis for mapping expected cash inflows, to meet the liabilities.

The table below analyses the company's financial liabilities based on their contractual maturities. The amounts disclosed are contractual undiscounted cash flows.

As at 31 March 2025

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 & 2 year	Between 2 & 5 year	More than 5 years	Total
Borrowings	-	-	-	-	-	-	-
Trade Payables	2,79,742	25,327	26,414	22	-	-	3,31,505
Interest accrued and due on Trade Payables	19	-	-	-	-	-	19
Lease Liability	72	69	120	170	289	5,404	6,124
Other Financial Liabilities	1,04,435	12,026	19,892	1,570	41	-	1,37,964

As at 31 March 2024

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 & 2 year	Between 2 & 5 year	More than 5 years	Total
Borrowings	-	-	-	-	-	-	-
Trade Payables	3,02,226	35,636	31,497	6	-	-	3,69,365
Interest accrued and due on Trade Payables	24	-	-	-	-	-	24
Lease Liability	60	56	112	235	456	5,332	6,251
Other Financial Liabilities	99,655	5,590	23,724	2,638	152	-	1,31,759

The company does not have any outstanding derivatives as on 31 March 2025.

ix) Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalent with banks, security deposits and loans.

The credit risk of the Company is managed at a corporate level by the risk management committee which has established the credit policy norms for its customers and other receivables. Significant amount of trade receivables are due from Government / Government Departments, Public Sector Companies (PSUs) consequent to which the Company does not have a credit risk associated with such receivables. In case of non Government trade receivables, sales are generally carried out based on Letter of Credit established by the customer thereby reducing the credit risk.

In a few cases credit is extended to customers based on market conditions after assessing the solvency of the customer and the necessary due diligence to determine credit worthiness. Advance payments are made against bank guarantee which safeguards the credit risk associated with such payments. Impairment losses on financial assets (representing mainly liquidated damages leviable for delayed deliveries and other disallowances) have been made after factoring contractual terms, etc and other indicators.

Standalone Notes to Accounts

(₹ in Lakhs)

The cash and cash equivalent with banks are in the form of short term deposits with maturity period of upto 1 year. The Company has a well structured Risk Mitigation Policy whereby there are preset limits for each bank based on its net worth and earning capacity which is reviewed on a periodic basis. The Company has not incurred any losses on account of default from banks on deposits.

The credit risk in respect of other financial assets is negligible as they are mostly due from Government department / parties.

x) Capital Management

The Company's Capital Management objective is to maintain a strong capital base to provide adequate returns to the shareholders and ensure the ability of the company to continue as a going concern. The Company has a conservative approach for raising capital through debt but reserves the right to leverage this alternative at an appropriate time to fuel growth and maintain optimal capital structure.

The Company has a well defined Dividend Distribution Policy which lays the framework for payments of dividend and retention of surplus for future growth and enhancing shareholders wealth. The Company has been sanctioned borrowing limits with banks to the tune of ₹ 5,00,000.

Gearing Ratio: -

Particulars	As at 31 March 2025	As at 31 March 2024
Net Debt	-	-
Total Equity	19,69,768	16,08,239
Net Debt to Equity Ratio	-	-

Note 34 - Assets pledged as security

The carrying amounts of assets pledged as security for Working Capital borrowings are:

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Inventories	9,06,966	7,40,759
(ii) Trade Receivables	9,09,196	7,36,219
(iii) Cash & Cash Equivalents	68,167	1,14,899
(iv) Bank Balances [Other than (iii) above]	8,66,600	9,79,500
(v) Loans	147	141
(vi) Other Financial Assets	23,900	28,890
(vii) Other Current Assets	6,14,898	7,15,539
Total assets pledged as security	33,89,874	33,15,947

Refer Note 18 for the details of borrowings.

Standalone Notes to Accounts

(₹ in Lakhs)

Note 35 - Critical estimates and judgments

While preparing the financial statements, management has made certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements and estimates that have a significant risk of resulting in a material adjustment are as under:

i. Research and Development Expenditure - Accounting Policy No. 10 - (Refer Note 5 and 12)

Developmental expenditure incurred with respect to No Cost No Commitment (NCNC) Projects and Joint developmental projects which are not fully compensated by the development partner are carried forward till the completion of project.

ii. Estimation of defined benefit obligation - Key actuarial assumptions - (Refer Note 21)

iii. Estimation of provision for warranty claims - (Refer Note 21)

Warranty provision computation involves estimation of average warranty cost based on trend based analysis. If the estimations made varies, the same will impact the expense recognised.

iv. Recognition of Revenue - (Refer Note 23)

Input methods towards performance obligations over time involves estimation of Stage of completion based on actual costs incurred to the estimated total costs expected to complete the contract. If the estimations made varies, the same will impact the Revenue recognised.

v. Intangible assets (Refer Note 4 and 5)

Amount carried forward as other intangible assets and Intangible assets under development are tested for impairment annually with respect to certainty of future economic benefits.

vi. Lease (Refer Note 1)

The company evaluates if an arrangement qualifies to be a lease as per the requirement of Ind AS 116. Identification of lease requires significant judgements. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated.

Note 36 - Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended 31 March, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. 1 April, 2025. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Material Accounting Policies on Ind AS Standalone Financial Statements

Corporate Information

The accompanying financial statements comprise the financial statements of Bharat Electronics Limited (the Company). The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Bharat Electronics Limited's shares are listed on two recognised stock exchanges in India. The registered office and principal place of business of the Company is located at Bengaluru, Karnataka, India.

The Company is a public sector enterprise under the administrative control of the Department of Defence Production, Ministry of Defence. Bharat Electronics Limited manufactures and supplies electronic equipment and systems to defence sector. Other than defence sector, the Company has also got a limited presence in the civilian market.

Material Accounting Policies

1. Basis of Preparation

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP) comprises the mandatory Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

2. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liability and contingent assets as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account of all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained.

3. Basis of Measurement

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- The defined benefit asset / liability is recognised as the present value of defined benefit obligation less fair value of plan assets.

4. Functional and Presentation Currency

The financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Company.

5. Revenue Recognition

A. Revenue from Contract with Customers

- i. Revenue is recognised when (or as) the company satisfies a performance obligation by transferring a promised goods or services (i.e., an Asset) to a Customer.

ii. Satisfaction of performance obligation over time

- a. Revenue is recognised overtime where the transfer of control of goods or services take places over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:

- the company's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
- the company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

Material Accounting Policies on Ind AS Standalone Financial Statements

- b. Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.
- c. In case of AMC contracts, where passage of time is the criteria for satisfaction of performance obligation, revenue is recognised using the output method.
- iii. **Satisfaction of performance obligation at a point in time**
- a. In respect of cases where the transfer of control does not take place over time, the company recognises the revenue at a point in time when it satisfies the performance obligations.
- b. The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:
- the company has transferred physical possession of the asset
 - the customer has legal title to the asset
 - the customer has accepted the asset
 - when the company has a present right to payment for the asset
 - the customer has the significant risks and rewards of ownership of the asset. The transfer of significant risks and rewards ownership is assessed based on the Inco- terms of the contracts.
- Ex-Works contract – In case of Ex-works contract, revenue is recognised when the specified goods are unconditionally appropriated to the contract after prior Inspection and acceptance, if required.
- FOR Contracts – In the case of FOR contracts, revenue is recognised when the goods are handed over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period.
- c. **Bill and hold Sales**
- Bill and hold sales is recognised when all the following criteria are met:
- the reason for the bill and hold sales is substantive
 - the product is identified separately as belonging to the customer
 - the product is currently ready for physical transfer to the customer
 - the company does not have the ability to use the product or to direct it to another customer
- iv. **Measurement**
- a. Revenue is recognised at the amount of the transaction price that is allocated to the performance obligation.
- The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties.
- In case of price escalation and ERV, revenue is recognised at most likely amount to be realised from customer in line with contractual terms.
- b. In case where the contracts involve multiple performance obligations, the company allocates the transaction price to each performance obligation on the relative stand-alone selling price basis.
- Bundled Contracts - In case of a Bundled contract, where separate fee for installation and commissioning or any other separately identifiable component is not stipulated, the Company applies the recognition criteria to separately identifiable

Material Accounting Policies on Ind AS Standalone Financial Statements

- components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on stand-alone selling price.
- Multiple Elements - In cases where the installation and commissioning or any other separately identifiable component is stipulated and price for the same agreed separately, the Company applies the recognition criteria to separately identified components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on their stand-alone selling price.
- c. If the stand-alone selling price is not available the company estimates the stand alone selling price.
- v. **Penalties**
- Penalties (including levy of liquidated damages for delay in delivery) specified in a contract are not treated as an inherent part of Transaction Price if the levy of same is subject to review by the customer.
- vi. **Significant financing component**
- Advances received towards execution of Defence related projects are not considered for determining significant financing component since the objective is to protect the interest of the contracting parties.
- In respect of other contracts, the existence of significant financing component is reviewed on a case to case basis.
- B. **Other Income**
- Recognition of other income is as follows:
- i. **Interest Income**
- Interest income is recognised using the effective interest rate method.
- ii. **Dividend Income**
- Dividend income is recognised when the Company's right to receive the payment is established.
- iii. **Rental Income**
- Rental income arising from operating leases is accounted for on a straight-line basis over the lease term unless increase in rentals are in line with expected inflation or otherwise justified.
- iv. **Duty Drawbacks**
- Duty drawback claims on exports are accounted on accrual basis.
- v. **Other Income**
- Other income not specifically stated above is recognised on accrual basis.
6. **Property, Plant and Equipment, Capital Work-in-Progress**
- Property, plant and equipment is initially measured at cost and subsequently at cost less accumulated depreciation and cumulative impairment losses, if any. Cost for this purpose includes all attributable costs for bringing the asset to its location and condition. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset, if the recognition criteria for a provision are met.
- The cost of property, plant and equipment not ready for their intended use as at each reporting date is disclosed as capital work-in-progress.
- Capital work-in-progress comprises supply-cum-erection contracts; the value of capital supplies received at site and accepted, capital goods in transit and under inspection.
7. **Intangible Assets, Intangible Asset under Development**
- The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits, is recognised as an Intangible Asset in the books of account when the same is ready for use. Intangible Assets that are not yet ready for their intended use as at the reporting date are classified as "Intangible Assets under Development".
- Cost of Developmental work which is completed, wherever eligible, is recognised as an Intangible Asset.

Material Accounting Policies on Ind AS Standalone Financial Statements

Cost of Developmental work under progress, wherever eligible, is classified as "Intangible Assets under Development".

Intangible Asset under Development includes amount funded by the company to external agencies towards developmental project(s) and expenditure incurred by the company towards material cost, employee cost and other direct expenditure.

Intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and cumulative impairment losses, if any.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses on derecognition of intangible assets, if any, are recognised in the statement of profit and loss.

8. Depreciation / Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Company, based on technical assessments, depreciates certain items of building, plant and equipment and other asset classes over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Where cost of a part of the asset is significant to total cost of the asset and estimated useful life of that part is different from the estimated useful life of the remaining asset, estimated useful life of that significant part is determined separately and the significant part is depreciated on straight-line basis over its estimated useful life.

The residual values, useful lives and methods of depreciation / amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line

basis, from the date that they are available for use. The residual values, useful lives and amortisation methods, are reviewed at each financial year end and adjusted prospectively, if appropriate.

9. Disposal of Property, Plant and Equipment

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property, plant and equipment (calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the property, plant and equipment) is included in the statement of profit and loss when the property, plant and equipment is derecognised.

10. Research and Development Expenditure

- (i) Expenditure on Research activity is recognised as an expense in the period when it is incurred.
- (ii) Development expenditure (other than on specific development - cum sales contracts and Developmental projects initiated at customer's request), is charged off as expenditure when incurred. Developmental expenditure on development - cum - sale contracts and on Developmental projects initiated at customer's request are treated at par with other sales contracts.

Development expenditure incurred in respect of Joint development projects which are not fully compensated by the development partner are carried forward where the company is nominated as a production agency and future economic benefits are expected.

Developmental projects are reviewed periodically and the amount carried forward, if any, is charged off in the event of the project being declared closed by the customer / end user without any commitment to place order.

- (iii) Expenditure incurred towards other developmental activity (including joint developmental activity in collaboration with external agencies) where the research results or other knowledge is applied

Material Accounting Policies on Ind AS Standalone Financial Statements

for developing new or improved products or processes, are recognised as an Intangible Asset if the recognition criteria specified in Ind AS 38 are met and when the product or process developed is expected to be technically and commercially usable, the company has sufficient resources to complete development and subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

- (iv) Expenditure incurred on Developmental projects for participating in No Cost No Commitment (NCNC) trials, based on Request for Quote from customer, are carried forward till conclusion of the trials and will be amortised over the orders to be received.

In case customer order is immediately not forthcoming:

- the amount is capitalised if further economic benefit is expected from its use, or
- the amount is charged off in the event of the project being closed by the customer / end user without any commitment to place order.

11. Expenditure on Technical Know-How

Expenditure incurred on technical know-how is charged off to Statement of Profit and Loss on incurrence unless it qualifies for recognition as an Intangible Asset either separately on its own or in combination with other assets / expenses.

12. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

13. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating

Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or Cash Generating Unit (CGU), either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

14. Leases

Company as a Lessee:-

Contracts with third party, which give the company the right of use in respect of an Asset, are accounted in line with the provisions of Ind AS 116 – Leases, if the recognition criteria as specified in the Accounting standard are met.

Lease payments associated with Short terms leases and Leases in respect of Low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of property, plant and equipment.

Subsequent measurement of right-of-use asset is made using Cost model.

Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowing.

Material Accounting Policies on Ind AS Standalone Financial Statements

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a lessor:

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in Ind AS 116 – Leases.

a) Finance Lease :

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

15. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. General borrowing costs are capitalised to qualifying assets by applying a capitalisation rate to the expenditure on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

16. Government Grants

Grants from Government are measured at fair value and initially recognised as Deferred Income.

The amount lying in Deferred Income on account of acquisition of Fixed Asset is transferred to the credit of Statement of Profit and Loss in proportion to the depreciation charged on the respective assets to the extent attributable to Government Grants utilised for the acquisition.

The amount lying in Deferred Income on account of Revenue Expenses is transferred to the credit of Statement of Profit and Loss to the extent of expenditure incurred in the ratio of the funding to the total sanctioned cost, limited to the government grant received.

Material Accounting Policies on Ind AS Standalone Financial Statements

17. Investments in Joint Venture and Associates

The Company accounts for its interests in associates and joint ventures in the separate financial statements at cost.

18. Inventories

All inventories of the Company other than disposable scrap are valued at lower of cost or net realisable value. Disposable scrap is valued at estimated net realisable value. Cost of materials is ascertained by using the weighted average cost formula.

Cost of Work - in - progress and finished goods include Materials, Direct Labour and appropriate overheads.

Adequate provision is made for inventory which are more than five years old which may not be required for further use.

19. Income Taxes

Income tax comprises of current and deferred tax.

(i) Current Income Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity respectively and not in the statement of profit and loss.

(ii) Deferred Tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

20. Provision for Warranties

Provision for expenditure on account of performance guarantee & replacement / repair of goods sold is made on the basis of trend based estimates.

In cases where a trend is not ascertainable, provision for warranty is made based on the best estimates of management.

21. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded by the Company at their respective currency exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency by using the closing exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

22. Employee Benefits

(i) All employee benefits payable wholly within twelve months of rendering the related services are classified as short term employee benefits and they mainly include (a) Wages & Salaries; (b) Short-term compensated absences; (c) Profit-sharing, incentives and bonuses and (d) Non-monetary benefits such as medical care, subsidised transport, canteen facilities etc., which are valued on undiscounted basis and recognised during the period in which the related services are rendered.

(ii) Incremental liability for payment of long term compensated absences such as Annual Leave, Sick Leave and Half Pay Leave is determined as the difference between present value of the obligation determined annually on actuarial basis using Projected Unit Credit method and the carrying value of the provision contained in the balance sheet and provided for.

Material Accounting Policies on Ind AS Standalone Financial Statements

- (iii) Incremental liability for payment of Gratuity and Employee Provident fund to employees is determined as the difference between present value of the obligation determined annually on actuarial basis using Projected Unit Credit Method and the Fair Value of Plan Assets funded in an approved trust set up for the purpose for which monthly contributions are made in the case of provident fund and lump sum contributions in the case of gratuity.
- (iv) Incremental liability under BEL Retired Employees Contributory Health Scheme (BERECHS) is determined annually on actuarial basis using Projected Unit Credit Method and provided for.
- (v) Actuarial liability for the year is determined with reference to employees at the end of January of each year.
- (vi) Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.
- When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in statement of profit and loss.
- (vii) Payments of voluntary retirement benefits are charged off to revenue on incurrence.
- (viii) Defined Contribution Plan

The Company operates employee pension scheme and superannuation pension scheme for its employees that are categorised as a defined contribution plans. For defined contribution plans, the Company pays contributions to independently administered funds at a fixed percentage of employees' pay. These

contributions are recorded in the statement of profit and loss. The Company's liability is limited to the extent of contributions made to these funds.

23. Provisions

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

B. Contingent Liabilities/Assets

Contingent Liabilities/Assets to the extent the Management is aware, are disclosed by way of notes to the financial statements.

24. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7 - Statement of Cash Flows.

Material Accounting Policies on Ind AS Standalone Financial Statements

25. Fair value Measurement

The Company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each reporting date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

26. Financial Assets

(i) Initial Recognition and Measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are included in the cost of the asset.

(ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments measured at amortised cost,
- Debt instruments measured at fair value through other comprehensive income (FVTOCI),
- Debt instruments, derivatives and equity instruments measured at fair value through profit or loss (FVTPL),

- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

(iii) Derecognition

A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset have expired.

(iv) Trade and Other Receivables

Receivables are initially recognised at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those assets may be impaired, they are reviewed for impairment.

27. Forward Contracts

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

28. Embedded Derivative

The embedded derivative, if required, is separated from host contract and measured at fair value.

29. Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are classified as borrowings under current liabilities in the balance sheet.

30. Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

- a. Time barred dues from the government / government departments / government companies

Material Accounting Policies on Ind AS Standalone Financial Statements

are generally not considered as increase in credit risk of such financial asset.

- b. Where dues are disputed in legal proceedings, provision is made if any decision is given against the Company even if the same is taken up on appeal to higher authorities / courts.
- c. Dues outstanding for significant period of time are reviewed and provision is made on a case to case basis.

Impairment loss allowance (or reversal) is recognised as expense / income in the statement of profit and loss.

31. Financial Liabilities

(i) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, at fair value through profit or loss as loans, borrowings, payables, or derivatives, as appropriate.

Loans, borrowings and payables, are stated net of transaction costs that are directly attributable to them.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined in Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

(iii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method (EIR).

Gains and losses are recognised as profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(iv) Trade and Other Payables

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

32. Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively.

33. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

34. Cash Dividend and Non-Cash distribution to Equity Holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company.

35. Errors and Estimates

The Company revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively, unless it is impracticable to apply.

Material Accounting Policies on Ind AS Standalone Financial Statements

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to statement of profit and loss is applied prospectively in the period(s) of change.

Discovery of material errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

36. Earnings Per Share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares

outstanding during the period, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary equity holders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

37. Events after the Reporting Period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

As per our report of even date attached.

For **RAO & EMMAR**,
Chartered Accountants
Firm Regn No. 003084S

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

Bengaluru
19 May 2025

S Sreenivas
Company Secretary
Membership No. : F4686

Independent Auditors' Report

We are issuing this revised report consequent to the revision of the Independent Auditor's Report on the Standalone Financial Statements, to comply with the observations made by the Office of the Comptroller and Auditor General of India. This report supersedes our Independent Auditor's Report on the Consolidated Financial Statements dated May 19, 2025.

TO THE MEMBERS OF BHARAT ELECTRONICS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **BHARAT ELECTRONICS LIMITED** (hereinafter referred to as the "Holding Company"), its two Subsidiaries, BEL Thales Limited and BEL Optronics Devices Limited (Holding Company and its Subsidiaries together referred to as the "Group") and its two Associates, BEL IAI AeroSystems Private Limited and GE-BE Private Limited, which comprise the Consolidated Balance Sheet as at March 31, 2025 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial statements/ financial information prepared by the Management, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in

conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Associates as at March 31, 2025 and their consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its Associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on consideration of the reports of other auditors, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matters	Auditor's Response
1	Revenue recognition (including recognition of contract assets, contract cost, and trade receivables) as per Ind AS 115 - Revenue from Contracts with Customers ("Ind AS 115"). (Refer Note 23, 12, 7 to the Consolidated Financial Statements respectively). The Company is engaged in the manufacturing of electronic equipment and systems for the defence sector. Due to long term nature of contracts with the customers, various terms of the contracts pertaining to identification of performance obligation, allocation of transaction price and recognition of contract assets, trade receivables and contract costs, involve judgments. Therefore, revenue recognition is considered as Key Audit Matter.	Our audit procedures included the following: a. Obtained an understanding and evaluated the design and operating effectiveness of internal controls implemented by the Management with respect to recognition of revenue, contract assets, receivable and contract cost as per Ind AS 115. b. Obtained customer contracts on sample basis to evaluate terms of the contract to verify whether the accounting policy adopted by the Company complies Ind AS 115. c. Tested the Management's evaluation of Ind AS 115 and tested on a sample basis Managements working for recognition and measurement of multiple performance obligations and related variable considerations if any. d. In respect of revenue transactions selected on sample basis, we have inspected the underlying documents to verify that the control has been transferred to the customer and the Company has right to consideration. e. In case of contract assets as at year end, we verified on sample basis whether right to consideration is impaired and if so, whether appropriate adjustment in the financial statements is made. f. Tested on sample basis whether revenue transactions near to the reporting data have been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation as per the terms of delivery specified in the contract. g. On sample basis verified whether the Holding Company has unconditional right to consideration in respect of trade receivable balances recognised during the year. h. Verified on sample basis whether contract cost recognised during the year is incurred either to obtain the contract or to fulfil contract based on criteria specified under Ind AS 115. i. Verified whether appropriate presentation and disclosure is made in the financial statements.
2	Recognition and measurement of Intangible Assets under development of Holding Company (Refer Note 5 to the Consolidated Financial Statements). Total value of Intangible Assets under Development of Holding Company is ₹ 57,482 Lakhs as at March 31, 2025. The Holding Company undertakes various internal projects to develop advanced electronic warfare systems which can potentially be sold to its customers to generate future economic benefit to the Holding Company. The Holding Company recognises cost incurred in respect of such development phase of projects as intangible assets under development based on the recognition criteria specified as per Ind AS 38. Because identifying projects as being in the development stage requires a high degree of judgment and the level of complexity involved in assessing saleability and marketability of such projects, recognition and measurement of intangible assets under development is considered as Key Audit Matter.	Our audit procedures included the following: a. Understood and evaluated the internal controls implemented by the Management to ensure compliance with recognition and measurement criteria specified under Ind AS 38. b. Obtained project-specific list of intangible assets under development to understand nature and align with our audit understanding of the Holding Company's activities and business scope. c. Performed audit procedures to verify accuracy and existence of cost capitalised under Intangible Assets under Development. d. Assessed whether cost capitalised by the Holding Company is in nature of development phase by obtaining technical assessment performed by the Management to evaluate: • Technical feasibility of completing the intangible asset. • Intentions and ability of the Holding Company to complete and use the intangible asset. • Whether intangible asset can generate probable future economic benefit.

Sl. No.	Key Audit Matters	Auditor's Response
		- Whether availability of adequate technical, financial and other resources to complete the development. - Whether expenditure incurred with respect to development projects can be reliably measured. e. Obtained project wise aging of intangible assets under development to identify projects exceeding the originally estimated costs or time for completion. f. Reviewed year-end impairment assessment by Management and conducted audit procedures to evaluate the existence of similar conditions in other projects and assess any financial impact. g. Verified on sample basis that capitalisation of Intangible assets under development as Development Cost under Intangible Assets are based on customer orders/ Letter of Intent, and useful lives are determined based on their availability for Holding Company use. h. Verified whether appropriate presentation and disclosure is made in the financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Management Discussion and Analysis and Board of Directors' Report along with its Annexures, which is expected to be made available to us after that date.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard. When we read the Management Discussion and Analysis and Board of Directors' Report along with its Annexures, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

and describe actions applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated statement of changes in equity and consolidated cash flows of the Group and its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group and its Associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting

records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its Associates are responsible for assessing the ability of the Group and its Associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the companies included in the Group and its Associates or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its Associates are responsible for overseeing the financial reporting process of the Group and its Associates.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Group and its Associates has adequate internal financial controls with reference to the Consolidated Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its Associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associates to express an opinion on the Consolidated Financial Statements.

We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled 'Other Matter' in this audit report.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and other companies included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance and based on audit reports of other auditors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the Financial Statements of two subsidiaries included in the Consolidated Financial Statements, whose Financial Statements reflect total assets of ₹ 50,016 Lakhs (before consolidation adjustments) as at March 31, 2025, revenue from operation of ₹ 31,459 Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 2,447 Lakhs and net cash flows of ₹ (2,555) Lakhs, for the year ended as on that date. These Financial Statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included

in respect of these subsidiaries, is based solely on the reports of the other auditors.

2. We did not audit the financial statements of two associates, namely BEL IAI Aero Systems Private Limited and GE-BE Private Limited, whose financial statements reflect the Group's share of loss of ₹ 18 Lakhs and net profit after tax of ₹ 3,572 Lakhs respectively, representing 40% and 26% interests in these associates accounted for using the equity method. These figures are based on the management drawn / unaudited financial statements of the respective associates.

According to the information and explanations provided to us by the management of the Holding Company, and based on our assessment, the financial statements of these associates are not material to the consolidated financial statements of the Group.

3. We did not audit the financial statements/financial information of six branches included in the Standalone Financial Statements of the Holding Company whose financial statements/ financial information reflect total assets of ₹ 7,85,047 Lakhs (before inter-unit adjustments) as at March 31, 2025, revenue from operations of ₹ 7,81,861 Lakhs (before inter-unit adjustments) and total profit before tax of ₹ 2,25,808 Lakhs (before inter-unit adjustments) for the year ended on March 31, 2025. The financial statements / financial information of these branches has been audited by the branch auditors appointed by the Comptroller & Auditor General of India, whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

4. As on 31 March 2025, the Holding Company's Board of Directors comprises six Whole-time Executive (Functional) Directors including the Chairman and Managing Director and two Part-time Government (Non-Executive) Directors. The composition of the Board is not in terms of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with effect from 10 August 2024 and not in terms of section 149 of the Companies Act, 2013 with effect from 28 December 2024, due to non-appointment of requisite number of Independent Directors on the Board of the Holding Company by Ministry of Defence, Government of India.

There are nine vacancies of Independent Directors, including one Independent Woman Director as on 31 March 2025. All the vacancies were notified in time to

the Government for filling up and the matter is under consideration of the Ministry of Defence, Government of India.

5. The Holding Company has made investments in Defence Innovation Organisation (DIO), Electronic Warfare (Defence) Testing Foundation, Communication (Defence) Testing Foundation and UAS Testing Foundation, which are not-for-profit companies registered under Section 8 of the Companies Act, 2013. These entities have not been considered for consolidation in the consolidated financial statements, as the Holding Company does not exercise control over these entities nor does it have rights to variable returns from its involvement, other than the equity investment.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements, as noted in the Other Matters paragraph, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2 (i) (vi) below on reporting under Rule 11(g).
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act,

read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- According to the information and explanation provided to us and as per notification no. GSR 463(E) dated 5th June 2015, Section 164 (2) of the Act – 'Disqualifications for appointment of director' is not applicable to the Government Companies. The Companies in the Group are Government Companies.
- With reference to the maintenance of accounts and other matters connected therewith, refer to our comment in Paragraph 1 (b) above and refer to our comment in paragraph 1 (i)(vi) below, on reporting under rule 11 (g).
- For our opinion on the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries and the operating effectiveness of such controls, refer to our separate Report in **Annexure I**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies.
- According to the information and explanation provided to us and as per notification no. GSR 463(E) dated 5th June 2015, Section 197 of the Act – 'Overall maximum managerial remuneration and managerial remuneration in case of absence or inadequacy of profits' is not applicable to the Government Companies. The Companies in the Group are Government Companies.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and on the consideration of reports of the other auditors on separate financial statements:
 - The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group and its Associates – Refer Note 30 (10)(i) and 32 (c) to the Consolidated Financial Statements.
 - The Group has made provision as required under the applicable law or accounting

standards, for material foreseeable losses on long-term contracts. The Group did not have any derivative contracts. Refer Note 21 to the Consolidated financial statements.

iii. There has been no delay in amounts, required to be transferred, to the Investor Education and Protection Fund by the companies in the Group during the year ended 31 March 2025.

iv. a) The respective Managements of the Holding Company and its subsidiaries which are companies whose financial statements have been audited under the Act, have represented to us and their respective auditors that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 30 (18) (e) to the Consolidated Financial Statements.

b) The respective Managements of the Holding Company and its subsidiaries which are companies whose financial statements have been audited under the Act, have represented to us and their respective auditors that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly,

lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Refer note 30 (18) (f) to the Consolidated Financial Statements.

c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances by us in case of Holding Company, nothing has come to our notice or the auditors of the subsidiaries, that has caused us to believe that the representations made by the respective Managements under clause (i) (iv)(a) and (iv)(b) above contain any material misstatement.

v. As stated in Note 30(16) to the Consolidated Financial Statements

a) The final dividend proposed in the previous year, declared and paid by the companies in the Group during the year is in accordance with Section 123 of the Act, as applicable.

b) The interim dividend declared and paid by the Holding Company during the year and until the date of this report is in compliance with Section 123 of the Act.

c) The Board of Directors of the Holding Company and a subsidiary have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries whose financial statements have been audited under the Act, the Holding Company and one subsidiary company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout

the year for all relevant transactions recorded in the software except that in the Holding Company's accounting software no audit trail (edit log) facility/feature was enabled at the database level to log any direct changes.

Further, during the course of our audit so far it relates to audit trail in respect of transactions, we and respective auditor of the above referred subsidiary company did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent Company and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xx) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company and other auditors of subsidiaries included in the Consolidated Financial Statements of the Company, to

which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

3. As required by Section 143(5) of the Act, We and other auditors of subsidiary companies have considered the directions issued by the Comptroller and Auditor General of India, the action taken thereon and its impact on the accounts and separate Financial Statements of the respective companies. In our opinion and to the best of our information and according to the explanations given to us and based on the audit reports provided by the other auditors there is no qualification or adverse remark and any financial impact on the Consolidated Financial Statements of the Group.

For **RAO & EMMAR**
Chartered Accountants
Firm Registration Number: 003084S

B J Praveen
Partner
Membership Number: 215713
UDIN: 25215713BMJHNW4225

Bengaluru
08 July 2025

"Annexure I" to the Independent Auditors' Report

Referred to in paragraph 2 (g) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to the Consolidated Financial Statements of **Bharat Electronics Limited (hereinafter referred to as the "Holding Company")** and its two Subsidiaries, BEL Thales Limited and BEL Optronics Devices Limited (Holding Company and its Subsidiaries together referred to as "the Group") and its two Associates, BEL IAI AeroSystems Private Limited and GE-BE Private Limited, as of that date.

Management's Responsibility for Internal Financial Controls

The Management of the companies included in the Group and its Associates is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group and Associate's internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated

Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and audit evidence obtained by other auditors of subsidiaries referred to in other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and subsidiaries' internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

A company's internal financial control with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the Consolidated Financial Statements those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and based on the audit reports of other auditors, the Holding Company and subsidiaries have, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of

Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to two subsidiary companies (BEL Thales Limited and BEL Optronics Devices Limited) is based on the corresponding reports of the auditors of such companies. The financial statements of two Associate companies (BEL IAI AeroSystems Private Limited and GE-BE Private Limited) are management drawn / unaudited and are immaterial to the Group. Our opinion is not modified in respect of the above matter.

For **RAO & EMMAR**
Chartered Accountants
Firm Registration Number: 003084S

B J Praveen
Partner
Membership Number: 215713
UDIN: 25215713BMJHNW4225

Bengaluru
08 July 2025



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
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Insp-1/BEL/Accs 24-25/2025-26/119a
सं./No.

प्रधान निदेशक रक्षा-वाणिज्यिक लेखापरीक्षा का कार्यालय
बेंगलूरु - 560 001

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,
DEFENCE-COMMERCIAL, BENGALURU - 560 001

17.07.2025

दिनांक / DATE.

To
Shri Manoj Jain,
Chairman and Managing Director,
Bharat Electronics Limited,
PO Nagavara, Outer Ring Road,
Bengaluru – 560 045.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025.

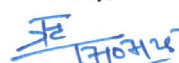
I forward **Nil Comments Certificate** of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025.

It may please be ensured that the comments are:

- Printed in toto without any editing;
- Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index; and
- Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully,


(Hrituraj Singh)
Dy. Director (Admin)

Encl: As above.

भारतीय लेखापरीक्षा एवं लेखा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT
पहला तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूरु - 560001
1st Floor, Basava Bhavan, Sri Basweswara Road, Bengaluru - 560 001.

दूर.भा./Phone : 080-2226 7646 / 2226 1168
Email : pda.dc.blr@caa.gov.in

फैक्स /Fax : 080-2226 2491

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BHARAT ELECTRONICS LIMITED, BENGALURU FOR THE YEAR ENDED 31 MARCH 2025

The preparation of consolidated financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 08 July 2025 which supersedes their earlier Audit Report dated 19 May 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2025 under section 143(6) (a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Bharat Electronics Limited, Bengaluru and BEL Optronics Devices Limited, Pune but did not conduct supplementary audit of the financial statements of BEL Thales Systems Limited, Bengaluru for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to GE BE Private Limited, Bengaluru and BEL IAI Aerosystem Private Limited, New Delhi being private entities for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditor nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditor's report under section 143(6)(b) read section 129(4) of the Act.

For and on behalf of the
Comptroller & Auditor General of India


(Rajesh Ranjan)
Principal Director of Audit, Defence - Commercial

Place: Bengaluru
Date: 17 July 2025

Consolidated Balance Sheet

₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2025	As at 31 March 2024
ASSETS				
(1) Non-current assets				
(a)	Property, plant and equipment	1	3,20,453	2,78,847
(b)	Capital work-in-progress	2	47,698	45,642
(c)	Investment property	3	4	4
(d)	Other intangible assets	4	21,466	24,670
(e)	Intangible assets under development	5	57,482	43,730
(f)	Investment in associate		16,136	15,157
(g)	Financial assets			
(i)	Investments	6	58,161	53,066
(ii)	Trade receivables	7	-	-
(iii)	Loans	8	663	703
(iv)	Other financial assets	9	2,415	1,883
(h)	Deferred tax assets (net)	10	53,484	57,468
(i)	Inventories	11	-	-
(j)	Other non current assets	12	19,436	25,200
			5,97,398	5,46,370
(2) Current assets				
(a)	Inventories	11	9,11,898	7,44,689
(b)	Financial assets			
(i)	Trade receivables	7	9,11,637	7,39,238
(ii)	Cash & cash equivalents	13	71,345	1,20,632
(iii)	Bank balances [other than (ii) above]	14	8,83,165	9,85,027
(iv)	Loans	8	147	141
(v)	Other financial assets	9	24,133	29,440
(c)	Current tax assets (net)	15	35,362	44,961
(d)	Other current assets	12	6,48,101	7,42,170
			34,85,788	34,06,298
TOTAL ASSETS			40,83,186	39,52,668
EQUITY AND LIABILITIES				
EQUITY				
(a)	Equity share capital	16	73,098	73,098
(b)	Other equity		19,24,291	15,59,549
Total equity attributable to the owners of the company			19,97,389	16,32,647
Non controlling interest			1,894	1,792
Total equity			19,99,283	16,34,439

Consolidated Balance Sheet

(₹ in Lakhs)				
Sl. No.	Particulars	Note no.	As at 31 March 2025	As at 31 March 2024
LIABILITIES				
(1) Non-current liabilities				
	(a) Deferred income	17	10,155	11,776
	(b) Financial liabilities			
	(i) Borrowings	18	-	-
	(ia) Lease liabilities		5,869	6,025
	(ii) Trade payables	19		
	- total outstanding dues of micro enterprises & small enterprises; and		-	-
	- total outstanding dues of creditors other than micro enterprises & small enterprises		-	-
	(iii) Other financial liabilities	20	1,457	480
	(c) Provisions	21	90,216	96,728
	(d) Deferred tax liabilities (net)	10	952	547
	(e) Other non-current liabilities	22	-	-
			1,08,649	1,15,556
(2) Current liabilities				
	(a) Deferred income	17	1,618	1,637
	(b) Financial liabilities			
	(i) Borrowings	18	-	-
	(ia) Lease liabilities		254	226
	(ii) Trade payables	19		
	- total outstanding dues of micro enterprises & small enterprises; and		17,777	21,306
	- total outstanding dues of creditors other than micro enterprises & small enterprises		3,16,100	3,49,325
	(iii) Other financial liabilities	20	1,36,832	1,31,714
	(c) Other current liabilities	22	14,28,702	16,28,984
	(d) Provisions	21	73,971	69,453
	(e) Current tax liabilities (net)	15	-	28
			19,75,254	22,02,673
TOTAL EQUITY AND LIABILITIES			40,83,186	39,52,668

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Rao & Emmar**,
Chartered Accountants
Firm Regn No. 003084S

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

S Sreenivas
Company Secretary
Membership No. : F4686

Bengaluru
19 May 2025

Consolidated Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2025	For the year ended 31 March 2024
I	Revenue from operations	23	23,76,875	20,26,824
II	Other income	24	74,236	67,014
III	Total income (I+II)		24,51,111	20,93,838
IV	EXPENSES			
a	Cost of material consumed		12,57,818	10,50,918
b	Consumption of stock in trade		43,041	62,886
c	Changes in inventories of finished goods, work in progress & scrap	25	(82,136)	(56,172)
d	Employee benefits expense	26	2,76,063	2,48,949
e	Finance costs	27	968	714
f	Depreciation and amortisation expense	28	46,738	44,320
g	Other expenses	29	1,98,719	2,15,602
	TOTAL EXPENSES (a to g)		17,41,211	15,67,217
V	Profit before exceptional items, share of net profit of associate accounted under equity method & tax (III - IV)		7,09,900	5,26,621
VI	Exceptional items		-	-
VII	Profit before share of net profit of associate accounted under equity method & tax (V - VI)		7,09,900	5,26,621
VIII	Tax expense	10		
-	Current tax		1,76,775	1,45,576
-	Earlier years tax		260	(6,893)
-	Deferred tax		4,150	(6,373)
	Total provision for taxation		1,81,185	1,32,310
IX	Profit before share of net profit of associate accounted under equity method (VII - VIII)		5,28,715	3,94,311
X	Share of net profit of associate accounted under equity method		3,553	4,213
XI	Profit for the year (IX+X)		5,32,268	3,98,524
XII	Other comprehensive income / (loss)			
	Items that will not be reclassified subsequently to profit or loss			
-	Remeasurement of the net defined benefit liability / asset		968	(7,675)
-	Equity instruments through other comprehensive income		2	2
-	Share of other comprehensive income of associate accounted under equity method (net of tax)		(9)	(29)
-	Income tax relating to these items		(239)	1,930
	Total other comprehensive income / (loss) (net of tax)		722	(5,772)
XIII	Total comprehensive income for the year (XI + XII) [comprising profit and other comprehensive income for the year]		5,32,990	3,92,752

Consolidated Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2025	For the year ended 31 March 2024
XIV	Net profit / (loss) attributable to			
a)	Owners of the company		5,32,144	3,98,452
b)	Non controlling interest		124	72
	Other comprehensive income attributable to			
a)	Owners of the company		722	(5,772)
b)	Non controlling interest		-	-
	Total comprehensive income attributable to			
a)	Owners of the company		5,32,866	3,92,680
b)	Non controlling interest		124	72
XV	Earnings per equity share (face value of INR 1/- each) :	30(1)		
(1)	Basic [in INR]		7.28	5.45
(2)	Diluted [in INR]		7.28	5.45

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Rao & Emmar,**
Chartered Accountants
Firm Regn No. 003084S

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

Bengaluru
19 May 2025

S Sreenivas
Company Secretary
Membership No. : F4686

Consolidated Statement of Changes in Equity

(₹ in Lakhs)

A. Equity share capital

Particulars	Note no.	Amount
Balance as at 1 April 2024		73,098
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
Balance as at 31 March 2025		73,098

Particulars	Note no.	Amount
Balance as at 1 April 2023		73,098
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
Balance as at 31 March 2024		73,098

B. Other equity

Particulars	Note no.	Reserves & surplus					Other reserve		Non controlling interest	Total other equity
		Capital reserve *	Capital reserve on consolidation of subsidiary *	Capital redemption reserve *	General reserves	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *		
Balance as at 1 April 2024		4,669	362	1,868	4,70,814	11,47,435	13	(65,612)	1,792	15,61,341
Profit for the year		-	-	-	-	5,32,268	-	-	-	5,32,268
Consolidation adjustments (Transfer of NCI share)		-	-	-	-	(124)	-	-	124	-
Addition during the year		-	-	-	-	-	2	720	-	722
Total		4,669	362	1,868	4,70,814	16,79,579	15	(64,892)	1,916	20,94,331
Amount transfer to general reserve		-	-	-	40,000	(40,000)	-	-	-	-
Amount transfer to capital reserve		-	-	-	-	-	-	-	-	-
Transaction with owners in their capacity as owner										
Dividends	16	-	-	-	-	(1,68,124)	-	-	(22)	(1,68,146)
Issue of bonus shares	16	-	-	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025		4,669	362	1,868	5,10,814	14,71,455	15	(64,892)	1,894	19,26,185

Consolidated Statement of Changes in Equity

(₹ in Lakhs)

Particulars	Note no.	Reserves & surplus					Other reserve		Non controlling interest	Total other equity
		Capital reserve *	Capital reserve on consolidation of subsidiary *	Capital redemption reserve *	General reserves	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *		
Balance as at 1 April 2023		4,669	362	1,868	4,30,814	9,35,179	11	(59,838)	1,775	13,14,840
Profit for the year		-	-	-	-	3,98,524	-	-	-	3,98,524
Consolidation adjustments (Transfer of NCI share)		-	-	-	-	(72)	-	-	72	-
Addition during the year		-	-	-	-	-	2	(5,774)	-	(5,772)
Total		4,669	362	1,868	4,30,814	13,33,631	13	(65,612)	1,847	17,07,592
Amount transfer to general reserve		-	-	-	40,000	(40,000)	-	-	-	-
Amount transfer to capital reserve		-	-	-	-	-	-	-	-	-
Transaction with owners in their capacity as owner										
Dividends	16	-	-	-	-	(1,46,196)	-	-	(55)	(1,46,251)
Issue of bonus shares	16	-	-	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024		4,669	362	1,868	4,70,814	11,47,435	13	(65,612)	1,792	15,61,341

* Refer Note 16.

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Rao & Emmar,**
Chartered Accountants
Firm Regn No. 003084S

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

S Sreenivas
Company Secretary
Membership No. : F4686

Bengaluru
19 May 2025

Consolidated Statement of Cash Flows

(₹ in Lakhs)		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit after share of associate but before exceptional items and tax	7,13,453	5,30,834
Adjustments for:		
Depreciation and amortisation expense	46,738	44,320
Provision for intangible assets under development	-	9,666
Intangible assets under development charged off	129	-
Transfer from government grants	(1,647)	(1,657)
Interest income	(62,234)	(57,195)
Interest on lease liability	416	421
Finance costs	552	293
Profit on sale of property, plant and equipment	(255)	(702)
Operating Profit Before Working Capital Changes	6,97,152	5,25,980
Increase / (Decrease) due to:		
Trade receivables	(1,72,399)	(35,890)
Loans	34	(16)
Other financial assets	278	4,565
Other assets	99,836	61,170
Inventories	(1,67,209)	(99,298)
Trade payables	(36,754)	37,556
Other financial liabilities	6,496	3,351
Provisions	(1,026)	11,290
Other liabilities	(2,00,282)	99,078
Cash Generated from Operations	2,26,126	6,07,786
Income taxes paid (net)	(1,67,464)	(1,41,837)
Cash Flow Before Exceptional Items	58,662	4,65,949
Exceptional items	-	-
Net Cash from / (used in) Operating Activities	58,662	4,65,949
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipment and other intangible assets	(1,01,128)	(65,253)
Receipt of grant	7	10
Proceeds from sale of property, plant and equipment	305	853
Increase / Decrease in term deposits & other bank balances	1,01,249	(5,69,004)
Other investments	(6,083)	(3,251)
Interest received	67,344	44,260
Net Cash from / (used in) Investing Activities	61,694	(5,92,385)

Consolidated Statement of Cash Flows

(₹ in Lakhs)		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Dividend paid	(1,68,078)	(1,46,209)
Repayment of lease liabilities	(597)	(578)
Interest on lease liability	(416)	(421)
Finance costs	(552)	(293)
Net Cash from / (used in) Financing Activities	(1,69,643)	(1,47,501)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(49,287)	(2,73,937)
Cash and Cash Equivalents at the beginning of the year	1,20,632	3,94,569
Cash and Cash Equivalents at the end of the year	71,345	1,20,632

Cash flow in respect of CSR Activities is ₹ 2,783 (₹ 2,768).

- Non-cash changes recognised in respect of liabilities on account of financing activities is :
 - Parent Company - Nil (Nil)
 - Subsidiary Company BELOP - Nil (Nil)
 - Subsidiary Company BEL-Thales - Nil (Nil)
- Material accounting policies and accompanying notes form an integral part of the financial statements.
- Previous year's figure have been regrouped / reclassified wherever necessary.

As per our report of even date attached.

For **Rao & Emmar,**
Chartered Accountants
Firm Regn No. 003084S

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

Bengaluru
19 May 2025

S Sreenivas
Company Secretary
Membership No. : F4686

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 1 - Property, plant and equipment

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2024	Additions / adjustments during the year	Deductions/ adjustments during the year	As at 31 March 2025	Accumulated depreciation / amortisation as at 1 April 2024	Depreciation / amortisation for the year	Deductions / adjustments during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Owned Asset										
Freehold land	14,361	-	-	14,361	-	-	-	-	14,361	14,361
Roads and culverts	3,345	2,125	-	5,470	800	242	-	1,042	4,428	2,545
Buildings	1,08,308	28,814	-	1,37,122	23,489	5,072	-	28,561	1,08,561	84,819
Installations	6,941	950	1	7,890	3,779	591	1	4,369	3,521	3,162
Plant and machinery	2,18,713	18,638	405	2,36,946	1,20,864	18,522	405	1,38,981	97,965	97,849
Electronic equipment	75,217	9,985	1,141	84,061	56,982	6,157	1,135	62,004	22,057	18,235
Equipment for R & D lab	71,160	11,902	173	82,889	51,498	7,150	173	58,475	24,414	19,662
Vehicles	1,400	338	2	1,736	921	210	2	1,129	607	479
Office equipment	21,102	9,003	223	29,882	13,447	3,156	182	16,421	13,461	7,655
Furniture, fixtures and equipment	12,154	1,628	72	13,710	7,666	1,022	71	8,617	5,093	4,488
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
Right of Use Asset										
Leasehold land	21,035	942	-	21,977	675	160	(1)	836	21,141	20,360
Lease of other assets	6,020	46	90	5,976	788	434	90	1,132	4,844	5,232
Total	5,59,821	84,371	2,107	6,42,085	2,80,974	42,716	2,058	3,21,632	3,20,453	2,78,847

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION				NET CARRYING AMOUNT	
	As at 1 April 2023	Additions / adjustments during the year	Deductions/ adjustments during the year	As at 31 March 2024	Accumulated depreciation / amortisation as at 1 April 2023	Depreciation / amortisation for the year	Deductions/ adjustments during the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Owned Asset										
Freehold land	14,361	-	-	14,361	-	-	-	-	14,361	14,361
Roads and culverts	2,864	481	-	3,345	640	160	-	800	2,545	2,224
Buildings	99,265	9,044	1	1,08,308	19,355	4,131	(3)	23,489	84,819	79,910
Installations	5,994	991	44	6,941	3,282	541	44	3,779	3,162	2,712
Plant and machinery	2,04,709	14,479	475	2,18,713	1,03,651	17,688	475	1,20,864	97,849	1,01,058
Electronic equipment	67,977	7,947	707	75,217	51,423	6,261	702	56,982	18,235	16,554
Equipment for R & D lab	60,186	11,245	271	71,160	44,609	7,160	271	51,498	19,662	15,577
Vehicles	1,257	160	17	1,400	755	176	10	921	479	502
Office equipment	17,417	3,794	109	21,102	11,294	2,263	110	13,447	7,655	6,123
Furniture, fixtures and equipment	11,099	1,108	53	12,154	6,766	953	53	7,666	4,488	4,333
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
Right of Use Asset										
Leasehold land	21,055	-	20	21,035	514	161	-	675	20,360	20,541
Lease of Buildings	6,125	240	345	6,020	589	428	229	788	5,232	5,536
Total	5,12,374	49,489	2,042	5,59,821	2,42,943	39,922	1,891	2,80,974	2,78,847	2,69,431

Consolidated Notes to Accounts

(₹ in Lakhs)

- i.

Freehold Land consists of 2,086.07 acres (2,086.13 acres) and Leasehold Land consists of 992.66 acres (992.66 acres).
Freehold land includes INR 155 (INR 287) [represents absolute figure] transferred to investment property during the year.
- ii.

Freehold Land includes 5.32 acres (5.32 acres) leased to commercial / religious organisations and in their possession.
- iii.

Leasehold land includes 9.62 acres (9.62 acres) leased to NCRTC for use during construction and is in their possession at the year end (Ghaziabad unit of Parent Company).
- iv.

Additions related to R&D assets during the year which are not included in the R&D assets class however capitalised under natural code heads amounts to ₹ 3,762 (₹ 2,495).
- v.

Site Restoration Obligation
Refer Note 21 for Site Restoration Obligation in respect of Wind Mill & Solar Power Plants.

Gross Block Value of Plant & Machinery includes Site Restoration Obligation of ₹ 2,440 (₹ 2,395) in respect of Wind Mill & Solar Power Plants. Site Restoration Obligation: Difference of ₹ 53 between SRO Assets and SRO provision under note 21, is due to the revision of Gross Block Value as the deemed cost of the Property, Plant and Equipment on transition to Ind AS (01.04.2015).
- vi.

Contractual Commitments
Refer Note 30 (9) for outstanding Contractual Commitments.
- vii.

Deemed Cost

On transition to Ind AS (01.04.2015), the group has elected to continue with the carrying value of all its property, plant and equipment as at 1 April 2015 measured as per previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment.
- viii.

Estimation of Useful Life of Assets

The management has estimated the useful life of the various categories of Property, Plant and Equipment (which are different from the useful life indicated in Schedule II to the Companies Act, 2013) after taking into consideration, factors like expected usage of assets, risk of technical and commercial obsolescence, etc.

The estimated useful lives of various categories of Property, Plant and Equipment of the Parent company is as follows:

Asset Class	Years
Buildings	20 - 40
Roads & Culverts	20 - 40
Installations	10
Plant & Machinery	2 - 25
Electronic Equipment	5 - 7
Vehicles	4 - 5
Office Equipment	5 - 7
Furniture, Fixtures and equipment	6 - 10
Equipment for R&D Labs	5

Consolidated Notes to Accounts

(₹ in Lakhs)

In respect of subsidiaries and associate, estimated useful lives as per Schedule II to the Companies Act, 2013 has been adopted except for the following cases:

Asset Class	Years
BELOP	
Plant & Machinery - Continuous Process Plant	15
BEL Thales	
Plant & Machinery	5 - 15
Electronic Equipment	5
Computer Systems	5

ix. Depreciation / Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the Assets.

Leased Assets are amortised on a straight-line basis over their estimated useful lives or their respective lease term whichever is shorter.

x. Method of Accounting Depreciation

Depreciation / Amortisation has been calculated as per the Accounting Policy No. 8 of the Group and recognised as expenses in the Statement of Profit and Loss. Amount of Depreciation recognised as part of Cost of Other Asset is Nil (Nil).

xi. Impairment of Assets

Refer Note 30 (7).

xii. Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, Plant and Equipment.

xiii. Land acquired free of cost from the Government in some units has been accounted in line with provisions of Ind AS 101.

xiv. Details of Registration, Pending Litigation etc., [parent company]

- a. Pending execution of title/sale deed and handing over physical possession of land allotted by Andhra Pradesh Industrial Infrastructure Corporation (APIIC) in respect of land admeasuring 5.60 acres (5.60 acres) in Mallapur allotted to BEL, Hyderabad and the matter being under litigation, no provision towards registration and other costs has been made in the books of account. Cost of land paid to APIIC amounting to ₹ 65 (₹ 65) is included in Capital Advances.
- b. Based on the Memorandum of Understanding reached with the Defence authorities, assets constructed on the land allotted to BEL and in possession of BEL are capitalised under the respective heads for setting up of the Hyderabad Unit. Pending finalisation of the terms and conditions by the appropriate authorities, the cost of land measuring 25.11 acres (25.11 acres) has not been accounted in the books of accounts.
- c. Land admeasuring 122.82 acres (122.82 acres) at Ibrahimpatnam allotted by APIIC / TSIIC possession is given for which sale deed is pending.
- d. A demand of ₹ 648 (₹ 648) being 50% of the compensation amount decreed by City Civil Court, Hyderabad has been received towards additional compensation from TSIIC dated 31.01.2015 for Land of 22.375 acres (22.375 acres) which is part of free hold land mentioned above. The demand is under dispute and hence, no provision in respect of the same has been made in the books of accounts.

Consolidated Notes to Accounts

(₹ in Lakhs)

- e. Freehold Land to the extent of 1.22 acres (1.22 acres) which was allotted by Government Authorities in Bengaluru in return for handing over of Land measuring 1.24 acres (1.24 acres) is under litigation.
- f. The parent Company has installed Windmill Generator at three locations. Out of which : Windmill Generator-I capitalised in the year 2006-07 on Lease Land. Lease deed in respect of aforesaid land is under litigation with high court of Karnataka.
- g. The title deed in respect of land measuring 0.566 acres (0.566 acres) is under litigation. Three cases are pending in the Civil Court Ambala, SDM cum Assistant Collector, UT, Chandigarh and District Court, Panchkula.
- h. Sale deed is pending for finalisation of the land admeasuring 913.99 acres (913.99 acres) at Palasamudram (Defence System Integration Complex - DSIC), Ananthapur Dist. AP.
- i. Land measuring 12.52 acres (12.52 acres) at Sohna (Haryana),mutation is pending with concerned Tehsildar (Ghaziabad unit of Parent Company).
- xv. Parent company has installed solar power plants on lease land in Ordance Factory Board at Medak, Itarsi, Bolangir, HVF Avadi, GCF Jabalpur, VFJ Jabalpur, Hazratpur, Muradnagar, Nalanda, MSF Ishapore by paying a nominal value of INR 1 (represents absolute figure) as annual lease rent for every plant.
- xvi. Parent company has prepaid rent for 3 MW Hassan & 8.4 MW Davangere windmill plants are capitalised as Right of Use on transition to Ind AS 116.
- xvii. Parent company has land admeasuring 31.15 acres (31.15 acres) located at Devanahalli, Bengaluru is received from Karnataka Industrial Area Development Board (KIADB) and the cost of land along with the cost of registration of ₹ 8,916 (₹ 7,974) capitalised under Lease hold land. As per the terms of the lease agreement, on sucessful commencement of the project the same will be converted as freehold land. Increase in capitalised value by ₹ 942 during the current year is for final compensation paid to KIADB as per the contract.
- xviii. Short term lease amount expended during the year is Nil (Nil).
- xix. DAV Public School was provided a portion of leasehold land by the Unit. Unit has filed a case against DAV public school for eviction (Ghaziabad unit of Parent Company).
- xx. Repayment of Lease during the year amounts to ₹ 597 (₹ 578).
- xxi. Gross block and Accumulated Depreciation in Parent company includes Electronic Equipment Include ₹ 247 and ₹ 247 (₹ 247 and ₹ 247) towards assets procured out of other grant.
- xxii. Electronic Equipment of acquisition value ₹ 14,615 (₹ 8,635) in Parent company are lying with vendors. Plant & Machinery of acquisition value ₹ 55 (₹ 55) is lying outside the factory premises.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 2 - Capital work-in-progress

Particulars	As at 31 March 2025	As at 31 March 2024
Civil Construction	27,236	35,024
Plant & Machinery	15,364	7,128
Others	4,119	3,308
Capital Items in Transit	979	306
	47,698	45,766
Less : Provision for impairment	-	(124)
	47,698	45,642

Capital Work in Progress 2024-25

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	29,034	7,277	1,062	648	38,021
Others*	7,991	1,420	188	78	9,677
Projects temporarily suspended	-	-	-	-	-
Provision for impairment	-	-	-	-	-
Total	37,025	8,697	1,250	726	47,698

*Others includes for asset class like Installation, Electronic Equipment, Furnitures etc.,

Completion schedule - Time or Cost overrun

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project-Ibrahimpatnam	13,049	-	-	-	13,049
DSIC Palasamudram	-	6,610	-	-	6,610
D29 GSEs	5,864	-	-	-	5,864
Project-RF Super Component Facility	2,717	-	-	-	2,717
D 29 Golden LRUs	931	-	-	-	931
EVM Project-CIVIL	634	-	-	-	634
Clean Room MWC Building	187	-	-	-	187
Wind Energy Power Plant	-	12	-	-	12
Rain Water Harvesting	10	-	-	-	10
Total	23,391	6,622	-	-	30,013

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Capital Work in Progress 2023-24

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	19,240	7,623	6,055	4,886	37,804
Others	6,610	875	276	77	7,838
Projects temporarily suspended	-	-	-	124	124
Provision for impairment	-	-	-	(124)	(124)
Total	25,850	8,498	6,331	4,963	45,642

Completion schedule - Time or Cost overrun

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Project-Ibrahimpatnam	3,493	-	-	-	3,493
D29 GSEs	2,049	-	-	-	2,049
DSIC Palasamudram	-	702	-	-	702
D29 Lab Test Rig	324	-	-	-	324
EVM Project-Civil	-	278	-	-	278
Production Building - CHN	-	-	124	-	124
Project-RF Super Component Facility	-	85	-	-	85
MCG CADDs Building	42	-	-	-	42
D 29 Golden LRUs	31	-	-	-	31
Renovation - Custom Room	11	-	-	-	11
Classroom Jammers	3	-	-	-	3
Total	5,953	1,065	124	-	7,142

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Production Building	-	-	124	-	124
Total	-	-	124	-	124

- i. Civil construction mainly comprises of Production related building and Regional product support Centres.
- ii. Refer Note 30 (9) in respect of contractual commitments.
- iii. Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, plant and equipment.
- iv. **Impairment of Assets**

In respect of Parent Company, Building under construction with carrying value of ₹ 124 is halted for more than three years as the contractor to whom the said work was awarded is in the process of winding up, and there has been no progress in the work. An amount of ₹124 was impaired in the financial year 2018-19. Suspended Project of ₹124 has been restarted. Work awarded during the FY 2024-25 and work is under progress. Accordingly, ₹124 which was impaired in the FY 2018-19 has been withdrawn during the FY 2024-25.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 3 - Investment property

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	As at 1 April 2024	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2025	As at 1 April 2024	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Freehold land *	-	-	-	-	-	-	-	-	-	-
Buildings**	8	-	-	8	4	-	-	4	4	4
Total	8	-	-	8	4	-	-	4	4	4

* Freehold land of Parent company includes INR 4,273 (INR 4,118) [represents absolute figure] which is rounded off.

** Building Includes INR 19,920 (INR 19,920) [represents absolute figure] of depreciation which is rounded off.

PARTICULARS	GROSS CARRYING AMOUNT					DEPRECIATION		NET CARRYING AMOUNT		
	As at 1 April 2023	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2024	As at 1 April 2023	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Freehold land *	-	-	-	-	-	-	-	-	-	-
Buildings**	14	-	6	8	8	-	4	4	4	6
Total	14	-	6	8	8	-	4	4	4	6

* Freehold land of Parent company includes INR 4,118 (INR 3,830) [represents absolute figure] which is rounded off.

** Building Includes INR 19,920 (Nil) [represents absolute figure] of depreciation which is rounded off.

i. Amount recognised in Statement of Profit & Loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a. Rental Income	182	151
b. Direct Operating Expenses (including R&M) from property that generated rental income	-	-
c. Direct Operating Expenses (including R&M) from property other than above	-	-
d. Depreciation	-	-
e. Profit from Investment property	182	151

ii. Refer Note 30 (9) for Contractual Commitments.

iii. Fair Value of the investment properties

Particulars	As at 31 March 2025	As at 31 March 2024
Land	4,132	3,120
Building	830	406

iv. Estimation of Fair Value

The parent company has estimated the fair value of the investment property based on the Government Guidance Value (municipal value) of the similar properties in the investment property's location and not based on the valuation by registered valuer.

Consolidated Notes to Accounts

(₹ in Lakhs)

v. Deemed Cost

On transition to Ind AS (01.04.2015), the Group has elected to continue with the carrying value of all its investment property as at 1 April 2015 measured as per previous GAAP and used that carrying value as the deemed cost of the investment property.

vi. Estimation of Useful Life of Assets

The parent company has estimated the useful life of the various categories of Property, Plant and Equipment (which are different from the useful life indicated in Schedule II to the Companies Act, 2013) after taking into consideration, factors like expected usage of assets, risk of technical and commercial obsolescence, etc.

The estimated useful life of Tangible Asset is as follows:

Asset Class	Years
Buildings	40

vii. Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the Assets.
The amount of Depreciation has been recognised as expense in the Statement of Profit and Loss.

viii. Method of Accounting Depreciation

Depreciation has been calculated as per the Accounting Policy No. 8 of the group and recognised as expenses in the Statement of Profit and Loss.

ix. Impairment of Assets

As the fair value of the Investment Property is higher than its carrying value, there is no indication of impairment.

x. Restrictions on the releasability of Investment Property

There is no restriction on the land allotted to the Company by Government.

xi. Details of Registration, pending Litigation etc.,

Nil (Nil).

xii During the year 2023-24 a Building was reclassified from Investment property to Property, Plant and Equipment having a gross book value of ₹ 6 and Accumulated Depreciation of ₹ 4.

Note 4 - Other intangible assets

PARTICULARS	GROSS CARRYING AMOUNT				AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2024	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2025	Accumulated amortisation as at 1 April 2024	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Intangible assets - others										
Computer operating system*	3	-	-	3	2	-	-	2	1	1
Licencing fee	29,266	-	-	29,266	11,975	1,973	-	13,948	15,318	17,291
Software licenses / implementation Enterprise resource planning (ERP)	3,452	760	2	4,210	2,539	629	1	3,167	1,043	913
Others (Development Cost) **	11,233	60	-	11,293	4,768	1,421	-	6,189	5,104	6,465
Total	43,954	820	2	44,772	19,284	4,023	1	23,306	21,466	24,670

* Amortisation for the year includes INR 36,129 (INR 36,129) [represents absolute figure] which is rounded off.

** Includes funding to other development agencies.

Consolidated Notes to Accounts

(₹ in Lakhs)

PARTICULARS	GROSS CARRYING AMOUNT				AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2023	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2024	Accumulated amortisation as at 1 April 2023	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Intangible assets - others										
Computer operating system*	3	-	-	3	2	-	-	2	1	1
Licencing fee	29,266	-	-	29,266	10,002	1,973	-	11,975	17,291	19,264
Software licenses / implementation	3,052	400	-	3,452	1,579	960	-	2,539	913	1,473
Enterprise resource planning (ERP)										
Others (Development Cost) **	9,413	1,820	-	11,233	3,303	1,465	-	4,768	6,465	6,110
Total	41,734	2,220	-	43,954	14,886	4,398	-	19,284	24,670	26,848

* Amortisation for the year includes INR 36,129 (INR 25,311) [represents absolute figure] which is rounded off.

** Includes funding to other development agencies.

i. Deemed Cost

On transition to Ind AS (01.04.2015), the group has elected to continue with the carrying value of all its other intangible assets as at 1 April 2015 measured as per previous GAAP and used that carrying value as the deemed cost of other intangible assets.

ii. Estimated useful life

The estimated useful lives of the Other Intangible Assets [parent company] is as follows :

Asset Class	Years
Software licenses / implementation Enterprise resource planning (ERP)	3
Others (Development Cost)	3 - 15

iii. Amortisation

Amortisation is calculated on a straight-line basis over the estimated useful lives of the Assets.

The amount of Amortisation has been recognised as expense in the Statement of Profit and Loss.

iv. Method of Accounting Amortisation

Amortisation has been calculated as per the Accounting Policy No. 8 of the group and recognised as expenses in the Statement of Profit and Loss.

v. Refer Note 30 (9) for Contractual Commitments.

vi. Impairment of Assets

Refer Note 30 (7).

vii. The restriction on the title of the assets is governed by the terms of agreement.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 5 - Intangible assets under development

Particulars	As at 31 March 2025	As at 31 March 2024
Internally developed *	66,652	60,609
Less: Provision for impairment	(9,170)	(16,879)
	57,482	43,730

Intangible assets under development 2024-25

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	13,892	5,225	4,223	43,191	66,530
Others	-	-	-	-	-
Projects temporarily suspended	15	52	52	3	122
Provision for Impairment	-	-	(170)	(9,000)	(9,170)
Total	13,907	5,277	4,105	34,194	57,482

Completion schedule - Time or Cost overrun

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
QR SAM	21,684	-	-	-	21,684
ATULYA	9,125	-	-	-	9,125
Development of DJAG system for Jaguar	6,605	-	-	-	6,605
QT model for Sarakshi	1,765	-	-	-	1,765
Shatrughat & Samaghat	1,598	-	-	-	1,598
TEJ System	1,147	-	-	-	1,147
HEMO Dialysis Machine	843	-	-	-	843
Himsravan	816	-	-	-	816
Photonic ESM Receiver	801	-	-	-	801
Drone Elint	703	-	-	-	703
EA System	362	-	-	-	362
BLI Receiver	361	-	-	-	361
Unified Video and Data Recorder	274	-	-	-	274
Weapon Management Computer (WMC)	-	239	-	-	239
Weapon Interface Computer (WIC)	-	218	-	-	218
PGB 500	117	-	-	-	117
X-Band RF Seeker	-	100	-	-	100
Total	46,201	557	-	-	46,757

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects temporarily suspended	-	122	-	-	122
Total	-	122	-	-	122

Consolidated Notes to Accounts

(₹ in Lakhs)

Intangible assets under development 2023-24

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	5,839	4,226	19,426	31,119	60,610
Others	-	-	-	-	-
Provision for Impairment	(337)	(210)	(9,120)	(7,213)	(16,880)
Total	5,502	4,016	10,306	23,906	43,730

Completion schedule - Time or Cost overrun

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
QR SAM	15,791	-	-	-	15,791
ATULYA	-	8,637	-	-	8,637
Development of DJAG system for Jaguar	6,543	-	-	-	6,543
Shatrughat & Samaghat	1,600	-	-	-	1,600
QT model for Sarakshi	880	-	-	-	880
HEMO Dialysis Machine	605	-	-	-	605
Himsravan	547	-	-	-	547
TEJ System	539	-	-	-	539
Drone Elint	379	-	-	-	379
BLI Receiver	312	-	-	-	312
Flight Control System Test Unit (FTU)	58	-	-	-	58
Total	27,255	8,637	-	-	35,892

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

* Includes funding to other development agencies.

i. Refer Note 30 (9) for Contractual Commitments.

ii. Impairment of Assets [Parent company]

An amount Nil (₹ 9,666) was provided as impairment loss since development activity is not being continued at present and also as per company's assessment the probability of generating economic benefit was not certain. An amount of ₹ 7,709 (₹ 545) was provided during previous years was written off during Current year. (Refer Note 30(7)).

iii. An amount of ₹ 129 (Nil) charged off to Statement of Profit and Loss.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 6 - Investments

Particulars	As at 31 March 2025	As at 31 March 2024
(I) Investment in Equity Instruments (Unquoted)		
(a) Associates (at Amortised Cost)		
Defence Innovation Organisation, Bengaluru 50 (50) equity shares of INR 1,000 each fully paid	1	1
Electronic Warfare (Defence) Testing Foundation, Chennai 46,960 (Nil) equity shares of INR 1,000 each fully paid	469	-
Communication (Defence) Testing Foundation, Ghaziabad 41,811 (Nil) equity shares of INR 1,000 each fully paid	418	-
UAS Testing Foundation, Kanpur 30,000 (Nil) equity shares of INR 1,000 each fully paid	300	-
(b) Others (at FVOCI) (Refer Note iv below)		
Mana Effluent Treatment Plant Ltd, Hyderabad 500 (500) equity shares of INR 1,000 each fully paid	18	16
(c) Others (at Amortised Cost)		
LENS Foundation, Chennai 1,54,575 (Nil) equity shares of INR 100 each fully paid	155	-
(II) Other Investments (Unquoted)		
a) Investments in Co-operative societies (at amortised cost)*		
Cuffe Parade Persopolis Premises Co-operative Society, Mumbai 40 (40) equity shares of INR 50 each fully paid	-	-
Sukh Sagar Premises Co-op. Society, Mumbai 10 (10) equity shares of INR 50 each fully paid	-	-
Shri. Sapta Ratna Co-op. Society Ltd., Mumbai 10 (10) equity shares of INR 50 each fully paid	-	-
Dalamal Park Co-op. Society Ltd., Mumbai 5 (5) equity shares of INR 50 each fully paid	-	-
Chandralok Co-op. Housing Society Ltd., Pune 30 (30) equity shares of INR 50 each fully paid	-	-
b) Others (at FVTPL)		
Life Insurance Corporation of India (Refer Note ii)	56,800	53,049
	58,161	53,066

* INR 4,750 (INR 4,750) [represents absolute figure] which is rounded off. The same represents value of share acquired in Housing Societies as per their by-law regulation.

i. Particulars	2024-25	2023-24
Aggregate value of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	58,161	53,066
Aggregate amount of impairment in value of investments	-	-

ii. The Parent company has invested its Leave Encashment liabilities in LIC's New Group Leave Encashment Plan.

iii. Refer Note 33 for classification of financial instruments.

iv. a. The parent company have designated investment in equity shares of Mana Effluent Treatment Plant Ltd., Hyderabad at FVOCI because this equity shares represent investment that is intended to be held for long-term for strategic purposes. Fair Value of the Investment based on Net Asset Value Method is given below :

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	Fair value as at 31 March 2025	Dividend income recognised during 2024-25	Fair value as at 31 March 2024	Dividend income recognised during 2023-24
Investment in Mana Effluent Treatment Plant Ltd.	18	-	16	-

- b. Parent company has not received any dividend so far on this Investment.
- c. No strategic investment were disposed off during 2024-25, and there were no transfers of any cumulative gain or loss within equity relating to this investment.
- v. An amount of INR 50,000 [represents absolute figure] has been contributed towards equity capital in M/s Defence Innovation Organisation (DIO) during FY 2018-19. DIO was incorporated on 10 April 2017 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 100 (BEL: 50%; HAL: 50%) with an objective of funding innovation in defence sector. The registered office of the company situated in BEL's premises in Bengaluru. An amount of ₹ 5,000 has been provided in the books of account towards contribution to initial corpus fund. As on 31.03.2024, an amount of ₹ 4,000 was pending for disbursement and same was disbursed during the FY 2024-25.
- vi. An amount of ₹ 164 has been contributed towards equity capital in M/s BEL IAI Aerosystem Private Limited (BIAPL) during FY 2024-25. BIAPL was incorporated on 25 September 2024 under the Companies Act, 2013 with an authorised share capital of ₹ 410 (BEL: 40%; IAI 60%) with an objective to establish Single Point of Contact (SPOC) for Carrying out Post Warranty Product Support Services.
- vii. An amount of ₹ 469 has been contributed towards equity capital in M/s Electronic Warfare (Defence) Testing Foundation (EWDTF) during FY 2024- 25. EWDTF was incorporated on 21 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,175 (BEL: 40%; HAL 20%, IOL 20%, BDL 10%, TIDCO 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Electronic Warfare (EW) Domain.
- viii. An amount of ₹ 418 has been contributed towards equity capital in M/s Communication (Defence) Testing Foundation (CDTF) during FY 2024-25. CDTF was incorporated on 31 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,045 (BEL: 40%; HAL 25%, BEML 25%, AWEIL 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Communication (C) Domain .
- ix. An amount of ₹ 300 has been contributed towards equity capital in M/s UAS Testing Foundation (UASTF) during FY 2024-25. UASTF was incorporated on 31 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,500 (BEL: 20%; HAL 33.33%, BEML 20%, YIL 10%, GIL 10% and Endure Air 6.67%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Unmanned Aerial System (UAS) Domain.
- x. An amount of ₹ 155 has been contributed towards equity capital in M/s LENS (Laboratory for Elecro-Optical Navigational System) Foundation during FY 2024-25. LENS was incorporated on 15 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,500 (IOL: 35%; AVNL 35%, BEL 15%, GSL 10% and TIDCO 5%) with an objective of Defence Testing Infrastructure Scheme (DTIS), Laboratory for Elecro-Optical Navigational System Domain. However, issued share capital is ₹ 1,031 as on 31.03.2025.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 7 - Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Unsecured, Considered Doubtful		
Trade receivables	2,99,695	2,29,738
Less: Provision*	(2,99,695)	(2,29,738)
Sub Total (A)	-	-
Current		
Secured, considered good	189	690
Unsecured, considered good	9,11,448	7,38,548
Sub Total (B)	9,11,637	7,39,238
Total (A+B)	9,11,637	7,39,238

* Includes provision towards Liquidated Damages.

Non Current Trade Receivable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivable - Doubtful	7,128	168	47,152	18,586	46,483	28,509	1,34,454	2,82,479
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	284	284
(iv) Disputed Trade Receivables – considered doubtful	-	-	15	-	35	1	16,881	16,932
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Provision	(7,128)	(168)	(47,167)	(18,586)	(46,518)	(28,510)	(1,51,619)	(2,99,695)
Sub Total (A)	-	-	-	-	-	-	-	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Current Trade Receivable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,57,968	4,793	4,90,686	79,739	1,08,193	41,809	27,952	9,11,140
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	498	498
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Sub Total (B)	1,57,968	4,793	4,90,686	79,739	1,08,193	41,809	28,450	9,11,637

Non Current Trade Receivable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivable - Doubtful	4,114	120	29,365	13,122	29,641	16,636	1,19,813	2,12,810
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	339	339
(iv) Disputed Trade Receivables – considered doubtful	-	-	9	2	-	-	16,578	16,589
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Provision	(4,114)	(120)	(29,374)	(13,124)	(29,641)	(16,636)	(1,36,730)	(2,29,738)
Sub Total (A)	-	-	-	-	-	-	-	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Current Trade Receivable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,32,716	4,191	4,00,194	65,572	79,760	31,891	24,113	7,38,437
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	801	801
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Sub Total (B)	1,32,716	4,191	4,00,194	65,572	79,760	31,891	24,914	7,39,238

i. Payment Terms

- In majority of contracts, payment (net of advance received, if any) is due on delivery of items. However, in some contracts a portion of dues (Typically 5% to 10%) is linked to satisfaction of further performance obligation like completion of installation and commission activity etc. In respect of turnkey contracts, payment (net of advance, if any) is linked to achievement of specified milestone.
- Advance including progressive payments received from customer are classified as contract liability and adjusted on completion of related performance obligation.
- Amount retained by customer in respect of completed Performance obligation, due to linking of payment with completion of other Performance obligations in the contract, is classified as Contract asset. Balance amount receivable is classified as Trade Receivable.

ii. Financial instruments

Refer Note 33 for classification of financial instruments.

iii. Impairment of financial assets

Provisions for impairment has been made in line with Accounting Policy No. 29 of the Group.

iv. Related party disclosure

For Related Party Disclosures refer Note 31.

v. Security, Hypothecation etc

Refer Note 35.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 8 - Loans

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Unsecured, Considered Good		
Loans to employees	663	703
	663	703
Unsecured, Considered Doubtful		
Others		
Loans to employees	1	1
Less: Provisions	(1)	(1)
	-	-
Loans to others	132	132
Less: Provisions*	(132)	(132)
	-	-
Sub Total (A)	663	703
Current		
Unsecured, Considered Good		
Others		
Loans to related Parties	-	-
Loans to employees	147	141
Sub Total (B)	147	141
Total (A+B)	810	844

* includes ₹ 132 (₹ 132) in respect of loans which are credit impaired.

i. Financial Instruments

Refer Note 33 for classification of financial instruments.

ii. Impairment of Financial Assets

Provisions for impairment has been made in line with Accounting Policy No. 29 of the Group.

iii. Security, Hypothecation etc

Refer Note 35.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 9 - Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Unsecured, Considered Good		
Security deposits	1,789	1,301
Interest accrued on term deposits	13	16
Bank deposits with more than 12 months maturity **	613	566
	2,415	1,883
Unsecured, Considered Doubtful		
Security deposits	119	83
Less: Provisions	(119)	(83)
	-	-
Advance to employees	9	-
Less: Provisions	(9)	-
	-	-
Advance to others	14	14
Less: Provisions	(14)	(14)
	-	-
Receivables other than trade receivables	1,070	1,037
Less: Provisions *	(1,070)	(1,037)
	-	-
Other assets	576	339
Less: Provisions	(576)	(339)
	-	-
Sub Total (A)	2,415	1,883
Current		
Unsecured, Considered Good		
Security deposits	2,483	1,724
Advance to employees	165	177
Advance to others	5	3
Interest accrued but not due on term deposits	9,939	15,049
Receivables other than trade receivables	1,333	2,366
Other assets	10,208	10,121
Sub Total (B)	24,133	29,440
Total (A+B)	26,548	31,323

* Refer Note 30(19).

** Represents balances held as margin money against bank guarantee.

i. Financial Instruments

Refer Note 33 for classification of financial instruments.

ii. Impairment of Financial Assets

Provisions for impairment has been made in line with Accounting Policy No. 29 of the group.

iii. Net carrying amount of Nil (Nil) has been added in other assets with respect to Property, Plant and Equipment not in active use and pending for disposal.

iv. Security, Hypothecation etc

Refer Note 35.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 10 - Deferred tax assets / liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets (net)		
Deferred tax assets	74,870	77,538
Deferred tax liabilities	(21,386)	(20,070)
	53,484	57,468
Deferred tax liabilities (net)		
Deferred tax liabilities	2,239	1,907
Deferred tax assets	(1,287)	(1,360)
	952	547

i. Income Tax recognised in Statement of Profit or Loss

Sl. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	Income Tax Expenses:		
	- Current period	1,76,775	1,45,576
	- Changes in estimates related to prior years	260	(6,893)
2	Deferred tax:		
	- Origination and reversal of temporary differences	4,150	(6,373)
3	Total deferred tax expense/(benefit)	4,150	(6,373)
4	Income tax expenses	1,81,185	1,32,310

ii. Income Tax recognised in other comprehensive income (Excluding share in OCI of associate)

Sl. No.	Particulars	As at 31.03.2025			As at 31.03.2024		
		Before Tax	Tax (expense) / benefit	Net of Tax	Before Tax	Tax (expense) / benefit	Net of Tax
1	Remeasurement of the net defined benefit liability/(asset)	968	(238)	730	(7,675)	1,931	(5,744)
2	Equity instruments through other comprehensive income	2	(1)	1	2	(1)	1
	Total	970	(239)	731	(7,673)	1,930	(5,743)

iii. Income Tax recognised directly in Equity

There are no income tax recognised directly in equity for the year ended 31 March 2025 & 31 March 2024.

Consolidated Notes to Accounts

(₹ in Lakhs)

iv. Reconciliation of Effective Tax Rates

Particulars	As at 31.03.2025		As at 31.03.2024	
	Rate	Amount	Rate	Amount
Profit Before Tax		7,09,900		5,26,621
Tax using the company's Domestic Tax Rate	25.17%	1,78,668	25.17%	1,32,540
Effect of				
Additional deduction on Research & Development Expenses		-	-	-
Exempt Income		-	-	-
Tax Incentives		-	-	-
Changes in estimates related to previous years	0.04%	260	-1.31%	(6,890)
Non-deductable Expenses	0.74%	5,220	1.15%	6,065
Impact on change in Tax Rate	0.00%	-	-	-
Others	-0.41%	(2,963)	0.11%	595
Effective Tax rate	25.54%	1,81,185	25.12%	1,32,310

v. Deferred Tax (Assets) and Liabilities are attributable to the following:

Sl. No	Particulars	Deferred Tax (Assets) as at		Deferred Tax Liability as at		Net Deferred Tax (Assets)/ Liability as at	
		31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
1	Trade Receivables	(12,886)	(11,351)	-	-	(12,886)	(11,351)
2	Inventory	(15,492)	(16,701)	-	-	(15,492)	(16,701)
3	Provision others	(21,910)	(23,913)	-	-	(21,910)	(23,913)
4	Employee Benefits	(19,630)	(18,185)	-	-	(19,630)	(18,185)
5	Other Intangible Assets	-	-	1,642	1,477	1,642	1,477
6	Deferred Revenue	(22)	(22)	-	-	(22)	(22)
7	Other Assets	-	-	-	-	-	-
8	Property, Plant and Equipment	-	(49)	18,348	16,781	18,348	16,732
9	ICDS Adjustment	-	-	-	-	-	-
10	Equity Investments	-	-	4	3	4	3
11	Other Financial Liabilities	-	-	8	8	8	8
12	Provision for Impairment	(5,348)	(7,602)	-	-	(5,348)	(7,602)
13	Intangible Assets under development	-	-	3,708	3,708	3,708	3,708
14	Trade Payables	(6)	(6)	-	-	(6)	(6)
15	Income Tax loss	2	(281)	-	-	2	(281)
16	Bonus	-	-	-	-	-	-
17	Superannuation	-	-	-	-	-	-
18	MAT Credit	(950)	(788)	-	-	(950)	(788)
19	Total	(76,242)	(78,898)	23,710	21,977	(52,532)	(56,921)
20	Set off of (Asset)/Liability	22,758	21,430	(22,758)	(21,430)	-	-
	Net Deferred Tax (Asset)/ Liability	(53,484)	(57,468)	952	547	(52,532)	(56,921)

Consolidated Notes to Accounts

(₹ in Lakhs)

vi. Movement of Deferred Tax (Assets) & Liabilities

Sl. No	Particulars	Balance as on 01.04.2024	Recognised in P&L during 2024-25	Recognised in OCI during 2024-25	Balance as on 31.03.2025
1	Trade Receivables	(11,351)	(1,535)	-	(12,886)
2	Inventory	(16,701)	1,209	-	(15,492)
3	Provision others	(23,913)	2,003	-	(21,910)
4	Employee Benefits	(18,185)	(1,683)	238	(19,630)
5	Other Intangible Assets	1,477	165	-	1,642
6	Deferred Revenue	(22)	-	-	(22)
7	Other Assets	-	-	-	-
8	Property, Plant and Equipment	16,732	1,616	-	18,348
9	ICDS Adjustment	-	-	-	-
10	Equity Investments	3	-	1	4
11	Other Financial Liabilities	8	-	-	8
12	Provision for Impairment	(7,602)	2,254	-	(5,348)
13	Intangible Assets under development	3,708	-	-	3,708
14	Trade Payables	(6)	-	-	(6)
15	Income Tax Loss	(281)	283	-	2
16	Bonus	-	-	-	-
17	Superannuation	-	-	-	-
18	MAT Credit	(788)	(162)	-	(950)
	Total	(56,921)	4,150	239	(52,532)

Note: In respect of subsidiary BELOP, MAT Credit availed during the year is Nil (Nil) related to earlier year.

vii. Movement of Deferred Tax Assets & Liabilities

Sl. No	Particulars	Balance as on 01.04.2023	Recognised in P&L during 2023-24	Recognised in OCI during 2023-24	Balance as on 31.03.2024
1	Trade Receivables	(12,411)	1,060	-	(11,351)
2	Inventory	(15,392)	(1,309)	-	(16,701)
3	Provision others	(20,220)	(3,693)	-	(23,913)
4	Employee Benefits	(18,482)	761	(464)	(18,185)
5	Other Intangible Assets	1,262	215	-	1,477
6	Deferred Revenue	(261)	239	-	(22)
7	Other Assets	-	-	-	-
8	Property, Plant and Equipment	16,367	365	-	16,732
9	ICDS Adjustment	-	-	-	-
10	Equity Investments	2	1	-	3
11	Other Financial Liabilities	8	-	-	8
12	Provision for Impairment	(4,665)	(2,937)	-	(7,602)
13	Intangible Assets under development	4,463	(755)	-	3,708
14	Trade Payables	(6)	-	-	(6)
15	Income Tax Loss	(375)	94	-	(281)
16	Bonus	-	-	-	-
17	Superannuation	-	-	-	-
18	MAT Credit	(374)	(414)	-	(788)
	Total	(50,084)	(6,373)	(464)	(56,921)

viii. The tax rate used for reconciliation is the corporate tax rate of 25.168% (25.168%) payable by corporate entities on taxable profits under Income Tax Act, 1961. Parent Company (from FY 2020-2021) and BEL-Thales Systems Ltd (from FY 2022-2023) has opted for lower tax rate under section 115 BAA of Income Tax Act, 1961 inserted vide Taxation law (Amendment) Act, 2019.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note - 11 Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Raw Materials & Components	61,794	66,448
Add: Raw Materials & Components in Transit	64	101
Less: Provisions	(61,858)	(66,549)
	-	-
Stock in Trade	8	22
Less: Provisions	(8)	(22)
	-	-
Stores & Spares	202	292
Less: Provisions	(202)	(292)
	-	-
Loose Tools	65	76
Less: Provisions	(65)	(76)
	-	-
Sub Total (A)	-	-
Current		
Raw Materials & Components	5,15,816	4,16,235
Add: Raw Materials & Components in Transit	18,347	32,426
	5,34,163	4,48,661
Work In Progress	3,37,185	2,65,150
Finished Goods	29,099	17,208
Add: Finished Goods in Transit	5,316	7,306
	34,415	24,514
Stock in Trade	1,119	1,535
Add: Stock in Trade in Transit	322	-
	1,441	1,535
Stores & Spares	3,053	3,741
Add: Stores & Spares in Transit	6	8
	3,059	3,749
Loose Tools	1,251	898
Add: Loose Tools in Transit	2	-
	1,253	898
Disposable Scrap	505	509
	9,12,021	7,45,016
Unrealised profit on unsold inventory	(123)	(327)
Sub Total (B)	9,11,898	7,44,689
Total (A+B)	9,11,898	7,44,689

Consolidated Notes to Accounts

(₹ in Lakhs)

- i. Raw Materials and Components include ₹ 15,765 (₹ 16,237) being materials with sub-contractors, out of which ₹ 85 (₹ 80) of materials is subject to confirmation and reconciliation. Against ₹ 85 (₹ 80), an amount of ₹ 84 (₹ 59) has been provided for.
- ii. **Raw Material and Components (RMC) Stock verification discrepancies for the year are as follows :**
Shortages of ₹ 3,263 (₹ 1,833) and surplus of ₹ 587 (₹ 428) . Pending reconciliation, an amount of ₹ 2,630 (₹ 1,406) has been provided for.
- iii. Valuation of Inventories has been made as per Group's Accounting Policy No. 17.
- iv.

a. The United Nations Climate Change Secretariat has granted 15,856 (15,856) TON CO2EQ carbon credit for the 2.5 MW BEL Grid Connected Wind Power Project Davangere District, Karnataka for the verification period from 05.11.2007 to 31.03.2012 (05.11.2007 to 31.03.2009). The carbon credits are included under Finished Goods at a value of ₹ 2 (₹ 2). The CER is valued at cost as required by Guidance Note on CER issued by ICAI.

b. CER under Certification: Nil (Nil) CERs.

c. Depreciation & Operation Cost of Emission Reduction Equipment during the year :

Sl. No.	Particulars	2024-25	2023-24
i.	Depreciation	305	300
ii.	Operation Cost of Emission Reduction Equipment	240	207
Total		545	507

- v. **Security, Hypothecation etc**
Refer Note 35.
- vi. **Amount recognised in Statement of Profit & Loss**
Write-down of inventories (including stock verification discrepancies) to net realisable value amounted to ₹ 1,282 (₹ 1,792) has been recognised in the statement of profit and loss for Work in progress and Finished goods.
- vii. Reversal of write down of inventories (including stock verification discrepancies) of ₹ 1,146 (₹ 2,317) has been made during the year, which were recognised as an expenses in the previous year for Work in progress and Finished goods.
- viii. **Impairment of Assets**
Provisions for inventory has been made in line with Accounting Policy No. 17 of the Group.
- ix. Inventory includes ₹ 5,884 (₹ 4,503) which are located physically at Customer Premises.
- x. The Parent company has received / retained the assets of the customer as per the contractual terms and those do not form part of the inventory.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note - 12 Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Capital advances	1,294	3,061
Advances other than Capital advances		
Advances for purchase	444	1,414
Less: Provisions	(444)	(1,414)
	-	-
Contract asset	59,338	42,465
Less: Provisions	(59,338)	(42,465)
	-	-
Others		
Balances with customs, port trust and other government authorities	900	695
Less: Provisions	(843)	(638)
	57	57
Prepaid expenses	77	88
Claims receivable purchases	930	1,186
Less: Provisions	(930)	(1,186)
	-	-
Contract costs	18,010	21,996
Less: Provisions	(2)	(2)
	18,008	21,994
Others - Assets	8	11
Less: Provisions	(8)	(11)
	-	-
Sub Total (A)	19,436	25,200
Current		
Advances other than Capital advances		
Advances to employees	432	459
Advances for purchase	1,00,558	1,13,730
Contract asset	4,47,020	5,42,491
Others		
Balances with customs, port trust and other government authorities	60,973	55,791
Prepaid expenses	1,227	1,144
Prepaid taxes	2,943	3,004
Claims receivable purchases	5,651	2,982
Contract costs	28,597	21,781
Others - Assets	700	788
Sub Total (B)	6,48,101	7,42,170
Total (A+B)	6,67,537	7,67,370

Consolidated Notes to Accounts

(₹ in Lakhs)

i. Impairment of Assets

Provisions for impairment of non financial assets has been made in line with accounting policy No. 13 of the group.

ii. Impairment of contract asset

Impairment of contract asset charged during the year ₹ 17,027 (₹ 20,595).

iii. Amortisation and impairment of contract costs

Amortisation of contract costs determined based on the period of benefit expected from the contract cost is ₹ 20,139 (₹ 19,358). Impairment of contract costs recognised is Nil (₹ 2).

iv. Closing balance of contract costs represents, cost to obtain the contract from customer ₹ 281 (₹ 711) and cost to fulfill the contract is ₹ 46,324 (₹ 43,064).

v. Security, Hypothecation etc

Refer Note 35.

Note 13 - Cash & cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balance with banks	48,473	59,151
Cash on hand	1	1
Term deposits	22,871	61,480
	71,345	1,20,632

i. Cash and cash equivalents includes Term Deposits with original maturity period up to three months. Term Deposits with original maturity period beyond Three months upto Twelve months have been included in Bank balances (Refer Note 14) and Term Deposits with original maturity period beyond Twelve months have been included in Other financial assets (Refer Note 9).

ii. Refer Note 33 for classification of financial instruments.

iii. There are no repatriation restriction with regard to Cash and cash equivalents.

iv. Security, Hypothecation etc

Refer Note 35.

Note 14 - Bank balances [other than (ii) above]

Particulars	As at 31 March 2025	As at 31 March 2024
Term deposits	8,78,203	9,82,617
Unpaid dividend account *	4,962	2,410
	8,83,165	9,85,027

* Includes ₹ 4,606 (₹ 2,122) of tax withheld on distribution of dividend [Parent company].

i. Refer Note 33 for classification of financial instruments.

ii. There are no repatriation restrictions with regard to bank balances.

iii. Security, Hypothecation etc

Refer Note 35.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 15 - Current tax assets / liability

Particulars	As at 31 March 2025	As at 31 March 2024
Current tax assets (net)		
Advance payment of income tax	35,362	44,961
	35,362	44,961
Current tax liability (net)		
Provision for taxation	-	28
	-	28

Note 16

a. Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
i. Authorised capital		
750,00,00,000 (750,00,00,000) Equity Shares of INR 1 (INR 1) each	75,000	75,000
ii. Issued, subscribed & fully paid-up capital		
730,97,78,829 (730,97,78,829) Equity Shares of INR 1 (INR 1) each	73,098	73,098

iii. Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the reporting period	7,30,97,78,829	73,098	7,30,97,78,829	73,098
Add: Shares issued during the year	-	-	-	-
Less: Shares Bought Back during the year	-	-	-	-
Shares outstanding at the end of the reporting period	7,30,97,78,829	73,098	7,30,97,78,829	73,098

iv. Shares in the company held by each shareholder holding more than 5%

Name of Shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	% of Share holding	No. of Shares	% of Share holding
Government of India	3,73,79,21,934	51.14%	3,73,79,21,934	51.14%

v. Aggregate number and class of shares allotted as fully paid up by way of bonus shares during the previous 5 years.

Equity shares allotted as fully paid up by way of bonus shares

Year	2020-21	2021-22	2022-23	2023-24	2024-25
No. of shares	-	-	4,87,31,85,886	-	-

vi. Aggregate number and class of shares bought back during the previous 5 years.

Equity shares bought back

Year	2020-21	2021-22	2022-23	2023-24	2024-25
No. of shares	-	-	-	-	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
vii. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.	Nil	Nil
viii. The aggregate value of calls unpaid (including Directors and Officers of Company)	Nil	Nil
ix. Shares forfeited	Nil	Nil

x. Terms, Rights, preferences and restrictions attaching to each class of shares

- The parent company has only one class of shares viz, Equity Shares.
- Each holder of Equity Shares is entitled to one vote on show of hands and in poll in proportion to the Number of shares held.
- Each Shareholder has a right to receive the dividend declared by the Parent company.
- On winding up of the parent company, the equity shareholders will be entitled to get the realised value of the remaining assets of the Parent company, if any, after distribution of all preferential amounts as per law. The distribution will be in proportion to the number of equity shares held by the shareholders.

xi. Interim Dividend and Final Dividend

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Final dividend for FY 2023-24 and FY 2022-23 respectively.	58,478	43,859
Interim dividend for FY 2024-25 and FY 2023-24 respectively.	1,09,647	1,02,337

- xii. Government of India being the Promoter holding 51.14% (51.14%) of Shares as on 31.03.2025. No. of Equity Shares held as on Balance Sheet date is 373,79,21,934 (373,79,21,934).

b. Nature and purpose of Reserves

i. Capital Reserve

Capital Reserve is created by transfer from Retained earnings an amount equal to capital profit earned by the Parent company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

ii. Capital Redemption Reserve

Capital Redemption Reserve is created by transfer from General Reserve an amount equal to face value of the Shares bought back. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

iii. Equity Investment through Other Comprehensive Income (OCI)

The parent company has elected to recognise changes in fair value of certain equity investments in other comprehensive income. The change in fair value is accumulated in this reserve. If and when the investment is derecognised the accumulated amount will be transferred to Retained earnings.

iv. Other Comprehensive Income (OCI)

Other comprehensive income are those gains or losses which are not yet realised and excluded from the statement of profit and loss. It mainly consists of remeasurement of the net defined benefit liability / asset (net of tax).

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 17 - Deferred income

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Government grants - deferred	10,155	11,776
Sub Total (A)	10,155	11,776
Current		
Government grants - deferred	1,618	1,637
Sub Total (B)	1,618	1,637
Total (A+B)	11,773	13,413

- i. Refer Accounting Policy No. 16 for method of presentation.

Particulars	As at 31 March 2025	As at 31 March 2024
ii. Nature of utilisation of government grant		
a) Revenue Expenditure	-	-
b) Capital Expenditure		
- Property, Plant and Equipment	11,773	13,413
iii. Other forms of government assistance that has directly benefited the company	-	-
iv. Details of unfulfilled conditions attached to government grant	-	-
v. Contingencies attached to government grant	-	-

- vi. The above grants received represents viability gap funding towards solar power plants, assistance towards roof top solar sytems & Modified Special Incentive Package Scheme (M-sips) subsidy for Zns Project [Parent company].

vii. In case of Subsidiary company [BELOP]

Subsidiary company has entered into an agreement with M/s Photonis, France for transfer of technology for manufacture of Higher Specification I.I.Tubes at BELOP which is funded by way of Grant. The percentage of grant to ToT Cost is 74.30% of the expenses incurred in the year 2024-25 towards ToT has been transferred to income in the Statement of Profit and Loss and correspnding expenses is debited to Statement of Profit and Loss.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 18 - Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Secured		
Term loan from banks	-	-
Sub Total (A)	-	-
Current		
Secured		
Term Loan from banks	-	-
Sub Total (B)	-	-
Total (A+B)	-	-

- i. The monthly statements of current assets have been filed by the Company and they are in agreement with the books of accounts.

Note 19 - Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
- Others	-	-
Sub Total (A)	-	-
Current		
- Dues to micro & small enterprises	17,777	21,306
- Others	3,16,100	3,49,325
Sub Total (B)	3,33,877	3,70,631
Total (A+B)	3,33,877	3,70,631

Non Current Trade Payable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Current Trade Payable 2024-25

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	3,179	9,180	5,187	72	-	2	17,619
(ii) Others*	39,003	1,51,270	1,11,022	6,986	3,939	3,626	3,15,845
(iii) Disputed dues - MSME	-	158	-	-	-	-	158
(iv) Disputed dues - Others	-	203	-	-	-	52	255
Total	42,182	1,60,811	1,16,209	7,058	3,939	3,680	3,33,877

Non Current Trade Payable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Current Trade Payable 2023-24

Particulars	Unbilled	Billed not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	2,553	11,099	7,468	15	9	5	21,148
(ii) Others*	13,410	2,15,720	96,846	14,092	1,886	7,116	3,49,070
(iii) Disputed dues - MSME	-	158	-	-	-	-	158
(iv) Disputed dues - Others	-	203	-	-	-	52	255
Total	15,963	2,27,179	1,04,314	14,107	1,894	7,173	3,70,631

* Others includes dues outstanding to Medium Vendors

- i. The information regarding dues to Micro and Small Enterprises as required under Micro, Small & Medium Enterprises Development (MSMED) Act, 2006 as on 31 March 2025 is furnished below:

Particulars	2024-25	2023-24
a. The principal and the interest due thereon remaining unpaid as at 31 March:		
Principal*	18,944	22,083
Interest	19	24
b. The interest paid by the company in terms of section 16 of the MSMED Act along with the amount of the payment made beyond the appointed day during the year ending 31 March:		
Principal	-	-
Interest	22	3
c. The interest reversed by the company during the year ended 31 March	5	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
d. Interest due and payable for the period of delay (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act **	-	-
e. Interest accrued and remaining unpaid at the end of the year ending 31 March.	19	24
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act.	2	4

* Includes amount shown under Note 20.

** Also includes Interest due and payable for principals already paid Nil (Nil) and INR 22,111 (INR 22,111) [represents absolute figure] as on 31.03.2025 is rounded off [BELOP].

ii. The information has been given in respect of such suppliers to the extent they could be identified as Micro & Small Enterprises on the basis of information available with the Group and have been relied upon by the Auditors.

iii. Financial Instruments

Refer Note 33 for classification of financial instruments.

iv. The group's exposure to currency and liquidity risk related to Trade Payables is disclosed at Note 34.

Note 20 - Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Security deposits including retention money	1,457	480
Sub Total (A)	1,457	480
Current		
Security deposits including retention money	43,680	34,226
Interest accrued and due on trade payables ¹	19	24
Non trade payables - Others*	10,615	12,384
Unpaid matured deposits	37	37
Unpaid dividend	356	288
Non trade payables dues to micro & small enterprises ¹	1,167	777
Outstanding expenses**	79,158	81,999
Other liabilities	1,800	1,979
Sub Total (B)	1,36,832	1,31,714
Total (A+B)	1,38,289	1,32,194
Amount to be transferred to the Investor Education & Protection Fund as at Balance Sheet date.	Nil	Nil

* Includes an amount payable to Capital items.

** Includes provision towards unspent CSR Expenditure of ₹ 9,532 (₹ 6,631) [Parent Company].

¹ Refer Note 19.

i. Financial instruments

Refer Note 33 for classification of financial instruments.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 21 - Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Employee Benefits		
Gratuity	15	9
Long-term compensated absences	52,240	47,078
BEL retired employees' contributory health scheme (BERECHS)	-	-
Provident fund interest obligation	3,458	4,409
Others		
Provision for onerous contracts	376	1,572
Provision for performance warranty	31,634	41,212
Provision for Site restoration obligation	2,493	2,448
Sub Total (A)	90,216	96,728
Current		
Employee Benefits		
Gratuity	2,283	2,145
Long-term compensated absences	7,271	7,133
BEL retired employees' contributory health scheme (BERECHS)	12,756	13,467
Provident fund interest obligation	2,182	94
Management Contribution to Superannuation (Pension) scheme	103	22
Annual incentive	444	299
Others		
Provision for onerous contracts	5,476	7,206
Provision for performance warranty	43,456	39,087
Sub Total (B)	73,971	69,453
Total (A+B)	1,64,187	1,66,181

i. Movement of provisions for the year ended 2024-25

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	80,299	8,778	2,448
Additional provision recognised during the year	32,046	3,642	45
Amount used during the year (refer note vi below)	24	-	-
Unused amount reversed during the year	37,231	6,568	-
As at 31 March	75,090	5,852	2,493

Movement of provisions for the year ended 2023-24

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	63,451	5,646	2,408
Additional provision recognised during the year	38,010	6,848	40
Amount used during the year (refer note vi below)	-	-	-
Unused amount reversed during the year	21,162	3,716	-
As at 31 March	80,299	8,778	2,448

Consolidated Notes to Accounts

(₹ in Lakhs)

ii. Provision for Warranties - as per Accounting Policy No. 19 of the Group.

Provision for warranties is made in respect of products whose normal warranty period is outstanding. As the warranty provision period varies from product to product, provision is made at Strategic Business Unit (SBU) level based on average period of warranty period. Provision is made based on trend based estimate of the likely expenses to be incurred. The provision is measured at the present value of the estimated cost of Warranty.

iii. Provision for Site restoration - as per Accounting Policy No. 22 of the Group.

In accordance with the terms and conditions of the Lease agreement entered into with Lessor, the parent company is required to return the land in its original condition. Accordingly provision in respect of Site restoration obligation has been made. The provision required is reviewed and required adjustment made at each year end.

The provision is measured at the present value of the best estimate of the cost of restoration.

iv. Provision for Onerous contracts - as per Accounting Policy No. 22 of the Group.

In respect of certain contracts entered into by the parent company, it is expected that the likely cost to complete the contract would exceed the Revenue received / receivable against the contract. In such cases, provision in respect of the expected losses has been made. The provision required is reviewed and required adjustment made at each year end. The provision is measured at the present value of the best estimate of loss likely to be incurred.

v. Performance warranty obligation in respect of sales where back to back warranty of vendor is available, potential liability, if any, in the event of default of vendor is not ascertainable and not expected to be significant.

vi. An amount of ₹ 13,622 (₹ 6,711) has been debited against Natural Code Heads wrt Warranty Cost.

(A). POST EMPLOYMENT BENEFIT OBLIGATION

(i). GRATUITY :

The Company provides gratuity to employees in India as per payment of Gratuity Act, 1972. The Company has a Gratuity Scheme for its employees, which is a funded plan. Every year, the Company remits fund to the Gratuity Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. As per the Gratuity Scheme, gratuity is payable to an employee on the cessation of his employment after he has rendered continuous service for not less than five years in the Company. For every completed year of service or part thereof in excess of six months, the Company shall pay gratuity to an employee at the rate of fifteen days salary based on the last drawn basic & dearness allowance.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation :

Particulars	2024-25	2023-24
i) Change in Present Value of Obligations :		
Present Value of Obligation as at the beginning of the year	69,932	69,311
Current Service Cost	1,400	1,354
Interest Cost	4,599	4,761
Past Service Cost	-	-
Benefits paid	(7,894)	(6,572)
Actuarial (gains) / Losses recognised in other comprehensive income		
Changes in financial assumptions on planned liability - loss / (gains)	1,437	1,334

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
Experience adjustments on planned liability - loss / (gains)	(328)	(256)
Present Value of Obligation as at the end of the period	69,146	69,932
ii) Change in Fair Value of plan assets :		
Fair value of plan assets at the beginning of the year	67,802	69,037
Expected return on plan assets	4,525	4,751
Contributions	2,130	275
Benefits paid	(7,894)	(6,572)
Actuarial gain / (loss) on Plan Assets recognised in other comprehensive income	484	311
Fair value of plan assets as at the end of the period	67,047	67,802
Defined benefit (Asset) / liability	2,099	2,130
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Net defined benefit (asset) / liability	2,099	2,130
iii) Expenses Recognised in the Statement of Profit & Loss :		
Current Service cost	1,400	1,354
Net Interest on Net Defined Benefit Obligations	75	10
Past service cost	-	-
Expenses recognised in the statement of profit and loss	1,475	1,363
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :		
Actuarial (gain)/loss on Plan Obligations	1,109	1,078
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(484)	(311)
Effect of Balance Sheet Asset limit	-	-
Amounts recognised in the statement of Other Comprehensive Income	625	767
v) Amounts recognised in Balance Sheet :		
Present Value of Obligation as at the end of the period	69,146	69,932
Fair Value of Plan Assets at the end of the period	67,047	67,802
Funded Status [(Surplus) / Deficit]	2,099	2,130
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Liability / (Asset) for the year as on 31 March as per Balance Sheet	2,099	2,130
vi) Plan Assets		
Categories of Plan Assets are as follows :		
State Govt. Securities	-	-
Govt. of India Securities	-	0.52%
High Quality Corporate Bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Investment with Insurer	99.99%	99.47%
Others (Bank balance)	0.01%	0.01%

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
vii) Actuarial Assumptions :		
Discount Rate	6.72%	6.97%
Rate of increase in compensation level	7.00%	7.00%
Expected rate of Return on Plan Assets	6.72%	6.97%
Estimated Average Future working life	15.20	14.80
viii) Best Estimate of Contribution to be paid :		
The best estimate of contribution to be paid towards Gratuity during the annual period beginning after the Balance Sheet is ₹ 2,099 (₹ 2,130).		
ix) Sensitivity Analysis :		
Discount Rate (0.50% movement)increase	7.22%	7.47%
Increase/(decrease) in defined benefit Obligation as at the end of the period	(2,819)	(2,725)
Discount Rate (0.50% movement)decrease	6.22%	6.47%
Increase/(decrease) defined benefit Obligation as at the end of the period	3,056	2,947
Salary Escalation Rate (0.50% movement)increase	7.50%	7.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	633	616
Salary Escalation Rate (0.50% movement)decrease	6.50%	6.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	(672)	(695)

Additional Disclosures :

- i. Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 50 basis points.
- ii. No change in the methods and assumptions used for preparing sensitivity analysis as compared to previous year
- iii. Maturity profile of the Gratuity defined benefit obligation is given below:

Year	As at 31 March 2025	As at 31 March 2024
Year 1	4,657	5,034
Year 2	12,477	12,684
Year 3	7,543	8,055
Year 4	7,477	7,318
Year 5	6,344	7,289
Next 5 years	21,090	22,590

(i) Gratuity (In respect of Subsidiary Company - BELOP)

Details of Employee Benefits as required by the Ind AS 19 Employee Benefits are as under:

Defined Benefit Plan

- i) Actuarial gains and losses in respect of defined benefit plans recognised in the statement of Profit & Loss is ₹ 51 (Previous Year ₹ 48).
- ii) Actuarial gains and losses in respect of defined benefit plans recognised in the statement Other Comprehensive Income is ₹ (133) (Previous Year ₹ (33)).

Consolidated Notes to Accounts

(₹ in Lakhs)

- iii) Gratuity is a benefit to an employee based on 15 days last drawn salary for each completed year of service.
- iv) Gratuity plan is funded.

Particulars	2024-25	2023-24
A Changes in the present value of defined obligation representing reconciliation of opening and closing balances thereof are as follows :		
1 Present Value of Defined Benefit Obligation at the Beginning of the period	1,284	1,183
2 Interest Cost	92	88
3 Current Service Cost	49	46
4 Past Service Cost	-	-
5 Liability Transferred In/ Acquisitions	-	-
6 (Liability Transferred Out / Divestment)	-	-
7 Losses (gains) on Curtailment	-	-
8 Liabilities extinguished on settlements	-	-
9 (Benefit Paid Directly by the Employer)	-	-
10 (Benefit Paid From the Fund)	(21)	(13)
11 The Effect of Changes in Foreign Exchange Rates	-	-
12 Actuarial (gains) / losses on obligations -Due to Change in Demographic Assumptions	-	-
13 Actuarial (gains) / losses on obligations- Due to Change in Financial Assumptions	50	18
14 Actuarial (gains) / losses on obligations- Due to Experience	70	(38)
15 Present value of Defined Benefit Obligation as on Balance Sheet date	1,524	1,284
B Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows :		
1 Fair value of Plan assets at the Beginning of the period	1,269	1,160
2 Interest Income	91	86
3 Actual contributions by Employers	15	23
4 Expected contributions by Employees	-	-
5 Assets Transferred In / Acquisitions	-	-
6 (Assets Transferred Out / Divestment)	-	-
7 (Benefit Paid From the Fund)	(21)	(13)
8 (Assets Distributed on Settlements)	-	-
9 Effects of Asset Ceiling	-	-
10 The Effect of Changes in Foreign Exchange Rates	-	-
11 Return on Plan Assets, Excluding Interest Income	(13)	13
12 Fair value of Plan assets at the End of the Period	1,341	1,269
C Amount Recognised in the Balance Sheet		
1 Present value of Plan assets at the end of the period	(1,524)	(1,284)
2 Fair Value of Plan assets at the end of the year	1,341	1,269
3 Funded Status [Surplus / (Defecit)]	(183)	(15)
4 Net Asset / (Liability) recognised in the Balance Sheet	(183)	(15)

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
D Reconciliation of Present Value of Defined Benefit Obligation and fair value of plan assets showing amount recognised in the Balance Sheet :		
1 Present Value of Defined Benefit Obligation at the end of the period	(1,524)	(1,284)
2 Fair value of plan assets at the end of the period	1,341	1,269
3 Funded status [Surplus / (Deficit)]	(183)	(15)
4 Unrecognised Past Service Costs	-	-
5 Net asset / (Liability) recognised in Balance Sheet	(183)	(15)
E Expenses Recognised in the Statement of Profit or Loss for current Period		
1 Current Service cost	49	46
2 Interest cost	2	2
3 Past Service cost	-	-
4 (Expected Contributions by the Employees)	-	-
5 Losses (gains) on Curtailments & Settlements	-	-
6 Net Effect of Changes in Foreign Exchange Rates	-	-
7 Total expense recognised in the Statement of Profit & Loss under Contribution to Gratuity Fund	52	48
F Expenses Recognised in the Other Comprehensive Income (OCI) for Current Period		
1 Acturial (Gains) / Losses on the Obligation for the period	120	(20)
2 Return Plan Assets, Excluding Interest Income	13	(13)
3 Change in Asset Ceiling	-	-
4 Net (Income)/Expenses for the Period Recognised in OCI	133	(33)

G In respect of Funded Benefits with respect to gratuity and superannuation, the fair value of Plan assets represents the amounts invested through "Insurer Managed Funds"

H Principal Actuarial Assumptions :

Year	As at 31 March 2025	As at 31 March 2024
1 Discount Rate (%)	6.73%	7.20%
2 Expected Return on plan assets (%)	6.73%	7.20%
3 Salary Escalation (%)	10.50%	10.50%
4 Rate of Employee Turnover	2.00%	2.00%

- a) The Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated terms of the obligations.
- b) **Expected Rate of Return of Plan Assets :** This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.
- c) **Salary Escalation Rate :** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Consolidated Notes to Accounts

(₹ in Lakhs)

I Sensitivity Analysis

Year	As at 31 March 2025	As at 31 March 2024
Projected Benefit Obligation on Current Assumptions	1,524	1,284
1 Delta Effect +1% Change in Rate of Discouting	(104)	(74)
2 Delta Effect -1% Change in Rate of Discouting	116	82
3 Delta Effect +1% Change in Rate of salary increase	111	79
4 Delta Effect -1% Change in Rate of salary increase	(101)	(72)
5 Delta Effect +1% Change in Rate of Employee Turnover	(21)	(12)
6 Delta Effect -1% Change in Rate of Employee Turnover	23	13

J Investment of Gratuity Fund is with Insurance Company

Defined Contribution Plans (In respect of Subsidiary Company -BEL-THALES Systems Limited)

The employees in the company are on deputation from the holding company "M/s. Bharat Electronics Limited" & related party "Thales India Private Limited" and employees of BEL - Thales Systems Limited. As per the deputation orders of respective Companies the following contributions at specified percentages of employee salaries remitted periodically to the Holding Company & Thales India Private Limited:

- a) Contribution to Provident Fund
- b) Employee Superannuation Fund
- c) Gratuity
- d) Employees’ Leave Benefits

The contributions are charged to Statement of profit and Loss as they accrue (Please refer current service cost under the head Employee benefit expenses).

The Company has a defined benefit gratuity plan (unfunded) for employees of BEL - Thales Systems Limited.

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Contribution to Provident Fund included under contribution to provident and other funds.	45	37
Total	45	37

Defined Benefit Plans

(i) Gratuity

The Company provides for gratuity, a defined benefit retirement plan (the “Gratuity Plan”) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date. As at March 31, 2023 the Gratuity plan of the company is unfunded and no assets are maintained by the company and asset values are taken as zero; there is liquidity risk in that they may run out of cash

These plans typically expose the company to actuarial risks such as: Interest rate risk, Liquidity risk, Salary escalation risk, demographic Risk and Regulatory risk.

Consolidated Notes to Accounts

(₹ in Lakhs)

Interest rate risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Liquidity risk	This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Actuarial Valuation Method:

The valuation has been carried out using the Projected Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Particulars	As at 31 March 2025	As at 31 March 2024
Net Employee benefit expense recognised in the employee cost in statement of profit & loss account		
Current service cost	2.78	1.18
Interest cost on benefit obligation	0.62	0.28
Past Service Cost	-	-
Expected return on plan assets	-	-
Sub Total	3.40	1.46
Recognised in Other Comprehensive Income		
Net actuarial (gain) / loss recognised in the year on plan obligations	2.66	3.49
Difference between Actual Return and Interest Income on Plan Assets- (gain) / loss	-	-
Effect of Balance Sheet asset limit	-	-
Sub Total	2.66	3.49
Net benefit expense recognised in Statement of Profit & Loss	6.06	4.95
Balance Sheet		
Benefit asset / liability		
Present value of defined benefit obligation	14.84	8.78
Fair value of plan assets	-	-
Assets / (Liability) recognised in the balance sheet	14.84	8.78
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation	8.78	2.95
Interest Cost	0.62	0.20
Current Service Cost	2.78	1.10
Actuarial (gain) / loss on obligation	2.66	(0.42)
Acquisition Adjustments	-	-
Present Value of defined Benefit Obligation at the end of the period	14.84	3.82
Current Liability (Short term)	0.13	0.10
Non-Current Liability (Long term)	14.71	8.68
Present Value of Obligation	14.84	8.78

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Change in the fair value of plan assets		
Opening fair value of plan assets	-	-
Contributions by employer	-	-
Investment Income	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expenses	-	-
Closing fair value of plan assets	-	-
Assumptions		
Discount Rate (% p.a)	6.89%	7.00%
Expected rate of salary increase (%)	6.00%	6.00%
Mortality rate	(% of IALM 2012-14)	(% of IALM 2012-14)
Normal retirement age	60.00	60.00
Attrition / Withdrawal rates per annum	1.00%	28.54%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts of Defined benefit plan for the current and previous periods are as follows :

Particulars	Present value of Defined benefit obligation	Surplus / (deficit)	Experience adjustments on plan liabilities -(loss)/gain	Impact of Change in Assumptions on Plan Liabilities-(loss)/gain	Experience adjustments on plan assets -(loss)/gain
March 31, 2025	14.84	(14.84)	(2.33)	(0.34)	-

Sensitivity analysis of the defined benefit obligation

Assumptions	Discount Rate		Salary Growth Rate	
Sensitivity Level	+50 basis point	-50 basis point	+50 basis point	-50 basis point
0.50% movement	7.39%	6.39%	6.50%	5.50%
Increase/(decrease) in defined benefit Obligation	13.38	16.49	16.51	13.35
Increase/(decrease) in Current Service Cost	4.56	5.68	5.47	4.55

Particulars	As at 31 March 2025	As at 31 March 2024
Compensated absences		
Charge in the Statement of Profit and Loss	16.85	15.65
Liability as at the year end	3.71	1.80
Actuarial assumptions		
Discount rate	6.59%	7.27%
Salary escalation	6.00%	6.00%
Retirement age	60 Yrs	60 Yrs
Attrition rate	1.00%	28.54%

Consolidated Notes to Accounts

(₹ in Lakhs)

ii) BEL RETIRED EMPLOYEES CONTRIBUTORY HEALTH SCHEME (BERECHS) :

The Company has a contributory health scheme for its retired employees "BEL Retired Employees' Contributory Health Scheme" (BERECHS), which is a funded scheme. Company remits fund to the BREM Trust to the extent of shortfall of the assets over the fund obligations, which is determined through actuarial valuation. The primary objective of the scheme is to provide medical facilities to employees retiring on attaining the age of superannuation, or on VRS. Benefits under the Scheme shall be available to the employees who become member and their spouses only.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amounts recognised in the Balance Sheet and the movement in the net defined benefit obligation over the years as per Actuarial valuation :

Particulars	2024-25	2023-24
i) Change in Present Value of Obligations :		
Present Value of Obligation (PVO) as at the beginning of the year	1,57,103	1,48,142
Current Service Cost	8,232	7,461
Interest Cost	10,649	10,184
Past service cost	4,832	-
Benefits paid	(8,655)	(13,776)
Actuarial (gains) / Losses recognised in other comprehensive income		
Changes in financial assumptions on plan liability - loss / (gains)	(6,802)	15,967
Experience adjustments on plan liability - loss / (gains)	7,098	(10,875)
Impact on Change in Demographic assumption on Plan liabilities - loss / (gains)	-	-
Present Value of Obligation as at the end of the period	1,72,457	1,57,103
ii) Change in Fair Value of plan assets :		
Fair value of plan assets at the beginning of the year	1,43,636	1,22,761
Expected return on plan assets	10,179	9,269
Direct Contributions to meet direct benefit payment	-	-
Benefit paid	(8,655)	(13,776)
Actuarial gain / (loss) on plan Assets recognised in other comprehensive income	1,073	1
Contribution to plan assets	13,467	25,381
Fair value of plan assets at the end of the period	1,59,700	1,43,636
Defined benefit (Asset) / liability	12,757	13,467
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Net defined benefit (asset) / liability	12,757	13,467
iii) Expenses Recognised in the Statement of Profit & Loss :		
Current Service cost	8,232	7,461
Net Interest on net defined benefit obligation	469	915
Past service cost	4,832	-
Net Expenses Recognised in the Statement of Profit & Loss	13,533	8,376
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :		
Actuarial (gain)/loss on plan Obligations	296	5,092
Difference between Actual Return and expected Interest on Plan Assets (gain)/loss	(1,073)	(1)
Amounts recognised in the statement of Other Comprehensive Income	(777)	5,092

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
v) Amounts recognised in Balance Sheet :		
Present Value of Obligation as at the end of the period	1,72,457	1,57,103
Fair Value of Plan Assets at the end of the period	1,59,700	1,43,636
Funded Status [(Surplus) / Deficit]	12,757	13,467
Effects of asset ceiling - As at the beginning of the year	-	-
Effects of asset ceiling - As at the end of the year	-	-
Liability / (Asset) for the year as on 31 March as per Balance Sheet	12,757	13,467
vi) Plan Assets		
Categories of Plan Assets are as follows:		
Government of India Securities	-	-
State Government Securities	-	-
High Quality Corporate Bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Funds managed by Insurer	99.99%	99.99%
Others (Bank balance)	0.01%	0.01%
vii) Actuarial Assumptions :		
Discount Rate	6.72	6.97
Medical inflation rate	6.50	7.00
Attrition Rate	1.50	1.50
viii) Best Estimate of Contribution to be paid :		
The best estimate of contribution to be paid towards BERECHS during the annual period beginning after the Balance Sheet is ₹12757 (₹13467).		
ix) Effect of a one percentage point increase in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation :		
Effect on the aggregate of the service cost and interest cost	3,613	2,029
Effect on the defined benefit obligation	30,148	16,586
Effect of a one percentage point decrease in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation :		
Effect on the aggregate of the service cost and interest cost	(2,790)	(1,749)
Effect on the defined benefit obligation	(23,277)	(14,292)
x) Sensitivity Analysis :		
Discount Rate (0.50% movement)increase	7.22	7.47
Increase / (decrease) Defined benefit Obligation as at the end of the period	(12,287)	(8,673)
Discount Rate (0.50% movement)decrease	6.22	6.47
Increase / (decrease) Defined benefit Obligation as at the end of the period	14,109	9,613
Medical Inflation Rate (0.50% movement)increase	7.00	7.50
Increase / (decrease) Defined benefit Obligation as at the end of the period	14,070	7,980
Medical Inflation Rate (0.50% movement)decrease	6.00	6.50
Increase / (decrease) Defined benefit Obligation as at the end of the period	(12,365)	(7,407)

Consolidated Notes to Accounts

(₹ in Lakhs)

Additional Disclosures :

- i. Sensitivity analysis involves changing one key actuarial assumption at a time keeping the other assumptions constant. Sensitivity analysis has been carried out using the Direct Method by re-running the entire valuation model for the changed assumptions by using magnitude of variation of plus or minus 50 basis points.
- ii. No change in the methods and assumptions used for preparing sensitivity analysis as compared to previous year.
- iii. Maturity profile of the BERECHS defined benefit obligation is given below:

Year	As at 31 March 2025	As at 31 March 2024
Year 1	8,801	8,595
Year 2	9,178	9,050
Year 3	9,521	9,705
Year 4	9,836	10,257
Year 5	10,120	10,793
Next 5 years	54,593	61,325

Note:

* Sum of ₹749 (₹891) paid towards BERECHS expenditure is due from BREM Trust and the same is included in PVO.

(iii) EMPLOYEES PROVIDENT FUND [INTEREST SHORTFALL] :

Employees Provident Fund is managed by Provident Fund Trust of the Company. The Company contributes Management's contributions payable towards Employee Provident Fund to the Trust.

The Contribution made by the company and shortfall of interest if any, is recognised as an expense in statement of profit and loss under Employee benefits expense. In accordance with the actuarial valuation of provident fund liabilities and based on the assumptions, there is a shortfall in interest cost as the present value of the expected future earnings of the fund is less than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest of the provident fund trust.

Particulars	2024-25	2023-24
i) Change in Present Value of Benefit Obligations :		
Present Value of Obligation as at the beginning of the year	4,23,730	3,91,192
Current Service Cost	12,923	13,305
Interest Cost	26,684	28,062
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Actuarial (gain) / Loss	5,659	7,902
Benefits paid / payable	(1,51,940)	(74,639)
Contributions	57,248	57,908
Present Value of Obligation as at the end of the period	3,74,304	4,23,730
ii) Change in Fair Value of plan assets :		
Fair value of plan assets at the beginning of the year	4,19,321	3,88,629
Expected return on plan assets	26,377	27,878
Contributions*	70,171	70,674
Benefit paid	(1,51,940)	(74,639)
Actuarial gain / (loss) on Plan Assets	12,444	6,779
Fair value of plan assets at the end of the period	3,76,373	4,19,321

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2024-25	2023-24
iii) Expenses Recognised in the Statement of Profit & Loss :		
Opening Net Liability	-	-
Current Service cost	12,923	13,305
Interest Cost	26,684	28,062
Expected return on Plan Assets	(26,377)	(27,877)
Net Actuarial (gain) / loss recognised in the period	-	-
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Expenses Recognised in the Statement of Profit & Loss	13,230	13,490
iv) Amounts recognised in Balance Sheet :		
Present Value of Obligation as at the end of the period	3,74,304	4,23,730
Fair Value of Plan Assets at the end of the period	3,76,373	4,19,321
Effect of Balance Sheet asset limit	5,527	-
Difference	3,458	4,409
Unrecognised Actuarial (gains) / losses	-	-
Liability recognised in Balance Sheet	3,458	4,409
v) Amount for the Current Period :		
Present Value of Obligation	3,74,304	4,23,730
Plan Assets	3,76,373	4,19,321
Effect of Balance Sheet asset limit	5,527	-
Surplus/ (Deficit)	(3,458)	(4,409)
Experience Adjustments on Plan liabilities - (Loss)/ Gain	(5,492)	(7,763)
Experience Adjustments on Plan Assets - (Loss)/ Gain	12,444	6,779
vi) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :		
Actuarial (gain)/loss on Plan Obligations	5,659	7,902
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(12,444)	(6,779)
Effect of Balance Sheet asset limit	10,244	3,286
Amounts recognised in the statement of Other Comprehensive Income	3,458	4,409
vii) Category of Assets as at March 31 :		
Government of India Securities & State Government Securities	51.83%/40.94%	52.82%/56.16%
High Quality Corporate Bonds	35.39%/32.08%	30.61%/27.72%
Mutual Funds	4.46%/4.88%	3.73%/3.18%
Others	6.05%/17.14%	10.22%/8.83%
Recoverable from Enterprise **	2.27%/4.96%	2.62%/4.11%
Total	100%/100%	100%/100%
vii) Actuarial Assumptions :		
Discount Rate	6.72%	6.97%
Salary escalation rate	7.00%	7.00%
Expected rate of Return on Plan Assets	7.87%/8.10%	7.98%/8.12%

* Includes ₹ 2,182 (₹ 94) towards interest shortfall of the provident fund Trust for the current year and provided.

** The unsecured/secured (principal) portion of the investment which amounts to ₹ 12,077 (₹ 13,326) lakhs has been considered by the Trust as a Non-Performing Investment and this amount has been classified as an amount recoverable from the enterprise in the event of default/loss on sale of asset and accordingly provided.

Consolidated Notes to Accounts

(₹ in Lakhs)

B. Long Term Compensated Absence :

The Company has a Long Term Compensated Absence Scheme for its employees, which is a Non-Funded Scheme. The employees of the Company are entitled to two types of Long Term Compensated Absences: Annual Leave (AL) & Half Pay Leave (HL) in case of Executives and Annual Leave (AL) & Sick Leave (SL) in case of Non-Executives. The scheme provides for compensation to employees against the unavailed Leave (AL & HL in case of Executives and AL & SL in case of Non-Executives) on attaining the age of superannuation, VRS or death. AL can also be encashed during service or at the time of resignation.

The following table summarises the components of net benefit expense recognised in the Statement of Profit & Loss and amount recognised in the Balance Sheet for the plan as furnished in the disclosure report provided by the Actuary :

Particulars	2024-25	2023-24
i) Expenses Recognised in the Statement of Profit & Loss :		
Net Expenses Recognised in the Statement of Profit & Loss [2024-25 Leave Encashed : ₹3,158, Provisions : ₹5,195] [2023-24 Leave Encashed : ₹2,106, Provisions : ₹7,133]	8,353	9,239
ii) Amounts to be recognised in Balance Sheet :		
Liability recognised in Balance Sheet [As per Actuarial Valuation]	58,772	53,577
iii) Actuarial Assumptions :		
Discount Rate	6.72%	6.97%
Rate of increase in compensation level	7.00%	7.00%
iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.		
Current leave obligations expected to be settled within the next 12 months	7,257	7,114
Leave obligations expected to be settled beyond 12 months	51,515	46,463
Total	58,772	53,577

Long Term Compensated Absence (in Respect of Subsidiary - BELOP)
Leave Encashment

The company has a leave encashment scheme which is a non-funded scheme.

As per the scheme all employees of the company are entitled to encash their accumulated Annual Leave subject to the retention of minimum leave as prescribed for each grade, The encashed leave is payable at the rate of (Basic+DA)/30 per day.

The liability for payment of long term compensated absence such as annual leave valued on actuarial basis is ₹ 736 as on 31.03.2025 (Previous Year ₹ 632). The actuarial valuation has been done using PUC method.

Particulars	2024-25	2023-24
Retirement Age	60 years	58 years
Attrition Rate	2%	2%
Future Salary Rise	10.50%	10.50%
Rate of Discounting	6.73%	7.20%
Mortality Table	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2006-08)

Consolidated Notes to Accounts

(₹ in Lakhs)

The amount of Liability on long term compensated absences has been bifurcated between current and non-current based on the report of Actuary.

Particulars	2024-25	2023-24
Current Liability	14	19
Non Current Liability	722	613
Total	736	632

C. Pension Scheme :

The Company has got a defined contribution pension benefit plan for the benefit of its employees in respect of which contribution is made on an annual basis to a Trust setup for this purpose.

The benefit under the scheme are available for the employees as per the rules laid down in this regard.

i) A narrative description of the specific or unusual risks arising from a defined benefit plan (i.e. Gratuity and BERECHS)

The specific risk relating to defined benefit plans are as follows :-

Movement in long term government bond rate between two reporting periods which will impact discount rate and consequently the present value of obligations.

Risk of higher / lower salary escalation / benefit as considered for valuation vis-a-vis the actual experience through the Financial Year.

However, both the risks are mitigated on a regular basis i.e. yearly as valuations are done after every year based on updated assumptions.

ii) A narrative description of any asset-liability matching strategies.

The gratuity Plan and BERECHS Medical Plan of the company is a funded plan. The assets backing this plan are predominantly insurer-managed funds. Hence the company has limited flexibility in terms of implementing asset-liability matching strategies for this plan.

iii) A description of the funding arrangements and funding policy.

- a) The Gratuity plan of the company is a funded plan. 99.99 % (99.47%) of the plan assets backing this plan are insurer managed assets and Nil (.52%) of the plan assets are invested in Central and State Government Securities. The annual contribution to the fund is normally set equal to the deficit as disclosed by the preceding actuarial valuation of the benefit obligations.
- b) The BERECHS Medical plan of the company is a funded plan. 99.99% (99.99%) of the plan assets backing this plan are insurer managed assets. The annual contribution to the fund is normally set equal to the deficit as disclosed by the preceding actuarial valuation of the benefit obligations.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 22 - Other liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non Current		
Deferred revenue - customer grants	-	-
Sub Total (A)	-	-
Current		
Contract liability		
- Customer advance received	13,89,982	15,89,105
- Deferred revenue	6,525	12,455
Statutory liabilities	26,666	24,312
Others	5,529	3,112
Sub Total (B)	14,28,702	16,28,984
Total (A+B)	14,28,702	16,28,984

i. Contract Liability

Revenue recognised during the period is ₹ 6,75,683 (₹ 5,60,142) that was included in the contract liability balance at the beginning of the period.

Note 23 - Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations		
Sale of products	20,90,047	17,90,303
Income from services	2,21,683	2,00,246
Revenue from contracts from customers	23,11,730	19,90,549
Other operating revenue		
Sale of scrap	1,279	1,057
Transport receipts	258	297
Rent receipts	814	739
Canteen receipts	1,582	1,769
Electricity charges collected	169	238
Water charges collected	58	63
Provisions withdrawn		
- Performance warranty	5,186	-
- Onerous contracts	2,926	-
- Doubtful debts, Liquidated Damages	13,723	4,705
- Inventory	4,266	3,703
- Loans & advances	332	98
- Others	132	26
	26,565	8,532
Government grants including duty drawback	3,084	2,497
Customer grants	-	-
LD recovered from vendors	24,244	16,260
Miscellaneous	7,092	4,823
Total other operating revenue	65,145	36,275
Total revenue from operations	23,76,875	20,26,824

Consolidated Notes to Accounts

(₹ in Lakhs)

(i) Disaggregation of revenue recognised against contracts with customers (2024-25)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Product	19,08,990	85,357	12,984	82,716	20,90,047
Income from Services	1,60,960	47,056	6,747	6,921	2,21,683
Total	20,69,950	1,32,413	19,731	89,637	23,11,730

Out of above Group's Export sales, ₹ 89,235 pertains to Parent company. In addition to this GE-BE Pvt Ltd has exports of ₹ 1,65,063 (value not included above).

Disaggregation of revenue recognised against contracts with customers (2023-24)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Product	14,63,070	2,25,766	23,378	78,089	17,90,303
Income from Services	1,40,894	38,768	19,432	1,152	2,00,246
Total	16,03,964	2,64,534	42,810	79,241	19,90,549

Out of above Group's Export sales, ₹ 79,241 pertains to Parent company. In addition to this GE-BE Pvt Ltd has exports of ₹ 1,56,563 (value not included above).

(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price.

Particulars	2024-25	2023-24
Revenue as per Statement of Profit and Loss Account		
Sale of Product	20,90,047	17,90,303
Income from Services	2,21,683	2,00,246
Total (a)	23,11,730	19,90,549
Add / (Less) adjustment to contract price		
Foreign exchange variation claim	(41,851)	(38,745)
Price revision	547	915
Discount, rebate offered	16	22
Others	(2,745)	(4,979)
Total adjustment (b)	(44,033)	(42,787)
Contract price (a+b)	22,67,697	19,47,762

Satisfaction of performance obligation

- a. In majority of the contract, performance obligation is satisfied "at a point in time" which is primarily determined on customer obtaining control of the asset. One of the prime indicator considered for this is transfer of significant risk and rewards to the customer based on Inco terms. Where a contract involves multiple performance obligation, the criteria specified in Ind AS 115 is applied to determine the point in time when the performance obligation is satisfied.
- b. Under "Bill and hold" arrangement performance obligation is satisfied on unconditional appropriation of the goods to the contract. Normally no obligation towards custodial service exists.

Consolidated Notes to Accounts

(₹ in Lakhs)

- c. Contract with the customer normally do not contain significant financing component and any advance payment received and / or amount retained by customer is with intention of protecting either parties to the contract.
- d. Variable consideration primarily consists of amount receivable / reimburseable against foreign exchange variation clause. The amount of revenue recognised in respect of the same is determined based on the methodology specified in the contract. The amount is recognised as revenue on admittance/accrual of claim by customer.
- e. The Group turnover mainly includes supply of defence electronics equipment and systems.
- f. Contract entered into with customer, typically do not have a return / refund clause.
- g. Warranties provided are primarily in the nature of performance warranty.
- h. The Parent company normally uses the input method to recognise revenue in respect of contracts in which performance obligation are satisfied over a period of time. For revenue recognition, the percentage of completion method is adopted where in the percentage of actual cost incurred to total estimated cost is applied to the contract price for arriving at the quantum of revenue to be recognised.
- i. Contract with customer (other than AMC) in respect of which revenue is recognised over a period of time typically involves multiple activities of different nature like construction of building, supply and installation of equipment, networking of equipment and system etc. Due to this it is not possible to quantify in physical terms the quantum of work done (i.e. output) reliably. Whereas, under input method, the cost incurred in respect of these varied activities can be captured and compared to the total estimated cost to be incurred (which can be estimated reliably), for arriving at the percentage of completion. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation.
- j. For revenue recognition in respect of performance obligation satisfied at a "point in time" the following criteria is used for determining whether customer has obtained "Control on asset".
- Transfer of significant risk and rewards
 - Customer has legal title to the asset
 - The entity has transferred physical possession of the asset
 - Customer has accepted the asset
 - Entity has the present right to payment for the asset
- k. Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.
- l. No non-cash consideration are received / given during the current / previous year.

Retention Sale

The Value of Retention Sales (i.e., Goods retained with the Company at the Customers' request and at their risk) included in Turnover during the year is ₹ 53,008 (₹ 29,219).

Out of the above, the Value of Ex-works Sales is ₹ 198 (₹ 807).

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 24 - Other Income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on term deposits	62,234	57,195
Interest income from long term investments (Dividend)	-	-
Interest income from staff / IT refund / others	2,543	1,530
Profit on sale of property, plant and equipment	255	702
Foreign exchange differential gain	6,758	5,234
Rental income - Investment property	182	151
Gain / (loss) on mutual funds	2,053	1,939
Miscellaneous (Net of expenses)	211	263
	74,236	67,014

The Foreign Exchange Gain / Loss is on account of rate variations arising on transactions in foreign currency between the date of recording of such transactions and the settlement / reporting date.

Note 25 - Changes in inventories of finished goods, work in progress & scrap

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Work-in-progress:		
Closing Inventory	3,37,185	2,65,150
Opening Inventory	2,65,150	1,96,287
	(72,035)	(68,863)
Finished goods:		
Closing Inventory	34,415	24,514
Opening Inventory	24,514	37,007
	(9,901)	12,493
Scrap:		
Closing Inventory	505	509
Opening Inventory	509	551
	4	42
	(81,932)	(56,328)
Less: Unrealised Profit on Stock	204	(156)
	(82,136)	(56,172)

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 26 - Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus / ex-gratia	2,22,559	2,04,017
Retirement benefit expenses		
Gratuity	1,526	1,411
Contribution to provident and pension funds	15,971	13,390
Management contribution to BEL superannuation (Pension) scheme	6,511	6,239
Provision for BEL retired employees' contributory health scheme	13,533	8,376
	37,541	29,416
Welfare expenses	15,963	15,516
	2,76,063	2,48,949

Refer Note 31 for Remuneration to Key Managerial Personnel.

Refer Note 21 (A) (iii), accordingly a provision of ₹ 1,249 (₹ 275) was reversed.

Above expenses includes an amount of ₹ 390 (₹ 314) pertaining to CSR Administration Overhead in respect of parent company.

Note 27 - Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expenses		
Interest on dues to Micro & Small Enterprises	13	12
Interest on income tax	1	6
Interest expense on lease liability	416	421
Other interest expenses	509	247
	939	686
Other borrowing cost		
Loan processing charges	29	28
	968	714

Note 28 - Depreciation / amortisation

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation / amortisation on property, plant and equipment	42,121	39,333
Depreciation on investment property	-	-
Amortisation on other intangible assets	4,023	4,398
Depreciation / amortisation on right of use assets	594	589
	46,738	44,320

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 29 - Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Other expenses		
Power and fuel*	5,137	5,142
Water charges	448	579
Royalty & technical assistance	738	328
Rent	1,707	1,656
Rates & taxes	1,270	1,184
Insurance	3,588	2,464
Auditors remuneration		
Audit fees	50	49
Tax audit fees	6	6
Other services (Certification fees)	15	16
Reimbursement of expenses	16	10
	87	81
Cost audit fee	5	4
Repairs & maintenance		
Buildings	4,494	3,735
Plant & machinery	2,250	2,006
Others	12,508	12,277
	19,252	18,018
Bank charges	285	492
Printing and stationery	346	313
Advertisement & publicity	1,455	1,327
Travelling expenses	19,437	18,333
Hiring charges for van & taxis	1,807	1,661
Packing & forwarding	3,303	2,643
Bad debts & advances written off	8,309	16,602
Less: Charged to provisions	(8,305)	(16,602)
	4	-
Provision for obsolete / redundant materials	6,633	10,938
Provisions for doubtful debts, liquidated damages, customers' claims and disallowances	1,08,294	87,822
Provision for doubtful advances, claims	752	2,038
Provision for performance warranty (net)**	-	16,852
Provision - Onerous Contract (net)**	-	3,132
Write off of raw materials, stores & components due to obsolescence and redundancy	7,197	1,447
Less: Charged to provisions	(7,163)	(1,447)
	34	-
Provision others***	-	2
Provision for Intangible asset under development	-	9,666
Intangible asset Under Development charged off	129	-
Corporate social responsibility	7,839	6,312
Contract costs charged off	839	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Others		
Other Misc Direct Expenditure****	14,662	17,866
After Sales Service	580	339
Telephones	896	1,013
Expenditure on Seminars & Courses	917	530
Other Selling Expenses	349	1,519
Miscellaneous	7,092	6,647
	24,496	27,914
	2,07,885	2,18,901
Less: Expenditure allocated to capital jobs	(9,166)	(3,299)
	1,98,719	2,15,602

* Power expenditure incurred during the year is after netting off Wind Energy Generation of ₹ 1,568 (₹ 1,538).
** Refer note 21.
*** Contract Cost written off Nil (₹ 4,180) against "Provision others".
**** Includes expenses towards outsourcing of production area.

Note 30 - General Notes to Accounts

1 Earnings per Equity Share

Particulars	2024-25	2023-24
a From continuing operations		
Basic earnings per share (INR)	7.28	5.45
Diluted earnings per share (INR)	7.28	5.45
b Amounts used as the numerators in calculating basic and diluted earnings per share	5,32,268	3,98,524
c Number of Shares used in computing earnings per share	7,30,97,78,829	7,30,97,78,829

2 Consolidation Procedure

The Consolidated Financial Statements ("CFS") have been prepared on the basis of audited financial statements of the Parent Company viz., Bharat Electronics Limited (BEL), its subsidiaries viz., BEL Optronics Limited, Pune (Share Holding 100%) and BEL-THALES Systems Limited, Bengaluru (Share Holding 74%), and unaudited financial statements of Associates Companies viz., GE BE Private Limited, Bengaluru (Share Holding 26%) and BEL IAI Aerosystems Private Limited (Share Holdings 40%). The financial statements of the Parent and its Subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group transactions and unrealised profit / loss. Deferred tax assets and deferred tax liability have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liability and where the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same taxation authority.

In respect of Associates, GE BE Pvt. Ltd. and BEL IAI Aerosystems Pvt. Ltd., consolidation have been done under equity method basis. The financial statements of the subsidiaries and Associates are drawn upto the same reporting date as that of the Parent Company.

Other associate companies, Defence Innovation Organisation (DIO), Electronic Warfare (Defence) Testing Foundation, Communication (Defence) Testing Foundation, UAS Testing Foundation are a not for profit company registered under Sec. 8 of the Companies Act, 2013 is not considered for consolidation as the parent company do not exercise any control and also do not have any right on variable returns, other than equity investment.

Consolidated Notes to Accounts

(₹ in Lakhs)

In respect of our Associate Companies GE BE Pvt. Ltd. and BEL IAI Aerosystems Pvt. Ltd., the financial statements considered for Group's Consolidation for FY 2024-25 are unaudited. However, the same has been certified by the management and its impact on Group's Consolidation is not material.

- 3
- The difference between the cost to the parent company of its investment in the subsidiary companies and the parent company's portion of the equity in the subsidiary with reference to the date of acquisition of controlling interest is recognised in the financial statements as Goodwill / Capital Reserve. The parent company's share of post acquisition profit / losses of the subsidiaries is adjusted in the revenue reserves.
- 4
- Non Controlling interests in the net results of operations and the net assets of the subsidiaries represent that part of the profit / loss and the net assets not attributable to the parent company.
- 5
- Additional information disclosed in individual financial statements of the parent and subsidiaries / Associate having no bearing on the true and fair view of the consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements.

6 Statement of Compliances

The consolidated financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 (the "Act") read with (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provision of the Act.

7 Impairment of Assets

The Group has analysed indications of impairment of assets of each geographical composite manufacturing unit considered as Cash Generating Units (CGU). On the basis of assessment of internal and external factors, an amount of ₹ 9,170 (₹ 17,003) is provided as provision for impairment as on Balance Sheet date. During the year an amount of Nil (₹ 9,666) has been provided as impairment of asset.

8 Short Term Borrowings

- a
- The parent company has been sanctioned working capital limit of ₹ 5,00,000 (₹ 5,00,000) by Consortium Bankers (SBI Lead Bank). The sanctioned limit includes fund based limit of ₹ 50,000 (₹ 50,000) and non fund based limit of ₹ 4,50,000 (₹ 4,50,000).
- b
- The interest rate payable on fund based limit is linked to SBI 3 months MCLR Rate. [Interest rate payable as on 31.03.2025 is 8.55% p.a. (8.20% p.a.)].
- c
- The amount utilised is repayable on demand. Utilisation as on 31.03.2025 is Nil (Nil).
- d
- The above sanction limit is secured by hypothecation of Current Assets of the parent company (refer Note 35).
- e
- The subsidiary company [BELOP] has been sanctioned working capital limit of ₹ 2,500 by the consortium bankers of SBI (Lead bank) and Axis Bank. The rate of interest is 10.10% (8.70%) p.a.[SBI].

Consolidated Notes to Accounts

(₹ in Lakhs)

9 Contractual Commitments

Particulars	As at 31 March 2025	As at 31 March 2024
A. Estimated amount of contracts remaining to be executed on Capital Account and not provided as on 31 March		
Property, Plant and Equipment (Net of Advance)	72,776	78,163
Investment Property	-	-
Other Intangible Assets	15,914	6,804
B. Contractual Commitment for Repair and Maintenance or enhancement of Investment Property	-	-
C. Other commitments i.e., Non-cancellable contractual commitments (i.e., cancellation of which will result in a penalty disproportionate to the benefits involved) as on 31 March	-	-

10 Contingent Liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
Claims not acknowledged as debts		
i. Statutory Dues		
a. Direct Taxes (Income taxes)	4,508	4,664
b. Indirect Taxes (Service tax, Excise Duty, Custom Duty and GST)	13,528	7,114
ii. Arbitration (Vendor, Customer and Others)	1,39,519	1,46,795
iii. Outstanding Letters of Credit	63,587	1,26,019
iv. Provisional Liquidated Damages upto 31 March on unexecuted customer orders where the delivery date has expired	80,368	76,604

In respect of certain Labour and other cases, liability is not ascertainable as on date, as the matter is yet to be adjudicated. However such liability is not expected to be material.

11 Contingent Assets:

Particulars	As at 31 March 2025	As at 31 March 2024
Nil	-	-

12 Leases

Adoption of Ind AS 116

Effective 1 April, 2019, the company has adopted Ind AS 116 “Leases” using modified retrospective approach. The adoption of the standard did not have any material impact on the financial statements of the company.

a) As a lessor [Parent Company]

i) The future minimum Lease Rent Receivable

Particulars	As at 31 March 2025	As at 31 March 2024
Not later than one year	61	61
Later than one year and not later than five years	274	265
Later than five years.	2,575	2,645

Consolidated Notes to Accounts

(₹ in Lakhs)

The company has Leased out few portions of Land to different organisations under non-cancellable operating Lease. Lease period is spread over from the year 1967 to 2077. The leases have various terms, escalation clause, lease renewal rights etc. On renewal, the terms of the lease are renegotiated.

The company has not recognised any income as contingent rent.

b) As a Lessee:

The right of use asset is recognised at :

- a) The carrying amount of prepaid rent when no future lease payments are payable. or
- b) At the carrying amount and discounted at incremental borrowing rate.

The company has not recognised any expenses as contingent rent.

The maturity analysis of contractual cash flows of lease liabilities disclosed in note 34.

13 Confirmation of Balances

Letters requesting confirmation of balances have been sent in respect of Trade Receivables, Trade Payables, Advances and Deposits. Wherever replies have been received, reconciliation is under process and impact on Financial Statements is not expected to be material.

14 Segment Reporting

Ministry of Corporate Affairs vide Notification no. 463 (E) dated 5 June, 2015 and as amended has exempted the Companies engaged in Defence Productions from the requirement of Segment Reporting.

- 15 In view of ongoing conflict in Israel, the Parent Company has analysed the existing contract / agreements with companies based in Israel. In our opinion there is no material financial impact as on 31.03.2025.

16 Dividend not recognised at the end of the reporting period [parent company]

The directors have recommended a final dividend of INR 0.90 (INR 0.80) [represents absolute figure] per share.

The proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would results in cash outflow of approximately of ₹ 65,788 (₹ 58,478).

17 Value of remaining Performance Obligations (Pending Orders to be executed)

Unrecognised revenue from contracts with customer which are partially satisfied or unsatisfied (Pending orders to be executed)

Particulars	Total Amount	Within a Years	1-2 Years	2-3 Years	More than 3 Years
Unexecuted order value as on 31.03.2025	71,91,688	31,48,088	16,79,000	8,79,000	14,85,600
Unexecuted order value as on 31.03.2024	76,16,127	33,62,902	19,38,658	9,73,119	13,41,448

Typically major orders are from defence which involves long gestation period. Company expect to recognise revenue in respect of unsatisfied (or partially unsatisfied) performance obligation over a period of 3 - 5 years.

Consolidated Notes to Accounts

(₹ in Lakhs)

18 Other Disclosure as required as per the amendments in Schedule III.

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- Struck off Companies

₹ In INR (Represents absolute figure)

Name of the Struck off Company	Nature of Transactions with struck off company	Relationship with the struck off company, if any to be disclosed	As at 31 March 2025	As at 31 March 2024
Absolute Trading Pvt.Ltd.	Trade payables		-	33,203
Aircomfort Engineers Private Limited	Trade payables		32,253	32,253
Arctic India Sales Private Limited	Trade payables		1,10,520	1,10,520
Bigtech Software Private Limited	Trade payables		68,759	68,759
Chawla Health Care Private Limited	Trade payables		45,515	40,184
Chawla Health Care Private Limited	Security Deposit received		45,515	4,87,435
El Camino Technologies Private Limited	Trade payables		19,500	19,500
Exigent Solutions Private Limited	Advance paid		-	19,50,934
Exigent Solutions Private Limited	Trade payables		-	19,50,934
Innowire Technologies Private Limited	Trade payables		-	4,98,550
Kaptron Private Limited	Trade payables		-	1,26,000
Ravi Thermal Engineers Pvt Ltd	Trade payables		48,960	48,960
Reethis Digital Media Pvt. Ltd.	Trade payables		70,335	70,335
Heidelberg India Private Limited	Recoverable from Vendor		73,602	76,459
Road Carrier Of India Private Limited	Security Deposit received		25,000	25,000
S P Enterprise Private Limited	Advance Received		1,908	1,908
S.B.S. Technocarts & Engineers Private Limited	Security Deposit received		2,00,000	2,00,000
S.B.S. Technocarts & Engineers Private Limited	Trade payables		2,00,000	2,71,192
Sharp Products Private Limited	Advance Received		28,932	28,932
Solastek Network Systems Private Limited	Trade payables		11,02,839	11,02,839
Star Informatics Private Limited	Security Deposit received		-	1,50,450
Swathi Airconditioning Private Limited	Security Deposit received		-	6,251
Value Point It Services Private Limited	Security Deposit received		2,000	2,000
Value Point It Services Private Limited	Trade payables		2,000	1,971
Veeran Engineers	Security Deposit received		4,74,942	4,74,942
Epicurean Enterprises Pvt.Ltd.	Security Deposit received		11,122	11,122
Future Lighting India Limited	Security Deposit received		1,468	1,468
Purus Filtrotech Private Limited	Security Deposit received		21,000	21,100
Ibode India Pvt Ltd.	Trade payables		10,400	10,400
Ravi Thermal Engineers Pvt Ltd	Trade payables		48,960	48,960
D R Shares Private Limited	Shareholders		9,900	9,900
Garg Capital And Stock Private Limited	Shareholders		9,900	9,900
Tangmarg Investment And Trading Private Limited	Shareholders		9,378	7,540
Meenakshi Indial Limited	Shareholders		5,000	-

Consolidated Notes to Accounts

(₹ in Lakhs)

- The Group does not have any charges or satisfaction which is yet to be registered with Registrar Of Companies (RoC) beyond the statutory period.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The Group has not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

19 Receivable other than trade receivable includes, a fraud on the Parent company by the employees during the year 2018-19 amounting to ₹ 1,000 has been detected during the routine internal audit. Out of the said amount, ₹ 64 has been recovered and the balance amount of ₹ 936 is recognised as receivable, pending recovery, the same has been provided for as doubtful in the statement of profit and loss. The Parent company has filed civil suits on respective employees and vendor. During the Financial Year 2022-23, ₹ 54 has been incurred towards court fees for filing civil suits.

20 An amount of ₹ 39 (₹ 27) has been contributed by parent company to Defence production IT Division which has been created as one of the division of HAL to implement IT related initiatives in Dept. of defence production including Ordnance Factory Board (OFB) and Defence Public Sector Units.

21 The date on which the code of social security, 2020 will come to effect has not been notified and the group will assess the impact of the code when it comes into effect and will record the impact in the period the code becomes effective.

22 Previous year's Figures have been regrouped/ reclassified wherever necessary. Figures in brackets relate to previous years.

23 All figures in the consolidated financial statement are rounded off to nearest rupees in lakhs unless otherwise mentioned.

24 The consolidated Ind AS financial statements were approved for issue on 19 May, 2025 by the Board of Directors.

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 31 - Related Party Transactions

a. Associates

Name of the entity	Place of Business	Ownership interest held by the parent company		Ownership interest held by the non controlling interests		Principal Activities
		As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	
GE BE Private Limited	India	26%	26%	-	-	Manufacturing of Medical Equipment.
Defence Innovation Organisation	India	50%	50%	50%	50%	Carrying out Defence related Research and Developmental activities.
Electronic Warfare (Defence) Testing Foundation	India	40%	-	60%	-	Defence Testing Infrastructure Scheme (DTIS) under Electronic Warfare (EW) Domain
Communication (Defence) Testing Foundation	India	40%	-	60%	-	Defence Testing Infrastructure Scheme (DTIS) under Communication (C) Domain
UAS Testing Foundation	India	20%	-	80%	-	Defence Testing Infrastructure Scheme (DTIS) under Unmanned Aerial Syatem (UAS) Domain
BEL IAI Aerosystem Private Limited	India	40%	-	60%	-	Single Point of Contact (SPOC) for Carrying out Post Warranty Product Support Services

b. Key Management Personnel's Details

i. Name of Key Management Personnel's

Mr Manoj Jain, Chairman & Managing Director from 20.06.2024 Additional Charge as Director (Research & Development) from 20.12.2024 Director (Research & Development) from 26.09.2022 till 17.07.2024, Additional charge as Director (BG Complex) from 01.08.2023 till 09.08.2024 and Additional Charge as Director (Human Resources) from 01.11.2022 till 31.05.2023.
Mr Bhanu Prakash Srivastava, Director [Other Units] from 20.04.2022, Additional Charge as Chairman & Managing Director from 01.11.2022 till 19.06.2024 Additional Charge as Director (Research & Development) from 18.07.2024 to 19.12.2024 and Director (Marketing) from 01.11.2022 till 15.06.2023.
Mr Damodar Bhattad S, Director (Finance) & CFO from 11.01.2023
Mr Vikraman N, Director (Human Resources) from 01.06.2023
Mr Kaipa Venkata Suresh Kumar, Director (Marketing) from 16.06.2023
Mr Rajnish Sharma, Director (BG Complex) from 10.08.2024
Mr Vinay Kumar Katyal, Director (BG Complex) from 27.11.2018 till 31.07.2023,
Mr S Sreenivas, Company Secretary from 01.04.2014
Mr DCN Srinivasa Rao, CEO - BELOP Upto 31.07.2023
Mr Ashok K S, CEO - BELOP from 01.08.2023
Mr P. Sarkar, CFO - BELOP upto 31.01.2024

Consolidated Notes to Accounts

(₹ in Lakhs)

Mrs Priya S Iyer, Company Secretary - BELOP Additional Charge as CFO from 05.02.2024 to 14.05.2024 CFO from 15.05.2024
Mr Narasimha Prasad K, CEO - BEL THALES Systems upto 29.02.2024.
Mr Nikhil Kumar Jain, CEO - BEL THALES Systems from 01.03.2024 upto 31.01.2025
Mr Vijay Kumar M S, CEO - BEL THALES Systems from 01.02.2025
Mr Amresh Kumar Jha, CFO - BEL THALES Systems
Ms Kirti Sewani, Company Secretary - BEL THALES Systems

ii. Compensation to Key Management Personnels

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Short term employee benefits	614	557
Post employment benefits	43	48
Long term employee benefits	89	22
Termination benefits	-	-
Share based payment	-	-
Total	746	627

c. Post Employment Benefit Plans [Parent Company]

Particulars	Contribution by the company	
	For the year ended 31 March 2025	For the year ended 31 March 2024
BEL Provident Fund Trust	12,914	12,380
BEL Gratuity Trust Fund	2,130	275
Bharat Electronics Limited Superannuation (Pension) Trust	6,395	6,208
Bharat Electronics Limited Retired Employees Medical Trust (BREMT)*	13,467	25,381

*Refer note 21 (A) (ii) in respect to BREMT

d. The transactions with Related Parties other than Key Management Personnel are as follows (Previous Year figures are shown in brackets) : -

Particulars	Associate					
	GE BE Private Ltd	Defence Innovation Organisation	BEL IAI Aerosystems Private Limited	Electronic Warfare (Defence) Testing Foundation	Communication (Defence) Testing Foundation	UAS Testing Foundation
Sale of Goods	2,547 (2,271)	-	-	-	-	-
Trade Receivables Outstanding as on 31.03.2025	372 (730)	-	-	-	-	-
Investment in Equity as on 31.03.2025	260 (260)	1 (1)	164	469	418	300
Contribution Oustanding as on 31.03.2025	-	-	-	-	-	-
	-	(4,000)	-	-	-	-

e. All transactions dealt with related parties are on arm’s length basis.

Consolidated Notes to Accounts

(₹ in Lakhs)

f. All Outstanding balances are Unsecured and is repayable / receivable in cash within next 6 months.

g. Transaction with Government and Government Related Entities by the parent company:

As BEL is a government entity under the control of Ministry of Defence (MoD), the company has availed exemption from detailed disclosures required under Ind AS 24 wrt related party transactions with government and government related entities.

However as required under Ind AS 24, following are the individually significant transactions : -

An amount of ₹ 85,979 (₹ 74,765) was paid as Dividend during the FY 2024-25.

In addition to the above, around 96% (94%) of the Company's Turnover, around 94% (93%) of Trade Receivables and around 97% (98%) of Customer's Advance is with respect to government and government related entities.

h. Defence Innovation Organisation (DIO) was incorporated on 10 April 2017 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 100 (BEL: 50%; HAL: 50%) with an objective of funding innovation in defence sector. The registered office of the company is situated in BEL's premises in Bangalore.

BEL IAI Aerosystems Private Limited (BIAPL) was incorporated on 25 September 2024 under Companies Act, 2013 with an authorised share capital of ₹ 410 (BEL: 40%; IAI 60%) with an objective to establish Single Point of Contact (SPOC) for Carrying out Post Warranty Product Support Services.

Electronic Warfare (Defence) Testing Foundation (EWDTF) was incorporated on 21 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,175 (BEL: 40%; HAL 20%, IOL 20%, BDL 10%, TIDCO 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Electronic Warfare (EW) Domain.

Communication (Defence) Testing Foundation (CDTF) was incorporated on 31 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,045 (BEL: 40%; HAL 25%, BEML 25%, AWEIL 10%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Communication (C) Domain.

UAS Testing Foundation (UASTF) was incorporated on 31 May 2024 as a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an authorised share capital of ₹ 1,500 (BEL: 20%; HAL 33.33%, BEML 20%, YIL 10%, GIL 10% and Endure Air 6.67%) with an objective Defence Testing Infrastructure Scheme (DTIS) under Unmanned Aerial System (UAS) Domain.

Note 32 - Interest in Other Entities

a. Subsidiaries

Name of the entity	Place of Business / Place of Incorporation	Ownership interest held by the company		Ownership interest held by the non controlling interests		Principal Activities
		As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024	
BEL Optronics Devices Ltd. (BELOP)	India	100%	100%	-	-	- Manufacture and Supply of Image Intensifier Tubes.
BEL - THALES Systems Ltd.	India	74%	74%	26%	26%	Design, Develop, Supply and Support of Defence and Civilian Radars.

Each holder of Equity Shares is entitled to one vote on show of hands and in poll in proportion to the number of Shares held.

Consolidated Notes to Accounts

(₹ in Lakhs)

b. Non-controlling interests (NCI)

i. Summarised Financial Information relating to each of the Company's subsidiaries that has material Non Controlling Interests, before any intra group eliminations

Summarised Balance Sheet	BEL - THALES Systems Ltd.	
	As at 31 March 2025	As at 31 March 2024
NCI percentage	26%	26%
Non - Current assets	1,901	1,664
Current assets	8,212	7,389
Total Assets	10,113	9,053
Non - Current liabilities	243	11
Current liabilities	2,587	2,149
Total liabilities	2,830	2,160
Net assets	7,283	6,893
Net assets attributable to NCI	1,894	1,792

Summarised Statement of Profit & Loss	BEL - THALES Systems Ltd.	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue	12,252	10,080
Profit	476	277
Other comprehensive income (OCI)	(3)	(3)
Total comprehensive income	473	274
Profit allocated to NCI	123	72
OCI allocated to NCI	-	-
Total comprehensive income allocated to NCI	123	72

Summarised Cash Flows	BEL - THALES Systems Ltd.	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flows from Operating activities	1,284	806
Cash flows from Investing activities	(3,300)	(715)
Cash flows from Financing activities	198	(260)
Net increase / (decrease) in cash and cash equivalents	(1,818)	(169)

Consolidated Notes to Accounts

(₹ in Lakhs)

c. Interest in Associates

Name of the Entity	Place of Business / Place of Incorporation	% of ownership interest	Relationship	Accounting Method	Carrying Amount	
					As at 31 March 2025	As at 31 March 2024
GE BE Private Limited	India	26%	Associate	Equity Method.	15,990	15,157
BEL IAI Aerosystem Private Limited	India	40%	Associate	Equity Method.	146	-
Defence Innovation Organisation	India	50%	Associate	#	1	1
Electronic Warfare (Defence) Testing Foundation	India	40%	Associate	#	469	-
Communication (Defence) Testing Foundation	India	40%	Associate	#	418	-
Unmanned Aerial System Testing Foundation	India	20%	Associate	#	300	-

Represents investment made with Defence Innovation Organisation, Electronics Warfare (Defence) Testing Foundation, Communication (Defence) Testing Foundation, Unmanned Aerial System Testing Foundation, being not for profit companies registered under Sec 8 of the Companies Act, 2013. The parent company does not exercise any control and does not have any right on variable returns from this associates other than equity investment of ₹ 1,188.

Fair Value of the investment in Associate is not disclosed as the equity of GE BE Private Ltd is unquoted.

GE BE Private Ltd is a manufacturer of medical instruments and its products complement the Business segment of Bengaluru and Pune units of the Parent company.

Carrying amount of the Company's interest in GE BE Private Ltd.

Summarised Balance Sheet	As at 31 March 2025 (Un-Audited)	As at 31 March 2024 (Un-Audited)
Non - Current assets	24,327	25,642
Current assets: -		
Cash and Cash equivalents	5,526	9,622
Other assets	72,165	58,878
Total Current assets	77,691	68,500
Total assets	1,02,018	94,142
Non - Current liabilities: -		
Financial liabilities other than trade payables	46	41
Other liabilities	791	612
Total Non - Current liabilities	837	653
Current liabilities: -		
Financial liabilities other than trade payables	662	1,006
Other liabilities	39,000	34,169
Total Current liabilities	39,662	35,175
Total liabilities	40,499	35,828
Net assets	61,519	58,314
Less: unrealised profit on stock	(5)	(5)
Company's share of Net assets	15,990	15,157

Consolidated Notes to Accounts

(₹ in Lakhs)

Summarised Statement of Profit & Loss	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue	1,80,888	1,72,154
Interest Income	111	585
Depreciation and amortisation	4,186	3,795
Interest expense	35	37
Income tax expense	4,912	5,586
Profit for the year	13,739	16,184
Other comprehensive income	(34)	(111)
Total comprehensive income	13,705	16,073
Company's share of Profit	3,572	4,208
Unrealised profit on stock	5	5
Net company share of profit	3,577	4,213
Company's share of OCI	(9)	(29)
Company's share of total comprehensive income	3,568	4,184

The Parent Company has received Dividend of ₹ 2,730 (₹ 9,100) from its Associate (GE BE private limited).

Reconciliation to carrying amounts

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening net assets	15,157	20,073
Profit for the year	3,572	4,208
Other comprehensive income	(9)	(29)
Unrealised profit on stock	-	5
Dividend paid	2,730	9,100
Closing net assets	15,990	15,157

Commitments and Contingent Liabilities in respect of Associates: -

Particulars	GE BE Pvt. Ltd.	
	As at 31 March 2025	As at 31 March 2024
Capital Commitments	130	176
Other Commitments	-	-
Other Contingent Liabilities	162	523

Carrying amount of the Company's interest in BEL IAI Aerosystem Private Limited

Particulars	As at 31 March 2025 (Un-Audited)
Non - Current assets	9
Current assets: -	
Cash and Cash equivalents	410
Other assets	-
Total Current assets	410
Total assets	419

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2025 (Un-Audited)
Non - Current liabilities: -	
Financial liabilities other than trade payables	-
Other liabilities	-
Total Non - Current liabilities	-
Current liabilities: -	
Financial liabilities other than trade payables	-
Other liabilities	55
Total Current liabilities	55
Total liabilities	55
Net assets	364
Company's share of Net assets	146

Summarised Statement of Profit & Loss	For the year ended 31 March 2025 (Un-Audited)
Revenue	-
Interest Income	-
Depreciation and amortisation	-
Interest expense	-
Income tax expense	(9)
Profit for the year	(46)
Other comprehensive income	-
Total comprehensive income	(46)
Company's share of Profit	(18)
Unrealised profit on stock	-
Net company share of profit	(18)
Company's share of OCI	-
Company's share of total comprehensive income	(18)

Reconciliation to carrying amounts

Particulars	For the year ended 31 March 2025
Opening net assets	164
Profit for the year	(18)
Other comprehensive income	-
Unrealised profit on stock	-
Dividend paid	-
Closing net assets	146

Consolidated Notes to Accounts

(₹ in Lakhs)

Commitments and Contingent Liabilities in respect of Associates: -

Particulars	BEL IAI Aerosystem Private Limited As at 31 March 2025
Capital Commitments	-
Other Commitments	-
Other Contingent Liabilities	-

Name of the Entity	Defence Innovation Organisation	Electronic Warfare (Defence) Testing Foundation	Communication (Defence) Testing Foundation	Unmanned Aerial System Testing Foundation
Place of Business / Place of Incorporation	India	India	India	India
% of ownership interest	50%	40%	40%	20%
Relationship	Associate	Associate	Associate	Associate
Carrying Amount	2024-25 2023-24	1 1	469 -	418 -
			300 -	

d. Additional information required under Schedule III

Name of the Entity	Year	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent :									
Bharat Electronics Ltd.	2024-25	97.33%	19,45,788	98.85%	5,26,171	114.55%	827	98.87%	5,26,998
	2023-24	96.90%	15,83,786	98.45%	3,92,375	99.92%	(5,767)	98.43%	3,86,608
Subsidiaries :									
Indian									
BEL Optronics Devices Ltd. (BELOP)	2024-25	1.50%	30,076	0.39%	2,068	-13.02%	(94)	0.37%	1,974
	2023-24	1.75%	28,603	0.42%	1,659	-0.42%	24	0.43%	1,683
BEL - THALES Systems Ltd.	2024-25	0.27%	5,389	0.07%	352	-0.28%	(2)	0.07%	350
	2023-24	0.31%	5,101	0.05%	205	-	-	0.05%	205
Non Controlling Interest in Subsidiary:									
Indian									
BEL - THALES Systems Ltd.	2024-25	0.09%	1,894	0.02%	124	-	-	0.02%	124
	2023-24	0.11%	1,792	0.02%	72	-	-	0.02%	72
Associates (investment as per the equity method) :									
Indian									
GE BE Pvt. Ltd.	2024-25	0.80%	15,990	0.67%	3,571	-1.25%	(9)	0.67%	3,562
	2023-24	0.93%	15,157	1.06%	4,213	0.50%	(29)	1.07%	4,184
BEL IAI Aerosystems Pvt. Ltd.	2024-25	0.01%	146	0.00%	(18)	0.00%	-	0.00%	(18)
	2023-24	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Total	2024-25	100%	19,99,283	100%	5,32,268	100%	722	100%	5,32,990
	2023-24	100%	16,34,439	100%	3,98,524	100%	(5,772)	100%	3,92,752

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 33 - Financial Instruments - Fair Value Measurements

1 Accounting classification and fair values

The following tables shows the carrying amount and fair values of financial assets and liabilities:

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets measured at fair value						
I Investments						
i Equity Instruments - Mana Effluent Plant Ltd	-	18	-	-	16	-
ii Equity instruments - Defence Innovation Organisation	-	-	1	-	-	1
b Electronic Warfare (Defence) Testing Foundation	-	-	469	-	-	-
c Communication (Defence) Testing Foundation	-	-	418	-	-	-
d UAS Testing Foundation	-	-	300	-	-	-
e LENS Foundation, Chennai	-	-	155	-	-	-
iii Other Investments						
a. Investment in Life Insurance Corporation (LIC) of India (towards Leave encashment & BERECHS)	56,800	-	-	53,049	-	-
Sub Total	56,800	18	1,343	53,049	16	1
Financial Assets not measured at fair value						
II Trade Receivables	-	-	9,11,637	-	-	7,39,238
III Loans						
a Loans to Employees	-	-	810	-	-	844
IV Cash and cash equivalents	-	-	71,345	-	-	1,20,632
V Other Bank Balances	-	-	8,83,165	-	-	9,85,027
VI Other Financial Assets						
a Security deposits	-	-	4,272	-	-	3,025
b Advance to Employees	-	-	165	-	-	177
c Advance to Others	-	-	5	-	-	3
d Receivables (other than Trade Receivables)	-	-	1,333	-	-	2,366
e Interest accrued on term deposits	-	-	13	-	-	16
f Bank deposits with more than 12 months maturity	-	-	613	-	-	566
g Interest accrued but not due on term deposits	-	-	9,939	-	-	15,049
h Other financial Assets	-	-	10,208	-	-	10,121
Other Investments						
a Investment in Co-operative societies, Housing Societies etc.*	-	-	-	-	-	-
Sub Total	-	-	18,93,505	-	-	18,77,064
Total	56,800	18	18,94,848	53,049	16	18,77,065

* INR 4750 (INR 4750) [represents absolute figure] which is rounded off.

Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Liabilities measured at fair value	-	-	-	-	-	-
Total	-	-	-	-	-	-
Financial Liabilities not measured at fair value						
I Borrowings	-	-	-	-	-	-
II Trade Payables	-	-	3,33,877	-	-	3,70,631
III Other Financial Liabilities						
a Interest Accrued and due on Trade Payables	-	-	19	-	-	24
b Security Deposits including retention money	-	-	45,137	-	-	34,706
c Unpaid Matured Deposits	-	-	37	-	-	37
d Unpaid Dividend	-	-	356	-	-	288
e Non Trade Payables Dues to MSME	-	-	1,167	-	-	777
f Outstanding Expenses	-	-	79,158	-	-	81,999
g Non Trade payables - Others	-	-	10,615	-	-	12,384
h Interest Accrued and due - Term loan	-	-	-	-	-	-
i Other Lease liability	-	-	6,123	-	-	6,251
j Other Liabilities	-	-	1,800	-	-	1,979
Total	-	-	4,78,289	-	-	5,09,076

2 Fair value hierarchy

The hierarchy levels used for Fair value measurements of Financial instruments wherever applicable is given below:

Particulars	Note	As at 31 March 2025			As at 31 March 2024		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
I Financial Assets and Liabilities measured at Fair value – recurring fair value measurements							
A Financial Assets							
i Financial Investments at FVPL	6	-	56,800	-	-	53,049	-
ii Financial Investments at FVOCI - Unquoted	6	-	-	18	-	-	16
II Financial Assets and Liabilities which are measured at Amortised Cost		No separate Fair value is disclosed as the Carrying value of these Assets and Liabilities represents their Fair Value.					

Level 1: Level 1 hierarchy includes Financial instruments measured using quoted prices.

Level 2: The fair value of Financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case of unlisted equity shares.

3 Valuation technique used to determine Fair Value [Parent company] :-

a. LIC Investment - (Level 2)

Based on valuation report of the Scheme provided by LIC.

Consolidated Notes to Accounts

(₹ in Lakhs)

b. **Mana Effluent Treatment Plant Ltd - (Level 3)**

BEL has invested in equity securities of Mana Effluent Treatment Plant Ltd. which is an unlisted company. The Company's cost of investment in Mana Effluent Treatment Plant Ltd is only ₹ 5 (out of issued Share Capital of ₹ 205). The company has opted for Net Asset Value method for fair valuation.

Note 34 - Financial risk management

i. Risk Management framework and policies

The Group is broadly exposed to credit risk, liquidity risk and market risk (fluctuations in exchange rates, interest rates and price risk) as a result of financial instruments.

Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Group's Risk Management Framework. The Board has set up a Risk Management Committee, for this purpose, which is responsible for developing and monitoring the risk management policies. The Group has an established Risk Management Policy that outlines risk management structure and provides a comprehensive frame work for identification, evaluation, prioritisation, treatment of various risks associated with different areas of finance and operations.

The parent company has a centralised Treasury function which is responsible to undertake appropriate measures to mitigate financial risk in accordance with the policies and procedures formulated by the Board. Hedging transactions are undertaken by a team with appropriate skills and experience in consultation with an external expert. The Group does not trade in derivatives for speculation.

ii. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk).

iii. Currency Risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions primarily relating to purchases and sales made in foreign currencies such as US Dollar, Euro, Great Britain Pound, Swiss franc and Japanese Yen. Foreign exchange risk arises from existing and future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR).

The Group has a Board approved currency risk management policy implemented by a Risk Management Committee that reviews the Company's exposure to this risk on a regular basis. The Risk Management Policy recommends hedging upto 50% of the open foreign currency exposure. However the decision to enter into a hedging arrangement is made by the Risk Management Committee based on the relevant data inputs and the advice of the external specialist consultant retained for this purpose.

The Parent Company's export proceeds are realised mostly by remittance into an Export Earners Foreign Currency account (EEFC) which is then utilised for payments to be made in foreign currency, thereby mitigating the currency risk on exports. Imports to the extent of around 13% (13%) of annual foreign exchange outgo are not covered by the Exchange Rate Variation (ERV) clause in the related customer contract and hence are open to currency risk. These imports are benchmarked as per the policy and appropriate decision on covering the risk is taken on a case to case basis. The Company's currency risk policy advocates forward contract hedging for mitigating risk wherever required.

Consolidated Notes to Accounts

(₹ in Lakhs)

As on 31 March 2025, there are no outstanding forward contracts.

The Group's exposure to foreign currency risk in respect of major currencies is given below :

Particulars	As at 31.03.2025					As at 31.03.2024				
	USD	EURO	GBP	CHF	J Yen	USD	EURO	GBP	CHF	J Yen
Trade Payable	1,475	547	15	10	663	1,012	315	24	28	8
Trade Receivable / Contract Asset	467	56	-	-	-	559	41	-	-	-
Net Exposure	1,008	491	15	10	663	453	274	24	28	8

iv. Foreign Currency sensitivity

The sensitivity of profit or loss to changes in the exchange rate arises mainly from foreign currency denominated financial instruments. The sensitivity to variations in respect of major currencies is given below. This analysis assumes that all other variables remain constant.

Particulars	Impact on Profit - Loss / (Gain)	
	As at 31 March 2025	As at 31 March 2024
USD – Increase by 5%	4,356	1,908
USD – Decrease by 5%	(4,356)	(1,908)
EURO – Increase by 5%	2,329	1,258
EURO – Decrease by 5%	(2,329)	(1,258)
GBP – Increase by 5%	84	128
GBP – Decrease by 5%	(84)	(128)
CHF – Increase by 5%	50	131
CHF – Decrease by 5%	(50)	(131)

v. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

vi. Variable Rate Borrowing:

The parent company has been sanctioned a working capital limit of ₹ 5,00,000 (₹ 5,00,000). The sanctioned limit includes fund based limit of ₹ 50,000 (₹ 50,000) and non fund based limit of ₹ 4,50,000 (₹ 4,50,000). The fund based limit of ₹ 50,000 has not been utilised during the year [Outstanding as on 31 March 2025 is Nil (31 March 2024 is Nil)]. The outstanding balance as on 31.03.2025 with respect to non fund based limit is ₹ 2,80,100 (₹ 3,20,500). The interest is payable based on SBI's 3 months MCLR rate. As the borrowing is Nil there is no impact on likely change in interest rates.

In case of subsidiary company [BELOP] has also been sanctioned fund based and non-fund based working capital limits of ₹ 2,500 by the consortium bankers of SBI (Lead bank) and Axis Bank. The rate of interest is 10.10% p.a. (SBI). The rate of interest charged by SBI and Axis Bank are linked to their base rate which is subject to fluctuations. Outstanding as on 31 March 2025 is Nil in respect of which interest payable is based on SBI and Axis Bank's base rate (as per the terms and conditions, both SBI and Axis Bank are eligible to reset the interest charged on periodic basis).

Consolidated Notes to Accounts

(₹ in Lakhs)

vii. Equity Price Risk

The Group’s exposure to equity price risk is negligible as its equity investment (other than in Associate) is negligible.

viii. Liquidity Risk

Liquidity Risk is the risk that a Group could encounter if it faces difficulty in meeting the obligations associated with financial liabilities by delivering cash and other financial asset or the risk that the Company will face difficulty in raising financial resources required to fulfill its commitments. The Group’s exposure to liquidity risk is very minimal as it has a prudent liquidity risk management process in place which ensures maintaining adequate cash and marketable securities to pay its liabilities when they are due. To ensure continuity of funding, the group has access to short-term bank facilities in the nature of bank overdraft facility, cash credit facility and short-term borrowings to fund its ongoing working capital requirements and growth needs when necessary.

The Group meets its liquidity requirement mainly through internally generated cash flows which is monitored centrally by treasury. There is an established process of rolling cash forecasts from various operating units which form the basis for mapping expected cash inflows, to meet the liabilities.

The table below analyses the Group’s financial liabilities based on their contractual maturities. The amounts disclosed are contractual undiscounted cash flows.

As at 31 March 2025

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 & 2 year	Between 2 & 5 year	More than 5 years	Total
Borrowings	-	-	-	-	-	-	-
Trade Payables	2,82,114	25,327	26,414	22	-	-	3,33,877
Interest accrued and due on Trade Payables	19	-	-	-	-	-	19
Other Lease Liability	72	69	120	170	289	5,404	6,124
Other Financial Liabilities	1,04,741	12,026	19,892	1,570	41	-	1,38,270

As at 31 March 2024

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 & 2 year	Between 2 & 5 year	More than 5 years	Total
Borrowings	-	-	-	-	-	-	-
Trade Payables	3,03,492	35,636	31,497	6	-	-	3,70,631
Interest accrued and due on Trade Payables	24	-	-	-	-	-	24
Other Lease Liability	60	56	112	235	456	5,332	6,251
Other Financial Liabilities	1,00,066	5,590	23,724	2,638	152	-	1,32,170

The Group does not have any outstanding derivatives as on 31 March 2025.

ix. Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalent with banks, security deposits and loans.

Consolidated Notes to Accounts

(₹ in Lakhs)

The credit risk of the Parent Company is managed at a corporate level by the risk management committee which has established the credit policy norms for its customers and other receivables. Significant amount of trade receivables are due from Government/Government Departments, Public Sector Companies (PSUs) consequent to which the Company does not have a credit risk associated with such receivables. In case of non Government trade receivables, sales are generally carried out based on Letter of Credit established by the customer thereby reducing the credit risk.

In a few cases credit is extended to customers based on market conditions after assessing the solvency of the customer and the necessary due diligence to determine credit worthiness. Advance payments are made against bank guarantee which safeguards the credit risk associated with such payments. Impairment losses on financial assets (representing mainly liquidated damages leviable for delayed deliveries and other disallowances) have been made after factoring contractual terms, etc and other indicators.

The cash and cash equivalent with banks are in the form of short term deposits with maturity period of upto 1 year in case of parent company. The Parent Company has a well structured Risk Mitigation Policy whereby there are preset limits for each bank based on its net worth and earning capacity which is reviewed on a periodic basis. The Parent Company has not incurred any losses on account of default from banks on deposits.

The credit risk in respect of other financial assets is negligible as they are mostly due from government department / parties.

x. Capital Management

The Group’s Capital Management objective is to maintain a strong capital base to provide adequate returns to the shareholders and ensure the ability of the company to continue as a going concern. The Group has a conservative approach for raising capital through debt but reserves the right to leverage this alternative at an appropriate time to fuel growth and maintain optimal capital structure.

As part of this overall objective, the Parent Company has expanded capital base by issuing bonus shares in FY 2022-23. The Parent company has a well defined Dividend Distribution Policy which lays the framework for payments of dividend and retention of surplus for future growth and enhancing shareholders wealth. The parent Company has been sanctioned borrowing limits with banks to the tune of ₹ 5,00,000 (₹ 5,00,000).

Gearing Ratio: -

Particulars	As at 31 March 2025	As at 31 March 2024
Net Debt	-	-
Total Equity	19,97,389	16,32,647
Net Debt to Equity Ratio	-	-

Consolidated Notes to Accounts

(₹ in Lakhs)

Note 35 - Assets pledged as security

The carrying amounts of assets pledged as security for Working Capital borrowings are:

Particulars	As at 31 March 2025	As at 31 March 2024
(i) Inventories	9,11,898	7,44,689
(ii) Trade Receivables	9,11,637	7,39,238
(iii) Cash & Cash Equivalents	71,344	1,20,631
(iv) Bank Balances [Other than (iii) above]	8,78,203	9,82,617
(v) Loans	147	141
(vi) Other Financial Assets	24,133	29,440
(vii) Other Current Assets	6,15,334	7,16,241
Total current assets pledged as security	34,12,696	33,32,997

Refer Note No. 18 for the details of borrowings.

In case of Subsidiary Company BELOP, the working capital are also secured by first pari passu charge by way of equitable mortgage on Land and Building.

Note 36 - Critical estimates and judgments [Parent Company]

While preparing the consolidated financial statements, management has made certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements and Estimates that have a significant risk of resulting in a material adjustment are as under:

- i. Research and Development Expenditure - Accounting Policy No. 10 - (Refer Note 5 and 12)**
Developmental expenditure incurred with respect to No Cost No Commitment (NCNC) Projects and Joint developmental projects which are not fully compensated by the development partner are carried forward till the completion of project.
- ii. Estimation of defined benefit obligation - Key actuarial assumptions - (Refer Note 21)**
- iii. Estimation of provision for warranty claims - (Refer Note 21)**
Warranty provision computation involves estimation of average warranty cost based on trend based analysis. If the estimations made varies, the same will impact the expense recognised.
- iv. Recognition of Revenue - (Refer Note 23)**
Input methods towards performance obligations over time involves estimation of Stage of completion based on actual costs incurred to the estimated total costs expected to complete the contract. If the estimations made varies, the same will impact the Revenue recognised.

Consolidated Notes to Accounts

(₹ in Lakhs)

v Intangible assets (Refer Note 4 and 5)

Amount carried forward as other intangible assets and intangible assets under development are tested for impairment annually with respect to certainty of future economic benefits.

vi Lease (Refer Note 1)

The company evaluates if an arrangement qualifies to be a lease as per the requirement of Ind AS 116. Identification of lease requires significant judgements. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated.

Note 37 - Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2025. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Material Accounting Policies on Ind AS Consolidated Financial Statements

Corporate Information

The accompanying financial statements comprise the financial statements of Bharat Electronics Limited (the Holding Company). The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Bharat Electronics Limited's shares are listed on two recognised stock exchanges in India. The registered office and principal place of Business of the Company is located at Bengaluru, Karnataka, India.

The Company is a public sector enterprise under the administrative control of the Department of Defence Production, Ministry of Defence. Bharat Electronics Limited manufactures and supplies electronic equipment and systems to defence sector. Other than defence sector, the Company has also got a limited presence in the civilian market.

Material Accounting Policies

1. Basis of Preparation

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP) comprises the mandatory Indian Accounting Standards (Ind AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], as amended from time to time, to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

2. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liability and contingent assets as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account of all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained.

3. Basis of Measurement

The financial statements have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments, if any
- Financial assets and liabilities that are qualified to be measured at fair value
- The defined benefit asset / liability is recognised as the present value of defined benefit obligation less fair value of plan assets.

4. Functional and Presentation Currency

The financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Company.

5. Revenue Recognition

A. Revenue from Contract with Customers

- Revenue is recognised when (or as) the company satisfies a performance obligation by transferring a promised goods or services (i.e., an Asset) to a Customer.
- Satisfaction of performance obligation over time**
 - Revenue is recognised overtime where the transfer of control of goods or services take places over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:
 - the company's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
 - the company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
 - the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

Material Accounting Policies on Ind AS Consolidated Financial Statements

- Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.
- In case of AMC contracts, where passage of time is the criteria for satisfaction of performance obligation, revenue is recognised using the output method.

iii. Satisfaction of performance obligation at a point in time

- In respect of cases where the transfer of control does not take place over time, the company recognises the revenue at a point in time when it satisfies the performance obligations.
- The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:
 - the company has transferred physical possession of the asset
 - the customer has legal title to the asset
 - the customer has accepted the asset
 - when the company has a present right to payment for the asset
 - the customer has the significant risks and rewards of ownership of the asset. The transfer of significant risks and rewards ownership is assessed based on the Inco- terms of the contracts.

Ex-Works contract – In case of Ex-works contract, revenue is recognised when the specified goods are unconditionally appropriated to the contract after prior inspection and acceptance, if required.

FOR Contracts – In the case of FOR contracts, revenue is recognised when the goods are handed over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period.

c. Bill and hold Sales

Bill and hold sales is recognised when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the company does not have the ability to use the product or to direct it to another customer

iv. Measurement

- Revenue is recognised at the amount of the transaction price that is allocated to the performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties.

In case of price escalation and ERV, revenue is recognised at most likely amount to be realised from customer in line with contractual terms.

- In case where the contracts involve multiple performance obligations, the company allocates the transaction price to each performance obligation on the relative stand-alone selling price basis.

Bundled Contracts - In case of a Bundled contract, where separate fee for installation and

Material Accounting Policies on Ind AS Consolidated Financial Statements

commissioning or any other separately identifiable component is not stipulated, the Company applies the recognition criteria to separately identifiable components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on stand-alone selling price.

Multiple Elements - In cases where the installation and commissioning or any other separately identifiable component is stipulated and price for the same agreed separately, the Company applies the recognition criteria to separately identified components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on their stand-alone selling price.

- c. If the stand-alone selling price is not available the company estimates the stand alone selling price.

v. Penalties

Penalties (including levy of liquidated damages for delay in delivery) specified in a contract are not treated as an inherent part of Transaction Price if the levy of same is subject to review by the customer.

vi. Significant financing component

Advances received towards execution of Defence related projects are not considered for determining significant financing component since the objective is to protect the interest of the contracting parties.

In respect of other contracts, the existence of significant financing component is reviewed on a case to case basis.

B. Other Income

Recognition of other income is as follows:

- Interest Income
Interest income is recognised using the effective interest rate method.
- Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established.

iii. Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term unless increase in rentals are in line with expected inflation or otherwise justified.

iv. Duty Drawbacks

Duty drawback claims on exports are accounted on accrual basis.

v. Other Income

Other income not specifically stated above is recognised on accrual basis.

6. Property, Plant and Equipment, Capital Work-in-Progress

Property, plant and equipment is initially measured at cost and subsequently at cost less accumulated depreciation and cumulative impairment losses, if any. Cost for this purpose includes all attributable costs for bringing the asset to its location and condition. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset, if the recognition criteria for a provision are met.

The cost of property, plant and equipment not ready for their intended use as at each reporting date is disclosed as capital work-in-progress.

Capital work-in-progress comprises supply-cum-erection contracts; the value of capital supplies received at site and accepted, capital goods in transit and under inspection.

7. Intangible Assets, Intangible Asset under Development

The cost of software (which is not an integral part of the related hardware) acquired for internal use and resulting in significant future economic benefits, is recognised as an Intangible Asset in the books of account when the same is ready for use. Intangible Assets that are not yet ready for their intended use as at the reporting date are classified as "Intangible Assets under Development".

Material Accounting Policies on Ind AS Consolidated Financial Statements

Cost of Developmental work which is completed, wherever eligible, is recognised as an Intangible Asset.

Cost of Developmental work under progress, wherever eligible, is classified as "Intangible Assets under Development".

Intangible Asset under Development includes amount funded by the company to external agencies towards developmental project(s) and expenditure incurred by the company towards material cost, employee cost and other direct expenditure.

Intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and cumulative impairment losses, if any.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses on derecognition of intangible assets, if any, are recognised in the statement of profit and loss.

8. Depreciation / Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Company, based on technical assessments, depreciates certain items of building, plant and equipment and other asset classes over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Where cost of a part of the asset is significant to total cost of the asset and estimated useful life of that part is different from the estimated useful life of the remaining asset, estimated useful life of that significant part is determined separately and the significant part is depreciated on straight-line basis over its estimated useful life.

The residual values, useful lives and methods of depreciation / amortisation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The residual values, useful lives and amortisation methods, are reviewed at each financial year end and adjusted prospectively, if appropriate.

9. Disposal of Property, Plant and Equipment

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the property, plant and equipment (calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the property, plant and equipment) is included in the statement of profit and loss when the property, plant and equipment is derecognised.

10. Research and Development Expenditure

- Expenditure on Research activity is recognised as an expense in the period when it is incurred.
- Development expenditure (other than on specific development - cum sales contracts and Developmental projects initiated at customer's request), is charged off as expenditure when incurred. Developmental expenditure on development - cum - sale contracts and on Developmental projects initiated at customer's request are treated at par with other sales contracts.

Development expenditure incurred in respect of Joint development projects which are not fully compensated by the development partner are carried forward where the company is nominated as a production agency and future economic benefits are expected.

Developmental projects are reviewed periodically and the amount carried forward, if any, is charged off in the event of the project being declared closed by the customer / end user without any commitment to place order.

- Expenditure incurred towards other developmental activity (including joint developmental activity in

Material Accounting Policies on Ind AS Consolidated Financial Statements

collaboration with external agencies) where the research results or other knowledge is applied for developing new or improved products or processes, are recognised as an Intangible Asset if the recognition criteria specified in Ind AS 38 are met and when the product or process developed is expected to be technically and commercially usable, the company has sufficient resources to complete development and subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

- (iv) Expenditure incurred on Developmental projects for participating in No Cost No Commitment (NCNC) trials, based on Request for Quote from customer, are carried forward till conclusion of the trials and will be amortised over the orders to be received.

In case customer order is immediately not forthcoming:

- the amount is capitalised if further economic benefit is expected from its use, or
- the amount is charged off in the event of the project being closed by the customer / end user without any commitment to place order.

11. Expenditure on Technical Know-How

Expenditure incurred on technical know-how is charged off to Statement of Profit and Loss on incurrance unless it qualifies for recognition as an Intangible Asset either separately on its own or in combination with other assets / expenses.

12. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

13. Impairment of Non-Financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired.

If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset in determining fair value less costs of disposal.

Reversal of impairment provision is made when there is an increase in the estimated service potential of an asset or Cash Generating Unit (CGU), either from use or sale, on reassessment after the date when impairment loss for that asset was last recognised.

14. Leases

Company as a Lessee:-

Contracts with third party, which give the company the right of use in respect of an Asset, are accounted in line with the provisions of Ind AS 116 – Leases, if the recognition criteria as specified in the Accounting standard are met.

Lease payments associated with Short terms leases and Leases in respect of Low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of property, plant and equipment.

Subsequent measurement of right-of-use asset is made using Cost model.

Material Accounting Policies on Ind AS Consolidated Financial Statements

Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowing.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a lessor:

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in Ind AS 116 – Leases.

- a) Finance Lease :

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

- b) Operating lease:

The company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

15. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. General borrowing costs are capitalised to qualifying assets by applying a capitalisation rate to the expenditure on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

16. Government Grants

Grants from Government are measured at fair value and initially recognised as Deferred Income.

The amount lying in Deferred Income on account of acquisition of Fixed Asset is transferred to the credit of Statement of Profit and Loss in proportion to the depreciation charged on the respective assets to the extent attributable to Government Grants utilised for the acquisition.

The amount lying in Deferred Income on account of Revenue Expenses is transferred to the credit of Statement of Profit and Loss to the extent of expenditure incurred in the ratio of the funding to the total sanctioned cost, limited to the government grant received.

17. Inventories

All inventories of the Company other than disposable scrap are valued at lower of cost or net realisable value.

Material Accounting Policies on Ind AS Consolidated Financial Statements

Disposable scrap is valued at estimated net realisable value. Cost of materials is ascertained by using the weighted average cost formula.

Cost of Work - in - progress and finished goods include Materials, Direct Labour and appropriate overheads.

Adequate provision is made for inventory which are more than five years old which may not be required for further use.

18. Income Taxes

Income tax comprises of current and deferred tax.

(i) Current Income Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity respectively and not in the statement of profit and loss.

(ii) Deferred Tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

19. Provision for Warranties

Provision for expenditure on account of performance guarantee & replacement / repair of goods sold is made on the basis of trend based estimates.

In cases where a trend is not ascertainable, provision for warranty is made based on the best estimates of management.

20. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded by the Company at their respective currency exchange rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency by using the closing exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the dates of the initial transactions.

21. Employee Benefits

- All employee benefits payable wholly within twelve months of rendering the related services are classified as short term employee benefits and they mainly include (a) Wages & Salaries; (b) Short-term compensated absences; (c) Profit-sharing, incentives and bonuses and (d) Non-monetary benefits such as medical care, subsidised transport, canteen facilities etc., which are valued on undiscounted basis and recognised during the period in which the related services are rendered.
- Incremental liability for payment of long term compensated absences such as Annual Leave, Sick Leave and Half Pay Leave is determined as the difference between present value of the obligation determined annually on actuarial basis using Projected Unit Credit method and the carrying value of the provision contained in the balance sheet and provided for.
- Incremental liability for payment of Gratuity and Employee Provident fund to employees is determined as the difference between present value of the obligation determined annually on actuarial basis using Projected Unit Credit Method and the Fair Value of Plan Assets funded in an approved trust set up for the purpose for

Material Accounting Policies on Ind AS Consolidated Financial Statements

which monthly contributions are made in the case of provident fund and lump sum contributions in the case of gratuity.

- Incremental liability under BEL Retired Employees Contributory Health Scheme (BERECHS) is determined annually on actuarial basis using Projected Unit Credit Method and provided for.
- Actuarial liability for the year is determined with reference to employees at the end of January of each year.
- Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (asset) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in statement of profit and loss.

- Payments of voluntary retirement benefits are charged off to revenue on incurrence.
- Defined Contribution Plan

The Company operates employee pension scheme and superannuation pension scheme for its employees that are categorised as a defined contribution plans. For defined contribution plans, the Company pays contributions to independently administered funds at a fixed percentage of employees' pay. These contributions are recorded in the statement of profit and loss. The Company's liability is limited to the extent of contributions made to these funds.

22. Provisions

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

B. Contingent Liabilities/Assets

Contingent Liabilities/Assets to the extent the Management is aware, are disclosed by way of notes to the financial statements.

23. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7 - Statement of Cash Flows.

Material Accounting Policies on Ind AS Consolidated Financial Statements

24. Fair value Measurement

The Company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each reporting date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

25. Financial Assets

(i) Initial Recognition and Measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are included in the cost of the asset.

(ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments measured at amortised cost,
- Debt instruments measured at fair value through other comprehensive income (FVTOCI),
- Debt instruments, derivatives and equity instruments measured at fair value through profit or loss (FVTPL),
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

(iii) Derecognition

A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset have expired.

(iv) Trade and Other Receivables

Receivables are initially recognised at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those assets may be impaired, they are reviewed for impairment.

26. Forward Contracts

The Company uses derivative financial instruments such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

27. Embedded Derivative

The embedded derivative, if required, is separated from host contract and measured at fair value.

28. Cash and Cash Equivalents

Cash comprises of cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to an insignificant risk of change in value.

Bank overdrafts, if any, are classified as borrowings under current liabilities in the balance sheet.

29. Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

- Time barred dues from the government / government departments / government companies are generally not considered as increase in credit risk of such financial asset.

Material Accounting Policies on Ind AS Consolidated Financial Statements

- Where dues are disputed in legal proceedings, provision is made if any decision is given against the Company even if the same is taken up on appeal to higher authorities / courts.

- Dues outstanding for significant period of time are reviewed and provision is made on a case to case basis.

Impairment loss allowance (or reversal) is recognised as expense / income in the statement of profit and loss.

30. Financial Liabilities

(i) Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, at fair value through profit or loss as loans, borrowings, payables, or derivatives, as appropriate.

Loans, borrowings and payables, are stated net of transaction costs that are directly attributable to them.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined in Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

(iii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Gains and losses are recognised as profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(iv) Trade and Other Payables

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

31. Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively.

32. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

33. Cash Dividend and Non-Cash distribution to Equity Holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company.

34. Errors and Estimates

The Company revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively, unless it is impracticable to apply.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to statement of profit and loss is applied prospectively in the period(s) of change.

Material Accounting Policies on Ind AS Consolidated Financial Statements

Discovery of material errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities and equity of the earliest prior period in which the error is discovered. The opening balances of the earliest period presented are also restated.

35. Earnings Per Share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary equity holders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

36. Events after the Reporting Period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

37. Principles of Consolidation

The financial statements of the Holding Company together with the audited financial statements of its subsidiary companies and step down subsidiary company have been combined on a line-by-line basis by adding

together all the items of assets, liabilities, income and expenses after eliminating all the intra group balances and transactions. Interest in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of profit or loss and Other Comprehensive Income of equity accounted investees until the date on which significant influence ceases.

The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the Holding Company and its share in the post - acquisition increase in the relevant increase of the subsidiary companies and step down subsidiary company.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company’s financial statements.

The excess of cost to the company of its investments in subsidiary companies and step down subsidiary company over its share of the equity of the subsidiary companies and step down subsidiary company at the date on which the investments are made, is recognised as “Goodwill on consolidation” being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies and step down subsidiary company as on the date of the investment is in excess of cost of investment of the Holding Company, it is recognised as “Capital reserve” and shown under the head “Reserves and surplus”, in the consolidated financial statements.

Form AOC-I

(₹ in Lakhs)

Part “A”: Subsidiaries

Sl. No.	Particulars		
1	Name of the subsidiary	BEL Optronics Devices Limited	BEL Thales Systems Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
4	Share capital	9,322	5,762
5	Reserves & surplus	20,754	1,521
6	Total Assets	39,903	10,113
7	Total Liabilities	9,827	2,830
8	Investments	-	-
9	Turnover	18,325	11,747
10	Profit before taxation	3,015	540
11	Provision for taxation	947	64
12	Profit after taxation	2,068	476
13	Proposed Dividend	620	106
14	% of shareholding	100%	74%
1	Names of subsidiaries which are yet to commence operations	NIL	NIL
2	Names of subsidiaries which have been liquidated or sold during the year	NIL	NIL

As per our report of even date attached.

For **Rao & Emmar,**
Chartered Accountants
Firm Regn No. 0030845

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

Bengaluru
19 May 2025

S Sreenivas
Company Secretary
Membership No. : F4686

(₹ in Lakhs)

Part "B": Associates and Joint Ventures

Sl. No.	Name of Associates	GE BE Private Limited	BEL IAI Aerosystems Private Limited	Defence Innovation Organisation	Electronic Warfare (Defence) Testing Foundation	Communication (Defence) Testing Foundation	UAS Testing Foundation	LENS Foundation
1	Latest audited Balance Sheet Date	31 March 2025	31 March 2025	31 March 2025	31 March 2025	31 March 2025	31 March 2025	31 March 2025
2	Shares of Associate held by the company on the year end							
	No.	26,00,000	1,64,000	50	46,960	41,811	30,000	1,54,575
	Amount of Investment in Associate	260	164	1	470	418	300	155
	Extend of Holding %	26%	40%	50%	40%	40%	20%	15%
3	Description of how there is significant influence	Voting Rights	Voting Rights	Voting Rights	Voting Rights	Voting Rights	Voting Rights	Voting Rights
4	Reason why the Associate is not consolidated	Not applicable	Not applicable	*	*	*	*	*
5	Networth attributable to Shareholding as per latest audited Balance Sheet (unaudited)	15,995	146	-	-	-	-	-
6	Profit / Loss for the year (unaudited)							
i.	Considered in Consolidation	3,571	(18)	-	-	-	-	-
ii.	Not Considered in Consolidation	-	-	-	-	-	-	-

* Do not exercise any control and also do not have any right on variable returns other than equity investment.

1	Names of Associate which are yet to commence operations	NIL	NIL
2	Names of Associate which have been liquidated during the year	NIL	NIL

For **Rao & Emmar,**
Chartered Accountants
Firm Regn No. 003084S

Manoj Jain
Chairman & Managing Director
DIN : 09749046

Damodar Bhattad S
Director (Finance) & CFO
DIN : 09780732

Praveen B J
Partner
Membership No. 215713

Bengaluru
19 May 2025

S Sreenivas
Company Secretary
Membership No. : F4686



BHARAT ELECTRONICS LIMITED

(A Government of India Enterprise
under the Ministry of Defence)
(CIN: L32309KA1954GOI000787)

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