

**भारत इलेक्ट्रॉनिक्स**  
**BHARAT ELECTRONICS**

**भारत इलेक्ट्रॉनिक्स लिमिटेड**

(भारत सरकार का उद्यम, रक्षा मंत्रालय)

पंजीकृत कार्यालय :

आउटर रिंग रोड, नागवारा, बेंगलूर - 560 045, भारत

**Bharat Electronics Limited**

(Govt. of India Enterprise, Ministry of Defence)

Registered Office : Outer Ring Road,  
Nagavara, Bangalore - 560 045, INDIA.

CIN : L32309KA1954GOI000787

टेलीफैक्स/Telefax : +91 (80) 25039266

ई-मेल/E-mail : secretary@bel.co.in

वेब/Web : www.bel-india.in

प्रतिष्ठा में/ To,  
प्रबंधक The Manager  
लिस्टिंग विभाग Listing Department  
नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लि.  
National Stock Exchange of India Ltd.  
एक्सचेंज प्लाज़ा, सी-1, ब्लॉक जी,  
Exchange Plaza, C-1, Block G,  
बांद्रा-कुर्ला कॉम्प्लेक्स, बांद्रा पूर्व  
Bandra Kurla Complex Bandra, East,  
मुंबई, महाराष्ट्र - 400051  
Mumbai, Maharashtra- 400051

प्रतीक / Symbol: BEL

सं.No. 17565/6/SE/NSEC/SEC

दिनांक / Date: 05.08.2024

महोदय / महोदया,  
Dear Sir/Madam,

**विषय: 70वीं वार्षिक आम बैठक की सूचना और एकीकृत वार्षिक रिपोर्ट 2023-24।**

**Sub: Notice of 70<sup>th</sup> Annual General Meeting and Integrated Annual Report 2023-24.**

सेबी (एलओडीआर) विनियम, 2015 के विनियम 30 के अनुसार, हम सूचित करना चाहते हैं कि कंपनी की 70वीं वार्षिक आम बैठक (एजीएम) बुधवार, 28 अगस्त, 2024 को सुबह 10.00 बजे (आईएसटी) वीडियो कॉन्फ्रेंसिंग के माध्यम से आयोजित की जाएगी। "वीसी") / अन्य ऑडियो विजुअल साधन ("ओएवीएम")। Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, we wish to inform that 70<sup>th</sup> Annual General Meeting (AGM) of the Company will be held on, **Wednesday, 28<sup>th</sup> August, 2024 at 10.00 A.M (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

सेबी (एलओडीआर) विनियम, 2015 के विनियम 34 के अनुसार, कृपया 70वीं वार्षिक आम बैठक की सूचना और वित्तीय वर्ष 2023-24 के लिए एकीकृत वार्षिक रिपोर्ट की प्रति संलग्न करें। Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, please find enclosed herewith copy of Notice of 70<sup>th</sup> Annual General meeting and Integrated Annual Report for the financial year 2023-24.

सूचना व अभिलेख हेतु।

This is for your information and record.

सधन्यवाद / Thanking you,

भवदीय/Yours faithfully,

कृते भारत इलेक्ट्रॉनिक्स लिमिटेड

**For Bharat Electronics Limited**

एस श्रीनिवास / S Sreenivas

कंपनी सचिव / Company Secretary

संलग्न-यथा उपरोक्त। /Encls: As stated above.

# भारत इलेक्ट्रॉनिक्स लिमिटेड Bharat Electronics Limited

(भारत सरकार का उद्यम)

(A Government of India Enterprise)

सी आई एन / CIN : L32309KA1954GOI000787

पंजीकृत व कारपोरेट कार्यालय - आउटर रिंग रोड, नागवारा, बेंगलूरु - 560 045

Registered & Corporate Office : Outer Ring Road, Nagavara, Bengaluru - 560 045

## सूचना / NOTICE

प्रति

भारत इलेक्ट्रॉनिक्स लिमिटेड के सभी सदस्य

एतद्वारा सूचना दी जाती है कि भारत इलेक्ट्रॉनिक्स लिमिटेड के सदस्यों की 70वीं वार्षिक सामान्य बैठक (एजीएम) बुधवार, दिनांक 28 अगस्त, 2024 को सुबह 10 बजे (आईएसटी) वीडियो कॉन्फ्रेंसिंग ("वीसी") / अन्य श्रव्य-दृश्य माध्यम ("ओएवीएम") से निम्नलिखित कार्य करने हेतु आयोजित की जाएगी -

### सामान्य कार्य-

- निम्नलिखित पर विचार करने और उसे स्वीकार करने हेतु -
  - 31 मार्च 2024 को समाप्त वित्तीय वर्ष हेतु कंपनी के लेखा परीक्षित वित्तीय विवरण और उन पर निदेशक मंडल और लेखा परीक्षकों की रिपोर्ट; और
  - 31 मार्च 2024 को समाप्त वित्तीय वर्ष हेतु कंपनी के लेखा परीक्षित समेकित वित्तीय विवरण और उन पर लेखा परीक्षकों की रिपोर्ट।
- वित्तीय वर्ष 2023-24 के लिए ₹ 1.40 (140%) प्रति इक्विटी शेयर के अंतरिम लाभांश के भुगतान को संपुष्ट करना और ₹ 1 प्रत्येक पूर्ण चुकता शेयर पर ₹ 0.80 (80%) प्रति इक्विटी शेयर का अंतिम लाभांश घोषित करना।
- श्री विक्रमन एन (डीआईएन-10185349) निदेशक (मानव संसाधन) के स्थान पर एक निदेशक नियुक्त करने के लिए, जो चक्रानुक्रम से सेवानिवृत्त होने पर पात्र होते हैं, स्वयं को पुनः नियुक्ति के लिए प्रस्तुत करते हैं।

### विशेष कार्य-

- श्री मनोज जैन (डीआईएन- 09749046) की कंपनी के प्रबंध निदेशक के रूप में नियुक्ति।

निम्नलिखित संकल्प पर विचार करने और यदि उपयुक्त समझा जाए तो उसे संशोधनों के साथ या उनके बिना, सामान्य संकल्प के रूप में पारित करने हेतु -

“संकल्प किया गया कि कंपनी अधिनियम, 2013 की धारा 196, 203, अनुसूची V के प्रावधानों तथा उसके अन्य लागू प्रावधान और उसके तहत बनाए गए नियमों और सेबी (सूचीबद्धता की बाध्यताएं और

To

The Members of Bharat Electronics Limited

NOTICE IS HEREBY GIVEN THAT the 70<sup>th</sup> Annual General Meeting ( the AGM) of the Members of Bharat Electronics Limited will be held on **Wednesday, 28 August 2024, at 10:00 a.m (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

- To consider and adopt:
  - the Audited Financial Statement(s) of the Company for the financial year ended 31 March 2024 and the reports of the Board of Directors & the Auditors thereon; and
  - the Audited Consolidated Financial Statement(s) of the Company for the financial year ended 31 March 2024 and the reports of Auditors thereon.
- To confirm the payment of interim dividend of ₹ 1.40 (140%) per equity share and to declare final dividend of ₹ 0.80 (80%) per equity share of ₹ 1 each fully paid up for the financial year 2023-24.
- To appoint a Director in place of Mr Vikraman N (DIN: 10185349), Director (Human Resources) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

- Appointment of Mr Manoj Jain (DIN: 09749046) as Managing Director of the Company.**

To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder and the applicable regulation(s) of

प्रकटीकरण की आवश्यकताएं) विनियम, 2015 (वर्तमान में लागू किसी सांविधिक संशोधनों या उसके पुनः अधिनियमन सहित) के तारतम्य में, श्री मनोज जैन (डीआईएन- 09749046), जिन्हें भारत सरकार द्वारा रक्षा मंत्रालय के पत्र सं. डीडीपी-ई0032/3/2023-डी(बीईएल) दिनांक 19 जून 2024 के माध्यम से कंपनी का अध्यक्ष व प्रबंध निदेशक नियुक्त किया गया और तदुपरांत जिन्हें निदेशक मंडल द्वारा दिनांक 20 जून 2024 से अध्यक्ष व प्रबंध निदेशक नियुक्त किया गया, श्री मनोज जैन (डीआईएन- 09749046) की कंपनी के अध्यक्ष व प्रबंध निदेशक के रूप में नियुक्ति के लिए सदस्यों की सहमति प्राप्त की गई और एतद्वारा प्राप्त की जाती है जो भारत सरकार द्वारा निर्दिष्ट उपर्युक्त निबंधन व शर्तों पर चक्रानुक्रम से सेवानिवृत्त नहीं होंगे।”

#### 5. लागत लेखा परीक्षक के पारिश्रमिक का अनुसमर्थन

निम्नलिखित संकल्प पर विचार करने और यदि उपयुक्त समझा जाए तो उसे संशोधनों के साथ या उनके बिना, सामान्य संकल्प के रूप में पारित करने हेतु -

“संकल्प किया गया कि कंपनी अधिनियम, 2013 की धारा 148 तथा अन्य लागू प्रावधान, यदि कोई हों, जिन्हें उसके तहत बनाए गए नियमों के साथ पढ़ा जाना है (वर्तमान में उसमें किए गए किसी सांविधिक संशोधन (संशोधनों) या पुनःप्रवर्तन सहित), के तारतम्य में, वित्तीय वर्ष 2024-2025 के लिए कंपनी के लागत अभिलेखों की लेखा परीक्षा करने के लिए कंपनी के निदेशक मंडल द्वारा लागत लेखा परीक्षक के रूप में नियुक्त मे. जीएनवी एंड एसोसिएट्स लागत लेखाकार, बेंगलूरु (फर्म पंजीकरण सं. 000150) को ₹ 4,50,000/- (रुपए चार लाख पचास हजार मात्र) तथा लागू कर के पारिश्रमिक का भुगतान करने हेतु कंपनी के सदस्यों की सहमति प्रदान की जाए और एतद्वारा प्रदान की जाती है।”

मंडल के आदेशानुसार  
कृते भारत इलेक्ट्रॉनिक्स लिमिटेड

बेंगलूरु  
1 अगस्त 2024

एस श्रीनिवास  
कंपनी सचिव

SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr Manoj Jain (DIN: 09749046), who was appointed as Chairman and Managing Director of the Company by Government of India vide Ministry of Defence letter no. DDP-E0032/3/2023-D(BEL) dated 19 June 2024 and subsequently appointed by the Board of Directors as Chairman and Managing Director w.e.f 20 June 2024, consent of the Members be and is hereby accorded for the appointment of Mr Manoj Jain (DIN: 09749046) as Managing Director of the Company, not liable to retire by rotation, as stated above on terms and conditions as stipulated by the Government of India”.

#### 5. Ratification of Remuneration of the Cost Auditor.

To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with relevant Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded for the payment of remuneration of ₹ 4,50,000 (Rupees Four Lakh and Fifty Thousand only) plus applicable taxes to M/s GNV & Associates, Cost Accountants, Bengaluru (Firm Registration No. 000150) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending on 31 March 2025.”

By order of the Board  
For Bharat Electronics Limited

Bengaluru  
1 August 2024

S Sreenivas  
Company Secretary

## नोट

1. कार्पोरेट कार्य मंत्रालय (एमसीए) ने अपने सामान्य परिपत्र सं. 14/2020 दिनांक 8 अप्रैल 2020, 17/2020 दिनांक 13 अप्रैल 2020, 20/2020 दिनांक 5 मई 2020, 2/2022 दिनांक 5 मई 2022, 10/2022 दिनांक 28 दिसंबर 2022, नवीनतम दिनांक 09/2023 दिनांक 25 सितंबर 2023 और भारतीय प्रतिभूति विनियम बोर्ड (सेबी) के परिपत्र सं. SEBI/HO/DDHS/P/CIR/2023/0164 दिनांक 6 अक्टूबर 2023 (इसके बाद सामूहिक रूप से "परिपत्र" के रूप में संदर्भित किया गया है) के माध्यम से और इस संबंध में जारी अन्य लागू परिपत्रों में कंपनियों को 30 सितंबर 2024 तक वीडियो कॉन्फ्रेंसिंग (वीसी) या अन्य दृश्य श्रव्य साधन (एवीएम) के माध्यम से सामान्य स्थल पर सदस्यों की उपस्थिति के बिना एजीएम आयोजित करने की अनुमति दी है। कंपनी अधिनियम, 2013 (अधिनियम), सेबी (सूचीकरण बाध्यताएं और प्रकटीकरण की आवश्यकताएं) विनियम, 2015 (सूचीकरण विनियम) और परिपत्रों के लागू प्रावधानों के अनुपालन में, कंपनी की 70<sup>वीं</sup> एजीएम वीसी/ओएवीएम के माध्यम से आयोजित की जा रही है। एजीएम का समतुल्य स्थल कंपनी का पंजीकृत कार्यालय, आउटर रिंग रोड, नागवारा, बंगलूरु-560045 होगा।
2. चूंकि एजीएम परिपत्रों के अनुसार वीसी / ओएवीएम के माध्यम से आयोजित की जा रही है, इसलिए सदस्यों की वास्तविक उपस्थिति की आवश्यकता नहीं है। तदनुसार, सदस्यों द्वारा एजीएम के लिए प्रॉक्सी की नियुक्ति करने की सुविधा उपलब्ध नहीं होगी और इसलिए इस सूचना के साथ प्रॉक्सी फार्म और उपस्थित पर्ची संलग्न नहीं किया गया है।
3. वीसी / ओएवीएम के माध्यम से एजीएम में उपस्थित होने वाले सदस्यों की गणना अधिनियम की धारा 103 के तहत कोरम को पूरा करने के उद्देश्य से की जाएगी।
4. इन परिपत्रों के अनुपालन में, एकीकृत वार्षिक रिपोर्ट 2023-24 के साथ-साथ इस एजीएम की सूचना ऐसे सदस्यों को केवल इलेक्ट्रॉनिक माध्यम से भेजी जा रही है जिनके ईमेल एड्रेस कंपनी / डिपॉजिटरियों के पास दर्ज हैं। सदस्य नोट करें कि एजीएम की सूचना और एकीकृत वार्षिक रिपोर्ट 2023-24 कंपनी की वेबसाइट [www.bel-india.in](http://www.bel-india.in) पर, स्टॉक एक्सचेंजों यानी बीएसई लिमिटेड और नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड की वेबसाइटों क्रमशः [www.bseindia.com](http://www.bseindia.com) और [www.nseindia.com](http://www.nseindia.com) में भी उपलब्ध होंगे। एजीएम की सूचना सीडीएसएल (एजीएम के दौरान रिमोट ई-मतदान सुविधा और ई-मतदान प्रणाली प्रदान करने वाली एजेंसी) की वेबसाइट [www.evotingindia.com](http://www.evotingindia.com) पर भी उपलब्ध कराई गई है।
5. कार्पोरेट / संस्थागत सदस्य (यानी व्यक्ति / एचयूएफ, एनआरआई आदि को छोड़कर) अपनी ओर से वीसी / ओएवीएम के माध्यम से एजीएम में भाग लेने और एजीएम में रिमोट ई-मतदान या मतदान के माध्यम से अपने मताधिकार का प्रयोग करने के लिए अधिकृत प्रतिनिधियों को नियुक्त करने के हकदार हैं। एजीएम में भाग लेने और मतदान करने के लिए अपने प्रतिनिधियों को अधिकृत करने के

## NOTE

1. The Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 20/2020 dated 5 May 2020, 2/2022 dated 5 May 2022, 10/2022 dated 28 December 2022, the latest being 09/2023 dated 25 September 2023 and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/DDHS/P/CIR/2023/0164 dated 6 October 2023 (hereinafter collectively referred to as "the Circulars"), and other applicable circulars issued in this regard, have permitted the companies to conduct AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till 30 September 2024, without physical presence of Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Circulars, the 70<sup>th</sup> AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company, Outer Ring Road, Nagavara, Bengaluru - 560045.
2. Since the AGM is being held through VC / OAVM pursuant to the Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and therefore the Proxy Form, Attendance Slip is not annexed to this Notice.
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. In compliance with the Circulars, Notice of the AGM along with the Integrated Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and Integrated Annual Report 2023-24 will also be available on the Company's website [www.bel-india.in](http://www.bel-india.in), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) at [www.evotingindia.com](http://www.evotingindia.com).
5. Corporate/ Institutional Members (i.e. other than individuals / HUF, NRI, etc.) are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf and cast votes through remote e-voting or voting at the AGM. Corporate/ Institutional



इच्छुक कॉर्पोरेट / संस्थागत सदस्यों से अनुरोध है कि वे स्कूटिनाइजर को मंडल के संकल्प / प्राधिकरण पत्र की प्रमाणित प्रति (PDF/JPG फॉर्मेट) [gthirupal@gmail.com](mailto:gthirupal@gmail.com) पर भेजें और इसकी प्रति अधिनियम की धारा 113 के तारतम्य में, बैठक में उनकी ओर से वीसी / ओएवीएम के माध्यम से भाग लेने और उनकी ओर से मतदान करने हेतु अपने प्रतिनिधि को अधिकृत करते हुए ईमेल आईडी [irg@integratedindia.in](mailto:irg@integratedindia.in) पर कंपनी के आरटीए को भेजें।

6. ऊपर बताए गए अनुसार विशेष कार्य के संबंध में अधिनियम की धारा 102(1) के तारतम्य में संबंधित व्याख्यात्मक विवरण इसके साथ संलग्न है और इस बैठक की सूचना का भाग है। सूचीबद्धता विनियमों के विनियम 36(3) तथा भारतीय कंपनी सचिव संस्थान द्वारा जारी सामान्य बैठक (एसएस-2) पर सचिवीय मानक के खंड 1.2.5 के तहत यथा अपेक्षित, एजीएम में नियुक्ति या पुनःनियुक्त चाहने वाले निदेशकों के विवरण भी संलग्न हैं जो इस बैठक की सूचना का भाग बनते हैं।
7. कंपनी की सदस्यों की पंजी और शेयर अंतरण बहियां 31 मार्च, 2024 को समाप्त वित्तीय वर्ष के अंतिम लाभांश, यदि एजीएम में घोषित हो, का भुगतान करने के लिए सदस्यों की हकदारिता तय करने के प्रयोजनार्थ **शुक्रवार, 16 अगस्त, 2024 से लेकर रविवार, 18 अगस्त, 2024** (दोनों दिनों को मिलाकर) बंद रखी जाएगी।
8. निदेशक मंडल ने ₹ 1 के पूर्ण चुकता शेयर पर ₹ 1.40 (140%) प्रति इक्विटी शेयर के अंतरिम लाभांश की घोषणा की है जिसे वित्तीय वर्ष 2023-24 के दौरान अदा किया गया। जिन सदस्यों ने अपने लाभांश वारंटों का नकदीकरण नहीं किया है या प्राप्त नहीं किया है, वे कालातीत वारंटों को दोबारा विधिमाम्य करने या कालातीत वारंटों / डीडी के स्थान पर डीडी प्राप्त करने के लिए कंपनी के आरटीए से संपर्क कर सकते हैं। निदेशक मंडल ने दिनांक 20 मई, 2024 को हुई अपनी बैठक में कंपनी के प्रति ₹ 1 प्रत्येक पूर्ण चुकता इक्विटी शेयर पर रु. 0.80/- (80%) के अंतिम लाभांश की सिफारिश की है। वर्ष 2023-24 का अंतिम लाभांश, यदि एजीएम में घोषित हो, घोषणा की तारीख से 30 दिनों के भीतर ऐसे सदस्यों को देय होगा जिनके नाम **15 अगस्त 2024** को सदस्यों की कंपनी पंजी में वास्तविक शेयरों के रूप में दर्शित होंगे। बहरहाल, डीमटीरियल रूप में धारित शेयरों के संबंध में, लाभांश का भुगतान ऐसे व्यक्तियों को किया जाएगा जिनके नाम डिपोजिटरियों द्वारा दिए गए विवरण के अनुसार **15 अगस्त 2024** को कारोबारी घंटों की समाप्ति पर हितलाभी स्वामियों के रूप में दर्शित होंगे।
9. इलेक्ट्रॉनिक रूप में शेयरों को धारित करने वाले सदस्य नोट करें कि डिपॉजिटरी सहभागी (डी.पी.) द्वारा प्रदान किए गए बैंक खाते के विवरण का उपयोग कंपनी द्वारा लाभांश वारंट मुद्रित करने के लिए किया जाएगा। ऐसे सदस्य जो अपने बैंक खाते के विवरण अद्यतन करना / बदलना चाहते हैं, वे एमआईसीआर कोड सहित बैंक खाते के संपूर्ण विवरण के साथ ऐसे परिवर्तनों के बारे में अपने संबंधित डी.पी. को सूचित कर सकते हैं। वास्तविक रूप में शेयरों को धारित करने

Members intending to authorize their representatives to participate and vote at the AGM are requested to send a certified copy of the Board Resolution / Authorization letter (PDF/JPG format) to the Scrutiniser through e-mail at [gthirupal@gmail.com](mailto:gthirupal@gmail.com) with a copy marked to Company's RTA at their e-mail id [irg@integratedindia.in](mailto:irg@integratedindia.in), authorizing its representative(s) to attend the AGM through VC/OAVM and cast vote on their behalf, pursuant to section 113 of the Act.

6. Relevant Explanatory Statement pursuant to Section 102(1) of the Act, in respect of Special Business as set out above is annexed hereto and forms part of the Notice of this meeting. Details of Directors seeking appointment or re-appointment at the AGM, as required under Regulation 36(3) of the Listing Regulations and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, are also annexed and forms part of the Notice of this meeting.
7. The Company's Register of Members and Share Transfer Books will remain closed from **Friday, 16 August 2024 to Sunday, 18 August 2024** (both days inclusive) for the purpose of determining entitlement of Members for the payment of final dividend for the financial year ended 31 March 2024, if declared at the AGM.
8. The Board of Directors has declared an interim dividend of ₹ 1.40 (140%) per equity share of ₹ 1/- each fully paid-up which was paid for the financial year 2023-24. Members who have not encashed or not received their dividend warrants/ DDs may approach RTA of the Company for revalidating the expired warrants/ DDs. The Board of Directors, in its Meeting held on 20 May 2024, has recommended a final dividend of ₹ 0.80 (80%) per equity share of ₹ 1/- each fully paid. The Final Dividend for the year 2023-24, if declared at the AGM, will be paid within 30 days from the date of declaration, to those Members whose names appear on the Company's Register of Members as on **15 August 2024** in respect of physical shares. However, in respect of shares held in dematerialized form, the dividend will be payable to those persons whose names appear as beneficial owners as at the closure of the business hours on **15 August 2024** as per the details furnished by the depositories.
9. Members holding shares in electronic mode may note that bank account details provided by the Depository Participants (DPs) will be used by the Company for printing on dividend warrants. Members who wish to update/change their bank account details may advise their respective DPs about such change with complete details of bank account including MICR Code. Members holding shares in physical form may send their bank

वाले सदस्य कंपनी के आरटीए को निरस्त किया गए चैक के साथ अपने बैंक विवरण भेज सकते हैं।

सेबी के परिपत्र सं. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/ CIR/2021/655 दिनांक 3 नवंबर 2021 और इस संबंध में बाद में जारी परिपत्रों जिनमें से नवीनतम परिपत्र सं. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 दिनांक 17 नवंबर 2023 को जारी किया गया था, द्वारा यह अनिवार्य बनाया है कि 1 अप्रैल 2024 से लाभांश का भुगतान उन्हीं शेयरधारकों को केवल इलेक्ट्रॉनिक माध्यम से किया जाएगा जो शेयरों को वास्तविक रूप में धारित करते हैं यदि फोलियो केएफसी के अनुरूप हो। फोलियो को सभी विवरणों के पंजीकरण पर केवाईसी अनुरूप माना जाएगा जैसे पिन कोड सहित पूरा पता, मोबाइल नं., ईमेल आईडी, बैंक विवरण, फोलियो में सभी धारकों के आधार से जुड़ा वैध पैन, नमूने के हस्ताक्षर, नामांकन आदि। तदनुसार, लाभांश का भुगतान वास्तिक धारकों को उनके फोलियो में उक्त विवरण अद्यतन करने के बाद ही किया जाएगा। शेयरदारों के अनुरोध किया जाता है कि वे अपना केवाईसी पूरा कर लें। इसे अद्यतन करने के प्रारूप <https://bel-india.in/investors/#generalinfo> and <https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA> में उपलब्ध है।

10. 'हरित पहल' का समर्थन करने के लिए, जिन सदस्यों ने अब तक अपने ईमेल एड्रेस को दर्ज नहीं कराया है, उनसे अनुरोध है कि वे उसे अपने डीपी के पास दर्ज करा लें यदि उनके शेयर इलेक्ट्रॉनिक रूप में धारित हैं और यदि उनके द्वारा वास्तविक रूप में धारित शेयर किए जाते हैं, तो कंपनी के आरटीए के पास दर्ज कराएँ।

सदस्यों से अनुरोध है कि वे अपने नाम, डाक का पता, ईमेल एड्रेस, टेलीफोन / मोबाइल नंबर, स्थायी खाता संख्या (पैन), अध्यादेश, नामांकन, मुख्तारनामा, बैंक विवरण जैसे बैंक का नाम और शाखा का विवरण, बैंक खाता संख्या, एमआईसीआर कोड, आईएफएससी कोड आदि से संबंधित परिवर्तन, यदि कोई हो, की सूचना अपने संबंधित डी.पी. को, यदि शेयर इलेक्ट्रॉनिक रूप में धारित किए हों, और कंपनी के आरटीए मे. इंटीग्रेटेड रजिस्ट्री मैनेजमेंट सर्विसेस प्रा. लि., 30, रमणा रेसीडेन्सी, भूतल, चौथा क्रॉस, सम्मिगे रोड, मल्लेश्वरम, बेंगलूरु - 560003 को, यदि शेयर वास्तविक रूप में धारित किए हों, को दें। सदस्य एजीएम की सूचना और वार्षिक रिपोर्ट प्राप्त करने के लिए ईमेल आईडी के पंजीकरण, लाभांश की प्राप्ति और अन्य सेवाओं के लिए बैंक खाते के विवरण का अद्यतन के लिए नीचे दी गई प्रक्रिया का पालन करें।

धारक का प्रकार	प्रक्रिया जिसका अनुसरण किया जाना है
भौतिक	निम्नलिखित निवेशक सेवाएं प्राप्त करने के लिए, कंपनी के आरटीए, इंटीग्रेटेड रजिस्ट्री मैनेजमेंट सर्विसेस प्राइवेट लिमिटेड को निर्धारित प्रारूप में लिखित अनुरोध डाक द्वारा नं. 30, रमणा रेसीडेन्सी, 4था क्रॉस, सम्मिगे रोड, मल्लेश्वरम, बेंगलूरु - 560003 को भेजें।

details and cancelled cheque along with requisite documents to Company's RTA.

SEBI has, vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/ CIR/2021/655 dated 3 November 2021 and subsequent Circulars issued in this regard, the latest being SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated 17 November 2023, mandated that with effect from 1 April 2024, dividend shall be paid only through electronic mode to Shareholders holding shares in physical form if the folio is KYC compliant. A folio will be considered as KYC compliant on registration of all details viz. full address with pin code, mobile no., email id, bank details, valid PAN linked to Aadhaar of all holders in the folio, specimen signature, nomination, etc. Accordingly, dividend shall be paid to physical holders only after the above details are updated in their folios. Shareholders are requested to complete their KYC. The forms for updating the same are available at - <https://bel-india.in/investors/#generalinfo> and <https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA>.

10. To support the 'Green Initiative', Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's RTA in case the shares are held by them in physical form.

Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their respective DPs, in case the shares are held by them in electronic form and to the Company's RTA M/s Integrated Registry Management Services Pvt. Ltd., 30, Ramana Residency, Ground Floor, 4<sup>th</sup> Cross, Sampige Road, Malleswaram, Bengaluru – 560003, in case the shares are held by them in physical form. Members may follow the process detailed below for registration of email ID to obtain the notice of the AGM and Annual Report, updation of bank account details for the receipt of dividend and other services.

Type of holder	Process to be followed
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, Integrated Registry Management Services Private Limited by post to No.30, Ramana Residency, 4 <sup>th</sup> Cross, Sampige Road, Malleswaram, Bengaluru - 560003.

धारक का प्रकार	प्रक्रिया जिसका अनुसरण किया जाना है
	भौतिक रूप में धारित प्रतिभूतियों के लिए फॉर्म पैन, ईमेल एड्रेस, बैंक के विवरण तथा आईएसआर-1 अन्य केवाईसी विवरण या उनमें परिवर्तन / अद्यतन सूचना दर्ज करने संबंधी निवेशक सेवाएं प्राप्त करने का फॉर्म
	प्रतिभूति धारक का हस्ताक्षर फॉर्म अद्यतन करना आईएसआर-2
	कंपनी (शेयर पूंजी और ऋणपत्र) फॉर्म नियम, 2014 के नियम 19 में बताए एसएच-13 गए अनुसार नामांकन के लिए
	विकल्प लेने की घोषणा फॉर्म आईएसआर-3
	धारक द्वारा नामांकन रद्द करना फॉर्म (आईएसआर-3 के साथ) / नामिती का एसएच-14 परिवर्तन
	डुप्लिकेट प्रमाण-पत्र जारी करने आईएसआर 4 तथा भौतिक रूप में धारित शेयरों / ऋणपत्रों / बांड आदि के लिए अन्य सेवा अनुरोधों का फॉर्म
	उक्त विवरण / सेवा अनुरोध अद्यतन करने के फॉर्म यहाँ उपलब्ध हैं <a href="https://bel-india.in/investors/#generalinfo">https://bel-india.in/investors/#generalinfo</a> और <a href="https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA">https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA</a>
डीमैट	कृपया अपने डीपी से संपर्क करें और अपने डीपी द्वारा बताई गई प्रक्रिया के अनुसार अपने डीमैट खाते में अपना ईमेल एड्रेस, केवाईसी विवरण, अद्यतन हस्ताक्षर, नामांकन/ नामांकन का रद्दीकरण, बैंक खाता के विवरण दर्ज करें।

11. सदस्यों से यह नोट करने का अनुरोध किया जाता है कि यदि लाभांश का नकदीकरण कंपनी के अदत्त लाभांश खाते को अंतरित करने की तारीख से निरंतर 7 वर्षों की अवधि तक नहीं किया जाता है तो ऐसे लाभांश निवेशक शिक्षा व सुरक्षा निधि ('आईईपीएफ') को अंतरित किए जाएंगे। ऐसे दावा न किए गए लाभांश से संबंधित शेयरों को भी आईईपीएफ प्राधिकरण के डीमैट खाते को अंतरित किया जाएगा। इसे ध्यान में रखते हुए, सदस्यों से अनुरोध किया जाता है कि वे निर्दिष्ट समय-सीमा के भीतर कंपनी से अपने लाभांश का दावा करें। जिन सदस्यों के दावा न किए गए लाभांश / शेयर आईईपीएफ को अंतरित किया गया है, वे [www.iepf.gov.in](http://www.iepf.gov.in) पर उपलब्ध फॉर्म सं. आईईपीएफ-5 में आईईपीएफ प्राधिकरण को आवेदन करते हुए उसका दावा कर सकते हैं।

Type of holder	Process to be followed
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode Form ISR-1
	Update of signature of securities holder Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014 Form SH-13
	Declaration to opt out Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form ISR 4
	The forms for updating the above details/service request are available at - <a href="https://bel-india.in/investors/#generalinfo">https://bel-india.in/investors/#generalinfo</a> and <a href="https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA">https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA</a> .
Demat	Please contact your DP and register your email address, KYC details, update of signature, nomination/ Cancellation of nomination, bank account details etc in your demat account, as per the process advised by your DP.

11. Members are requested to note that, dividends if not encashed for a consecutive period of 7 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'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

वित्तीय वर्ष 2016-17 का दावा न किए गए / अदत्त द्वितीय अंतरिम लाभांश, वित्तीय वर्ष 2016-17 के लिए अंतिम लाभांश और वित्तीय वर्ष 2017-18 के लिए अंतरिम लाभांश वित्तीय वर्ष 2024-25 के दौरान आईपीएफ को अंतरित किया जाना है। कंपनी ने यथा 31 मार्च, 2024 को कंपनी के पास मौजूद अदत्त और दावा न की गई राशियों के विवरण कंपनी की वेबसाइट [www.bel-india.in](http://www.bel-india.in) पर अपलोड कर दिया है। अंतरित शेयरों के विवरण कंपनी की वेबसाइट [www.bel-india.in](http://www.bel-india.in) में अपलोड किए गए हैं। दावा किए जाने वाले लाभांश का दावा करने के इच्छुक सदस्यों से अनुरोध है कि वे आरटीए के साथ पत्राचार करें।

12. सूचीबद्धता विनियम, यथा संशोधित, के विनियम 40 के अनुसार, कंपनी ने भौतिक रूप में धारित प्रतिभूतियों के नए अंतरण अनुरोध स्वीकार करना बंद कर दिया था। कंपनी के शेयर भौतिक रूप में धारित करने वाले सदस्यों से अनुरोध है कि वे अपने शेयर अमूर्तीकरण के निहित अनुलाभ प्राप्त करने के लिए डीमैट / इलेक्ट्रॉनिक रूप में परिवर्तित करा लें।

इसके अलावा, सदस्य ध्यान दें कि सेबी ने अपने परिपत्र [SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8] दिनांक 25 जनवरी 2022 द्वारा सूचीबद्ध कंपनियों के लिए यह आज्ञापक बनाया है कि वे किसी भी सेवा अनुरोध पर कार्यवाही करते समय केवल डीमैट रूप में प्रतिभूतियां जारी करें जैसे डुप्लीकेट प्रतिभूति प्रमाण-पत्र जारी करना, अदावी निलंबन खाते का नवीकरण / प्रतिभूति प्रमाण-पत्र का विनियम संबंधी दावा, पृष्ठान्कन, प्रतिभूति प्रमाण-पत्र का उप-विभाजन / विभक्तीकरण, प्रतिभूति प्रमाण-पत्रों / फोलियो का समेकन, पारेषण और प्रतिस्थापन। तदनुसार, सदस्यों से अनुरोध किया जाता है कि वे विधिवत भरे गए और हस्ताक्षरित फॉर्म आईएसआर-4 जमा करते हुए सेवा अनुरोध करें जिसका प्रारूप <https://www.bel-india.in/ContentPage.aspx?MId=17&CId=2505&LId=1&link=2505> और <https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA> में उपलब्ध है। यह ध्यान दिया जाए कि किसी भी सेवा अनुरोध को केवाईसी अनुपालन के बाद ही प्रोसेस किया जा सकता है।

13. वित्त अधिनियम, 2020 के अनुसार, दिनांक 1 अप्रैल, 2020 से शेयरधारकों द्वारा प्राप्त लाभांश आय कर-योग्य होगी और कंपनी को निर्धारित दरों पर सदस्यों को अदा किए गए लाभांश से स्रोत पर कर (टी.डी.एस.) की कटौती करनी होगी। विभिन्न वर्गों की निर्धारित दरों के लिए, सदस्यों से अनुरोध है कि वे वित्त अधिनियम, 2020 और उसके संशोधन देखें। कंपनी को उचित टीडीएस तय करने / कर दर लागू करना रोक रखने में सक्षम बनाने हेतु, सदस्यों से अनुरोध है कि वे 28 अगस्त, 2024 से पहले <https://www.integratedindia.in/ExemptionFormSubmission.aspx> में कंपनी के आरटीए मे. इंटीग्रेटेड रजिस्ट्री मैनेजमेंट सर्विसेस प्रा. लि. में अपेक्षित दस्तावेज अपलोड करा लें। उसके बाद कर निर्धारण / कटौती के बारे में किसी पत्राचार पर विचार नहीं किया जाएगा। शेयरधारकों से अनुरोध है कि वे कंपनी / कंपनी के आरटीए (यदि शेयर भौतिक रूप में धारित करते हों)

The unclaimed/unpaid second interim dividend for the financial year 2016-17. final dividend for the financial year 2016-17 and interim dividend for the financial year 2017-18 are due for transfer to IEPF during the financial year 2024-25. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31 March 2024 on the website of the Company [www.bel-india.in](http://www.bel-india.in). Details of shares transferred have been uploaded on the website of the Company [www.bel-india.in](http://www.bel-india.in). Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA.

12. In accordance with Regulation 40 of the Listing Regulations, as amended, the Company had stopped accepting any transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialization.

Further, Members may please note that SEBI vide its Circular [SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8] dated 25 January 2022 mandated listed companies to issue securities in demat form only while processing any service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available at at - <https://bel-india.in/investors/#generalinfo> and <https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

13. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1 April 2020 and the Company is required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. To enable the Company to determine the appropriate TDS/ withholding tax rate applicability, Members are requested to upload the requisite documents with the Company's RTA M/s Integrated Registry Management Services Pvt. Ltd. at <https://www.integratedindia.in/ExemptionFormSubmission.aspx> or before 28 August 2024. No communication on the tax determination / deduction shall be entertained thereafter. The shareholders are requested to update their PAN with the Company / Company's RTA (in case of shares held in



और डिपॉजिटरी (यदि शेयर डीमैट माध्यम में धारित किए हों) में अपने पैन को अद्यतन करा लें।

14. जो सदस्य एजीएम में प्रस्तुत किए जाने वाले खातों या किसी अन्य मामले के संबंध में कोई जानकारी चाहते हैं, उनसे अनुरोध है कि वे [secretary@bel.co.in](mailto:secretary@bel.co.in) पर ईमेल द्वारा एजीएम की तारीख से कम से कम 7 दिन पहले कंपनी को इस बारे में लिखें। इस पर कंपनी द्वारा उचित उत्तर दिया जाएगा।
15. भौतिक रूप में शेयर धारित करने वाले सदस्य कंपनी (शेयर पूंजी और ऋणपत्र) नियम, 2014 में बताए गए अनुसार फार्म एसएच-13 में किसी भी व्यक्ति जिन्हें कंपनी में उनके शेयर फार्म में उल्लिखित घटना घटने पर निहित होंगे, को नामित करते हुए कंपनी अधिनियम, 2013 की धारा 72 के परिप्रेक्ष्य में नामांकन की सुविधा प्राप्त कर सकते हैं। यदि कोई सदस्य पहले के नामांकन का विकल्प लेना चाहते हैं या उसे रद्द करना चाहते हैं और नया नामांकन दर्ज कराना चाहते हैं वे फॉर्म आईएसआर-3 या फॉर्म एसएच-14, जैसा मामला हो, में जमा करा सकते हैं। भौतिक रूप में शेयर धारित करने वाले सदस्य कंपनी के आरटीए को डुप्लिकेट में फार्म संख्या- एसएच-13 दे सकते हैं। शेयरों को अमूर्त रूप में धारित करने पर नामांकन संबंधित डीपी में दर्ज कराना होगा।
16. कंपनी ने 70वीं एजीएम के लिए वीडियो कॉन्फ्रेंसिंग की सुविधा प्रदान करने हेतु सेंट्रल डिपॉजिटरी सर्विसेस (इंडिया) लिमिटेड (सीडीएसएल) को नियुक्त किया है। सदस्य वीसी / ओएवीएम के माध्यम से एजीएम में भाग लेने या अपनी सुरक्षित लॉगिन विवरण का उपयोग करते हुए [www.evotingindia.com](http://www.evotingindia.com) की ई-मतदान वेबसाइट पर लॉग इन कर एजीएम के लाइव वेबकास्ट को देख सकेंगे।
17. वीसी / ओएवीएम के माध्यम से एजीएम में भाग लेने के लिए सदस्यों के लिए अनुदेश -
  - क. बैठक में शामिल होने की प्रक्रिया रिमोट ई-मतदान के लिए नीचे उल्लिखित अनुदेशों की ही तरह है।
  - ख. बैठक में शामिल होने के लिए वीसी / ओएवीएम का लिंक उपलब्ध कराया जाएगा जिसमें रिमोट ई-मतदान के लिए नीचे उल्लिखित अनुदेशों के अनुसार सफलतापूर्वक लॉगिन करने के बाद कंपनी का ईवीएसएन प्रदर्शित होगा।
  - ग. शेयरधारकों से अनुरोध किया जाता है कि वे बेहतर अनुभव के लिए लैपटॉप / आईपैड से बैठक में शामिल हों। इसके अलावा, शेयरधारकों को अपने लैपटॉप / आईपैड के कैमेरा चालू रखना होगा और बैठक के दौरान किसी प्रकार के व्यवधान से बचने के लिए अच्छी स्पीड का इंटरनेट उपयोग करना होगा।
  - घ. कृपया नोट करें कि मोबाइल डिवाइस या टैबलेट से या मोबाइल हॉटस्पॉट के जरिए जुड़ने वाले सहभागियों को अपने संबंधित नेटवर्क में परिवर्तन के कारण ऑडियो / वीडियो का व्यवधान हो सकता है। इसलिए, सुझाव दिया जाता है कि इस प्रकार की परेशानियों को कम करने के लिए स्थिर वाई-फाई या लैन कनेक्शन का इस्तेमाल करें।

physical mode) and depositories (in case of shares held in demat mode).

14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least 7 days before that date of AGM through e-mail at [secretary@bel.co.in](mailto:secretary@bel.co.in). The same will be suitably replied by the Company.
15. Members, holding shares in physical form, may avail the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the Form SH-13 as prescribed in the Companies (Share Capital & Debentures) Rule, 2014, any person to whom their shares in the Company shall vest on occurrence of event stated in the Form. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14 as the case may be. Persons holding shares in physical form may send Form No. SH-13 in duplicate to RTA of the Company. In case of shares held in dematerialized form, the nomination has to be lodged with the respective DPs.
16. The Company has appointed Central Depository Services (India) Limited (CDSL), to provide Video Conferencing facility for the 70<sup>th</sup> AGM of the Company. Members will be able to attend the AGM through VC/ OAVM or view the live webcast of the AGM by logging on the e-voting website of [www.evotingindia.com](http://www.evotingindia.com) using their secure login credentials.
17. **Instructions for the Members for attending the AGM through VC/OAVM:**
  - a. The procedure for attending meeting is same as the instructions mentioned below for remote e-voting.
  - b. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned below for remote e-voting.
  - c. Shareholders are requested to join the Meeting through Laptops / IPads for better experience. Further shareholders will be required to allow camera of their Laptops / IPads and use internet with a good speed to avoid any disturbance during the meeting.
  - d. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

- ड. सदस्य इस सूचना में बताई गई प्रक्रिया का पालन करते हुए एजीएम शुरू होने के निर्धारित समय से 30 मिनट पहले और एजीएम के दौरान वीसी/ओएवीएम द्वारा एजीएम में शामिल हो सकते हैं।
- च. वीसी / ओएवीएम द्वारा एजीएम में भाग लेने की सुविधा पहले आओ - पहले पाओ आधार पर कम से कम 1000 सदस्यों को उपलब्ध कराई जाएगी। बृहद् शेयरधारकों (जहाँ शेयरधारकों की शेयरधारिता 2% या उससे अधिक है), प्रवर्तकों, संस्थागत निवेशकों, निदेशकों, मुख्य प्रबंधकीय कार्मिकों, लेखा परीक्षा समिति, नामांकन व पारिश्रमिक समिति और पणधारक संबंध समिति के अध्यक्षों, लेखा परीक्षकों आदि के लिए एजीएम में पहले आओ-पहले पाओ आधार पर प्रवेश में कोई प्रतिबंध नहीं होगा।
- छ. जो सदस्य एजीएम के दौरान अपने विचार रखना चाहते हैं या प्रश्न पूछना चाहते हैं वे 14 अगस्त, 2024 (सुबह 9.00 बजे आई.एस.टी.) से 22 अगस्त, 2024 (शाम 5 बजे आई.एस.टी.) तक [secretary@bel.co.in](mailto:secretary@bel.co.in) में कंपनी को ईमेल भेजते हुए स्पीकर के रूप में स्वयं को पंजीकृत कर सकते हैं। जिन सदस्यों ने स्वयं को स्पीकर के रूप में पंजीकृत किया है, केवल वे ही एजीएम के दौरान अपने विचार रख सकते हैं / प्रश्न पूछ सकते हैं। कंपनी एजीएम में समय की उपलब्धता पर निर्भर करते हुए स्पीकरों की संख्या को सीमित करने का अधिकार सुरक्षित रखती है। कृपया नोट करें कि सदस्यों के प्रश्नों के उत्तर तभी दिए जाएंगे जब शेयरधारक निर्दिष्ट तारीख पर कंपनी के शेयर धारित करते हैं।
18. कंपनी अधिनियम, 2013 की धारा 108 जिसे कंपनी (प्रबंधन एवं प्रशासन) नियम, 2014 (यथा संशोधित) के नियम 20, सेबी (सूचीबद्धता की बाध्यताएँ एवं प्रकटीकरण की आवश्यकताएँ) विनियम, 2015 (यथा संशोधित) के विनियम 44 और एमसीए परिपत्रों के साथ पढ़ा जाना है, के अनुपालन में, कंपनी एजीएम में व्यवहारित कारोबार के संबंध में अपने सदस्यों को रिमोट ई-मतदान की सुविधा प्रदान कर रही है। इस प्रयोजनार्थ, कंपनी ने इलेक्ट्रॉनिक माध्यम से मतदान सुकर बनाने के लिए, अधिकृत रिमोट ई-मतदान एजेंसी के रूप में, सेंट्रल डिपोजिटरी सर्विसेस (इंडिया) लिमिटेड (सीडीएसएल) के साथ एक करार किया है। रिमोट ई-मतदान का उपयोग करने वाले सदस्यों द्वारा मताधिकार का प्रयोग करने तथा एजीएम में ई-मतदान की सुविधा सीडीएसएल द्वारा प्रदान की जाएगी। रिमोट ई-मतदान के अनुदेश नीचे दिए गए हैं -

#### रिमोट ई-मतदान हेतु सदस्यों के लिए अनुदेश -

- (i) रिमोट ई-मतदान की अवधि **शनिवार, 24 अगस्त 2024 को सुबह 9 बजे आईएसटी** से शुरू होगी और **मंगलवार, 27 अगस्त 2024 को शाम 5.00 बजे आईएसटी** को समाप्त होगी। इस अवधि के दौरान, कंपनी के सदस्य जो **21 अगस्त, 2024** की निर्दिष्ट तारीख को शेयरों को वास्तविक रूप में या डीमटीरियलीकृत रूप में धारित करते हैं, अपने मताधिकार का प्रयोग इलेक्ट्रॉनिक रूप से कर सकते हैं। रिमोट ई-मतदान मॉड्यूल उसके बाद सीडीएसएल द्वारा निष्क्रिय कर दिया जाएगा।
- e. The Members can join the AGM through VC/OAVM 30 minutes before the scheduled time of commencement of the AGM and during the AGM by following the procedure mentioned in the Notice.
- f. The facility of participation at the AGM through VC/OAVM will be made available to at-least 1000 Members on first come first served basis. No restrictions on account of first come first served basis entry into AGM will be applicable to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
- g. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending e-mail to the Company at [secretary@bel.co.in](mailto:secretary@bel.co.in) from **14 August 2024 (09:00 a.m IST) to 22 August 2024 (05:00 p.m IST)**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that, Members questions will be answered only if the shareholder continues to hold shares of the Company as on the cut-off date.
18. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by Members using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The instructions for remote e-voting are as under:

#### Instructions for Members for Remote E-voting:

- (i) The remote e-voting period begins on **Saturday, the 24 August 2024 at 09:00 a.m IST** and ends on **Tuesday, the 27 August 2024 at 05:00 p.m IST**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **21 August 2024** may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) जिन सदस्यों ने बैठक की तारीख से पहले ही मतदान किया है, वे एजीएम में मतदान करने के हकदार नहीं होंगे।
- (iii) सूचीबद्ध कंपनियों द्वारा प्रदान की गई ई-मतदान सुविधा के बारे में सेबी के परिपत्र सं. SEBI/HO/CFD/CMD/CIR/P/2020/242 दिनांक 9 दिसंबर, 2020 ("सेबी परिपत्र") के परिप्रेक्ष्य में, डीमैट माध्यम में प्रतिभूतियां धारित करने वाले शेयरधारकों को डिपोजिटरी तथा डिपोजिटरी प्रतिभागियों के पास रखे गए उनके डीमैट खाते द्वारा मतदान करने की अनुमति होगी। शेयरधारकों को सलाह दी जाती है कि वे ई-मतदान सुविधा प्राप्त करने के लिए अपने डीमैट खातों में अपना मोबाइल नंबर और ईमेल आईडी अद्यतन कर लें।
- A. डीमैट माध्यम में प्रतिभूतियां धारित करने वाले शेयरधारकों के लिए ई-मतदान करने और एजीएम में शामिल होने की लॉगिन विधि नीचे दी गई है -

शेयरधारकों का प्रकार	लॉगिन की विधि
सीडीएसएल में डीमैट माध्यम में प्रतिभूतियां धारित करने वाले शेयरधारक	<p>1) जिन प्रयोक्ताओं ने सीडीएसएल की ईजी / ईजिस्ट सुविधा का विकल्प लिया है, वे अपने मौजूदा यूजर आईडी और पासवर्ड द्वारा लॉगिन कर सकते हैं। इसका विकल्प बिना किसी अतिरिक्त प्रमाणीकरण के ई-मतदान पेज पर पहुंचने के लिए उपलब्ध होगा। ईजी / ईजिस्ट में लॉगिन करने के लिए यूजर का यूआरएल <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> है या वे <a href="http://www.cdslindia.com">www.cdslindia.com</a> में जाकर लॉगिन आइकन पर क्लिक कर न्यू सिस्टम माईईजी चुन सकते हैं।</p> <p>2) ईजी / ईजिस्ट में सफलतापूर्वक लॉगिन करने के बाद, यूजर पात्र कंपनियों के लिए ई-मतदान का विकल्प देख सकेंगे जहां कंपनी द्वारा दी गई सूचना के अनुसार ई-मतदान प्रगति में होगा। ई-मतदान विकल्प पर क्लिक करने पर, यूजर रिमोट ई-मतदान के दौरान अपने मताधिकार का प्रयोग करने के लिए ई-मतदान सेवा प्रदाता का ई-मतदान पेज देख सकते हैं या बैठक के दौरान वर्चुअल बैठक और मतदान में शामिल हो सकते हैं। इसके अलावा, ई-मतदान के सभी सेवा प्रदाताओं जैसे सीडीएसएल/एनएसडीएल/कार्वा/लिंकिनटाइम के सिस्टम में एक्सेस प्राप्त करने के लिए भी दिए गए हैं ताकि यूजर ई-मतदान सेवा प्रदान करने वाली वेबसाइट में सीधे जा सकें।</p> <p>3) यदि यूजर ईजी / ईजिस्ट विकल्प में पंजीकृत नहीं हैं तो पंजीकरण करने का विकल्प <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> में उपलब्ध है।</p>

- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the AGM.
- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 ("SEBI Circular") on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- A. Login method for e-Voting and joining the AGM for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login to the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>

शेयरधारकों का प्रकार	लॉगिन की विधि
	<p>4) वैकल्पिक रूप से, यूज़र <a href="http://www.cdslindia.com">www.cdslindia.com</a> के होम पेज में उपलब्ध ई-मतदान लिंक से या <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> पर क्लिक करते हुए डीमैट खाता नंबर और पैन नंबर प्रदान करते हुए ई-मतदान पेज में सीधे जा सकते हैं। सिस्टम डीमैट खाते में दर्ज पंजीकृत मोबाइल और ईमेल पर ओ.टी.पी. भेजते हुए यूज़र का प्रमाणीकरण करेगा। प्रमाणीकरण सफल होने पर यूज़र ई-मतदान का विकल्प देख सकेंगे जहां ई-मतदान प्रगति में है और साथ ही ई-मतदान सेवा के सभी प्रदाताओं के सिस्टम में सीधे एक्सेस प्राप्त कर सकेंगे।</p>
एनएसडीएल में डीमैट माध्यम में प्रतिभूतियां धारित करने वाले शेयरधारक	<p>1) यदि आप एनएसडीएल की IDeAS सुविधा में पहले से पंजीकृत हैं तो एनएसडीएल की ई-सर्विस वेबसाइट में जाएं। पर्सनल कंप्यूटर पर या मोबाइल पर यू.आर.एल. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> टाइप कर वेब ब्राउज़र खोलें। ई-सर्विसेस का होम पेज लांच होने के बाद, 'IDeAS' खंड के तहत उपलब्ध "Login" के अंतर्गत "Beneficial Owner" आइकन पर क्लिक करें। एक नया स्क्रीन खुलेगा। आपको यहां अपना यूज़र आईडी और पासवर्ड दर्ज करना होगा। प्रमाणीकरण सफल होने पर आप ई-मतदान सेवाएं देख सकते हैं। ई-मतदान सेवा के तहत "Access to e-Voting" पर क्लिक करें, आप ई-मतदान पेज देख सकेंगे। कंपनी के नाम पर या ई-मतदान सेवा प्रदाता के नाम पर क्लिक करें, आपको रिमोट ई-मतदान अवधि के दौरान अपने मताधिकार का प्रयोग करने या वर्चुअल बैठक में शामिल होने अथवा बैठक के दौरान मतदान करने के लिए ई-मतदान सेवा प्रदाता को निर्देशित किया जाएगा।</p> <p>2) यदि यूज़र IDeAS ई-सेवा में पंजीकृत नहीं है तो <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> पर पंजीकरण करने का विकल्प उपलब्ध है। "Register Online for IDeAS" पोर्टल चुनें या <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> पर क्लिक करें।</p> <p>3) एनएसडीएल की ई-मतदान वेबसाइट देखें। पर्सनल कंप्यूटर पर या मोबाइल पर यू.आर.एल. <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> टाइप कर वेब ब्राउज़र खोलें। सर्विसेस का होम पेज लांच होने के बाद,</p>

Type of Shareholders	Login Method
	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of</p>



शेयरधारकों का प्रकार	लॉगिन की विधि
	<p>‘शेयरधारक/सदस्य’ खंड में उपलब्ध “Login” आइकन पर क्लिक करें। एक नया स्क्रीन खुलेगा। आपको स्क्रीन पर दिखाए गए अनुसार अपना यूजर आईडी (यानी एनएसडीएल में आपका सोलह डिजिट का डीमैट खाता नंबर), पासवर्ड/ओटीपी दर्ज करना होगा। प्रमाणीकरण सफल होने पर आपको एनएसडीएल डिपॉजिटरी की साइट पर निर्देशित किया जाएगा जहां आप ई-मतदान पेज देख सकते हैं। कंपनी के नाम पर या ई-मतदान सेवा प्रदाता के नाम पर क्लिक करें, आपको रिमोट ई-मतदान अवधि के दौरान अपने मताधिकार का प्रयोग करने या वर्चुअल बैठक में शामिल होने अथवा बैठक के दौरान मतदान करने के लिए ई-मतदान सेवा प्रदाता को निर्देशित किया जाएगा।</p>
अपने डिपॉजिटरी प्रतिभागी द्वारा लॉगिन करने वाले शेयरधारक (जो डीमैट माध्यम में प्रतिभूतियां धारित करते हैं)	<p>आप ई-मतदान सुविधा के लिए एनएसडीएल / सीडीएसएल में पंजीकृत अपने डिपॉजिटरी प्रतिभागी द्वारा अपने डीमैट खाते के लॉगिन विवरण का उपयोग करते हुए भी लॉगिन कर सकते हैं। लॉगिन सफल होने पर, आप ई-मतदान का विकल्प देख सकेंगे। ई-मतदान के विकल्प पर क्लिक करने पर आपको प्रमाणीकरण सफल होने के बाद एनएसडीएल / सीडीएसएल डिपॉजिटरी की साइट को निर्देशित किया जाएगा जहां आप ई-मतदान देख सकते हैं। कंपनी के नाम पर या ई-मतदान सेवा प्रदाता के नाम पर क्लिक करें, आपको रिमोट ई-मतदान अवधि के दौरान अपने मताधिकार का प्रयोग करने या वर्चुअल बैठक में शामिल होने अथवा बैठक के दौरान मतदान करने के लिए ई-मतदान सेवा प्रदाता को निर्देशित किया जाएगा।</p>

महत्वपूर्ण नोट - सदस्य जो यूजर आईडी / पासवर्ड दोबारा प्राप्त नहीं कर पा रहे हैं उन्हें सलाह दी जाती है कि वे ऊपर उल्लिखित वेबसाइट में उपलब्ध Forget User ID और Forget Password विकल्प का उपयोग करें।

- ख. ई-मतदान और भौतिक शेयरधारकों तथा ऐसे व्यक्तियों को छोड़कर शेयरधारक जो डीमैट के रूप में धारित करते हैं, के लिए वर्चुअल बैठकों में शामिल होने के लिए लॉगिन करने की विधि।
- शेयरधारकों को ई-मतदान की वेबसाइट [www.evotingindia.com](http://www.evotingindia.com) पर लॉग ऑन करना होगा।
  - “शेयरधारक” मॉड्यूल में क्लिक करें।
  - अब अपना यूजर आईडी दर्ज करें -
    - सीडीएसएल के लिए-16 अंकों का हितलाभी आईडी,
    - एनएसडीएल के लिए - 8 कैरेक्टर का डीपी आईडी और उसके बाद 8 अंकों का क्लाइंट आईडी,

Type of Shareholders	Login Method
	<p>e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

- B. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on “Shareholders” module.
  - Now enter your User ID
    - For CDSL: 16 digits beneficiary ID,
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- ग. शेयरों को भौतिक रूप में धारित करने वाले शेयरधारकों को कंपनी के पास दर्ज फोलियो नंबर दर्ज करना होगा।
- iv) इसके बाद प्रदर्शित इमेज सत्यापन को दर्ज करें और लॉगिन पर क्लिक करें।
- v) यदि आप शेयरों को डीमैट रूप में रखते हैं और [www.evotingindia.com](http://www.evotingindia.com) पर अपने लॉग ऑन कर किसी कंपनी के पहले के ई-मतदान पर मतदान किया है तो आपके मौजूदा पासवर्ड का उपयोग करना है।
- vi) यदि आप पहली बार इसका उपयोग कर रहे हैं तो नीचे दिए गए चरणों का पालन करें -
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- vi) If you are a first-time user follow the steps given below:

पैन	<p>आयकर विभाग द्वारा जारी अपने 10 अंकों का अक्षरांकीय *पैन दर्ज करें (डीमैट शेयरधारकों और वास्तविक रूप में शेयरों को धारित करने वाले शेयरधारक, दोनों के लिए)</p> <ul style="list-style-type: none"> <li>• ऐसे शेयरधारक जिन्होंने कंपनी / डिपॉजिटरी सहभागी के पास अपना पैन अद्यतन नहीं किया है, उनसे अनुरोध है कि वे कंपनी / आरटीए द्वारा भेजी गई अनुक्रम संख्या का उपयोग करें या कंपनी / आरटीए से संपर्क करें।</li> </ul>
लाभांश बैंक विवरण या जन्म तिथि (डीओबी)	<p>लॉगिन करने के लिए अपने डीमैट खाते में या कंपनी के अभिलेखों में दर्ज किए गए अनुसार लाभांश बैंक विवरण या जन्म तिथि (dd/mm/yyyy प्रारूप में) दर्ज करें।</p> <ul style="list-style-type: none"> <li>• यदि दोनों विवरण डिपॉजिटरी या कंपनी में दर्ज नहीं हैं तो लाभांश बैंक विवरण के स्थान पर सदस्य आईडी / फोलियो नंबर दर्ज करें।</li> </ul>

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- vii) इन विवरण को उचित ढंग से दर्ज करने के बाद, "SUBMIT" टैब पर क्लिक करें।
- viii) शेयरों को वास्तविक रूप में धारित करने वाले शेयरधारकों को इसके बाद कंपनी का चयन स्क्रीन दिखेगा। बहरहाल, डीमैट रूप में शेयरों को धारित करने वाले शेयरधारकों को अब 'Password Creation' मेन्यू दिखेगा जिसमें उन्हें नए पासवर्ड फ़ील्ड में अपना लॉगिन पासवर्ड अनिवार्य रूप से दर्ज करना होगा। कृपया ध्यान दें कि इस पासवर्ड का उपयोग किसी अन्य कंपनी जिसमें वे मतदान करने के पात्र हैं, के संकल्पों हेतु मतदान करने के लिए डीमैट धारकों द्वारा भी किया जाएगा बशर्ते कि कंपनी सीडीएसएल प्लेटफॉर्म द्वारा ई-मतदान का विकल्प लेती हो। इस बात की सख्त हिदायत दी जाती है कि आप अपना पासवर्ड किसी अन्य व्यक्ति के साथ साझा न करें और अपने पासवर्ड के संबंध में पूरी गोपनीयता बरतें।
- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- ix) शेयरों को वास्तविक रूप में धारित करने वाले शेयरधारकों के लिए, इस विवरणों का उपयोग इस सूचना में शामिल संकल्पों पर ई-मतदान के लिए ही किया जा सकता है।
- x) भारत इलेक्ट्रॉनिक्स लिमिटेड के ईवीएसएन 240731012 पर क्लिक करें जिस पर आप मतदान करना चाहते हैं।
- xi) मतदान पृष्ठ पर, आपको "RESOLUTION DESCRIPTION" दिखाई देगा और उसी विकल्प के सामने मतदान के लिए "हाँ या नहीं" विकल्प होगा। इच्छानुसार हाँ या नहीं के विकल्प का चयन करें। विकल्प हाँ का अर्थ है कि आप संकल्प को स्वीकार करते हैं और विकल्प नहीं का अर्थ है कि आप संकल्प को अस्वीकार करते हैं।
- xii) यदि आप संपूर्ण संकल्प विवरण देखना चाहते हैं, तो "RESOLUTIONS FILE LINK" पर क्लिक करें।
- xiii) आप जिस संकल्प पर मतदान करना चाहते हैं उसका चयन करने के बाद, "SUBMIT" पर क्लिक करें। एक पुष्टीकरण बॉक्स प्रदर्शित किया जाएगा। यदि आप अपने मतदान की पुष्टि करना चाहते हैं तो "OK" पर क्लिक करें, अपने मतदान को बदलने के लिए "CANCEL" पर क्लिक करें और तदनुसार अपने मतदान को संशोधित करें।
- xiv) एक बार जब आप संकल्प पर मतदान "CONFIRM" कर देते हैं, तो आपको अपना मतदान संशोधित करने की अनुमति नहीं होगी।
- xv) आप मतदान पृष्ठ पर "Click here to print" विकल्प पर क्लिक कर किए गए मतदान का प्रिंट भी ले सकते हैं।
- xvi) यदि कोई डीमैट खाता धारक लॉगिन पासवर्ड भूल गया है, तो यूजर आईडी और इमेज वेरिफिकेशन कोड दर्ज करें और Forgot Password पर क्लिक करें और सिस्टम द्वारा बताए गए विवरण दर्ज करें।
- ग. गैर-व्यक्तिगत शेयरधारकों और संरक्षकों के लिए अतिरिक्त सुविधा-रिमोट मतदान के लिए।
- गैर-व्यक्तिगत शेयरधारकों (यानी व्यक्ति, एचयूएफ, एनआरआई आदि के अलावा) और संरक्षकों को [www.evotingindia.com](http://www.evotingindia.com) पर लॉग इन करना होगा और स्वयं को "Corporates" मॉड्यूल में पंजीकृत करना होगा।
  - संस्था के स्टैप और हस्ताक्षर के साथ पंजीकरण प्रारूप की एक स्कैन की गई प्रति [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) पर ई-मेल की जानी चाहिए।
  - लॉगिन विवरण प्राप्त करने के बाद एडमिन लॉगिन और पासवर्ड का उपयोग करते हुए एक कंप्लाइंस यूजर बनाया जाना चाहिए। कंप्लाइंस यूजर उस खाते को लिंक करने में सक्षम होंगे जिसके लिए वे मतदान देना चाहते हैं।
  - लॉगिन में जुड़े खातों की सूची [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) पर मेल की जानी चाहिए और उन खातों को अनुमोदन प्राप्त करने पर वे अपना मतदान दे सकेंगे।
  - मंडल के संकल्प और मुख्तारनामे (पीओए) की स्कैन की गई प्रति, जो उन्होंने संरक्षक के पक्ष में जारी की है, यदि कोई हो, तो संवीक्षक को उसका सत्यापन करने के लिए सिस्टम में पीडीएफ प्रारूप में अपलोड किया जाना चाहिए।
- ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN of Bharat Electronics Limited: 240731012 on which you choose to vote.
- xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- C. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutiniser to verify the same.

- घ. एजीएम के दौरान ई-मतदान करने वाले सदस्यों के लिए अनुदेश-
- एजीएम के दिन ई-मतदान की प्रक्रिया रिमोट ई-मतदान के लिए ऊपर बताए गए अनुदेशों के समान है ।
  - केवल ऐसे सदस्यों के लिए, जो वीसी/ओएवीएम सुविधा के माध्यम से एजीएम में उपस्थित हैं और जिन्होंने रिमोट ई-मतदान के माध्यम से संकल्पों पर अपने मताधिकार का प्रयोग नहीं किया है और जो अन्यथा ऐसे करने से विवर्जित नहीं हैं, एजीएम के दौरान उपलब्ध रिमोट ई-मतदान के माध्यम से मतदान करने के लिए पात्र होंगे। हालांकि, रिमोट ई-मतदान के माध्यम से मतदान करने वाले सदस्य एजीएम में भाग लेने के लिए पात्र होंगे ।
  - यदि एजीएम के दौरान उपलब्ध ई-मतदान के दौरान सदस्यों द्वारा कोई मतदान किया गया और ऐसे सदस्य वीसी/ओएवीएम के माध्यम से बैठक में भाग नहीं लिया है तो, ऐसे सदस्यों द्वारा किए गए मतदान को अवैध माना जाएगा, क्योंकि बैठक के दौरान ई-मतदान करने की सुविधा केवल बैठक में भाग लेने वाले सदस्यों के लिए उपलब्ध है ।
  - जिन सदस्यों ने रिमोट ई-मतदान के माध्यम से मतदान किया है, वे एजीएम में भाग लेने के लिए पात्र होंगे । हालांकि, वे एजीएम में मतदान करने के पात्र नहीं होंगे।
- ड. सीडीएसएल और एनएसडीएल जैसे डिपोजिटरी के माध्यम से लॉगिन करने संबंधी किसी तकनीकी मामलों के लिए डीमैट माध्यम में प्रतिभूतियां धारित करने वाले शेयरधारकों के लिए हेल्पडेस्क

लॉगिन का प्रकार	हेल्पडेस्क के विवरण
सीडीएसएल में डीमैट माध्यम में प्रतिभूतियां धारित करने वाले शेयरधारक	जिन सदस्यों को लॉगिन में किसी प्रकार की तकनीकी समस्या का सामना करना पड़ रहा है वे <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> में अनुरोध भेजते हुए सीडीएसएल के हेल्पडेस्क से संपर्क कर सकते हैं या 1800 21 09911 पर संपर्क कर सकते हैं।
एनएसडीएल में डीमैट माध्यम में प्रतिभूतियां धारित करने वाले शेयरधारक	जिन सदस्यों को लॉगिन में किसी प्रकार की तकनीकी समस्या का सामना करना पड़ रहा है वे <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> में अनुरोध भेजते हुए एनएसडीएल के हेल्पडेस्क से संपर्क कर सकते हैं या टॉल फ्री नंबर 022 - 4886 7000 और 022-2499 7000 पर संपर्क कर सकते हैं।

- एजीएम में भाग लेने वाले संयुक्त धारक के मामले में, ऐसे सदस्य जिनके नाम कंपनी के सदस्यों के रजिस्टर के अनुसार नामों के क्रम में पहले आते हैं, वे ही मतदान करने के हकदार होंगे।
- कंपनी के निदेशक मंडल ने ई-मतदान की प्रक्रिया की उचित एवं पारदर्शी ढंग से छानबीन करने के लिए श्री तिरुपाल गोरिगे, एफसीएस 6680,

- D. Instructions for Members for e-voting during the AGM:
- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
  - Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM. However, members who have voted through Remote e-Voting will be eligible to attend the AGM.
  - If any Votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.
  - Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- E. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022-2499 7000.

- In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- The Board of Directors of the Company has appointed Mr Thirupal Gorige, FCS 6680, Practicing Company



पेशेवर कंपनी सचिव को स्कूटिनाइज़र नियुक्त किया है। स्कूटिनाइज़र एजीएम में मतदान पूरा होने के तुरंत बाद, एजीएम में किए गए मतदान की गणना करेंगे और तदुपरांत रिमोट ई-मतदान के माध्यम से किए गए मतदान को खोलेंगे और एजीएम की समाप्ति के बाद अधिकतम दो कार्य दिवसों के भीतर, पक्ष या विपक्ष, यदि कोई हो, में डाले गए कुल मतों की समेकित स्कूटिनाइज़र रिपोर्ट कंपनी के अध्यक्ष को पेश करेंगे। अध्यक्ष या उनके द्वारा प्राधिकृत व्यक्ति किए गए मतदान के नतीजों की घोषणा करेंगे।

अध्यक्ष या उनके द्वारा प्राधिकृत व्यक्ति द्वारा नतीजों की घोषणा करने के तुरंत बाद स्कूटिनाइज़र की रिपोर्ट के साथ-साथ इन नतीजों को कंपनी की वेबसाइट [www.bel-india.in](http://www.bel-india.in) पर लगाया जाएगा और इसकी सूचना एक साथ बाम्बे स्टॉक एक्सचेंज लिमिटेड तथा नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड को दी जाएगी।

21. प्रस्तावित संकल्पों को एजीएम की तारीख में पारित किया गया माना जाएगा, जो इन संकल्पों के पक्ष में मतों की अपेक्षित संख्या प्राप्त करने के अधीन होगा।
22. कंपनी अधिनियम, 2013 की धारा 170 के तहत निदेशकों और मुख्य प्रबंधकीय कार्मिकों तथा उनकी शेयरधारिता का रजिस्टर रखा गया है और ऐसी संविदाओं और व्यवस्थाओं का रजिस्टर, जिसमें निदेशक रुचि रखते हैं और जिसे कंपनी अधिनियम, 2013 की धारा 189 के तहत रखा गया है, तथा इस सूचना में संदर्भित अन्य सभी दस्तावेज़ इस सूचना के परिचालन की तारीख से लेकर एजीएम की तारीख यानी 28 अगस्त 2024 तक बिना किसी शुल्क से सदस्यों द्वारा इलेक्ट्रॉनिक रूप से निरीक्षण के लिए उपलब्ध कराई जाएगी। ऐसे दस्तावेज़ों का निरीक्षण करने के इच्छुक सदस्य अपना अनुरोध ई-मेल आईडी [secretary@bel.co.in](mailto:secretary@bel.co.in) पर भेज सकते हैं।
23. एजीएम के दर्ज प्रतिलेख कंपनी द्वारा रखे जाएंगे और बैठक के समाप्त होने के तुरंत बाद कंपनी की वेबसाइट [www.bel-india.in](http://www.bel-india.in) के निवेशक खंड में उपलब्ध कराए जाएंगे।
24. चूंकि एजीएम वीसी / ओएवीएम के माध्यम से आयोजित की जाएगी, इसलिए इस सूचना के साथ रूट मैप संलग्न नहीं किया गया है।

Secretary as the Scrutiniser to scrutinize the e-voting process in a fair and transparent manner. The Scrutiniser shall, after the conclusion of e-voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, a consolidated Scrutiniser's Report of the total number of votes cast in favour of or against or invalid, if any, not later than two working days of the conclusion of the AGM to the Chairman of the Company. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith.

The result, along with the Scrutiniser's Report, will be placed on the Company's website, [www.bel-india.in](http://www.bel-india.in) immediately after the results are declared by the Chairman or any other person authorised by the Chairman, and the same shall be communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, simultaneously.

21. The resolutions proposed will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favour of the resolutions.
22. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the Members electronically without any fee from the date of circulation of this Notice up to the date of AGM i.e. 28 August 2024. Members seeking to inspect such documents can send their request at the e-mail ID [secretary@bel.co.in](mailto:secretary@bel.co.in)
23. The recorded transcript of the AGM, shall be maintained by the Company and also be made available on the website of the Company [www.bel-india.in](http://www.bel-india.in) in the Investor Section, at the earliest soon after the conclusion of the Meeting.
24. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

## सूचना का अनुलग्नक

कंपनी अधिनियम, 2013 की धारा 102 के तहत व्याख्यात्मक विवरण।

### मद सं. 4 के संबंध में -

सरकार ने अपने पत्र दिनांक 19 जून 2024 के माध्यम से श्री मनोज जैन (डीआईएन- 09749046), निदेशक (अनुसंधान व विकास) को उनके कार्यभार ग्रहण करने की तारीख से लेकर उनकी सेवानिवृत्ति की तारीख तक या अगले आदेश तक, इनमें से जो भी पहले हो, बीईएल के मंडल में अध्यक्ष व प्रबंध निदेशक नियुक्त किया है। कंपनी अधिनियम, 2013 की धारा 203 जिसे धारा 179 के साथ पढ़ा जाना है तथा कंपनी अधिनियम, 2013 के अन्य लागू प्रावधानों (यदि कोई हो) और उनके तहत बनाए गए नियमों (वर्तमान में लागू किसी सांविधिक संशोधनों या उसके पुनः अधिनियमन सहित) और / या कंपनी के अंतर्नियमों के अनुच्छेद 74 के अनुसार, मंडल ने दिनांक 20 जून 2024 से श्री मनोज जैन को कंपनी का अध्यक्ष व प्रबंध निदेशक (मुख्य प्रबंधकीय कार्मिक) नियुक्त किया है।

सेबी (सूचीबद्धता की बाध्यताएं और प्रकटीकरण की आवश्यकताएं) विनियम, 2015 के विनियम 17 के अनुसार, प्रबंध निदेशक की नियुक्ति शेयरधारकों के अनुमोदन के अधीन है।

श्री मनोज जैन कंपनी अधिनियम, 2013 की धारा 164, 196 (3) जिसे सेबी (सूचीबद्धता की बाध्यताएं और प्रकटीकरण की आवश्यकताएं) विनियम, 2015 के साथ पढ़ा जाना है, के प्रावधानों के तहत निदेशक के रूप में नियुक्त होने से अनर्ह नहीं हैं।

कंपनी में श्री मनोज जैन और शेयरधारिता हित धारण करने तक उनके रिश्तेदारों को छोड़कर, कंपनी के कोई अन्य निदेशक / मुख्य प्रबंधकीय कार्मिक / उनके रिश्तेदार, किसी भी तरह इस एजीएम की सूचना की मद सं. 4 में निर्धारित संकल्प में वित्तीय रूप से या अन्यथा, संबंधित या इच्छुक नहीं हैं।

अधिनियम की धारा 190 के अनुसार, नियुक्ति के निबंधन तय करने का ज्ञापन कंपनी के पंजीकृत कार्यालय में किसी शुल्क का भुगतान किए बिना सदस्यों के निरीक्षण हेतु उपलब्ध है।

मंडल कंपनी के सदस्यों के अनुमोदनार्थ एजीएम की सूचना की मद सं. 4 में निर्धारित सामान्य संकल्प की सिफारिश करता है।

### मद सं. 5 के संबंध में -

कंपनी अधिनियम, 2013 की धारा 148(3) जिसे कंपनी (लेखापरीक्षा और लेखा परीक्षक नियम), 2014 के नियम 14 के साथ पढ़ा जाना है, के अनुसार कंपनी का निदेशक मंडल लेखापरीक्षा समिति की सिफारिश पर लागत लेखा परीक्षक की नियुक्ति करेगा जो लागत लेखा परीक्षक के पारिश्रमिक की भी सिफारिश करेगा। इस नियम में यह आवश्यकता भी बताई गई है कि लागत लेखा परीक्षक के पारिश्रमिक का अनुसमर्थन तदुपरांत सदस्यों द्वारा किया जाएगा।

लेखापरीक्षा समिति की सिफारिश के अनुसार, बीईएल के निदेशक मंडल ने इस संकल्प में दर्शित निबंधन / पारिश्रमिक पर वित्त वर्ष 2024-25 के लिए कंपनी की

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

#### **In respect of item No.4:**

The Government has vide its letter dated 19 June 2024, appointed Mr Manoj Jain (DIN:09749046), Director (Research & Development) as Chairman and Managing Director on the Board of BEL from the date of assumption of charge of the post till the date of his superannuation or until further orders, whichever is earlier. Pursuant to Section 203 read with Section 179 of the Companies Act, 2013 and other applicable provisions (if any) of the Companies Act, 2013 & rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and/ or Article 74 of Article of Association of the Company, the Board has appointed Mr Manoj Jain as Chairman & Managing Director (Key Managerial Personnel) of the Company w.e.f 20 June 2024.

Pursuant to regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the appointment of Managing Director is subject to the approval of shareholders.

Mr Manoj Jain is not disqualified from being appointed as a Director under provisions of Section 164, 196 (3) of the Companies Act, 2013 and read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Except Mr Manoj Jain and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice of the AGM.

As per section 190 of the Act, the memorandum setting the terms of appointment is available for inspection at the registered office of the company by the members without the payment of any fee.

The Board recommends the ordinary resolution set out at the Item No.4 of the Notice of AGM for approval by the Members of the Company.

#### **In respect of item No.5:**

As per Section 148(3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors Rules), 2014 (the Rules) the Board of Directors of the Company shall appoint the Cost Auditor on the recommendation of the Audit Committee, which shall also recommend remuneration for the Cost Auditor. The rule also requires that the remuneration of the Cost Auditor shall be ratified by the Members subsequently.

As recommended by the Audit Committee, BEL Board of Directors appointed M/s GNV & Associates, Cost Accountants,

लागत लेखापरीक्षा करने के लिए मे. जीएनवी एंड एसोसिएट्स, लागत लेखाकार, बेंगलूरु (फर्म पंजीकरण सं. 000150) को नियुक्त किया है। अधिनियम की धारा 148 (3) जिसे कंपनी (लेखापरीक्षा और लेखा परीक्षक) नियम, 2014 के नियम 14 के साथ पढ़ा जाना है, में बताई गई आवश्यकता अनुसार, निदेशक मंडल द्वारा तय किया गया लागत लेखा परीक्षकों का पारिश्रमिक अनुसमर्थन के लिए सदस्यों के समक्ष रखा जाता है।

कंपनी का कोई भी निदेशक तथा मुख्य प्रबंधकीय कार्मिक या उनके रिश्तेदार, किसी भी तरह इस एजीएम की सूचना की मद सं. 5 में निर्धारित संकल्प में वित्तीय रूप से या अन्यथा, संबंधित या इच्छुक नहीं हैं।

मंडल कंपनी के सदस्यों के अनुमोदनार्थ एजीएम की सूचना की मद सं. 5 में निर्धारित सामान्य संकल्प की सिफारिश करता है।

**सेबी (सूचीबद्धता की बाध्यताएँ एवं प्रकटीकरण की अपेक्षाएँ) विनियम, 2015 के विनियम 36(3) तथा सामान्य बैठक पर सचिवीय मानक (एसएस-2) के खंड 1.2.5 में यथा अपेक्षित, नियुक्ति / पुनर्नियुक्ति के लिए संस्तुत निदेशकों की अतिरिक्त जानकारी**

**मद सं. 3 के संबंध में -**

**पुनर्नियुक्ति -**

नाम और डीआईएन	श्री विक्रमन एन (डीआईएन-10185349)
जन्म तिथि	05 मार्च 1966.
मंडल में प्रथम नियुक्ति की तारीख	01 जून 2023.
शैक्षिक योग्यता	बी. ई. (ऑनर्स)-इलेक्ट्रॉनिक्स एवं कम्युनिकेशन पीजीडीएचआरएम पीएमपी
विशिष्ट कार्यशील क्षेत्रों में विशेषज्ञता	श्री विक्रमन एन ने 1 जून 2023 को नवरत्न रक्षा पीएसयू भारत इलेक्ट्रॉनिक्स लिमिटेड (बीईएल) के निदेशक (एचआर) के रूप में पदभार ग्रहण किया। वे मंडल में पदोन्नति से पहले कार्यकारी निदेशक (रेडार) और बीईएल की गाजियाबाद यूनिट के यूनिट प्रमुख के रूप में सेवारत थे।  श्री विक्रमन एन को मानव संसाधन के विभिन्न पहलुओं और विभिन्न कार्यों जैसे रेडार और मिसाइल प्रणालियों के क्षेत्र में परीक्षण, विपणन और ग्राहक सहायता को संभालने का 35 वर्षों का विशाल, समृद्ध अनुभव है। उनके पास इलेक्ट्रॉनिक्स और कम्युनिकेशन में इंजीनियरिंग (ऑनर्स) की डिग्री और मानव संसाधन प्रबंधन में स्नातकोत्तर डिप्लोमा है। वे 'नवाचार' के लिए प्रतिष्ठित रक्षा मंत्री पुरस्कार के प्राप्तकर्ता हैं। वे परियोजना प्रबंधन संस्थान, अमेरिका से प्रमाणित परियोजना प्रबंधन पेशेवर भी हैं।

Bengaluru (Firm Registration No. 000150) to conduct cost audit of the Company for the financial year 2024-25 on the terms / remuneration as indicated in the resolution. As required under Section 148(3) of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the cost auditors, fixed by the Board of Directors, is placed before the members for ratification.

None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no.5 of the notice of this meeting.

The Board recommends the ordinary resolution set out at the Item No.5 of the Notice of AGM for approval by the Members of the Company.

**Additional information of Directors recommended for appointment/ re-appointment as required Reg. 36(3) of SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015 and and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2).**

**In respect of item No.3:**

**Re-Appointment:**

Name and DIN	Mr Vikraman N (DIN: 10185349).
Date of Birth	05 March 1966.
Date of first appointment on the Board	01 June 2023.
Qualification	B.E (Honors) – Electronics & Communication PGDHRM PMP
Expertise in specific function area	Mr Vikraman N took charge as the Director (HR) of Navratna Defence PSU Bharat Electronics Limited (BEL) on 1 June 2023. He was serving as Executive Director (Radar) and Unit Head of BEL's Ghaziabad Unit prior to his elevation to the Board.  Mr Vikraman N has 35 years of vast, rich experience in handling various facets of HR and diverse functions such as Testing, Marketing and Customer Support in the field of Radars and Missile Systems. He holds a degree in Bachelors of Engineering (Honors) in Electronics & Communication and Post Graduate Diploma in Human Resource Management. He is a recipient of the prestigious Raksha Mantri's Award for 'Innovation'. He is also a certified Project Management Professional from Project Management Institute, USA.

ईडी (रेडार) और यूनिट प्रमुख, बीईएल-गाजियाबाद के रूप में, उन्होंने बीईएल की दूसरी सबसे बड़ी यूनिट को अपने अब तक के उच्चतम कारोबार और लाभप्रदता तक पहुंचाया और उन्हें बीईएल की वार्षिक रोल-ऑन-प्लान बिजनेस बैठक में 'अचीवर' पुरस्कार प्रदान किया गया।

श्री विक्रमन एन ने बीईएल में मानव संसाधन कार्य को एक रणनीतिक बढ़त प्रदान करने में महत्वपूर्ण भूमिका निभाई है। बीईएल के कॉर्पोरेट कार्यालय में महाप्रबंधक (मानव संसाधन) के रूप में अपने पिछले कार्यकाल के दौरान, श्री विक्रमन एन बीईएल की कारोबारी आवश्यकताओं के साथ संरेखण में मानव संसाधन नीतियों और रणनीतियों को संस्थागत बनाने के लिए जिम्मेदार थे। उन्होंने जनशक्ति योजना, निष्पादन प्रबंधन, प्रशिक्षण और विकास, क्षमता विकास, कौशल विकास आदि जैसे क्षेत्रों में नई प्रणाली और प्रक्रियाएं स्थापित कीं। उनके नेतृत्व में, बीईएल ने लोगों की क्षमता परिपक्वता मॉडल (स्तर 3) के लिए प्रमाण-पत्र प्राप्त किया।

श्री विक्रमन एन ने उत्कृष्टता के लिए बीईएल अकादमी की स्थापना और राष्ट्रीय और अंतर्राष्ट्रीय दोनों शिक्षाविदों के साथ साझेदारी बढ़ाने के माध्यम से कंपनी के भीतर सीखने के लिए एक अनुकूल वातावरण तैयार किया है। मानव संसाधन के क्षेत्र में बीईएल के लिए उनके कुछ अन्य प्रमुख योगदान में प्रतिभा प्रबंधन के लिए ईआरपी आधारित शिक्षण प्रबंधन प्रणाली को संस्थागत बनाना, विभिन्न कार्य भूमिकाओं के लिए आवश्यक दक्षताओं का निर्माण करने के लिए कार्यात्मक क्षमता शब्दकोश की स्थापना और लचीला-सीखने को बढ़ावा देने के लिए एक मिश्रित ई-लर्निंग प्लेटफॉर्म लॉन्च करना शामिल है। उन्होंने महामारी के दौरान कार्यबल की सुरक्षा सुनिश्चित करने के लिए प्रमुख एचआर प्रक्रियाओं में परिवर्तन किए, इस प्रकार व्यवसाय की निरंतरता सुनिश्चित की गई।

परीक्षण, विपणन और ग्राहक सहायता प्रमुख के रूप में अपने कार्यकाल के दौरान, मिसाइल सिस्टम

As ED (Radar) and Unit Head, BEL-Ghaziabad, he steered the second biggest Unit of BEL to its highest ever turnover and profitability and was presented 'Achiever' Award at the annual Roll-on-Plan Business Meet of BEL.

Mr Vikraman N has played a pivotal role in providing a strategic edge to the Human Resources function in BEL. During his previous tenure as General Manager (Human Resources) at BEL's Corporate Office, Mr Vikraman N was responsible for institutionalising HR policies and strategies in alignment with the business requirements of BEL. He established new systems and procedures in areas such as Manpower Planning, Performance Management, Training & Development, Competency Development, Skill Development, etc. He was responsible for introducing a comprehensive framework for various competencies for benchmarking performance standards and providing a more equitable method for career progression. Under his leadership, BEL received the certification for People Capability Maturity Model (Level 3).

Mr Vikraman N has promoted an atmosphere conducive for learning within the company through the establishment of the BEL Academy for Excellence and fostering partnerships with both national and international academia. Some of his other major contributions to BEL in the field of HR include institutionalising ERP based Learning Management System for Talent Management, establishing Functional Competency Dictionary to build competencies required for different job roles, and introducing a blended e-learning platform to promote flexi-learning. He implemented changes in key HR processes to ensure safety of the workforce during the pandemic, thus ensuring business continuity.

In his previous assignment at BEL's Missile Systems SBU, Mr Vikraman developed



	एसबीयू ने लगातार चार वर्षों तक ₹1000 करोड़ का रिकॉर्ड कारोबार हासिल किया। श्री विक्रमन एन ने 100 से अधिक प्रमुख हितधारकों का प्रबंधन किया जो प्रतिष्ठित आकाश परियोजना में शामिल थे और देश की पहली स्वदेशी मिसाइल प्रणाली की प्राप्ति को सफलतापूर्वक पूरा किया।
पुनर्नियुक्ति के निबंधन व शर्तें	कंपनी अधिनियम, 2013 की धारा 152 (6) के संदर्भ में पुनर्नियुक्ति।
निदेशकों और मुख्य प्रबंधकीय कार्मिकों के साथ परस्पर संबंध का प्रकटण	कोई नहीं
अन्य पब्लिक लिमिटेड कंपनियों (सूचीबद्ध कंपनियों सहित) में धारित निदेशक के पद	कोई नहीं
अन्य पब्लिक लिमिटेड कंपनियों की समितियों की अध्यक्षता/सदस्यता	कोई नहीं
सूचीबद्ध संस्थाएं जिनसे निदेशक ने पिछले तीन वर्षों में निदेशक पद से इस्तीफा दिया है	कोई नहीं
कंपनी में धारित इक्विटी शेयरों की संख्या	3,789
हितलाभी स्वामी के रूप में कंपनी में धारित इक्विटी शेयरों की संख्या	कोई नहीं

	multi- disciplinary competencies in his team to handle system integration projects. He nurtured the culture change required for the organisation to migrate from the role of a Radar manufacturer to that of a Weapon System Integrator. During his tenure as Head of Testing, Marketing & Customer Support, the Missile Systems SBU achieved a record turnover of ₹ 1,000 Crore for four consecutive years. Mr Vikraman N managed over 100 major stakeholders who were involved in the prestigious Akash project and successfully completed the realisation of the country's first indigenous missile system.
Terms and conditions of re-appointment	Re-appointment in terms of section 152(6) of the Companies Act, 2013.
Disclosure of relationship between Directors and Key Managerial Personnel, inter-se	None.
Directorship held in other Public Limited Companies (including listed Companies)	Nil.
Chairman/ Membership of Committees in other Public Limited Companies	Nil.
Listed entities from which the Director has resigned from Directorship in last three years.	Nil.
No. of equity shares held in the Company.	3,789.
No. of equity shares held in the Company as a beneficial owner.	Nil.

वित्तीय वर्ष 2023-24 के दौरान आयोजित मंडल की बैठक में उपस्थिति	बीईएल में उनके कार्यकाल के दौरान आयोजित 6 बैठकों में से 6 में भाग लिया।
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**मद सं. 4 के संबंध में नियुक्ति-**

नाम और डीआईएन	श्री मनोज जैन (डीआईएन - 09749046).
जन्म तिथि	2 मार्च 1969.
मंडल में प्रथम नियुक्ति की तारीख	26 सितंबर 2022.
शैक्षिक योग्यता	इंजीनयरी स्नातक (इलेक्ट्रॉनिक्स)
विशिष्ट कार्यशील क्षेत्रों में विशेषज्ञता	<p>श्री मनोज जैन ने 20 जून, 2024 को नवरत्न रक्षा पीएसयू भारत इलेक्ट्रॉनिक्स लिमिटेड (बीईएल) के अध्यक्ष और प्रबंध निदेशक का पदभार ग्रहण किया। वे 26 सितंबर, 2022 से निदेशक (आर एंड डी) थे और 1 अगस्त, 2023 से उन्हें निदेशक (बंगलूर कॉम्प्लेक्स) का अतिरिक्त प्रभार भी सौंपा गया था। उन्हें 1 नवंबर, 2022 से 31 मई, 2023 तक निदेशक (मानव संसाधन) का अतिरिक्त प्रभार भी सौंपा गया था। निदेशक (आर एंड डी) के रूप में पदोन्नति से पहले वे बीईएल के बंगलूर कॉम्प्लेक्स में इलेक्ट्रॉनिक वॉरफेयर एंड एवियोनिक्स एसबीयू के महाप्रबंधक थे।</p> <p>श्री मनोज जैन ने आरईसी जयपुर (एमएनआईटी) से स्वर्ण पदक के साथ बीई (इलेक्ट्रॉनिक्स) पूरा करने के बाद अगस्त 1991 में परिवीक्षाधीन अभियंता के रूप में बीईएल में कार्यग्रहण किया था। तीन दशकों से अधिक के अपने अनुकरणीय करियर में, उन्होंने अनुसंधान और विकास के क्षेत्र में महत्वपूर्ण योगदान दिया है। बीईएल की कोटद्वार यूनिट में डी एंड ई में अपने प्रारंभिक वर्षों के दौरान, श्री मनोज जैन ने डिजिटल मल्टीप्लेक्सर, क्रॉस कनेक्ट्स, सीडीओटी एक्सचेंज और सैन्य स्विच के विकास में महत्वपूर्ण भूमिका निभाई। 1999 में, उन्हें बंगलूरु में बीईएल की केंद्रीय अनुसंधान प्रयोगशाला में स्थानांतरित किया गया जहां वे रक्षा नेटवर्क और नेटवर्क तथा बल्क सिक्वोरिटी सॉल्यूशंस के लिए तकनीकों के विकास कार्य में संबद्ध रहे। रेडार के क्षेत्र में, जो बीईएल का प्रमुख कारोबार है, वे एफपीजीए का उपयोग करते हुए ट्रेंड, स्कैन कन्वर्टर और डिस्प्ले के विकास में शामिल थे।</p>

Attendance in the Board meetings held during the financial year 2023-24.	Attended 6 meetings out of 6 meetings held during his tenure in BEL.
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**In respect of item No.4:**

**Appointment:**

Name and DIN	Mr Manoj Jain (DIN: 09749046).
Date of Birth	2 March 1969.
Date of first Appointment on the Board	26 September 2022.
Qualification	Bachelor of Engineering (Electronics).
Expertise in specific function area	<p>Mr Manoj Jain took charge as the Chairman and Managing Director of Navratna Defence PSU Bharat Electronics Limited (BEL) on 20 June 2024. He was Director (R&amp;D) since 26 September 2022 and was also assigned with additional charge of Director (Bangalore Complex) from 1 August 2023. He was also assigned additional charge of Director (HR) from 1 November 2022 to 31 May 2023. He was General Manager of the Electronic Warfare &amp; Avionics SBU at BEL's Bangalore Complex prior to his elevation as Director (R&amp;D).</p> <p>Mr Manoj Jain joined BEL in August 1991 as Probationary Engineer after completing his BE (Electronics) from REC Jaipur (MNIT) with Gold medal. In an illustrious career spanning over three decades, he has made significant contributions to the field of Research &amp; Development. During his initial years in D&amp;E at BEL's Kotdwara Unit, Mr Manoj Jain played a pivotal role in the development of Digital Multiplexers, Cross Connects, CDOT Exchanges and Military Switches. In 1999, he moved to BEL's Central Research Laboratory in Bengaluru and was engaged in the development of technologies for Defence Networks and Network &amp; Bulk Security Solutions. In the area of Radar, one of BEL's core businesses, he was involved in the development of VeXT, Scan Converter and Display using FPGA.</p>

	<p>श्री मनोज जैन ने दिसंबर 2017 से मई 2019 तक सीआरएल-बेंगलूर के मुख्य वैज्ञानिक के रूप में अपनी सेवाएं प्रदान कीं और सभी तकनीकी क्षेत्रों में तकनीकी विकास की निगरानी की। उन्होंने जून 2019 में बीईएल के उत्पाद विकास एवं नवाचार केंद्र (पीडी एंड आईसी) के महाप्रबंधक के रूप में पदभार ग्रहण किया। यहां उनके दो वर्षों के कार्यकाल के दौरान, पीडी एंड आईसी ने बीईएल के लिए आवश्यक कई नए उत्पाद/उप-प्रणाली विकसित किए जिनसे नवाचार और मूल्य वर्धन सुनिश्चित हुआ और आत्मनिर्भरता प्राप्त हुई।</p> <p>श्री मनोज जैन ने जून 2021 में बीईएल-बेंगलूर के इलेक्ट्रॉनिक वॉरफेयर एंड एवियोनिक्स एसबीयू के महाप्रबंधक और प्रमुख के रूप में पदभार ग्रहण किया। एसबीयू के सभी कारोबारी प्रचालनों की निगरानी करने के अलावा, उन्होंने इस कारोबारी खंड के लिए अत्यावश्यक दूरदृष्टि प्रदान की।</p> <p>श्री मनोज जैन ने आर एंड डी के विभिन्न पुरस्कार, प्रमुख योगदानकर्ता पुरस्कार, रक्षा मंत्री के पुरस्कार और सोडेट पुरस्कार प्राप्त किए हैं। उन्होंने अनेक तकनीकी पत्र प्रकाशित किए हैं, अनेक पेटेंट के लिए आवेदन किया है और रक्षा प्रयोक्ताओं और डीआरडीओ को व्याख्यान दिया है।</p>		<p>Mr Manoj Jain served as Chief Scientist of CRL-Bengaluru from December 2017 to May 2019, overseeing technological developments in all technical areas. He took over as General Manager of BEL's Product Development &amp; Innovation Centre (PD&amp;IC) in June 2019. During his two-year stint here, PD&amp;IC developed many new products/sub-systems required for BEL, thus ensuring innovation and value addition, leading to self-reliance.</p> <p>Mr Manoj Jain took over as the General Manager and Head of the Electronic Warfare &amp; Avionics SBU at BEL-Bengaluru, in June 2021. Apart from overseeing all the business operations of the SBU, he provided the much-needed vision for this business vertical.</p> <p>Mr Manoj Jain has received various R&amp;D awards, Key Contributor Awards, Raksha Mantri's Award and SODET Awards. He has published many technical papers, applied for several patents and delivered talks to Defence users and DRDOs.</p>
नियुक्ति के निबंधन व शर्तें	रक्षा मंत्रालय, भारत सरकार के पत्र सं. डीडीपी-ई0032/3/2023-डी (बीईएल) दिनांक 19 जून 2024 में निर्दिष्टानुसार	Terms and conditions of appointment	As stipulated in the Ministry of Defence, Government of India letter no. DDP-E0032/3/2023-D(BEL) dated 19 June 2024.
निदेशकों और मुख्य प्रबंधकीय कार्मिकों के साथ परस्पर संबंध का प्रकटण	कोई नहीं	Disclosure of relationship between Directors and Key Managerial Personnel, inter-se	None.
अन्य पब्लिक लिमिटेड कंपनियों (सूचीबद्ध कंपनियों सहित) में धारित निदेशक के पद	1. बीईएल ऑप्ट्रॉनिक डिवाइसेस लिमिटेड	Directorship held in other Public Limited Companies (including listed Companies)	1. BEL Optronics Devices Limited
अन्य पब्लिक लिमिटेड कंपनियों की समितियों की अध्यक्षता/सदस्यता	बीईएल ऑप्ट्रॉनिक डिवाइसेस लिमिटेड - लेखापरीक्षा समिति के सदस्य, नामांकन व पारिश्रमिक समिति और निवेश समिति के अध्यक्ष	Chairman/ Membership of Committees in other Public Limited Companies	BEL Optronics Devices Limited – Member of Audit Committee, Chairman of Nomination and Remuneration Committee and Investment Committee.
सूचीबद्ध संस्थाएं जिनसे निदेशक ने पिछले तीन वर्षों में निदेशक पद से इस्तीफा दे दिया है।	कोई नहीं	Listed entities from which the Director has resigned from Directorship in last three years.	Nil.

कंपनी में धारित इक्विटी शेयरों की संख्या	7,590	No. of equity shares held in the Company.	7,590
हितलाभी स्वामी के रूप में कंपनी में धारित इक्विटी शेयरों की संख्या।	कोई नहीं	No. of equity shares held in the Company as a beneficial owner	Nil.
वित्तीय वर्ष 2022-23 के दौरान आयोजित मंडल की बैठक में उपस्थिति	आयोजित 7 बैठकों में से सभी 7 बैठकों में उपस्थित	Attendance in the Board meetings held during the financial year 2022-23.	Attended 7 meetings out of 7 meetings held.

मंडल के आदेशानुसार  
कृते भारत इलेक्ट्रॉनिक्स लिमिटेड

**By order of the Board  
For Bharat Electronics Limited**

बेंगलूरु  
1 अगस्त, 2024

एस श्रीनिवास  
कंपनी सचिव

**Bengaluru  
1 August 2024**

**S Sreenivas  
Company Secretary**





# INSPIRING INNOVATION.

EMPOWERING  
THE NATION'S  
DEFENCE  
FORCES.

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To know more, visit  
[www.bel-india.in](http://www.bel-india.in)

### 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.

## KEY HIGHLIGHTS FY 2023-24

₹ 19,820 CRORE  
TURNOVER

₹ 4,020 CRORE  
PAT

₹ 16,082 CRORE  
NET WORTH

₹ 35,046 CRORE  
ORDERS WON IN FY 2023-24

₹ 4,998 CRORE  
EBITDA

₹ 75,934 CRORE  
TOTAL ORDERBOOK

₹ 650 CRORE  
CAPEX SPENDING

₹ 66 CRORE  
CSR BUDGET

₹ 1,236 CRORE  
INVESTED IN R&D ACTIVITIES

18,540 MTCO<sub>2</sub>  
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 2023-24. 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 Directors' Report, Management Discussion and Analysis (MD&A), Corporate Governance Report, and Business Responsibility and Sustainability Report, comply with the Companies Act of 2013, the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations of 2015, and the prescribed 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 Optronics Devices Limited (BELOP) and BEL-THALES Systems Limited (BTSL) for the period from 1 April 2023 to 31 March 2024. Material information, if any, until 31 July 2024 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.



## 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

- o Putting customers first.
- o Working with transparency, honesty & integrity.
- o Trusting & respecting individuals.
- o Fostering teamwork.
- o Striving to achieve high employee satisfaction.
- o Encouraging flexibility and innovation.
- o Endeavouring to fulfil social responsibilities.
- o Proud of being a part of the organisation.

## Objectives

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

## Value created for the stakeholders

<b>SHAREHOLDERS</b> <b>₹ 1,608 CRORE</b> DIVIDEND PAID	<b>COMMUNITIES</b> <b>14 LAKHS</b> LIVES POSITIVELY TOUCHED	<b>SUPPLIERS/VENDORS/ CONTRACTORS</b> <b>₹ 2,993 CRORE</b> PROCUREMENT FROM MSEs
<b>EMPLOYEES</b> <b>₹ 2,467 CRORE</b> WAGES AND BENEFITS PAID	<b>CUSTOMERS</b> <b>₹ 19,820 CRORE</b> ORDER EXECUTED	<b>2,538</b> MSMEs AND START-UPS SUPPORTED

## Our Six Capitals



**Financial Capital**



**Human Capital**



**Manufactured Capital**



**Social and Relationship Capital**



**Intellectual Capital**



**Natural Capital**



# INSPIRING INNOVATION.



## EMPOWERING THE NATION'S DEFENCE FORCES.



Innovation at Bharat Electronics transcends the creation of new products; it is about envisioning the future of defence. We embrace the challenge of transforming visionary ideas into reality, ensuring that our defence personnel are equipped with the best tools to protect our nation. Our commitment to innovation drives us to constantly push the boundaries of what is possible, delivering solutions that not only meet current demands but anticipate future needs.

Throughout the year, we have intensified our investments in advanced technologies to deliver unique and high-value products to our customers, particularly in the defence sector. With a dedicated 6.24% of our turnover invested in R&D, we have achieved a remarkable 77% of our turnover from indigenous products. This commitment not only ensures our competitiveness but also strengthens our nation's self-reliance in defence capabilities. Our dedication to innovation has led to the development of cutting-edge products and systems such as the Sight and Gimbal for BMP Upgrade, Indigenous ASR-MSSR for AAI, and the Compact Gun Fire Control System, among others.

Moreover, we have fortified our competencies by continuously investing in infrastructure, modernising our manufacturing units, and establishing new facilities for critical defence equipment. Our strategic diversification into areas like Network & Cyber Security, Unmanned Systems, and Arms & Ammunition ensures we remain at the forefront of technological advancements. As we look to the future, we are poised to leverage our robust R&D capabilities and strong industry partnerships to navigate the opportunities and challenges ahead. Our focus on innovation and performance, coupled with a strategic approach to diversification and a strong ESG commitment, positions us to empower our nation's defence forces effectively and sustainably.



In an era where technological advancements are pivotal to national security, we stand at the forefront, pioneering solutions that redefine the landscape of defence technology. We develop products that ensure our nation's security and sovereignty, thereby

## 'Inspiring Innovation. Empowering the Nation's Defence Forces.'

serves as our pivot to drive success and ensure growth.





ABOUT BHARAT ELECTRONICS LIMITED (BEL)

# GLOBAL PLAY IN ADVANCED, TECHNOLOGY-LED DEFENCE AND CIVILIAN SOLUTIONS

Bharat Electronics Limited (hereinafter referred to as "we", "our", or "us") is a Government of India undertaking Navratna PSU, primarily engaged in developing electronics technology solutions for the defence and civilian segments. Our extensive presence in the industry has secured us a prominent position in the Indian defence sector, with ongoing expansion into international defence and civil markets. With a strong focus on research and development, we consistently deliver innovative products to our clients, creating continuous value.

Headquartered in Bengaluru, India, we have an extensive presence across the country and are also expanding our reach internationally. The emphasis on quality has been fundamental to our success and long-standing client relationships. This has earned us widespread recognition as a trusted entity in the domain, distinguishing our brand in terms of excellence.



Operating structure

**BEL Optronic Devices Limited (BELOP)**

**Wholly-owned subsidiary**

**BEL-THALES Systems Limited (BTSL)**

**74% Stake held by BEL**

**GE BE Private Limited (GEBEL)**

**26% Shareholding in joint venture (JV)**

**Defence Innovation Organisation (DIO)**

**50% Shareholding by BEL**



**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



**Income 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



**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 REVENUE MODEL**



CORE BUSINESSES

# OUR TECHNOLOGICAL AND PROGRAMME DIVERSITY

Business segments



DEFENCE

Our core focus lies in developing advanced electronics equipment, systems, and services for the Indian defence sector. We leverage strong domain knowledge and core competencies to cater to a wide range of defence needs.

Product and services

- Radar and Fire Control Systems
- Weapon Systems
- Communication
- Network Centric Systems (C4I)
- Electronic Warfare Systems
- Avionics
- Anti-Submarine Warfare Systems & Sonars
- Electro-Optics
- Tank Electronics
- Gun Upgrades
- Strategic Components
- Arms & Ammunitions
- Seekers & Missiles
- Network & Cyber Security

Key Highlights

**80.70%**  
business generated through the defence segment

**₹ 30,579 Crore**  
defence order received in FY 2023-24

**4 new Strategic Business Units Formed**

- Network & Cyber Security
- Unmanned Systems
- Seekers
- Arms & Ammunition

**29**  
Strategic Business Units (SBUs)

## NON-DEFENCE

We diversify our business by developing innovative products and solutions for civilian markets, complementing our core defence focus. This includes sectors such as Homeland Security, Smart City Solutions, Cyber Security, Software Solutions, Medical Electronics and more.



Products and services

- Homeland Security and Smart City (HS&SC) Solutions
- Cyber Security
- Electronic Voting Machines (EVM) & VVPAT
- 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
- Medical Electronics and Solutions

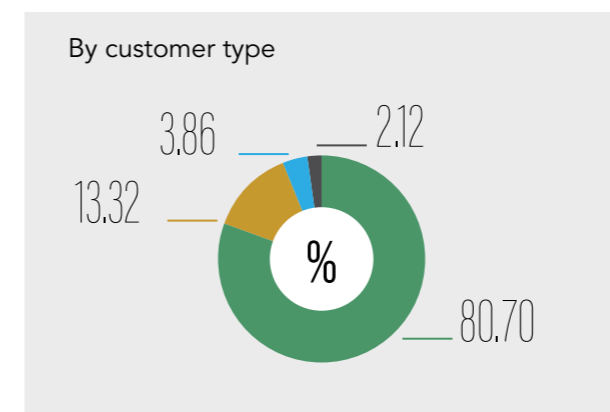
Key Highlights

**13.32%**  
business generated through the non-defence segment

**Dedicated SBUs**  
for Homeland Security, Smart City, Cyber Security and Software Solutions

**₹ 4,019 Crore**  
non-defence order received in FY 2023-24

Turnover break-up

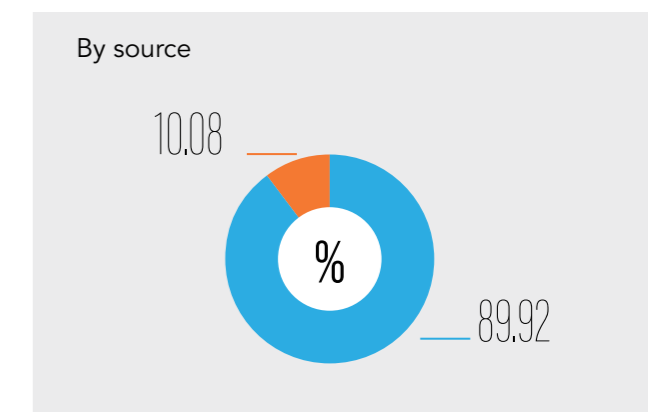


Defence  
**₹ 15,996 Crore**

Non-defence  
**₹ 2,640 Crore**

Exports  
**₹ 764 Crore**

Others  
**₹ 420 Crore**



Sale of products  
**₹ 17,823 Crore**

Services  
**₹ 1,997 Crore**

STRENGTHS

# A SOLID FOUNDATION FOR LONG-TERM GROWTH AND VALUE-CREATION

Our approach is driven by strong values, underpinned by a distinguished market reputation that fosters trust. Positioned for continued top-line growth and profitability, we leverage robust end markets to establish a solid foundation for long-term expansion and value creation.

## 1 Multi-technology, multi-product capabilities

We are deeply engaged in the domestic defence sector while expanding our footprint into international defence and non-defence sectors. Our strength lies in our technological expertise, demonstrated across multiple domains. With a diverse portfolio of high-tech products and services, we leverage our robust multi-technology capabilities to innovate and cater to varied market needs, establishing ourselves as leaders in delivering integrated solutions globally.

## 3 Cultivating a performance and innovative-driven culture

We cultivate a performance and innovation-driven culture by continuously investing in R&D. These investments amplify our world-leading capabilities, allowing us to pioneer innovative and disruptive technologies.

## 2 At the forefront of Make in India

At Bharat Electronics, we are committed to fostering private participation and supporting the MSME/startup ecosystem. We enhance private sector involvement through increased procurements and outsourcing to Indian entities, supported by our outsourcing and vendor development policy. Dedicated Nodal officers ensure streamlined processes and partnerships.

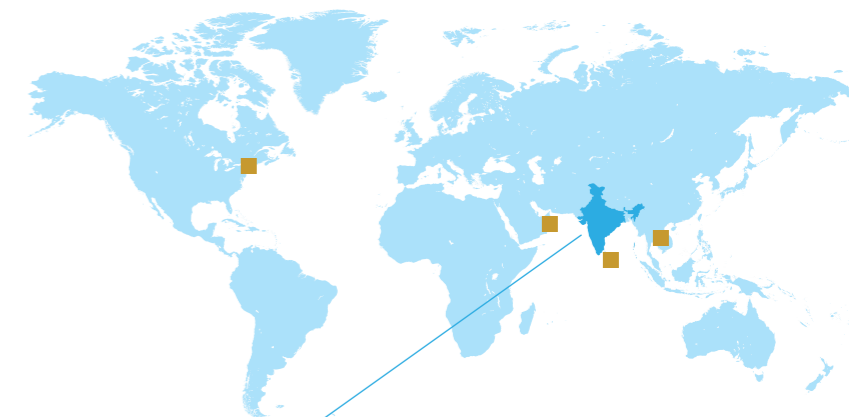
## 4 Strong ESG focus

Our strong ESG focus enhances value creation through comprehensive business and operating models. We integrate environmental sustainability, social responsibility, and robust governance into every facet of our operations, ensuring long-term resilience and sustainable growth. This commitment drives our innovation, operational efficiency, and stakeholder trust, positioning us as a leader in responsible business practices.

## 5 Our expansive global presence



**Headquarter**  
Bengaluru



**Manufacturing Units**  
Bengaluru, Ghaziabad, Pune, Machilipatnam, Panchkula, Chennai, Kotdwara, Hyderabad, Navi Mumbai

**Overseas Offices**  
New York (USA), Muscat (Oman), Colombo (Sri Lanka) & ASEAN countries

**Marketing Offices (national, international and civilian)**  
New Delhi

**Regional/Liaison Offices**  
Bengaluru, Delhi, Mumbai, Visakhapatnam, Kolkata, Nagpur, Agra

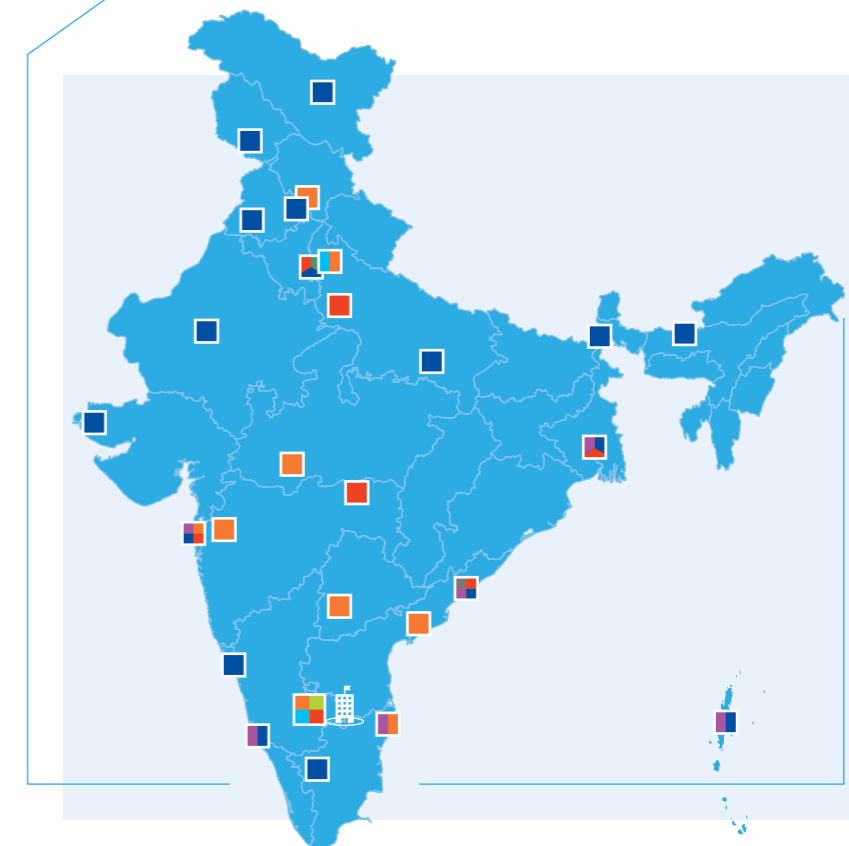
**Regional Product Support Centers (RPSC)**  
Delhi, Kochi, Guwahati, Kolkata, Port Blair, Mumbai, Visakhapatnam, Jammu, Chandigarh, Allahabad, Jodhpur, Sullur, Bhatinda, Wadsar, Bagdogra, Leh

**Central Research Laboratories (CRL)**  
Bengaluru, Ghaziabad

**Water Front Support Centers (WFSC)**  
Chennai, Port Blair, Kochi, Karwar, Vizag, Kolkata, Mumbai

**Product Development and Innovation Center (PDIC),**  
Bengaluru

**Software Development Centre (SDC)**  
Visakhapatnam





# MESSAGE FROM THE CHAIRMAN AND MANAGING DIRECTOR



## Dear Shareholders,

I am pleased to address you as the Chairman and Managing Director and share the Company's achievements and financial highlights during the past year.

We had set ambitious targets at the year's start and with all your support, we were able to achieve the target and grew on all fronts and emerged stronger. The year saw us set new benchmarks in innovation and building new product capabilities while continuing efforts to prioritise R&D, quality, technology and infrastructure modernisation, sustainability and excellence in operations which positions us on a stronger footing.

The year also saw your company scale new heights and creating value for all stakeholders. I am pleased to share that BEL has achieved a market capitalisation of ₹ 1,47,292 Crore on 31 March 2024. This is a testament to our commitment of adequately rewarding our shareholders. Great progress was also made with regard to 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 success, and I sincerely appreciate your confidence and trust.

## Year of record Performance and Accolades

FY 2023-24, BEL achieved a turnover of ₹ 19,819.93 Crore as against ₹ 17,333.37 Crore in FY 2022-23, thereby registering a growth of 14.35%. The growth was driven by strong performances across all segments and regions. Defence continued to be our mainstay, contributing to 81% of revenue in FY 2023-24 as against 87% in FY 2022-23, with the balance 19% coming from the non-defence segment.

Exports business saw a robust uptick, with sales growing by 92% to a record USD 92.98 Million. Our products continued to find increased acceptance in France, USA, Spain, Israel, China, Germany, ASEAN, Armenia, Sri Lanka, Mauritius, UK, etc. This is a clear indication of our growing capabilities. Some of the major products/systems exported include Transmit & Receive (TR) Modules, Data Link II, RWRs, MAWS, LRSAM main equipment, Mechanical Parts, Training Simulators, Communication Equipment, HF Transceiver, UHF Radio, BMS System, CRS, MRCC, Software Development Services for ACCCS Interface to M777-ULH, Compact Multi-Purpose Advanced Stabilisation System (CoMPASS) for MI17, Gimbal CR3 Component Kit, 3D Surveillance Radar, Mini CMS, Shelters, Smart Mailbox etc. Export order book as on 1 April 2024 stands at USD 407.01 Million USD.

Exceptional performance was registered across all metrics. Our profitability growth was stronger driven by an improved product mix. The Profit after Tax grew by 33.7% to ₹ 4,020 Crore in FY 2023-24 as against ₹ 3,007 Crore in FY 2022-23. Our net worth is now stronger at ₹ 16,082 Crore as against ₹ 13,582 Crore in the previous year. Turnover per employee has increased from ₹ 1.96 Crore in FY 2022-23 to ₹ 2.22 Crore in FY 2023-24. Earnings Per Share (EPS) has increased from ₹ 4.11 in 2022-23 to ₹ 5.50 in 2023-24.

We continued the momentum in order acquisition by booking an inflow of ₹ 35,046 Crore during FY 2023-24. Order book position now stands at ₹ 75,934 Crore as on 1 April 2024, giving stable revenue visibility for next few years. We anticipate good order inflow in the next couple of years.

BEL's multidimensional excellence resulted in several noteworthy awards, including:

- Economic Times 'Iconic Brand of the Year Award - 2023'
- 'Employee Excellence Award' from Times Group
- Institution of Engineers (India) 'Industry Excellence Gold Award for Business Excellence'
- Project of the Year - Large Category (Runner Up) Award' from Project Management Institute
- Indian Chamber of Commerce 'PSE Excellence Awards'
- Governance Now PSU Awards
- National Export Excellence Award 2024
- Prestigious CII EXIM Bank Award for Business Excellence 2023 to Hyderabad Unit
- Karnataka State Export Excellence Award



## Progressing the path of innovation

At BEL, innovation is the cornerstone of our success and solidifies our edge amidst rising competitive intensity. 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.

To ensure that we stay at the forefront of innovation, BEL has invested 6.24% of turnover during the year towards R&D. This has helped us to achieve 77% of our turnover from indigenous products and will also give long-term competitive advantage to BEL.

Your Company has always been in the forefront in continuously developing innovative and quality products for customers. Among the major products/systems introduced during FY 2023-24 are Sight and Gimbal for BMP Upgrade, Indigenous ASR-MSSR for AAI, Voice Communication & Control System (IACCS B-III), Compact Gun Fire Control System, USHUS-2 (Integrated Submarine SONAR suite for EKM platform), CMS17A, Turret System upgrade & Sight System development, Antenna & Rotator Unit for Naval Missile Defence Radar, Revathi Stabilisation Platform, RDP for IACCS, IFF MK-XIIA Combined Interrogator Transponder, ADC&RS, Multi Target Tracking Radar, 1 KW Narrow Line Width Fibre LASER, Manpack Satcom Terminal for IAF & Army etc.

Great progress was achieved in protecting our intellectual property. 146 IPRs were filed in FY 2023-24, including 82 patents in Communications, Artificial Intelligence, Radars, Antennae, Embedded Systems, Software and Command and Control Systems domains. With 161 patents granted, our total now stands at 208. Additionally, our scientists and R&D engineers published 97 technical papers, demonstrating our commitment to advancing technology and knowledge in our field.



### Staying at the forefront of opportunities

The optimism in the Indian economy and defence sector is unparalleled. With the continued capex cycle by the government and even the private sector, the Indian economy is projected to sustain its robust growth trajectory. This positiveness ensured sustained momentum in the defence sector, allowing the government to continue its focus on indigenisation with increased investments.

As a key player in defence with multidimensional technology competencies, strong innovation prowess and a well-capitalised balance sheet, BEL is well-placed to seize the opportunities. We are actively participating in MOD's Make-I, Make-II and Make-III projects involving indigenous solution development, with emphasis on Sub-Systems, Systems and Services for which capabilities and competencies are being built.

We will seek to enhance collaborations with DRDO labs, research and premier academic institutions and niche technology players to develop new products and systems in emerging technologies. Furthermore, opportunities are being explored to build long-term relationships with defence industry participants.

Diversification across products, segments, customers, industries and geographies remains an important focus area to unlock new opportunities and scale growth. This includes growing the non-defence business where we see significant prospects, especially in metro, civil aviation and cyber security areas. We will continue to build on our existing competencies and diversify to newer areas.

Additionally, we are pursuing opportunities to expand our customer base in the existing and new geographies.

Headed into FY 2024-25, we expect order acquisition in the range of ₹ 25,000 Crore given the immense industry optimism. While we participate in new orders, we will be sharply focussed on the timely execution of the existing order book. We target a healthy revenue growth of 15-17% driven by the expansion of both defence and non-defence businesses. Opportunities abound, we also remain watchful of the challenges brought by geopolitical situations, emerging technologies, regulatory changes and evolving customer expectations. We will remain agile to effectively navigate them and ensure steady growth path.

### Building capabilities for future readiness

Our overarching goal is to maintain strategic leadership in electronics, and we have established comprehensive strategies to maintain a technological edge and ensure future readiness.

We have committed significant investments in creating and upgrading infrastructure, modernising equipment and enhancing our test instruments and facilities to support various projects. We have envisaged capex to create five new factories, which are in various stages of implementation. A new facility for Seekers, Night vision devices and TI cameras at Nimmaluru in Andhra Pradesh has been completed and is soon expected to commence operations. We are further upgrading our processes and systems. Together, these efforts enhance our speed, agility and competitiveness in responding to customers' requirements.

To support our diversification strategy, we have formed four new Strategic Business Units (SBUs) in the area of Network & Cyber Security, Unmanned Systems, Seekers and Arms & Ammunition at the Bengaluru complex. This will help target newer opportunities and customers.

Roadmaps have been created for the development of future products and technologies, the creation of IPRs and key technologies acquisition. This will enable us to stay at the cutting-edge of technology and meet our customer's evolving requirements with cost-effective and innovative solutions. The R&D partner network has been strengthened to 330, including 42 R&D solution providers, 214 design service providers, 42 consultants and 43 production service providers. This will help foster synergistic R&D efforts, propel our innovation journey and expedite new product and technology development.

We are empowering the workforce through continuous learning, skill development, and promoting an innovation-driven work culture. To support the continuous learning of organisation-wide non-executive employees, we have established 'Abhyudaya', a centralised Centre for Learning. Our training centre BAE received ISO 21001 Educational Organisations Management System (EOMS) Certification. Additionally, we introduced preventive health check-ups for employees aged 45 years and above for early detection and monitoring of pre-existing diseases. These efforts solidify our reputation as a preferred employer promoting growth, creativity, and excellence, positioning us to attract the best talent.

I am happy to note that in recognition of our excellence in quality and sustainability, we have proudly received 20 AS-9100 D standard certifications for our SBU/Units and 24 Green Channel Certificates for our products. This enhances our reputation and trustworthiness in the industry.

### BEL for a sustainable and responsible tomorrow

A commitment to environmental, social and governance principles and stakeholders' interests are fundamental to our operations and growth strategy. Our endeavour to fulfil social responsibilities not only strengthens our relations with stakeholders but also makes our business more competitive and resilient in a rapidly evolving landscape.

FY 2023-24 was a landmark year in our ESG efforts, as we witnessed significant progress in various programmes. In our drive to reduce carbon footprint, we have expanded green energy capacity to 7.4 MWp of solar power and 13.9 MW of wind power. These facilities cumulatively generate 261 Lakhs units of power, leading to a reduction of 18,540 metric tonnes of CO<sub>2</sub> emission annually. Our efforts in wastewater recycling, rainwater harvesting and a focus on reducing, reusing, recovering and recycling are enabling us to progress towards water positivity and a circular economy.

BEL strives for inclusive growth and equitable societal development by implementing capacity building and empowering marginalised communities. Our community intervention focusses on holistic development and institution building, particularly in healthcare, education, skill development, rural development and environment sustainability. One of the noteworthy initiatives this year is the air-conditioned patient waiting lounge being established at AIIMS, New Delhi, which witnesses a daily footfall of around 15,000 patients. The lounge can accommodate around 5,000 patients/attendees and houses patient registration counters, electronic display screens, public address systems, suitable accessibility ramps for PWDs, drinking water points, sanitation facilities, LAN & Broadband communication etc.

We introduced Special Campaign 3.0 focussed on Swachhta and minimised record pendency across all Units/ Offices of BEL. Cleanliness drives and awareness rallies were conducted at various locations with the enthusiastic involvement of employees and the local community.

Good governance and ethical practices are integral to our ESG philosophy, underpinned by robust systems, policies and processes. Your Company stringently follows all applicable regulatory requirements, including signing a Memorandum of Understanding (MoU) every year with the

Ministry of Defence (MoD), Government of India based on guidelines issued by DPE. BEL achieved an MoU performance rating of 'Very Good' in FY 2022-23, with the rating for FY 2023-24 currently under review by the Government. Your Company yet again received a 'Nil' comments certificate from the C&AG for FY 2023-24. A comprehensive report on compliance with the Corporate Governance guidelines can be read in the Board's Report.

### Acknowledgements

In closing, I extend my heartfelt gratitude to all our stakeholders, including the shareholders, customers, business associates and employees. Your unwavering support and collaboration have been instrumental in our journey of growth and value creation. My sincere appreciation, to all members of the Board and Management Committee for guiding the organisation with their invaluable expertise, which has been pivotal to our on-going achievements.

A special acknowledgement to the Ministry of Defence (MoD) and Defence Services for their continued trust, guidance and creation of opportunities that have enabled us to excel.

I thank all employees for their passion and dedication, embodying our values and driving innovation. Your efforts are instrumental in BEL consistently delivering exceptional results exceeding the expectations of customers and all stakeholders.

Looking ahead, we are excited about the opportunities and are committed to unlocking greater value. As we strive for sustained growth and prosperity, we earnestly seek the continued collaboration and support of all stakeholders.

Together, let us innovate, lead with integrity, and build a sustainable future that benefits everyone.

Thank you for the continuous support to Bharat Electronics Limited.

With Best Wishes,

Yours Sincerely

**Manoj Jain**  
Chairman and Managing Director

Bengaluru  
1 August 2024

**BOARD OF DIRECTORS**

(As on 1 August 2024)

# LEADING WITH VISION AND INTEGRITY

**Functional/Whole Time Directors**



**Mr. Manoj Jain**  
Chairman and Managing Director  
Director (Bangalore Complex) -  
(Additional Charge)  
① ② ③ ⑤ ⑥ ⑦ ⑧



**Mr. Bhanu Prakash Srivastava**  
Director (Other Units)  
Director (R&D) - Additional Charge  
① ④ ⑤ ⑥ ⑦ ⑧



**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

**Part-Time Official Directors  
(Government Nominee Directors)**



**Mr. T Natarajan**  
AS (DP)/DDP – MoD



**Dr. Binoy Kumar Das**  
DG (ECS), DRDO

- ① Audit Committee
- ② Nomination and Remuneration Committee
- ③ Corporate Social Responsibility Committee
- ④ Stakeholders Relationship Committee

- ⑤ Risk Management Committee
- ⑥ Share Transfer Committee
- ⑦ Research & Development Committee
- ⑧ Capital Investment Committee

- Chairman
- Invitee
- Member

**Part-Time Non-Official/Independent Directors**



**Dr. Parthasarathi P V**  
② ⑧



**Mr. Mansukhbhai S Khachariya**  
③ ④



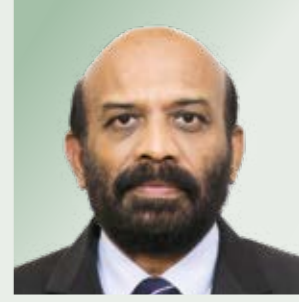
**Dr. Santhoshkumar N**  
② ⑤ ⑦



**Mr. Prafulla Kumar Choudhury**  
① ⑧



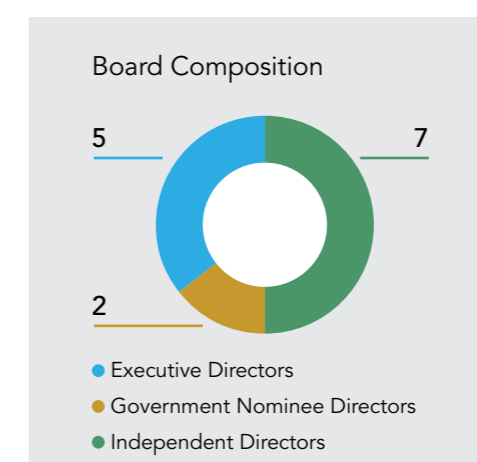
**Dr. Shivnath Yadav**  
① ③



**Mr. Gokulan Bangakandy**  
① ⑦



**Mrs. Shyama Singh**  
② ④



**Company Secretary**



**Mr. S Sreenivas**  
Company Secretary

Profiles of the Directors can be read at: <https://bel-india.in/Leadership.aspx?MId=3&CId=1&LId=1&link=0>



**CVO AND SENIOR EXECUTIVES**

(As on 1 August 2024)

# DRIVING OUR QUEST FOR EXCELLENCE AND SUCCESS



**Ms. Kalyani Sethuraman**  
Chief Vigilance Officer  
(Additional Charge)



**Mrs. Durga G K**  
ED (Software) - BG



**Mrs. Prabha Goyal**  
ED (NM) - Delhi



**Mrs. Rashmi Kathuria**  
GM (SCCS) - GAD & UH



**Mr. Suryanarayana Murthy G**  
GM - Pune



**Mr. Nandha Kumar T D**  
GM (ADSN) - BG



**Mr. Srinivas K**  
GM (EWNS) - HYD



**Mrs. Ancy James**  
ED (EM) - BG



**Mr. Naresh Kumar**  
ED (PD&IC)



**Mr. Rajendra Aiwale**  
GM (Seeker/RF&IR) - BG



**Mr. Hari Kumar R**  
GM (TP) - CO



**Mrs. Vanisree V**  
CTO (EW&P) - CO



**Mr. Prahalad P S**  
GM (CM) - Delhi



**Mr. Anil Pant**  
GM (US) - BG



**Mr. Anoop Kumar Rai**  
CS (CRL) - GAD



**Mr. Sampath Kumar P**  
CTO (Comm) - CO



**Mr. Ramakrishnan L**  
CS (CRL) - BG



**Mr. Rajnish Sharma**  
GM (MR) - BG



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



**Mr. Giriraja N**  
GM (DCCS) - GAD



**Mr. Anil K Sogi**  
GM (EW&A) - BG



**Mr. Jitendra Singh**  
GM - MC



**Mr. Tribhuvan Narayana Singh**  
GM (Comp) - BG



**Mrs. Niti Pandit**  
GM (SP) - CO



**Mr. Ramkumar B**  
GM (HR) - CO



**Mr. Kamesh Kasana**  
GM (Mil. Com.) - BG



**Mr. Amrish Tripathi**  
GM - KOT



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



**Mrs. Manjula Devi N**  
GM (MS) - BG



**Mrs. Rama S**  
GM (Finance) - CO



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



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



**Mr. Indrajit Singh**  
GM (Finance) - BG



**Mr. Sanjeevkumar Mahajan**  
GM (NS/R&FCS) -BG



**Mr. Jayandran I**  
GM - CHN



**Mrs. Dharani B**  
CTO (R&WS) - CO



**Dr. Viswanadham C H**  
GM (EWLS) - HYD



**Mr. Srinivas Rao H P**  
GM (IM) - Delhi



**Mr. Sanjay Agarwal**  
GM (CS) - CO



**Mr. Dheeraj Talwar**  
GM (Radar) - GAD



**Mr. J Prabhakara Rao**  
GM - NAMU



**Mrs. Deepa Bajpai**  
GM - PK



BUSINESS MODEL

# OUR ROBUST VALUE CREATION APPROACH



**Financial Capital**  
Capital employed ₹ 14,660 Crore

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**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
- ₹ 650 Crore capex

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**Intellectual Capital**

- Robust three-tier R&D: 2 Central Research Laboratories, 1 PDIC (including CoEs), 9 D&Es
- 2,622 R&D team
- ₹ 1,236 Crore invested in R&D
- Competency in emerging technologies (AI, big data analytics, IoT, 5G wireless communication, robotics and computer vision, AR/VR, quantum cryptography)
- 146 IPRs filed (Patents: 82, Copyrights: 55, Industrial Designs: 6, SICLD: 1, Trademark: 2)

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**Human Capital**

- 8,937 engaged employees
- 21.57% female employees
- 75,912 mandays training provided
- ₹ 7.53 Crore spent on training and development

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**Social & Relationship Capital**

- ₹ 65.98 Crore CSR budget
- Meeting quality requirements of defence and non-defence clients

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**Natural Capital**

- ₹ 7.13 Crore invested in sustainability initiatives
- Total 21.3 MW renewable energy capacity (Wind power plants: 13.9 MW and Grid connected Solar PV power plants: 7.4 MWp)
- 1,800 saplings planted to the existing afforestation area
- 37 new RoHS-compliant components introduced. A total of 879 RoHS-compliant standards are in place for areas of electronic / electrical / mechanical components

**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 Total Quality Management

**BIDDING AND CONTRACTING**

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

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

*Refer to page 8 for detailed information on products manufactured.*

**Financial Capital**

- ₹ 19,820 Crore turnover
- ₹ 4,998 Crore EBITDA
- ₹ 4,586 Crore EBIT
- ₹ 4,020 Crore PAT
- ₹ 1,47,292 Crore market capitalisation
- ₹ 1,608 Crore dividend

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**Manufactured Capital**

- 77% turnover from indigenously developed products
- 80.70% of turnover from defence supplies
- ₹ 20,381 Crore Value of production

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**Intellectual Capital**

- 40 new products introduced
- ₹ 3,364 Crore R&D value addition
- 262 IPR granted (Patents: 161, Copyrights: 88, Industrial Designs: 7, SICLD: 5, TM: 01)

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**Human Capital**

- ₹ 2.22 Crore turnover per employee

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**Social & Relationship Capital**

- 14 Lakhs CSR beneficiaries across India
- 2,538 MSMEs and startups supported
- 37.28% of procurements from MSEs

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**Natural Capital**


- Natural resource conservation
- 18,540 mtCO<sub>2</sub> emission prevented
- Increase in carbon sink and generation of oxygen
- Minimising generation of hazardous waste
- 42.20% of Overall green energy consumption







STAKEHOLDERS ENGAGEMENT





# BUILDING LASTING RELATIONS, CO-CREATING FUTURES

Recognising the value of diverse perspectives in the decision-making process, we uphold a policy of continuous engagement with all the stakeholders. This enhances our strategic prudence while ensuring continuous growth amid the operating landscape vulnerability. Also, this collaborative approach fosters stronger relationships, promotes innovation, and strengthens our competitive positioning, enabling us to deliver exceptional value.

Stakeholders	Relevant matters	Engagement channels and frequency	Our response
 <p><b>Shareholders and Investors</b></p>	<ul style="list-style-type: none"> <li>Profitability, growth potential and EPS</li> <li>Capital allocation and shareholder returns</li> <li>Operational performance</li> <li>Engagement with Board of Directors</li> <li>ESG considerations</li> <li>Share price performance</li> <li>Adequate and timely information</li> </ul>	<ul style="list-style-type: none"> <li>Regular disclosures</li> <li>Annual General Meeting (AGM)</li> <li>Analysts &amp; investors meets / concall</li> <li>Press Releases</li> <li>Annual Report</li> <li>Company's website</li> </ul> <p>Frequency: Quarterly</p>	<ul style="list-style-type: none"> <li>Delivered strong financial performance and regular dividend payment</li> <li>Implemented strategic measures for growth</li> <li>On-time submission of quarterly, half-yearly, and annual financial results</li> <li>Conducted concalls and investors meet and AGM, facilitating engagement with management</li> <li>Provided e-voting facility to shareholders and addressed their grievances</li> <li>Disseminated requisite, adequate, and timely information to Stock Exchanges and updated the Company's website accordingly</li> </ul>

Stakeholders	Relevant matters	Engagement channels and frequency	Our response
 <p><b>Defence Customers</b></p> <ul style="list-style-type: none"> <li>Army</li> <li>Navy</li> <li>Air Force</li> <li>MoD (acquisition and related departments)</li> <li>DPSUs</li> <li>CPSEs</li> <li>Private companies</li> </ul>	<ul style="list-style-type: none"> <li>Indigenous design, development</li> <li>Manufacturing of state-of-the-art products and services</li> <li>Competitively priced offerings</li> <li>Reliable project execution</li> <li>Timely delivery of products and services</li> <li>Comprehensive product support, life cycle management, and obsolescence management</li> <li>Upgrades and life extension services</li> </ul>	<ul style="list-style-type: none"> <li>Regular engagement to understand current and future requirements and provide innovative, indigenous solutions with contemporary technologies</li> <li>Periodic institutional meetings by senior management with key decision-makers and end users of customers</li> <li>Senior management, Marketing, D&amp;E, and Project teams regularly engage with their customer counterparts to discuss needs, requirements, and support</li> </ul> <p>Frequency: Institutional meetings: Half yearly/on need basis Joint working level meetings : Quarterly Project teams: Ongoing</p>	<ul style="list-style-type: none"> <li>Launching in-house projects aligned with customer products, ensuring timely delivery through development or collaboration with partners</li> <li>Engaging customers in joint development and review meetings, facilitating end-user trials</li> <li>Seeking expert advice for project adjustments through regular interactions with customer agencies</li> <li>Maintaining contractual timelines and quality through enhanced programme management, production, quality assurance, and supply chain processes</li> <li>Setting up and expanding RPSCs for onsite technical support, high service levels, spares supply, and obsolescence management</li> <li>Engaging in OMO activities with end users to resolve operational challenges effectively</li> </ul>
 <p><b>Export Customers</b></p> <ul style="list-style-type: none"> <li>Overseas MoD</li> <li>Ministries of Homeland Security</li> <li>Other Governmental/non-Governmental agencies</li> <li>OEMs</li> <li>Import/export agencies</li> </ul>	<ul style="list-style-type: none"> <li>Field-proven equipment with turnkey solutions</li> <li>Programme funding assurance</li> <li>Emphasis on quality and reliability</li> <li>Local presence for support and maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Conducting one-to-one meetings, presentations, and demos to understand requirements and provide satisfactory solutions</li> <li>Partnering with local companies for marketing, liaisoning, and product support services</li> </ul> <p>Frequency: Quarterly/on need basis</p>	<ul style="list-style-type: none"> <li>Overseas marketing offices in focus markets</li> <li>Participation in defence exhibitions, seminars, and customer-organised meets in overseas target markets</li> <li>Agreements with local companies for marketing and product support services</li> </ul>

Stakeholders	Relevant matters	Engagement channels and frequency	Our response
 <p><b>Non-defence customers</b></p> <ul style="list-style-type: none"> <li>ECI (Election Commission of India)</li> <li>MOHUA (Ministry of Housing and Urban Affairs)</li> <li>MHA (Ministry of Home Affairs)</li> <li>METRO (Metro Rail Corporations)</li> <li>AAI (Airports Authority of India)</li> <li>ISRO (NSIL - New Space India Limited)</li> <li>State Governments and other Government Agencies</li> </ul>	<ul style="list-style-type: none"> <li>Converting requirements into solutions</li> <li>Products/solutions embedded with contemporary technologies and indigenous manufacturing</li> <li>Competitive pricing, reliability of quality, supply, and timely implementation</li> </ul>	<ul style="list-style-type: none"> <li>Technology and business workshops to understand requirements</li> <li>Communication, presentations, extensive trials, and Proof of Concept demos to establish competencies</li> <li>Participation in exhibitions, seminars, and workshops</li> </ul> <p><b>Frequency:</b> Quarterly/on need basis</p>	<ul style="list-style-type: none"> <li>MoU/collaboration agreements with key customers for identified products/solutions</li> <li>Co-opting indigenous supply chain partners to develop Make in India solutions</li> <li>Addressing concerns related to delays, product support issues, and pricing through liaison with concerned SBUs and corporate management</li> </ul>
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>Welfare amenities</li> <li>Pay and benefits</li> <li>Career advancement</li> <li>Health and safety aspects</li> </ul>	<ul style="list-style-type: none"> <li>Learning and development</li> <li>Performance management</li> <li>Townhall meetings and newsletters</li> <li>Promotion policy and welfare</li> <li>Employees Well-being</li> <li>Preventive Health check-up once in 2 years</li> <li>Work-Life Balance: 10 occasions of flexi-time per month</li> <li>Onboarding: Structured and comprehensive induction programme</li> <li>Compensation: Structured pay and benefit administration</li> <li>Safety: Robust safety measures</li> <li>Health: Comprehensive medical scheme</li> <li>Performance: Robust performance management system</li> <li>Career Progression: Well-defined promotion policy</li> <li>Welfare: Provision of amenities beyond statutory requirements</li> <li>Reward &amp; Recognition</li> </ul> <p><b>Frequency:</b> Regularly</p>	<ul style="list-style-type: none"> <li>Sponsorship for higher education (M. Tech/PG courses in Management)</li> <li>Mentoring for new executives</li> <li>R&amp;R programmes (Excellence Awards, R&amp;D Awards, etc.)</li> <li>Performance improvement plans</li> <li>Welfare amenities (crèche, transport, sports, township, etc.)</li> <li>Introduction of 'United We Care' app for emotional wellness</li> <li>Introduced preventive health check-ups for employees aged 45+ and their spouses (for senior management).</li> <li>Enhanced BE Death Benefit Scheme coverage: <ul style="list-style-type: none"> <li>Non-executives: Increased from ₹ 10 Lakhs to ₹ 15 Lakhs</li> <li>Executives: Increased from ₹ 50 Lakhs to ₹ 60 Lakhs</li> </ul> </li> <li>Death Benefit Scheme (BESAFE)</li> </ul>

Stakeholders	Relevant matters	Engagement channels and frequency	Our response
 <p><b>Suppliers / Vendors / Contractors</b></p>	<ul style="list-style-type: none"> <li>Timely payments</li> <li>Status of acceptance/rejection</li> <li>Delivery status</li> <li>Compliance with Environmental Management System (EMS)</li> </ul>	<ul style="list-style-type: none"> <li>Status update on item acceptance/rejection and payment</li> <li>Information on items due for supply</li> <li>EMS details through purchase orders</li> </ul> <p><b>Frequency:</b> On daily basis</p>	<ul style="list-style-type: none"> <li>Updating data on the SRM Portal and sending system-generated emails for payment status</li> <li>Sending system-generated emails to vendors for rejected items, including follow-up and corrective action reports</li> <li>Advance notification emails for upcoming deliveries</li> <li>Conducting awareness training</li> </ul>
 <p><b>Strategic Partners</b></p>	<ul style="list-style-type: none"> <li>Market demand/business opportunity identification</li> <li>Collaboration for pursuing opportunities including exports, development, production, and technology</li> <li>Fair distribution of risk, investments, and anticipated benefits</li> </ul>	<ul style="list-style-type: none"> <li>Participation in industry/customer/Government events to facilitate senior management meetings</li> <li>Institutional meetings with potential strategic partners to identify opportunities</li> <li>Formation of joint working level committees</li> <li>Establishment of project teams for joint development and production</li> </ul> <p><b>Frequency:</b> Quarterly/on need basis</p>	<ul style="list-style-type: none"> <li>Aligning business priorities with market demand/opportunity</li> <li>Identifying complementary strengths and synergy for value creation</li> <li>Clearly defined roles, responsibilities and risk-sharing</li> <li>Due diligence in partner selection for capability, experience and technology maturity</li> </ul>
 <p><b>Communities</b></p>	<ul style="list-style-type: none"> <li>Inclusive Community interventions focussing on development &amp; institution building</li> <li>Driving local economic growth</li> <li>Sustainability related initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Signboards for awareness</li> <li>Press Release in Print Media, Broadcast Media &amp; Social Media</li> <li>Interactions with community/local administration</li> <li>Impact assessment surveys</li> </ul> <p><b>Frequency:</b> Periodically</p>	<ul style="list-style-type: none"> <li>Compliance with regulations</li> <li>CSR and Sustainability policies</li> <li>Need-based assessment surveys and action plans approved by local administration</li> <li>Regular dialogue with key community stakeholders</li> <li>Addressing feedback from beneficiaries</li> <li>Site inspections by CSR Committee and Monitoring Committee</li> </ul>
 <p><b>Government &amp; Regulatory bodies</b></p>	<ul style="list-style-type: none"> <li>Compliance with applicable laws and regulations</li> <li>Community development and job creation initiatives</li> <li>Contribution to national economic growth</li> </ul>	<ul style="list-style-type: none"> <li>Exhibitions</li> <li>Regular meetings &amp; reviews</li> <li>Participating in Govt. initiatives</li> </ul> <p><b>Frequency:</b> Regularly</p>	<ul style="list-style-type: none"> <li>Compliance with laws, regulations, and policies</li> <li>Investment in infrastructure development to contribute to India's economic growth</li> <li>Alignment of activities with government initiatives like 'Make in India' and 'Aatmanirbhar Bharat'</li> </ul>

RISK MANAGEMENT

# CHARTING COURSE TO RESILIENCE AND SUSTAINABLE GROWTH

Effective risk management is crucial for achieving strategic objectives and creating sustainable shareholder value. Operating primarily in the Defence sector, we navigate challenges from geopolitical complexities, supply chain interconnections, evolving technologies, and stringent trade regulations. Our proactive approach, supported by a robust Enterprise Risk Management (ERM) framework, ensures resilience and sustainability. This framework, with defined policies and procedures, allows us to seize opportunities while managing identified risks. Throughout the reporting period, our Board rigorously assessed principal and emerging risks, monitoring our risk management and internal control systems.



## TECHNOLOGY RISKS OVERVIEW

Technology is crucial in our Aerospace & Defence sectors, where integrating appropriate technologies into equipment, systems and platforms is essential for meeting customer preferences. Misalignment could lead to significant resource loss and business impact. We mitigate these risks by involving end users/customers in 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

- Focus on in-house development of critical technologies
- Collaborate with national R&D institutions, academia, and startups
- Enhance control and facilitate integration of multiple technologies

#### 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, encourage private sector participation, leading to increased competition and potential impact on our market position in certain segments.

### Mitigation approaches

#### Fostering strategic partnerships

- Foster partnerships with domestic private defence entities
- Co-develop and manufacture to address opportunities from indigenisation lists

#### Strengthening in-house development

- Emphasise development of high-value and high-technology products
- Focus on strategic systems

#### Exploring market diversification opportunities

- Pursue product and market diversification strategies
- Explore export markets to reduce reliance on domestic markets



## RISKS IN INPUT RAW MATERIAL/COMPONENTS

Potential delays in receiving input materials and components due to supply chain discontinuities, long lead times, and vendor defaults caused by increased raw material prices.

### Mitigation approaches

#### Expanding Sourcing Channels

- Expand sourcing channels 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

# ENGINEERING TOMORROW'S SUCCESS

## Strategies undertaken

### 1 STRENGTHENING THE CORE BUSINESS

The domestic defence sector has been our primary focus and major revenue generator. Long-standing presence in the domain has gained us the expertise to deliver quality products and services to our clients while striking a long-standing relationship.

#### Key focus areas

- Continuous innovation in the product line
- Augmenting the infrastructure to meet the dynamic demands
- Setting up new production units to scale the business

₹ 30,579 Crore

Orders received for defence business in FY 2023-24

### 2 DIVERSIFYING THE BUSINESS SEGMENT

We are strategically extending our capabilities to enter allied business segments and markets, aiming to diversify our revenue streams. By tapping into the growing demand for advanced electronics and technology solutions in the civilian market, we leverage our competencies to address new areas such as smart cities, cyber security solutions, software, renewable energy, rail & metro solutions, Airport solutions and healthcare. This approach ensures sustainable growth and enhances our brand recognition and credibility across diverse industries.

#### Key focus areas

- Exploring new business models aligned with customer requirements to grow the non-defence business
- Entered MoUs with AAI, Delhi Metro, IISC, UAS and opening opportunities for more civilian orders

₹ 4,019 Crore

Orders received for non-defence business in FY 2023-24

### 3 EXPANSION IN INTERNATIONAL BOUNDARIES

We are actively expanding into international markets to access larger and more diverse opportunities beyond the domestic sphere. By forming strategic partnerships and collaborations, we aim to enhance our capabilities and extend our global reach. This expansion will improve our brand recognition and credibility as a global player in the defence sector, establishing us as a trusted and reliable partner in international defence markets.

#### Key focus areas

- Expanding reach of products and services to new markets while exploring offset opportunities
- Local collaborations in target markets and participation in overseas exhibitions for enhancing market visibility

USD 407 Million

Export orderbook as on 1 April 2024

### 4 STRENGTHENING R&D

Our R&D efforts are anchored in innovation and supported by a robust in-house team and substantial investment. We prioritise customer-centric product development through the acquisition of cutting-edge technologies. Our expertise spans software development for critical projects and the engineering of field-proven products with deep domain knowledge. This approach ensures our solutions are innovative, ergonomic and battle-ready, meeting the strategic needs of our customers effectively.

#### Key focus areas

- Collaborative development with design agencies, academia, start-ups, industry (PSU/Private), global OEMs, etc.
- Creating capabilities for developing technologies to meet emerging customer requirements
- Establishing Centres of Excellence in various technology domains
- Exploiting dual-use technologies for product differentiation and market expansion

₹ 1,236 Crore

R&D investment in FY 2023-24

**Financial Capital**



# MAXIMISING RETURNS FOR OUR STAKEHOLDERS

**UN SDGs impacted**



Decent Work and Economic Growth

Growth has always been the constant at BEL. Capitalising on the electronics engineering and research sector, we have positioned ourselves as a prominent player in the domestic sector while accentuating our excellence in the international boundaries as well. This further gets complemented through our civil segment foray. Moreover, the Government's "Make in India" initiative has launched us the platform to excel and scale our business diversity and uplift on a global scale.

**Key highlights**

**₹ 19,820 Crore**

Turnover

**₹ 4,998 Crore**

EBITDA

**₹ 1,47,292 Crore**

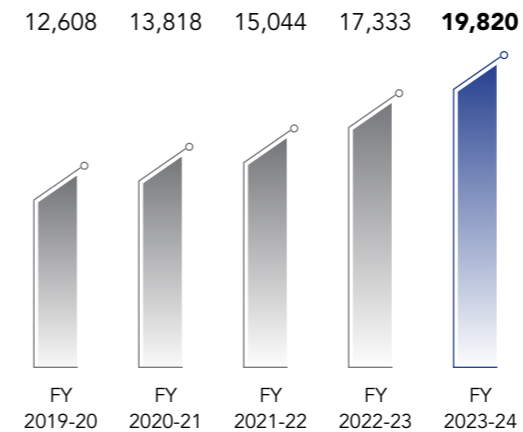
Market capitalisation

**Financial performance review of FY 2023-24**

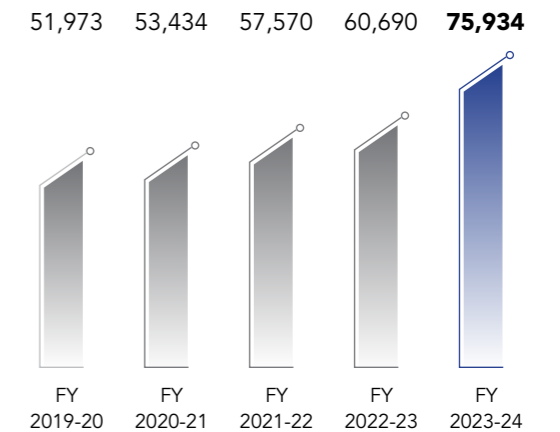
The reporting period proved to be exceptionally successful for the Company, marked by securing the highest ever order amounting to ₹ 35,000 Crore in a single year. This achievement increased our total order book to ₹ 75,934 Crore by the end of FY 2023-24. Turnover experienced a notable rise, increasing by 14.35% year-on-year to ₹ 19,820 Crore. Our EBITDA also improved, reaching 25.22%, up from 23.35% in FY 2022-23. Furthermore, Profit After Tax (PAT) rose to ₹ 4,020 Crore compared to ₹ 3,007 Crore in FY 2022-23, reflecting a growth of 33.68%.

Our performance for FY 2023-24 underscores our strategic actions aimed at enhancing efficiency and cost management. These measures have significantly increased shareholder returns and reinforced their trust in the Company. As a result, our Net Worth has improved to ₹ 16,082 Crore, and Earnings Per Share (EPS) have risen to ₹ 5.50 from ₹ 13,582 Crore and ₹ 4.11 in the previous reporting period, respectively.

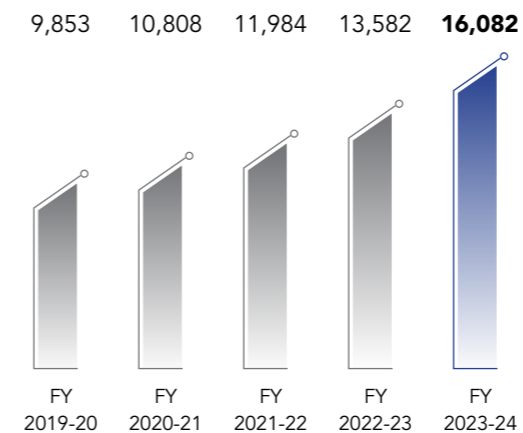
**Turnover (₹ Crore)**



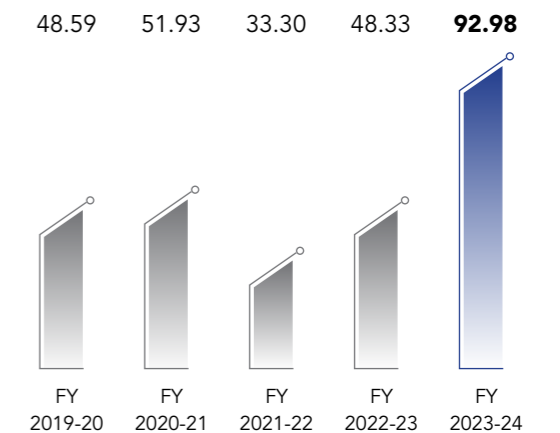
**Order book (₹ Crore)**



**Net worth (₹ Crore)**

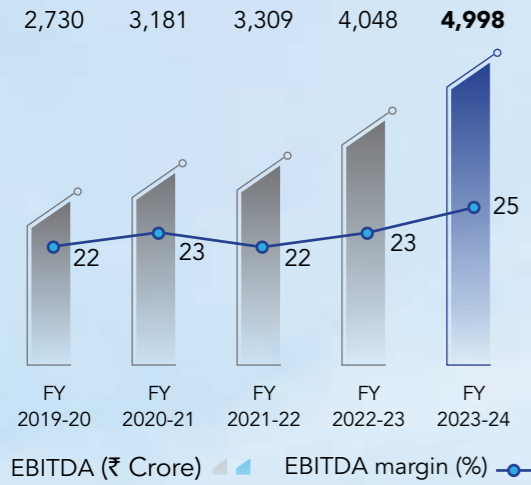


**Exports (USD Million)**





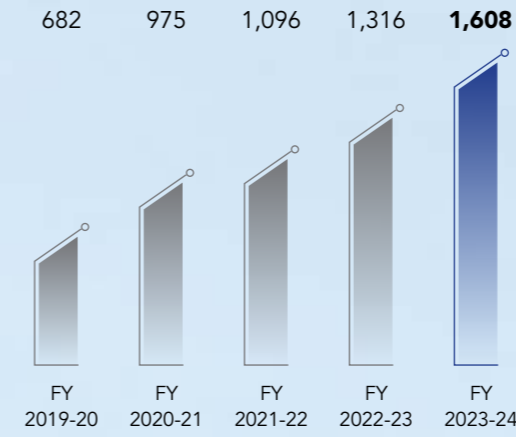
**EBITDA and EBITDA margin**



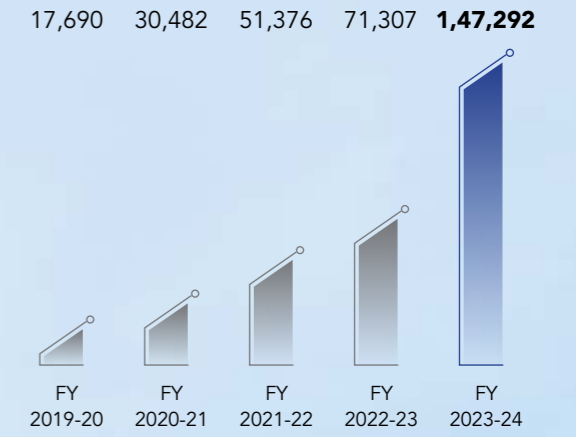
**Value creation for shareholders**

Creating value for our shareholders has always been our top priority. We have implemented various measures to maximise value creation while achieving efficiencies across our business areas. By focussing on the growth of our core defence business and expanding our non-defence and export segments, we are laying the foundation for long-term growth. Quantifying our value creation for shareholders, we have achieved a year-on-year growth of 107% in market capitalisation, reaching ₹ 1,47,292 Crore. Additionally, our dividend distribution stood at ₹ 1,608 Crore, compared to ₹ 1,316 Crore in FY 2022-23.

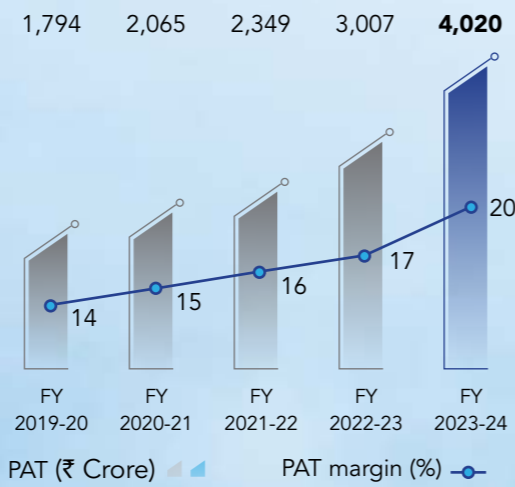
**Dividend Distribution (₹ Crore)**



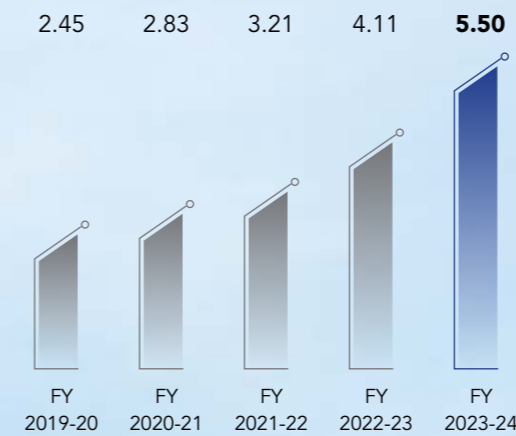
**Market Capitalisation (₹ Crore)**



**PAT and PAT margin**



**Earnings Per Share (₹)**





**Manufactured Capital**



## INTEGRATING EXCELLENCE AND SCALING RESPONSIBLY

**UN SDGs impacted**



Our manufacturing excellence is reflected in the trust we have nurtured among our customers. This trust is built on delivering high-quality products and continuously innovating our product line to meet diverse customer needs. Our approach has established us as a key partner in the country's defence sector while strengthening our presence in international defence and domestic non-defence markets.

Our manufacturing units are strategically located across the country to meet national demand. Currently, we operate 29 Strategic Business Units, at nine locations. We prioritise continuous process improvements to maximise output and effectiveness. With consistent capacity expansion and process enhancements, we have distinguished ourselves in the industry.

**Key highlights**

**29**  
Strategic Business Units (SBUs)

**₹ 20,381 Crore**  
Value of production

## 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



**PUNE**

**Key Operations**

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



**PANCHKULA**

**Key Operations**

- Military Communication Equipment
- Encryption Products



**HYDERABAD**

**Key Operations**

- Electronic Warfare Systems



**NAVI MUMBAI**

**Key Operations**

- Shelters for Systems
- Homeland Security Systems



**CHENNAI**

**Key Operations**

- Tank Electronics
- Optical Fire Control Systems



**KOTDWAR**

**Key Operations**

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



**MACHILIPATNAM**

**Key Operations**

- Electro Optics (Night Vision Devices)

### Initiatives undertaken in FY 2023-24



#### Operational Efficiency

Operational efficiency is a fundamental pillar of our success, enabling us to maintain a competitive edge and drive sustainable growth. Our state-of-the-art manufacturing facilities and commitment to sustainability standards enhance our quality, efficiency, and cost competitiveness.

#### Highlights

- Support 29 SBUs with 9 state-of-the-art manufacturing facilities
- Adhere to world-class process and sustainability standards
- Achieved Green Channel Certification for sustainable practices
- Made critical investments in FY 2023-24 for capacity expansion and operational enhancements



#### Cost Reduction

In response to the increasing emphasis on self-reliance and competitiveness, we have prioritised cost reduction as a key strategic initiative. Task Forces comprising cross-functional members identify and execute projects aimed at achieving cost reductions in both manufacturing and non-manufacturing areas.

#### Highlights

- Established "Cost Reduction" Task Forces in all Units/SBUs
- Focussed on achieving cost reductions across all facets of business
- Emphasised cost competitiveness in line with the Atma-Nirbhar Bharat initiative



#### Capacity Expansion

Our commitment to capacity expansion enhances our quality delivery model and strengthens our market reputation. We continue to invest significantly in modernising our facilities and leveraging advanced technologies to ensure sustained success.

#### Highlights

- Invested around ₹ 650 Crore in FY 2023-24 for modernisation of plant and machinery
- Enhanced infrastructure with modern facilities
- Focussed on infrastructure upgradation to stay competitive and seize global opportunities



#### Supply Chain Management

Delivering high-quality products while prioritising sustainable practices in material sourcing is paramount. We have implemented transparent and best-in-class practices to ensure responsible sourcing and compliance with government guidelines.

#### Highlights

- Enhanced procurement from Micro & Small Enterprises (MSE)
- Implemented Public Procurement Policy for MSEs as per Ministry of MSME guidelines
- On-boarded on TReDS Platform, GeM, MSME Sambandh, and MSME Samadhaan Portals

### Quality exemplified

#### INITIATIVES UNDERTAKEN

Implementation of HYBRID QA 4. at Machilipatnam Unit

Implementation of online QA Documentation inspection WIQAS at ADSN, NS1, NS2 and MILCOM SBUs

Integrated Occupational Health and Safety Management System (OHSMS) with existing Environmental Management System (EMS)

Implementation of Digital/Virtual/Remote QA at Hyderabad Unit

#### CERTIFICATES RECEIVED



19 SBUs / Units and PDIC are Certified for AS 9100D



ISO 9001:2015 for 8 SBUs/Divisions



ISO 27001:2013 at 14 Units/SBUs/Divisions



ISO 45001:2018 at Ghaziabad, Bengaluru, Kotdwara and NAMU Unit



Confederation of Indian Industry

Hyderabad Unit won the CII EXIM Bank Business Excellence Award in 2023



24 Green Channel Status Certificate from DGQA for supply of 76 products manufactured by 13 Units / SBUs



ISO 21001 EOMS – 2 Certificates - BAE and BEEI



ISO 17025:2005 NABL Certification to 13 Labs



DGAQA – AFQMS 9 Certificates



**Intellectual Capital**



## DRIVING COMPETITIVENESS THROUGH RESPONSIBLE INNOVATION

**UN SDGs impacted**



Developing our own technologies and leveraging strategic partnerships has become essential amidst the rapidly evolving technological landscape. We ensure our position as a market leader through embracing innovation across our entire value chain. The cornerstone of our innovation and technological advancement is our robust R&D competencies and decades of accumulated knowledge. This enables breakthrough innovations, positioning us as a frontrunner in defence indigenisation, offsets, and growing exports. Our dedicated team of skilled professionals ensures we meet global customer requirements, maintain a competitive edge, and contribute to sustainable success.

**Key highlights**

**1,199**

Cumulative IPRs filed as on 31 March 2024

**146**

IPRs filed in FY 2023-24

**580**

Cumulative IPRs granted as on 31 March 2024

**321**

Empanelled partners

**₹ 1,236 Crore**

R&D investment in FY 2023-24

**40+**

New products/technologies developed

**2,622**

Individuals in the R&D team

**97**

Papers presented

**KEY FOCUS AREAS**

**SWaP (Size, Weight, and Power) Demands**

R&D efforts are driven by the need to meet stringent SWaP and quality requirements, pushing innovation to the edge

**Component-Level R&D**

Focus on developing new System on Chips (SoCs), Monolithic Microwave Integrated Circuits (MMICs), highly integrated processor ICs, microwave super components, and more

**Product-Level R&D**

Aim to create modular, configurable, multi-function, and fault-tolerant products

**Systems Engineering**

Expertise in systems engineering, project management, and system integration is crucial for realising complex Systems of Systems

**Obsolescence Management**

Addressing the obsolescence of critical components and reducing dependency on foreign OEMs

**Product Life Cycle Support**

Ensuring comprehensive support throughout the entire product life cycle and fault-tolerant products

**R&D at Bharat Electronics**

**CRL, Bengaluru and Ghaziabad**

Areas of work:

- Blue sky research for developing cutting-edge technologies
- Applied research in core technology areas

**Centralised PD&IC, Bengaluru**

Areas of work:

- New product development

**D&E**

Areas of work:

- Develop business-relevant systems and Systems of Systems solutions for end users, including hardware and software modules
- Leverage support from Central Research Labs (CRLs), Product Development & Innovation Centres (PDIC), Centres of Excellence (CoEs), and collaborative R&D partners
- Develop technology modules and subsystems, conduct evaluations and trials
- Provide technical support, including obsolescence management

**Centres of Excellence (CoE-R&WS, CoE-EW&P & CoE-Comm.)**

Areas of work:

- Addressing Make-II projects of the Indian Defence forces
- System configuration and engineering of core technology modules into products, systems, and systems of systems

### Strategic collaboration

Strategic partnerships reinforce our R&D capabilities and accelerate our advancements in emerging technologies. Our network includes Defence Research Laboratories, National Laboratories, DPSUs, academia, startups, niche technology companies, reputed global OEMs, and Indian companies/agencies.

#### A representative list of partnership agreements entered and areas of cooperation:

Strategic Partner	Area of Cooperation
Advanced Weapons and Equipment India Limited (AWEIL)	Joint development and production of Air Defence Guns, Artillery Guns, and upgrades for Indian Defence and export markets
Armoured Vehicles Nigam Limited (AVNL)	Joint development and production of Armoured Fighting Vehicles (AFV) and variants and upgrades for Indian Defence and export markets
Munitions India Limited (MIL)	Cooperation for Make in India Programmes for Ammunition and related products
Safran Electronics & Defence	Domestic manufacture/upgrade of sensors for naval platforms, precision guide munitions (PGMs), etc.
Israel Aerospace Industries (IAI)	Domestic manufacture of Weapon Systems
Aeronautical Design Agency (ADA)	Joint development of Onboard Computer (IWBC) and other LRUs for Advanced Medium Combat Aircraft (AMCA)
Hindustan Shipyard Limited	Joint development and manufacturing of subsystems for naval platforms, unmanned underwater systems, etc.
Mazagon Dock Shipbuilders Limited	Joint development and manufacturing of indigenous materials/equipment for shipbuilding, submarine programmes, and other platforms
Indian Institute of Science (IISc)	Cooperation in areas of Artificial Intelligence (AI) and Machine Learning (ML)
Airports Authority of India (AAI)	Joint development of Integrated Air Traffic Management (ATM) automation system and Advanced Surface Movement & Guidance Control System (ASMGCS)
University of Agriculture Sciences (UAS)	Development of solutions for digital farming/agriculture
Smiths Detection Systems Pvt Limited	Domestic manufacturing and supply of high-energy scanners
IIT Kanpur	Joint development of various products
DIAT Pune	M.Tech Course
IIT Palakkad	M.Tech Course

### Quality exemplified

#### Technology focus areas and new products development

Defence segment	Non-Defence segment
<ul style="list-style-type: none"> <li>Next Generation Indigenous SAM Systems</li> <li>Airborne Radars</li> <li>Arms &amp; Ammunitions and Explosives</li> <li>RF Seekers</li> <li>Imaging Infra-Red (IIR) Seekers</li> <li>Missile Electronics</li> <li>Unmanned Systems</li> </ul>	<ul style="list-style-type: none"> <li>Thermal Imaging Detectors for Night Vision Devices</li> <li>Navigation Systems</li> <li>Laser-based Directed Energy Weapons</li> <li>Cyber Security</li> <li>Helmet Mounted Display Systems</li> <li>Direct Infrared Counter Measures for Aircrafts &amp; Helicopters</li> <li>Composites</li> </ul>
	<ul style="list-style-type: none"> <li>Air Traffic Control Radars</li> <li>Space Electronics</li> <li>Space Launch Vehicles</li> <li>Space grade Solar Cells</li> <li>Satellite Assembly &amp; Integration</li> <li>Aircraft Integration</li> <li>Railway and Metro Solutions</li> <li>Software as a Service</li> <li>Li-ion and Fuel Cells for Electric Vehicles</li> <li>Charging Stations for Electric Vehicles</li> <li>Homeland Security &amp; Smart Cities</li> <li>Medical Electronics</li> </ul>

#### Scaling R&D competencies

Recognising the pivotal role of strengthened R&D capabilities, we have implemented Online R&D workflows and IPR processes on our ERP system, alongside streamlining project approvals and restructuring CRL-Ghaziabad into dedicated R&D and R&T verticals.

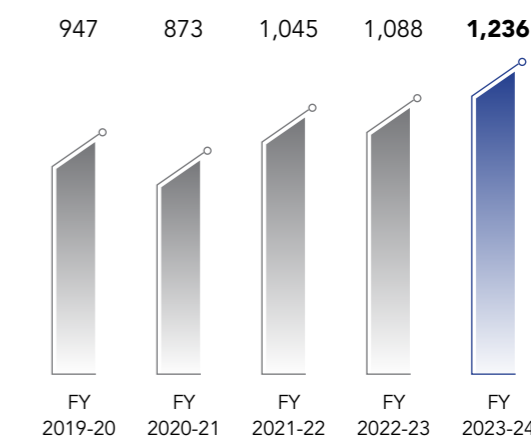
#### Focus Areas

- Implemented Online R&D Flash and IPR processes on BEL ERP System
- Streamlined R&D project approval processes with increased power
- Restructured CRL-Ghaziabad into distinct R&D and R&T verticals
- Enhanced collaboration with educational institutions, establishing R&D/Innovation cells
- Operational R&D Cells at Kochi (for sonars and simulators) and IIT Madras Research Park (for communication systems), developing core technology modules

#### Network and Cybersecurity in BEL

At BEL, network and cybersecurity are paramount to safeguarding sensitive defence technologies and operational continuity. We implement robust measures to protect classified information, prevent cyber-attacks, and comply with stringent regulatory standards. By securing our networks and systems, we uphold trust with stakeholders, protect intellectual property, and ensure resilient operations in the face of evolving cyber threats.

#### R&D Investments (₹ Crore)



**Human Capital**



# BUILDING A PASSIONATE, PERFORMANCE-DRIVEN WORKFORCE

**UN SDGs impacted**



Our workforce is our greatest asset, and we strive to empower our employees to make informed decisions in an open, safe, and motivating environment. We prioritise team development, human rights, and a supportive culture, nurturing personal and professional growth. Committed to fostering a learning-oriented culture, we aim to build an organisation focussed on innovation, business value, and thought leadership. Through strategic learning initiatives and comprehensive employee engagement programmes, we cultivate a passionate, performance-driven workforce. Our robust performance management and commitment to diversity ensure a collaborative workplace, supported by proactive succession planning for sustained leadership development and ongoing innovation.

**Key highlights**

**8,937**

Permanent employees

**21.57%**

Female representation

**75,912**

Man-days of training provided

**₹ 7.53 Crore**

Invested on employee training and development

**₹ 2.22 Crore**

Turnover per employee

**KEY FOCUS AREAS**

**Learning and development**

Capacity building is crucial for BEL to thrive as a forward-looking organisation. In today's fast-paced technological landscape, our ability to adapt and excel depends on nurturing a skilled workforce. Leadership development, talent enrichment, and succession management are pivotal to our initiatives, fostering professional growth and promoting a culture of continuous learning. By addressing current and future workforce needs, BEL strengthens its competitive edge, ensuring adept leadership and a skilled talent pool.

**Inculcating through**

**Leadership Development**

Cultivating leadership skills at all levels through tailored programmes.

**Talent Enrichment**

Enhancing technical, functional, and quality-related competencies across domains.

**Succession Management**

Planning and preparing for future leadership transitions.

**Continuous Learning Culture**

Promoting a culture where learning is integral to personal and organisational growth.

**Collaborative Programmes**

Partnering with institutions like IIMs, IITs, and global consulting firms for specialised development initiatives.



**Learning and development initiatives include**

**Nalanda-BEL Academy for Excellence (BAE)**

- Dedicated learning academy offering state-of-the-art training programmes
- Covers Leadership/Behavioural, Functional, Quality, and Technology domains
- Key programmes include Advanced Competency Development, Communication & Presentation Skills, Leadership & Management Development, PG Certifications in General Management, Marketing, Supply Chain Management, M.Tech in Communication & Signal Processing, Microelectronics, Mechanical Design, various technology certifications and quality related programmes & certifications viz. ASQ, CQE, CRE, PMP, Six Sigma etc.

**Corporate HRD**

- Flagship programmes across all units/grades with special focus on Senior level Executives
- Includes Accelerated Leadership Development, Strategy Workshops, Executive Coaching, Cross-Functional Knowledge Building, Outbound Learning, Gamification-based learning
- Conducts awareness sessions on RTI & administrative matters

**Employee engagement and well-being**

We have always prioritised our employees as fundamental to our business growth and success. To underscore this commitment, we have introduced various initiatives aimed at enhancing employee engagement and well-being over the years.

One significant initiative is our "Program for Emotional Wellness and Enrichment (POWER)", launched through a mobile application in collaboration with M/s United We Care Corporation. This programme is designed to enrich the lives of our employees by offering personalised support and resources to tackle a broad range of emotional challenges. It provides round-the-clock access to tools and interventions for holistic wellness, including confidential consultations with Life Coaches, Psychologists, Psychiatrists, Wellness experts, and Nutritionists. We extend this support not only to our employees but also to their dependents or up to three family members, reaffirming our commitment to fostering comprehensive well-being across our workforce.

**Abhyudaya – Centre for Learning (ACL)**

- Centralised learning facility for non-executive employees
- Focusses on Technology, Quality, and Behavioural domains
- Aims for consistent, high-quality training and continuous upskilling/reskilling

**Centre for Learning & Development (CLD)**

- Provides tailored training for Bengaluru unit employees and apprentice trainees
- Focusses on skill development initiatives

**Unit HRD**

- Tailors training to unit/SBUs' specific needs
- Covers executives and non-executives
- Conducts Health & Safety and Gender Sensitisation programmes

**75,912**

Training man-days

**Facilitating global exposures/experiences**

We facilitate global exposure by encouraging employees for technical paper presentations, Defence exhibitions, Training of Trainers (ToTs), and project reviews at customer locations worldwide. Additionally, our presence in New York (USA), Muscat (Oman), Colombo (Sri Lanka) & ASEAN countries offers employees opportunities to work from these locations with their families.

**Performance management**

We operate a robust Performance Management System that aligns employee performance with the organisation's strategic objectives. Integrated with the BEL Behavioural Competency Model, this system focusses on employee development and career

progression. Quarterly performance reviews and feedback mechanisms help executives prioritise work and enhance outcomes. Enabled through our IT platform, this system ensures transparency throughout the process.

**Diversity and inclusion**

We champion an inclusive work culture where diversity across age, religion, ethnicity, gender, and culture is valued. This inclusive environment not only enhances employee engagement and productivity but also ensures equal opportunities in recruitment, promotions, and developmental programmes. Our goal is to cultivate a workplace where every employee feels respected and valued.

**Succession planning**

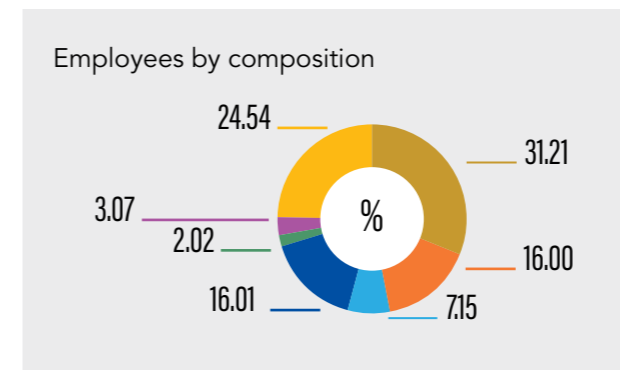
Our robust Succession Management plan identifies and develops a pool of successors to meet current and

future leadership needs. Integrated into our Promotion Policy and Performance Management System, this approach ensures sustained high performance. The BEL Academy of Excellence – Nalanda's Leadership wing plays a pivotal role in grooming executives for future leadership roles.

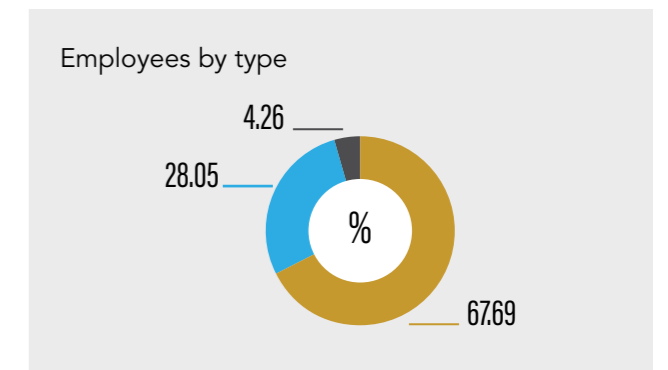
**Health and safety**

At BEL, we prioritise the health and safety of our workforce, knowing it enhances productivity. Our comprehensive safety and health policy integrates financial, natural, social, and legal aspects to create a safe working environment. Regular awareness programmes educate employees on Industrial Safety and Occupational Health, ensuring a hazard-free workplace. We provide extensive medical coverage for employees and their dependents, promoting their overall well-being.

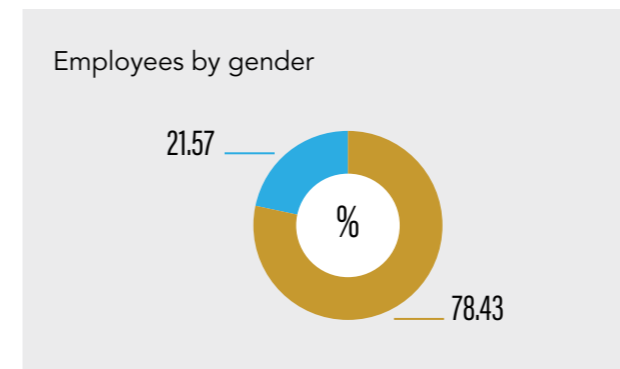
**Diversity at BEL**



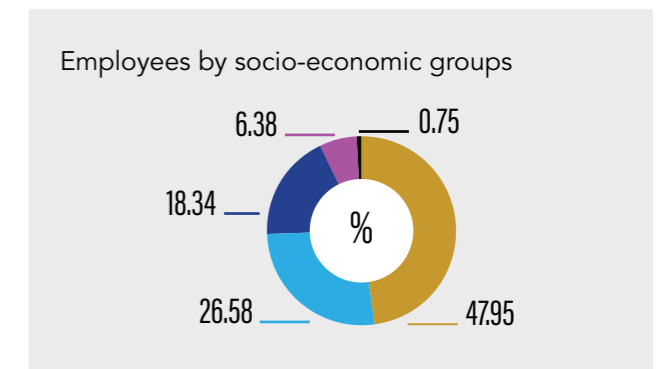
● R&D ● Production ● Marketing ● Quality & Testing ● HR ● Finance ● Services Support



● Executives ● Non-Executives ● TC



● Male ● Female



● General ● Other Backward Class ● Scheduled Caste ● Scheduled Tribe ● Economically Weaker Section



**Social and Relationship Capital**



Aids & Appliances distributed to Persons with Disabilities (PWDs) in Ghaziabad, Uttar Pradesh

**ENRICHING LOCAL COMMUNITIES**

**UN SDGs impacted**



We firmly believe that responsible actions and societal contributions are essential to good business practices and value creation. Recognising the importance of engaging with stakeholders, including the community, suppliers, and customers, we prioritise fostering an inclusive, transparent, and culturally sensitive environment that promotes compassion and care. Adhering to Bharat Electronics' philosophy that "profit is not the sole metric of a company's performance", we hold "endeavouring to fulfil social responsibilities" as a core value. Our Corporate Social Responsibility initiatives focus on holistic community development, institution building, and sustainability, contributing to inclusive growth and equitable development through capacity building and empowering marginalised and underprivileged communities.

**Key highlights**

**₹ 66 Crore**

CSR Budget

**14 Lakhs**

Beneficiaries positively impacted

**CSR FOCUS AREAS**



**Education**

- Facilitating conducive learning environments in remote government schools
- Enhancing educational resources and support



**Healthcare**

- Augmenting health infrastructure in government hospitals
- Improving sanitation facilities in government schools



**Skill development**

- Honing technical skills and providing industry exposure
- Imparting employability skills to rural youth and students of adopted government ITIs



**Rural development**

- Implementing developmental interventions in adopted villages
- Supporting community-led initiatives for growth and improvement



**Sustainable development**

- Promoting environmentally sustainable practices
- Engaging in projects that protect and restore natural resources

**Creating positive impact on the society**

**Healthcare infrastructure**

We enhanced health infrastructure in remote government hospitals and primary health centres across India. Steps initiated to establish an air-conditioned "Patient Waiting Lounge" at AIIMS, New Delhi, to accommodate 5,000 patients/attendees and addressing the needs of the 15,000 patients visiting daily and improving operational convenience for the hospital. A dialysis centre in Palakkad Town, Kerala, is being commissioned, benefiting approximately 2,500 poor patients annually. Additionally, aids and appliances were provided to persons with disabilities, enhancing their mobility. These initiatives are set to significantly improve healthcare access and patient comfort in underserved areas.



BEL has donated Mobile Ophthalmic Units with portable ophthalmic equipment to Govt. Hospitals in Nilgiris, Madurai & Kanyakumari districts of Tamil Nadu.



**Education and skill development**

We prioritised education and skill development by augmenting infrastructure in government schools and ITIs. Training in self-defence skills was provided to 5,000 girl students in Indore district, Madhya Pradesh, boosting their confidence, physical fitness, and emotional well-being. Infrastructure in government schools and adopted Government Industrial Training Institutes was enhanced, and youth received technical skills, employability training, and industry exposure, facilitating better livelihood opportunities. These efforts aim to empower the next generation with essential skills and knowledge for their future success.

**Community security**

We improved community security by commissioning CCTV cameras in Kotdwara town. The installation of 50 CCTV cameras has ensured the safety and security of residents, fostering a secure environment for the community. This initiative is expected to continue enhancing the sense of safety and well-being among the town's residents.

**Environmental sustainability**

We promoted environmental sustainability by supporting municipal corporations with eco-friendly solutions. E-Carts and thermal fumigation electric vehicles are being provided to the municipal corporations in Kochi, Mysuru, and Chitradurga, leading to improved solid waste management and mass fumigation. These measures will significantly contribute to better health conditions and environmental cleanliness for the citizens. These sustainable practices are anticipated to foster long-term environmental benefits and healthier communities.



Patients undergoing Dialysis at Hassan Institute of Medical Sciences, Karnataka. BEL has donated 8 Dialysis Machines and an Ambulance to the hospital.



The "BEL Hall of Electronics Gallery" established by BEL at Visvesvaraya Industrial & Technological Museum, Bengaluru will promote scientific curiosity in students & public at large.



CCTV Surveillance System installed & commissioned by BEL in Kotdwara, Uttarakhand, was handed over to Kotdwara State Police in the presence of Hon'ble Speaker, Uttarakhand Legislative Assembly



Members of the BEL CSR Monitoring Committee interact with students during their visit to Govt. Higher Primary School, Shimoga, Karnataka.

**CASE STUDY #1**

**Preserving Wildlife through Sustainable Solutions**

The wild animals meandered amidst the dry vegetation of the forest. The heat of the scorching sun burnt their backs as they searched for water. Their ears pricked and pace fastened as they heard a gurgling sound ahead. A fawn walked cautiously to the edge of the water body and lapped up the water, looking up now & then... rather than a scene from a wildlife documentary, this is the first hand information shared by officials who visited the M M Hills Wildlife Sanctuary to understand the sustainable ecosystem for flora and fauna created by BEL's unique CSR intervention for Wildlife Conservation.

M M Hills Wildlife Sanctuary, spanning 906 sq.km., is crucial for biodiversity and serves as a key watershed area for rivers like Cauvery and Palar. The sanctuary faces challenges due to scanty rainfall, leading to water scarcity within, prompting wildlife to venture into villages, causing human-animal conflicts.



The water bodies restored by BEL has created an oasis in the MM Hills Wildlife Sanctuary for wild animals, aquatic life, birds and flora.

**₹ 1.68 Crore**

Invested to develop sustainable eco-system for wild life, aquatic life, and enhance the flora and fauna of M M Hills Wildlife Sanctuary



Water retention in check dams constructed on natural streams in MM Hills Wildlife Sanctuary, Karnataka.

Our CSR initiative focussed on creating a sustainable ecosystem by restoring water bodies, installing borewells, solar water pumping systems, and constructing check dams on natural streams. These efforts aimed to provide reliable water sources within the sanctuary, reducing wildlife migration and conflicts. Solar-powered lighting in anti-poaching camps and equipment charging stations further supported conservation efforts. The initiative received praise from local forest officials, highlighting its role in creating vital oases that sustain wildlife, aquatic life, birds, and flora within the sanctuary.



## CASE STUDY #2

### Our Journey with Mobile Cancer Detection Units

We have introduced Mobile Cancer Detection Units (MCDUs) equipped with state-of-the-art facilities to three prestigious medical institutions in India. These units aim to bridge healthcare gaps by offering accessible and comprehensive cancer screening services directly to rural communities.

The MCDUs, provided to Kidwai Memorial Institute of Oncology in Bengaluru, King George Medical University in Lucknow, and Goa Medical College & Hospital, bring critical cancer screening and diagnostic capabilities to rural populations. Equipped with advanced technologies like ultrasound scans, digital X-ray machines, and HD video colposcopes, these units cater to men, women, and children who often lack access to nearby healthcare facilities due to awareness gaps and financial constraints. By bringing quality healthcare services to the doorstep of economically disadvantaged and rural patients, our initiative aims to detect cancer early, potentially saving lives and reducing the burden of healthcare costs on affected families.



Mobile Cancer Detection Unit along with Investigating Medical Equipment donated by BEL to three Medical Institutions in India.

<b>₹ 7.5 Crore</b> Invested for 3 MCDUs to benefit rural masses	<b>31,000 Kms</b> Distance travelled across Karnataka by MCDU	
<b>213</b> Camps conducted	<b>5,533</b> People screened	<b>107</b> Suspected cases identified



Handing over of Mobile Cancer Detection Unit to Government Goa Medical College & Hospital, Bambolim, Goa

## CASE STUDY #3

### Bridging gaps in tribal communities

A Mobile Mini Hospital is made operational in the remote and forested landscapes of Kumurambheem Asifabad aspirational district in Telangana. This initiative aims to provide essential healthcare services directly to tribal communities who are hesitant to approach Govt. Primary Health Centres or Community Health Centres for Medical Care.

Equipped with an Out-Patient room, Laboratory, Pharmacy, and advanced medical equipment including Digital X-ray and Sickle cell tests, the Mobile Mini Hospital brings crucial healthcare services closer to tribal habitations. Operated by the Integrated Tribal Development Agency (ITDA), Utnoor, the initiative has facilitated health camps that reach remote villages, benefiting over 5,000 people. Services include mobile out-patient care, immediate lab investigations, X-ray facilities, telemedicine consultations with specialists, and ultrasound screenings. By extending healthcare delivery to their doorstep, this initiative not only improves health outcomes but also respects traditional healthcare practices of the tribal communities.



Mobile Mini Hospital donated to the Health Department, Kumurambheem Asifabad aspirational district, Telangana.

<b>₹ 2.35 Crore</b> Invested for rural healthcare	<b>53</b> Camps conducted
<b>1,581</b> People screened	<b>426</b> Tests carried out
<b>1,581</b> Patients issued Medicines	<b>28</b> Referrals issued



Quality healthcare services made available at the doorstep of the tribal communities of Kumurambheem Asifabad aspirational district.





**Natural Capital**



## SHAPING A RESPONSIBLE, CLIMATE-RESILIENT TOMORROW

**UN SDGs impacted**



Our commitment to environmental sustainability is integral to our mission of creating and maximising value for all, with a strong emphasis on future generations. We prioritise environmentally responsible choices, actively working to reduce our carbon footprint. Our dedication to sustainable development is evident in our proactive environment management programmes, focussing on resource management, water and waste management, energy conservation, and renewable energy utilisation. With in-house expertise, we strive to further promote sustainable initiatives, achieving economic, ecological, and social responsibility objectives.

**Key highlights**

**13.9 MW** wind power plants  
**7.4 MWp** solar power plant  
Renewable energy capacity

**42.20%**  
Overall green energy consumption

**Green building**  
concept has been introduced in all new buildings

**GRIHA rating**  
(Green Rating for Integrated Habitat Assessment)  
to be met by all future buildings

**40 KWp**  
Grid connected solar power plant at Navi Mumbai unit

Installed **120 KWp**  
capacity of Solar Plant at Hyderabad unit

**18,540 mtCO<sub>2</sub>**  
emission prevented

**₹ 7.13 Crore**  
Invested in sustainability initiatives

**1,250 KWp**  
grid connected solar power plant at Palasamudram

**261.13 Lakhs units**  
Renewable energy generated in FY 2023-24

**395 KWp**  
Grid connected solar power plant at Ghaziabad unit

**Total 24 EV scooters and 1 EV Car**  
for internal transport

**Our environmental 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.

**OUR IMPACT**

- Minimising energy, water, and resource consumption through best-in-class manufacturing processes
- Reducing waste generation and embracing circular practices with technological advancements
- Proactively undertaking environment management and sustainable development programmes
- Achieving economic, ecological, and social responsibility objectives
- Leveraging expertise in resource management, water management, waste management, and energy conservation
- Promoting the use of renewable energy sources such as wind and solar power

### Sustainable Manufacturing with Cleaner Technology

At Bharat Electronics Limited (BEL), we systematically integrate sustainability into our operations, focussing on pollution prevention and cleaner technologies. We continuously improve our processes to reduce pollution, and 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.

#### Key highlights FY 2023-24

37

New RoHS-compliant components introduced

77

Process standards are revised to include safety and environmental guidelines

879

Total RoHS-compliant standards across all units for electronic, electrical, and mechanical components

#### OUR IMPACT

- Introduced RoHS-compliant processes in PCB manufacturing and surface treatments
- Published technical documents on RoHS-compliant alternatives for fasteners and screws
- Implemented aqueous-based cleaners for printed wiring assembly
- Adopted organic flux and VOC-free processes in manufacturing
- Transitioning to trivalent chromate conversion coatings for aluminium alloys



### Maintaining ambient air quality

We monitor and control air emissions using advanced Air Pollution Control equipment. Paint booths and plating baths operate under negative pressure to capture emissions, which are treated by wet scrubbers before release. Our emissions consistently meet Pollution Control Board standards, verified by ambient air quality measurements at various locations. Additional suction filters are installed to manage solder fumes, and operational controls are in place to ensure effective emission management.

#### OUR IMPACT

- Utilised negative pressure in paint booths and plating baths for emission control
- Treated process emissions with wet scrubbers
- Maintained emissions within Pollution Control Board standards
- Implemented suction filters to capture solder fumes
- Established operational controls for effective emission management



### Effective Wastewater Management

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

#### Key highlights FY 2023-24

10 MLD

sewage treatment plant installed to achieve water-positive status and to rejuvenate the local lake at BEL Bangalore

2 MLD

of this treated water is used for BEL gardening and other applications that lead to enormous conservation of natural resources and groundwater

### E-waste management

We ensure electronic 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

the safe disposal of electronic waste. We also aim to reduce hazardous components by introducing RoHS-compliant materials.

### Biomedical waste

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

### Solid waste management

We manage waste 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. Landfillable waste is sent to solid waste treatment facilities.

#### OUR IMPACT

1-tonne organic waste converter

utilized to composting bio-degradable waste

Saving 50 SCM PNG per day

Food waste processing in a bio-methanation plant





**Water Management – Saving Life**

We conserve water through various projects, including automation of water supply, efficient dishwashing systems, and borewell water drawing. Our extensive rainwater harvesting efforts improve groundwater recharge. In Bangalore, a rainwater harvesting reservoir with a capacity yield around 234 million litres annually is maintained. All units have facilities for collecting and reusing rainwater.

**Ecological Sustainability**

We are committed to ecological sustainability and enhancing greenery across our campuses. Our Bangalore campus, spanning 685 hectares, is home to approximately 1,500 different types of plants, various bird species, and other creatures. We maintain 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. Our lush plantations across several hectares of land stand as a testament to Bharat Electronics' commitment to afforestation and ecological sustainability.

**OUR IMPACT**

**315 m<sup>3</sup>**

Rainwater harvested and reused for RO water generation previous year during FY 2023-24

**170 Million litres**

Rainwater harvesting capacity in Bengaluru with an expected annual yield of

**around 234 Million litres**

**Other sustainable development initiatives**

We operate a 13.9 MW wind power plant, contributing 207.52 Lakhs units of green energy, covering 58.7% of our energy needs at the Bangalore Complex

Across our units, we have installed 7.4 MWp of grid-connected solar power on rooftops, generating 53.6 Lakhs units, supplying 8.7% of our total energy consumption

**We have a systematic approach to conserving natural resources, focussing on electricity, water, and enhancing greenery.**

Our renewable energy use reached 42.20%, resulting in a reduction of 18,540 tonnes of CO<sub>2</sub> emissions

We expanded the stormwater catchment by 35 acres at our Bangalore Complex, increasing rainwater yield by 113 ML, with an expenditure of ₹ 176 Lakhs

Additionally, we added a 1.5 MT/day biogas plant in addition to the existing 2 MT biogas plant at Bangalore Complex to enhance our food waste processing capacity, with an expenditure of ₹ 18.24 Lakhs

**Initiatives planned for FY 2024-25**

Planning to set up an additional 4 MW wind power plant over the next 2 years to further enhance our Green Energy initiatives, contributing to reduced CO<sub>2</sub> emissions

Planning to instal a cumulative capacity of 2.5 MWp of solar power plants across BEL, advancing our commitment to sustainable energy solutions

GOVERNANCE

## PURPOSE-DRIVEN AND ETHICAL GOVERNANCE PRACTICES

We adopt a proactive stance on integrity and compliance, enforcing rigorous procedures and a zero-tolerance policy. With the inherent high stakes, we continuously elevate our standards for ethical business practices to safeguard our reputation and enhance competitive performance, driving long-term success and value creation. Our Board of Directors, supported by Independent Directors offering diverse expertise, ensures ethical operations and compliance with regulatory mandates through informed decision-making and robust governance oversight.



### Transparency and ethical practices

We uphold transparency and ethical standards as fundamental pillars of our work environment. We are committed to conducting all affairs with integrity, professionalism, and honesty, fostering a culture where open communication is encouraged. Our policies on career advancement, Performance Management, and other areas are easily accessible to all employees through the SAMVAD portal. Utilising an e-enabled Performance Management System ensures executives receive constructive feedback for continuous improvement. To further ensure transparency, we have implemented a robust Whistle-Blower Policy, safeguarding employees who report any misconduct. Building a culture of transparency and ethics is a collective effort at BEL, aimed at nurturing trust, loyalty, and long-term success among employees and stakeholders alike.

### Code of conduct

In accordance with Regulation 17(5) of the Listing Regulations and DPE Guidelines, BEL's Board of Directors has established a comprehensive Code of Business Conduct and Ethics for Board Members, Key Managerial Personnel (KMPs), and Senior Management. This Code can be accessed on our official website, [www.bel-india.in](http://www.bel-india.in). As of 31 March 2024, all relevant personnel have confirmed their compliance with the Code, as affirmed by a declaration signed by the Chairman & Managing Director, included in this report.

### Insider trading and fair disclosure

We strictly adhere to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended) through our comprehensive Code of Conduct for Monitoring and Reporting Trading by Insiders. Additionally, our Board has established a Code of Practice for Fair Disclosure of Price-Sensitive Information, which applies to designated persons and their immediate relatives. The Company secretary oversees the implementation of these codes.

### Whistleblowing policy

As part of our commitment to ethics, we have implemented a vigilant mechanism and Whistleblower Policy at BEL. This empowers both directors and employees to report concerns regarding unethical behaviour, suspected fraud, or violations of our Business Conduct and Ethics Policy. We actively encourage employees to utilise this process, ensuring access to the Audit Committee without any fear of reprisal.

### Human rights

We are dedicated to upholding human rights by fostering a workplace environment that promotes dignity, equality, and fair treatment for all employees. Our structured grievance procedure allows employees to report and resolve complaints effectively. We ensure equal opportunities for career development based on merit, fostering a level playing field for everyone. Recognising the needs of employees with disabilities, we provide special facilities such as free transport, supporting their full inclusion and participation in our workforce. Our ongoing commitment is to uphold the fundamental rights of all employees, creating an inclusive and respectful workplace environment. Awareness and training on prevention of sexual harassment are conducted on a regular basis and an ICC is set up to address all such complaints.



## A DECADE OF PERFORMANCE EXCELLENCE

(₹ in Crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Sales & Services	6,695	7,541	8,825	10,085	11,789	12,608	13,818	15,044	17,333	19,820
Value of Production	6,659	7,775	9,244	9,670	11,921	12,348	13,947	15,321	17,731	20,381
Other Income	478	537	471	200	170	102	126	234	360	756
Materials	3,745	4,061	4,832	5,104	6,080	6,846	7,957	9,179	10,206	11,126
Employee Benefits Expense	1,263	1,257	1,548	1,772	1,879	2,057	1,941	2,109	2,298	2,467
Depreciation / Amortisation	154	172	192	251	316	350	366	380	408	412
Interest / Finance Costs	1	5	12	1	12	3	6	5	15	7
Other Expenses	674	1,240	1,417	1,110	1,396	1,028	1,114	993	1,492	2,139
Profit Before Tax	1,467	1,732	2,029	1,948	2,703	2,479	2,935	3,158	3,985	5,335
Provision For Tax	299	425	482	549	776	685	869	809	978	1,315
Profit After Tax	1,167	1,307	1,548	1,399	1,927	1,794	2,065	2,349	3,007	4,020
Dividend (Amount)	234	408	503	491	828	682	975	1,096	1,316	1,608
Dividend (%)	292	170	225	200	340	280	400	450	180	220
Equity Share Capital	80	240	223	244	244	244	244	244	731	731
Other Equity	7,805	8,744	7,285	7,517	8,775	9,609	10,564	11,741	12,851	15,351
Loan Funds	-	-	50	67	33	8	-	-	-	-
Gross Block	2,485	1,147	1,617	2,220	3,013	3,795	4,118	4,534	5,083	5,567
Cumulative Depreciation / Amortisation	1,714	170	362	613	929	1,275	1,638	2,010	2,411	2,808
Inventory	3,427	4,177	4,905	4,739	4,455	3,963	4,955	5,567	6,412	7,408
Trade Receivables	3,786	3,712	4,355	5,050	5,369	6,733	6,552	6,103	7,022	7,362
Working Capital	6,910	7,373	5,305	4,366	5,376	5,817	6,812	7,625	9,394	11,901
Capital Employed	7,681	8,349	6,560	5,973	7,461	8,336	9,292	10,149	12,067	14,660
Net Worth	7,885	8,984	7,509	7,761	9,019	9,853	10,808	11,984	13,582	16,082
Earnings Per Share (in ₹)	1.47	1.65	2.01	1.90	2.64	2.45	2.83	3.21	4.11	5.50
Book Value Per Share (in ₹)	10.95	12.48	11.21	10.62	12.34	13.48	14.79	16.39	18.58	22.00
No. of Employees	9,703	9,848	9,716	9,726	9,612	9,279	9,172	8,853	8,832	8,937

## 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 2024 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:

Particulars	2023-24	2022-23
Value of Production	20,38,050	17,73,082
Turnover	19,81,993	17,33,337
Profit Before Depreciation, Interest and Tax	5,75,401	4,40,754
Finance Cost	702	1,479
Depreciation & Amortisation	41,243	40,787
Profit Before Tax	5,33,456	3,98,488
Provision for Tax	1,31,456	97,821
<b>Profit After Tax</b>	<b>4,02,000</b>	<b>3,00,667</b>
Other Comprehensive Income/(Loss)	(5,764)	(16,624)
Total Comprehensive Income	3,96,236	2,84,043
Dividend Paid	1,46,196	1,24,266
Transfer to General Reserve	40,000	40,000
Other Equity (including Reserves & Surplus)	15,35,141	12,85,101
Net Worth	16,08,239	13,58,199
Earnings Per Share (in ₹)	5.50	4.11
Book Value Per Share (in ₹)	22.00	18.58

### Distribution of Value of Production for 2023-24 is given below:

Particulars	Amount	Percentage
Materials	11,12,648	55%
Employee Cost	2,46,670	12%
Other Expenses (Net)	1,04,033	5%
Depreciation & Amortisation	41,243	2%
Provision for Tax	1,31,456	6%
Profit After Tax	4,02,000	20%
<b>Total</b>	<b>20,38,050</b>	<b>100%</b>

The Company's turnover for FY 2023-24 increased to ₹ 19,81,993 Lakhs from ₹ 17,33,337 Lakhs in the FY 2022-23, registering a growth of 14.35%. The Profit After Tax (PAT) for FY is ₹ 4,02,000 Lakhs as compared to ₹ 3,00,667 Lakhs in the previous year. Turnover from indigenously developed products was 77%. Contribution for Defence supplies was at 80.70% of the turnover in FY 2023-24 as compared to 87% in the previous year.

### 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 ₹ 0.80/- per equity share (80%), amounting to ₹ 58,478 Lakhs for FY 2023-24. The first interim dividend of ₹ 0.70 per equity share (70%) and the second interim dividend of ₹ 0.70 per equity share (70%) have been paid to the shareholders for FY 2023-24. Thus, the total dividend for FY 2023-24 is ₹ 2.20/- per equity share (220%), amounting to ₹ 1,60,815 Lakhs.

### Transfer to Reserves

An amount of ₹ 40,000 Lakhs has been transferred to General Reserves for FY 2023-24.

### 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 2024. There was no change in the authorised/paid-up share capital of the Company during FY 2023-24.

### Major Orders Executed

Long-Range Surface-to-Air Missile (LRSAM) Systems, Akash Missile Systems, SATCOM Network, Command & Control Systems, various Radars, Electronic Warfare Systems,



Communication Equipment, Sonars, Electronic Voting Machine, Voter Verifiable Paper Audit Trail, Electro-optic Systems, Fire Control Systems, Home Land Security Systems, Smart City Projects 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 export sales of US\$ 92.98 Million in FY 2023-24 compared to US\$ 48.33 Million in FY 2022-23. Some of the countries to which your Company has exported its products and systems are Spain, USA, UK, France, Germany, Israel, Sweden, Mauritius, Sri Lanka 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, Smart Mail Box, Services, etc.

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

During FY 2023-24, your Company has acquired export orders worth US\$ 211.41 Million from various countries viz., USA, UK, France, Germany, Israel, Sweden, Mauritius, Denmark etc. Your Company has achieved an all-time high export order book of US\$ 407.014 Million as on 1 April 2024. Over the years, your Company has established long term relationship 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, Civil Aviation Radars, Smart Mail Box, Smart Cities, Critical Infrastructure Development, Solar Power Generation, Electronics System Design & Manufacturing Services, Wireless Communications etc.

Your Company is also focussing on various opportunities in the area of 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 for the latest systems and solutions as emerging export opportunities.

Further, efforts are put in to establish long-term supply chain relationships with global OEMs. In this regard, your Company has offered various products and services to major Platform OEMs and their Tier-I suppliers. 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 programs but also for their global requirements.

Persistent efforts by your Company have resulted in acquiring new customers from targeted geographical locations such as UK, Israel and SEZ - India. During the year, new proposals for Avionics, Radar Modules, Software Development Services, C4I etc. were submitted to global customers and foreign ministries.

Actions by your Company to enhance exports are as follows:

#### a. Major initiatives undertaken

- Emphasis on Make in India and "Sell Globally" approach.
- Co-development/Co-production of products with foreign OEMs.
- Efforts to achieve "Single Vendor" status by offering customised solution/products.
- Joint working with DRDO to offer customised products and services in the export market.
- Collaboration with Indian OEMs to offer complete platform solutions to foreign customers.
- Establishing long term supply chain relations with global OEMs.
- Focus on big programs (C4I, Gun/Missile Systems/ Tank & Gun Upgrades etc.).
- Partnership with foreign local industry for business development and increasing local content.
- Leveraging the reach of Channel Partners.
- Establishing new overseas office.

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

- Avionics & EW Systems
- Weapon Locating Radar

- Electronic System Design & Manufacturing
- Coastal Radar System
- Ship Upgrade Tank & Gun Upgrade
- Air Space Protection System

#### c. Interactions with following major international customers (OEMs):

- Thales, France
- BAE Systems, UK
- Lockheed Martin, USA
- Airbus Defence & Space, Spain
- Terma, Denmark
- Elbit Systems, Israel
- IAI, Israel
- SAAB, Sweden
- GE Medical Systems, US
- GE Healthcare, US

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

- Sri Lankan Navy
- Ministry of Defence, Armenia
- Maldives' Navy
- Ministry of Civil Aviation, Mauritius etc.

#### e. Following were the major products exported during 2023-24:

- Data Link II
- Radar Warning Receiver
- Missile Approach Warning System
- Electro-Optics Systems
- EW & Radar Modules
- Software Development Services

#### 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 FY 2022-23 has been rated as "Very Good". The MoU rating for FY 2023-24 is yet to be furnished.

#### Order Book Position

The order book of the Company as on 1 April 2024 is around ₹ 75,934 Crore. The order book comprises major programmes like Long-Range Surface-to-Air Missile (LRSAM) Systems, Missile Systems, Electronic Fuzes, Electronic Warfare, Avionics, Anti-Submarine Warfare, Network Centric Systems, Communication Equipment, Radars, Fire Control Systems, Thermal Imagers, Smart City Projects etc.

#### Finance

Your Company has been prudent in its financial management practices. It has been much disciplined in its Capital allocation strategy and efficient in managing its operational expenses. During FY 2023-24, the Company has met all its CAPEX and working capital requirements through internal accruals. All the above measures have contributed to consistent growth in all parameters. The Company's PBT has grown to ₹ 5,33,456 Lakhs in FY 2023-24 from ₹ 3,98,488 Lakhs in FY 2022-23. During FY 2023-24, EPS has increased to ₹ 5.50 from ₹ 4.11 in FY 2022-23. Net worth of the Company has increased to ₹ 16,08,239 Lakhs in FY 2023-24 from ₹ 13,58,199 Lakhs in FY 2022-23 and corresponding Book Value per Share (BVPS) has increased to ₹ 22.00 in FY 2023-24 from ₹ 18.58 in FY 2022-23.

In spite of increase in Turnover in FY 2023-24 to ₹ 19,81,993 Lakhs from ₹ 17,33,337 Lakhs in FY 2022-23, Trade Receivable as a number of days of Turnover have decreased to 136 days in FY 2023-24 as against 148 days in respect of the previous year. During FY 2023-24, Inventory as a number of days of Value of Production has remained at 133 days as against 132 days in the previous 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 2024. 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 2023 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 and reliability.

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 have been recognised by the Department of Scientific & Industrial Research (DSIR) and 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.

Apart from in-house efforts, BEL R&D Engineers and Scientists 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.

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.

**D&E Projects Initiated During FY 2023-24:** Several R&D projects have been initiated during FY 2023-24 both through in-house development and collaborative efforts (mainly with DRDO). Major projects initiated during FY 2023-24 are X Band GaN-based Radar, Missile Checkout Facility for QRSAM, EOIRST System, 1.0m Ku band COTM Antenna, Upgrades of 3D CAR Series Radar, Aslesha MK-I & Reporter Radar, Indigenous Precision Range Extension Kit, High Power Radar Trial Configuration, Long Range Radar SASTRA, ARM-based Secure Microcontroller, Passive Homing Head V1.2 for Seekers, Vihaang ESM System, i-CBTC System; SMARD (COMINT) System, HALT & HASS Testing of DFCC, Vehicle-based Anti-Drone System with Soft & Hard Kill, Project Pralay,

DJAG LRUs for JAGUAR DARIN III upgrade aircraft and Active Protection System for Tank T-90.

**D&E Projects Realised During FY 2023-24:** Some of the major projects realised/completed during FY 2023-24 are Sight and Gimbal for BMP Upgrade, Indigenous ASR-MSSR for AAI, Voice Communication & Control System (IACCS B-III), Compact Gun Fire Control System, USHUS-2 (Integrated Submarine SONAR suite for EKM platform), Development of CMS17A, Upgrade of Turret Sys & Dev of Sight System, Antenna & Rotator Unit for Naval Missile Defense Radar, Revathi Stabilization Platform, RDP for IACCS, IFF MK-XIIA Combined Interrogator Transponder, FET for ADC&RS and Multi Target Tracking Radar.

#### Important R&D Awards/Recognitions Received During FY 2023-24:

- IETE Awards: Young Scientist Award 2022.
- Smt Ranjana Pal Memorial Award 2023.
- CII Corporate Women Leadership Awards 2022-23: In Technology Category.
- Quantic 2<sup>nd</sup> Annual Excellence Awards: -Best Digital Transformation Initiative Award (Electronics): Panchkula for Chandigarh Smart City Project.

**Future Plan of Action:** BEL's R&D will focus on developing innovative Products/Services across the organisation aligned with the objectives 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 customer requirements through in-house and collaborative modes of development. BEL plans to continue investing in R&D to meet 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 FY 2023-24, the Company has spent around ₹ 650 Crore as part of CAPEX investment towards modernisation of Plant & Machinery, Test instruments, R&D investments, Infrastructure up-gradation etc.

#### Information Technology (IT) Initiatives:

e-Bhoomi for Building and Land Management: IS/CO has developed and deployed an e-Bhoomi, a platform to capture all records of Building and Land Management System in SAP. The platform e-Bhoomi has features like maintenance of registration types, property documents, ownerships, building or property titles and boundaries, total extent of areas, survey numbers, etc. and many more reports. This has resulted in the digitisation of documents pertaining to BEL's land and buildings.

Cyber Defense Center: 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 centralised facility to monitor, improve the organisation's cyber security posture while preventing, detecting, analysing, and responding to cyber security threats in BEL. CDC is built on layered security approach (defence-in-depth) and continuously getting augmented with latest tools & technologies for maintaining the cyber resiliency.

New two-factor authentication system for Internet Mail: For access for BEL's Internet mail from outside of BEL premises, a new Grid-based authentication method has been implemented in the 4<sup>th</sup> quarter of FY 2023-24. This is a Make-in-India product that addresses the security requirements without any dependency on third party hardware (like hardware tokens, smartphones, mobile networks for SMSs, OTPs and agent installation on user devices). Though the registered PIN and Target number are fixed, the grid pin will be changing on each login to avoid the risk of credential compromise. The System has been subjected to VAPT and all reported vulnerabilities were mitigated before go-live.

Upgradation of Web Security Systems: Centralised Internet Gateway was established for uniform deployment of cyber security policies across all BEL units. A secure web gateway (SWG) was deployed to further upgrade, streamline and enforce the granular policies on internet access. The objectives of a deployed secure web gateway are to filter

internet traffic, enforce security and acceptable use policies, and protect users and organisations from online threats. Web gateway scrutinises every outgoing web request from the 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, prevents malware from reaching corporate Network and shield organisation from potential data breaches.

#### Quality

Quality, Technology and Innovation are three guiding pillars of BEL's business initiatives. Quality being the first pillar has been one of the focus areas for the Company. The Company is committed for continual improvement through a process approach in line with World-Class Quality Systems. All Units/Strategic Business Units (SBUs)/Common Services Groups (CSGs) are accredited to ISO 9001 Quality Management Systems (QMS). Nineteen Units/SBUs of the Company are committed to the Environment Management System through ISO 14001 Certification. Ghaziabad, Kotdwara, NAMU and Bangalore Units are certified for first time for ISO 45001 & ISO 14001. BEL Hyderabad Unit has been conferred with the CII-EXIM Bank Business Excellence Award in the year 2023.

BEL received 24 Green Channel Certificates covering 13 Units/SBUs from DGQA for a total of 76 products, in the areas of Radars, Naval Systems, Communications, and Electro Optics Products. Mast, Batteries and Gun Upgrade, BEL is the first PSU to reach this new height on Quality aspects; Ghaziabad SBU DCCS has received the Green Channel Certificate for the first time for CMS Systems in this year. 14 Units/SBUs/Divisions of the Company are certified for Information Security Management System ISMS ISO 27001. During the year, Navi Mumbai Unit is certified for ISMS ISO 27001 for first time. BEL has a total of 19 AS9100D Certificates and 8 ISO 9001 Certificates. EM, NS2 SBUs and Pune, Panchkula, Kotdwara Units got recertified for AS9100D Standard this year. Test Equipment, Calibration and Maintenance Divisions of Bangalore Complex, Ghaziabad, Panchkula, Chennai, Navi Mumbai 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 Unit, CRL-Ghaziabad, Chennai and Hyderabad Units are certified for CMMi Level 3. BAE and BEEI are certified for EOMS ISO 21001 for the first time.

HYBRID QA 4.0 implemented at Machilipatnam Unit. Online QA documentation inspection Module WIQAS is implemented at ADSN, NS1, NS2 and MILCOM SBUs of



Bangalore Complex. Digital/Virtual/Remote QA is also implemented at Hyderabad Unit.

The Company has facilitated involvement of employees in the Quality Movement through the Quality Control Circle (QCC). During FY 2023-24, 717 QCC Presentations are made by various QCC Teams. Many QCC teams are nominated for national competitions and all are adjudged for various categories of Awards. Kotdwara QCC Pragati Team has participated in ICQCC 2023 Online conducted by China and won the highest Platinum Award. Around 4,611 suggestions are awarded in FY 2023-24. A total savings of ₹ 120 Crore was achieved through this Suggestion Scheme implementation in various process improvements during this year.

During the year 18 Executives from various Units/SBUs are certified as "Certified Quality Engineers (CQE)" from ASQ. 23 Executives from various Units/SBUs were certified as "Certified Reliability Engineers (CRE)" from ASQ. 4 Senior Executives were certified as "Certified Manager of Quality/Organizational Excellence (CMQ/OE)" from ASQ. 43 Executives were certified as "Project Management Professionals (PMP)" from PMI USA. 13 Executives were certified as "Six Sigma Black Belt (SSBB)" by the Indian Statistical Institute (ISI), Bangalore. 20 Executives were certified as "Design for Six Sigma-Green Belt (DFSS-GB)" by the Indian Statistical Institute (ISI), Bengaluru. 25 mid-level and senior executives were certified as "Certified Data Analytics (CDA)" by the Indian Statistical Institute (ISI), Bengaluru.

Total 368 Six Sigma Projects have been completed during the year 2023-24, resulting in an estimated savings of ₹ 11,056.87 Lakhs to the company. 15 BEL Six Sigma teams participated in regional level competitions CCQC-2023 organised by QCFI and all 15 teams won the highest award "GOLD". 15 BEL Six Sigma teams participated in National level competitions NCQC-2023 organised by QCFI and all 15 teams won the highest award "PAR Excellence". 3 BEL Six Sigma teams (GAD, COMP & MC) participated in ICQCC-2023 organized by QCFI in online mode and won the highest award "GOLD". Panchkula Unit won the First Prize, GAD NCS SBU, Chennai units won second and third prizes respectively in companywide Quality Recognition Award (QRA) 2023.

This year also the Company conducted the Integrated Customer Satisfaction Survey, and the Satisfaction Index is 83.60 with a net promoter score of 53.45 which is very good in comparison with bench mark companies.

### Human Resources

Your Company employed 8,937 people as on 31 March 2024 compared to 8,832 people as on 31 March 2023. Out

of these employees, 5,078 were engineers/scientists and 1,928 were women employees. A total of 583 employees were inducted during FY 2023-24. 96 employees belonging to the Scheduled Castes (SC), 55 employees belonging to the Scheduled Tribes (ST), 207 employees from the Other Backward Classes (OBC), 32 employees belonging to the Minority Community and 5 Physically Challenged employees were inducted during FY 2023-24.

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 2024 are as under:

Category of Employees	Executives		Non-Executives	
	Group 'A'	Group 'B'	Group 'C'	Group 'D'
Scheduled Caste	1,096	36	485	22
Scheduled Tribe	417	17	120	16
OBC	1,483	63	783	47
Ex-Servicemen	60	-	251	77
Physically Challenged	104	5	95	1

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 Awards and Accolades:

- Hyderabad Unit of BEL bagged the prestigious CII EXIM Bank Award for Business Excellence 2023
- Karnataka State Export Excellence Award
- Economic Times 'Iconic Brand of the Year Award-2023'
- 'Employee Excellence Award' from Times Group
- Institution of Engineers (India) 'Industry Excellence Gold Award for Business Excellence'
- 'Project of the Year - Large Category (Runner Up) Award' from Project Management Institute
- Indian Chamber of Commerce 'PSE Excellence Awards'
- Governance Now PSU Awards
- National Export Excellence Award 2024

### 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 ₹ 12,645 Lakhs for the year compared to ₹ 6,098 Lakhs in the previous year. The Profit After Tax (PAT) for the year was ₹ 1,659 Lakhs compared to ₹ 676 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 ₹ 9,368 Lakhs compared to ₹ 7,815 Lakhs in the previous year. The Profit After Tax (PAT) for the year was ₹ 277 Lakhs compared to ₹ 700 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 ₹ 1,71,833 Lakhs for the year compared to ₹ 1,57,547 Lakhs in the previous year. The Profit After Tax (PAT) was ₹ 16,184 Lakhs for the year compared to ₹ 17,624 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](http://www.bel-india.in).

### Consolidated Financial Statements

Consolidated Financial Statements of your Company and its Subsidiaries for the year ended 31 March 2024 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 Organization is headed by a Chief Vigilance Officer (CVO). Mr Shrikant Walgad, IAS was the CVO till 14 February 2024. Thereafter on his repatriation to the parent cadre, Ms Kalyani Slyani Sethuraman, IRAS, CVO/HAL was entrusted additional charge of BEL. Currently CVO/HAL is looking after the post of CVO/BEL as per orders issued by MoD.

Full time Vigilance Officers are posted in Units and SBUs and are handling vigilance activities in the Units and SBUs. Vigilance Committees are formed to look after the Vigilance Administration in the Units and 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 focussed attention during the current year. The Vigilance Department examines procurements and 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, 1,233 high-value Purchase Orders/Contracts (> ₹ 1 crore) have been reviewed. CTE Type Intensive Examination has been restructured with the formation of Five Intensive Examination teams. CTE Type of Intensive Examination of 60 High value Procurements Contracts has been taken up during the year 2023-24. Regular and surprise checks and inspections have also been conducted by the Field Vigilance Officers. During the year, 67 Complaints were received. A total of 65 Complaints were disposed. Disciplinary action and system/process improvement have been recommended in some cases where lapses were observed.

During the year, 1,966 Executives and 200 Non-executives were given a basic awareness program on Vigilance. 32 Executives & 11 Non-executives working in sensitive areas for more than 3 years have been rotated out of the total 46 employees covering 93%.

Vigilance Department has been certified for ISO 9001/2015 Certification for the Vigilance function of BEL. M/s. TUVSUD is an external auditor for ISO 9001/2015 Vigilance Audit with effect from July 2022.

In line with the CVC's guidelines on Leveraging Technology and to ensure transparency through the 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 in 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 by creating a sense of awareness on systems and procedures through awareness campaigns and training programmes.

**Key activities carried out during the year 2023-24:**

**A) Observation of Vigilance Awareness Week 2023:**

**Inauguration and Integrity Pledge taken:**

BEL has observed Vigilance Awareness Week from 30 October to 5 November 2023 with the theme "Say No To Corruption; Commit To The Nation" at all its offices across the country. Programmes under three months campaign, Lecture programmes, competitions, outreach programmes, Awareness programmes at Gramsabha, Seminars/Workshops/Training and other activities were conducted on most of the occasions.

**Distribution of Pamphlets/Banners/Slogans/Standees on Vigilance:**

Display of Banners and 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 and PIDPI were made and distributed among Employees, Executives and Contract Personnel. Display of Banners during the Week at prominent places like Lalbagh Botanical Garden, Kanteerava Stadium, BEL Circle, Doddabommasandra Arch and Nanjappa Circle in Bengaluru.

**Publicity of PIDPI among Vendors and the General Public:**

As a part of Vigilance Awareness Week 2023 celebrations, PIDPI standees are kept all over the Units of BEL in reception areas, hospitals, residential apartments, entrance etc., Awareness programmes on PIDPI in schools, colleges are conducted and Training programmes on PIDPI are conducted for Probationary Engineers, Dy. Managers, Managers, DGMs and Sr. DGMs during the three months campaign as instructed by CVC.

**Outreach Activities:**

1. Street plays with a set of professionals were hired. 5 plays were played at prominent public visiting places in Bengaluru including at Lalbagh Botanical Garden, BEL Circle and Doddabommasandra Lake.
2. Vigilance Awareness Programme was conducted in Karnataka Public Govt. School, Hebbal, Pavithra Vidhyaniketan High School, Devinagar, Nitte Meenakshi Institute of Technology, Yalahanka and BEL Schools and Colleges during the period.
3. Workshop on PIDPI awareness by Prof O V Nandimath, National Law School of India University was held at BEL-Kalakshetra, Bengaluru. More than 600 employees participated.
4. Marathon event was organised at Doddabommasandra Lake. Around 250 students of BEL First Grade College participated in the event.

**Capacity Building Program - Precursor to VAW 2023, the following training programmes were conducted in BAE:**

- (a) Role of IO/PO in conducting enquiries
- (b) Public Procurement
- (c) Ethics and Governance
- (d) Systems and Procedures of the Organisation viz., Purchase, Sub Contract, Works Contract and CDA rules
- (e) Cyber Hygiene and Security

**Vigilance Manual Released:**

Vigilance Manual of 2018 was revised and the new Vigilance Manual 2023 was released by CMD during the Valedictory Function of Vigilance Awareness Week 2023.

**B) Vigilance Programmes and other Programmes Organised in BEL:**

- i) Mid-career training on "Vigilance Overview and Case Studies" for executives working in MM and Purchase finance was held at BEL Academy for Excellence (BAE), Bangalore.
- ii) Sessions on Public Private Partnership (PPP) and GeM was conducted at BEL Chennai Unit. 34 BEL officers & 24 AVNL officers attended the session.

Faculty was Col Sandeep Bajpai, CQA (AVNL) from Avadi, Chennai.

- iii) Interaction between CVO, BDL & MIDHANI, Hyderabad and Vigilance Officers was held at Corporate Office to discuss Vigilance systems & procedures. CVO, AGM, Sr. DGMs and DGM of Corporate Vigilance attended the session. Vigilance Officers from Other Units attended the session through Video Conference.
- iv) Orientation Program for Project Engineers and Trainee Engineers on Vigilance Awareness was held by Head Vigilance-BC at CLD, Bangalore Complex.
- v) Vigilance Induction Programmes for Probationary Engineers were held at BEL Academy for Excellence (BAE), Bangalore.
- vi) As part of the induction program, a PIDPI awareness session was held for 122 newly joined probationary officers at Bengaluru.

**C) Vigilance Audit Conducted:**

ISO 9001:2015 First Surveillance Audit by M/s. TUV SUD for Vigilance was held in the Chennai Unit, Bangalore Complex and Corporate Office.

**D) Annual Vigilance Meet 2023-24:**

Annual Vigilance Meet 2023-24 was held at Visakhapatnam on 14 December 2023 and 15 December 2023. During the meet, "Jagriti", a Vigilance Bulletin was released. The following Talks/Presentations were held during the meet.

- i) Talk on "CBI Administration" by Mr Murali Rambha, IPS, SP & HoD, CBI, ACB, Andhra Pradesh.
- ii) Talk on "Vigilance Practices in Steel Plant" by Mr S Karuna Raju, IAS, CVO, Vizag Steel Plant.

**Integrity Pact**

One of the initiatives of the Central Vigilance Commission (CVC) to eradicate corruption in procurement activity is the introduction of the Integrity Pact in large-value contracts with Government Organisations. In line with the directives from the Ministry of Defence and the Central Vigilance Commission, your Company has adopted an Integrity Pact with all vendors/suppliers/contractors/service providers for all Orders/Contracts of value ₹ 300 Lakh 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, IPS (Retd.) and Dr Joginder Paul Sharma, IAS (Retd.) for monitoring the implementation of the 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 Programs 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 37% of total Domestic procurement during FY 2023-24 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 2023-24, the Company has achieved targets prescribed in the Annual Program issued by the Dept. of OL, Ministry of Home Affairs (MHA), Gol to transact official work in Hindi.

**OL Inspections:** The First Sub-Committee of the Committee of Parliament on Official Language conducted OL inspections of Regional Office Kolkata on 28 April 2023, Kotdwar Unit on 6 May 2023, Machilipatnam Unit on 11 July 2023, Central Research Laboratory, Bengaluru on 19 October 2023 and Pune Unit on 19 January 2024. Corporate OL Inspection team conducted 05 inspections of its subordinate Units/Offices.

DDP, MoD officials conducted an OL inspection of Central Research Laboratory, Bengaluru on 12 June 2023.

**Bilingualisation:** All Units and Offices of the Company including Corporate Office are issuing documents in bilingual as per the Section 3(3) of the Official Language Act, 1963. Usage of Hindi is being encouraged in correspondence and on computers. Individual orders under OL Rule 8 (4) were issued by CMD 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). The Company's website is also available in Hindi.

**Training and Reporting:** A roster is maintained for the 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, Gol, MoD, Hindi Teaching Scheme and Town Official Language Implementation Committee (TOLIC) as per schedule.

**Hindi Month Celebrations:** 24 officers across BEL took part in the Hindi Day Function and 3<sup>rd</sup> All India OL Conference organized by Dept. of OL, MHA on 14 September 2023 at Pune (Maharashtra). Hindi Month and Hindi Day was observed during September in all the Units and Offices of the Company.

**Meetings/Workshops:** CMD attended the Raksha Salahkar Samiti meeting held under the chairmanship of the honorable Defence Minister on 30 June 2023 at Delhi. Official Language Implementation Committee (OLIC) meetings, Hindi workshops and technical talks in Hindi were conducted in all Units/Offices. OL Officers and Sr. Officers from BEL's Units situated in Karnataka, Andhra Pradesh and Tamil Nadu participated in the Regional OL Conference organised in Bengaluru on 19 January 2024.

**Incentives and Awards:** Company has various lucrative Incentive Schemes for doing original work in Hindi. These schemes are named after the renowned Hindi Litterateur which carries cash awards from ₹ 2,000 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 of the Company to propagate usage of Hindi.

**New Initiatives:** In order to strengthen linguistic harmony among employees towards Hindi, a Linguistic Harmony Program was organised in which popular television serial Malgudi Days was screened. A dedicated section for OL has been introduced in the Company's website. Defence Electronics Glossary of BEL is being prepared in coordination with the Commission for Scientific and Technical Terminology (CSTT), Ministry of Education. Bharatendu Rajbhasha Kaushal Abhimukheekaran Program was initiated by the Corporate Office for OL Officers/Translators of Central Government Offices/Banks/Undertakings located at Bengaluru. World Hindi Day was celebrated on 10 January 2024 and message of honourable Prime Minister was read out. As part of the 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 the 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 a 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 the 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 the first appeals filed under the Act. In compliance with the 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 the Company [www.bel-india.in](http://www.bel-india.in). The FAA, CPIOs and other internal stakeholders involved are sensitized about their obligations under the Act through training and workshops.

Your Company received 403 applications (including 81 transferred by other Public Authorities to BEL) during the period from April 2023 to March 2024, and 28 RTI applications were carried forward from the year 2022-23. A total of 393 applications were responded to including 52 applications that were rejected, out of a total of 431 applications. Your Company received 61 First Appeals during the period, out of which 52 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 2023-24 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 2023-24:

Sl. No.	Name of the Director	Designation	Date of Appointment	Date of Cessation
1	Mr Vikraman N	Director (HR)	01.06.2023	Not Applicable
2	Mr K V Suresh Kumar	Director (Marketing)	16.06.2023	Not Applicable
3	Mr Vinay Kumar Katyal	Director (Bangalore Complex)	Not Applicable	31.07.2023

Mr Bhanu Prakash Srivastava, Chairman & Managing Director (Additional Charge) upto 20 June 2024, Mr Damodar Bhattad S, Director (Finance) and Chief Financial Officer and Mr S Sreenivas, Company Secretary are the KMPs, as defined under Section 2(51) of the Companies Act, 2013. Mr Manoj Jain took over as Chairman and Managing Director (KMP) w.e.f 20 June 2024 and is being appointed as Managing Director on terms as set out in the Notice of 70<sup>th</sup> Annual General Meeting (AGM).

Mr Vikraman N, Director (Human Resources), 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 2024 are given below:

Sl. No.	Name	Designation	No. of Equity Shares Held
1	Mr Bhanu Prakash Srivastava	CMD – Addl. Charge (upto 20.06.2024) Director (Other Units) Director (R&D) - Addl. Charge w.e.f 20.06.2024	3,789
2	Mr Manoj Jain	CMD w.e.f 20.06.2024 Director (R&D) - upto 20.06.2024 Director (Bangalore Complex) – Addl. Charge	7,590
3	Mr Damodar Bhattad S	Director (Finance) & CFO	3,789
4	Mr Vikraman N	Director (HR)	3,789
5	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 2024 and of the profit of the Company for the year ended 31 March 2024;
- 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 2024 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 2023-24 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](http://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 annexed 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](http://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 2023-24, 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. Accordingly, the Company has rolled out focused 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 2023-24 is annexed herewith as **Annexure-2**.

### Statutory Auditors

Pursuant to Section 139(5) of the Companies Act 2013, for FY 2023-24, the Comptroller and Auditor General of India (C&AG) appointed M/s P G Bhagwat LLP, 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, Panchkula

and Kotdwara units. 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 FY 2023-24 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 Murthy & Co. LLP, Cost Accountants, Bengaluru, as Cost Auditors of the Company for FY 2023-24 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, Practising Company Secretaries, Bengaluru for FY 2023-24 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 the Board did not have the requisite number of Independent Directors as required under 17(1)(b) of the SEBI (LODR) Regulations, 2015 from 16 June 2023 to 31 July 2023.

It is informed that filling up of the vacancies of Independent Directors was pending with the appointing authorities namely the Government of India.

### 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 annexed 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 2024, the Audit Committee comprised of Independent Directors viz., Mr Prafulla Kumar Choudhury, Chairman of the Committee, Dr Shivnath Yadav and Mr Gokulan B as its Members. During FY 2023-24, 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 annexed to 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 2023-24 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 annexed to 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

**Manoj Jain**

Bengaluru  
1 August 2024

Chairman & Managing Director

**Annexure-1**

**Form No. AOC-2**

(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

**Manoj Jain**

Chairman & Managing Director

Bengaluru  
1 August 2024

**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 BoD 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 2023-24:**

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	Executive Director/Chairman	2	2
2	Mr Vinay Kumar Katyal (Ceased as Member w.e.f 31.07.2023)	Executive Director/Member	2	1
3	Mr Shivnath Yadav	Independent Director/Member	2	2
4	Mr Mansukhbhai Shamjibhai Khachariya	Independent Director/Member	2	2
5	Mr Manoj Jain (Ceased to be Member w.e.f. 31.05.2023 as Director (HR)-Addl. Charge) (Appointed as a Member w.e.f 01.08.2023 as Director (BG)-Addl. Charge)	Executive Director/Member	2	2
6	Mr Damodar Bhattad S	Executive Director/Member	2	2
7	Mr Vikraman N (Appointed as a Member w.e.f 01.06.2023)	Executive Director/Member	2	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/2024/02/CSR-Policy-28.03.2023.pdf>
- iii. Approved CSR Projects Web-link: <https://bel-india.in/wp-content/uploads/2024/06/ANNEXURE-1-CSR-PROJECTS-2023-24.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 Study of Infrastructure/Facilities created in Educational Institutions, Govt. Hospitals, Rural Villages & Lake by BEL 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/2024/06/ANNEXURE-2-IMPACT-ASSESSMENT-LATEST.pdf>

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 32,98,97,66,666.00
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 65,97,95,333.00
- (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)]: ₹ 65,97,95,333.00
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 24,40,73,602.86
- (b) Amount spent in Administrative Overheads: ₹ 3,14,19,000.00

- (c) Amount spent on Impact Assessment, if applicable: ₹ 79,988.58
- (d) Total amount spent for the Financial Year[(a)+(b)+(c)]: ₹ 27,55,72,591.44
- (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
27,55,72,591.44	38,42,22,741.56	29/04/2024	NA	NA	NA

- (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 ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	2022-23	30,81,97,901.00	30,81,97,901.00	11,61,63,005.08	Nil	NA	19,20,34,895.92	NA
2	2021-22	22,56,32,261.68	10,49,86,066.14	2,96,18,765.83	Nil	NA	7,53,67,300.31	NA
3	2020-21	24,09,27,914.33	15,11,72,168.73	13,97,01,546.43	Nil	NA	1,14,70,622.30	NA
4	2019-20	7,90,34,548.28	1,42,35,263.79	1,42,35,263.79	Nil	NA	Nil	NA

#### 8. 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

**Manoj Jain**  
Chairman & Managing Director

Bengaluru  
1 August 2024

#### Annexure-3

### Secretarial Audit Report for the Financial Year ended 31 March 2024

[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 2024, 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 2024 according to the provisions of:

- The Companies Act, 2013 (the Act) and the Rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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;

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable during the audit period);
  - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable during the audit period);
  - 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;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the audit period); and
  - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015; and
  - The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable during the audit period).



**'Annexure A'**

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 the above except as follows:

- i) The Board has total fourteen (14) Directors consisting of a Chairman who is regular Executive Director (Whole Time Director in additional charge of Managing Director), other four (4) Executive Directors, two (2) Non-Executive & Non-Independent Directors (Govt. Nominees) and seven (7) Independent Directors as at the end of the financial year. *However, the Board did not have requisite number of Independent Directors as required under 17(1)(b) of the SEBI (LODR) Regulations, 2015 during the period from 16 June 2023 to 31 July 2023. An Executive Director was appointed on 16 June 2023 increasing the strength of Executive Directors and the non-compliance has been made good on 31 July 2023 wherein an Executive Director retired and the composition of Board was in compliance with Regulation 17(1)(b) of the SEBI (LODR) Regulations, 2015 as on 1 August 2023.*

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: F006680F000400458

Bengaluru  
20 May 2024

**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.

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.

Bengaluru  
20 May 2024

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

**CS Thirupal Gorige**  
Designated Partner  
FCS No. 6680; CP No.6424  
UDIN: F006680F000400458

**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**

Despite the global economic challenges, India's GDP is projected to surpass 7.2% in FY 2023-24 as per "Indian Economy: A Review", after three consecutive years of contraction (2020-21 onwards). India is poised to become the third largest economy, in the next three years with a GDP of US\$ 5 trillion.

The macroeconomic stability has given rise to the growth of the Indian economy as seen in robust foreign exchange reserves, growth in foreign direct investment (FDI), lower current account deficit and moderate inflation. 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 the Indian economy and also the turbulence in the global security environment have given a boost to the defence spending.

**Defence**

In the interim budget for FY 2024-25, the Government has allocated ₹ 6.21 Lakh Crore to MoD, an increase of 4.7% over the previous year. The capital allocation, which relates to modernisation and infrastructure development of the Armed Forces has been increased from ₹ 1,62,600 Crore in FY 2023-24 to ₹ 1,72,000 Crore in FY 2024-25, with an increase of 5.8% over the previous year.

The Government's plan to foster jointness among the services by consolidating the demand of three services to bring in flexibility and re-appropriate the funds among the services based on inter services priority and for faster decision making and better utilisation of capital budget.

Indian Coast Guard (ICG) has been allocated ₹ 3,500 Crore as Capital expenditure for the acquisition of fast-moving patrolling vehicles/interceptors, advanced electronic surveillance systems etc.

To financially strengthen DRDO in developing new technology, ₹ 13,208 Crore has been allocated for capital expenditure.

The Government has come out with a new initiative to expedite indigenisation in defence and to provide impetus to innovation by launching a new scheme to strengthen Deep-Tech for defence. The scheme has ₹ 1,00,000 Crore corpus for Deep Tech for long-term loan to tech savvy youth/companies and tax advantage to start-ups.

**Non-Defence**

Apart from its core Defence business, BEL has ventured into several non-Defence areas like Homeland Security, Smart City, Energy Storage Products, Solar, Space Electronics, Network & Cyber Security, Railways & Metro Solutions, Medical Electronics & Healthcare Solutions, Software Solutions, etc.

**Homeland Security**

The Homeland Security market in India is spread across Central/State Governments, government entities including PSUs and Private Sector Organisations. 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 terrorist activities & crime, data thefts, remote monitoring needs for centralised command & control, asset protection & disaster management, growth in public infrastructure, increased IT spending, and increase in security spending are boosting demand for the Homeland Security market in India.

In FY 2024-25, the Ministry of Home Affairs (MHA) has been allocated ₹ 2.03 Lakh Crore, with an increase of 1.4% over the revised estimate of ₹ 1.96 Lakh Crore for FY 2023-24. Of the Ministry's total budget, 65% of expenditure is on police, 31% on grants to UTs and 4% on

other items such as disaster management, rehabilitation of refugees and migrants, and conducting the Census.

In the FY 2024-25 budget, ₹ 1.32 Lakh Crores has been allocated towards police in comparison to ₹ 1.27 Lakh Crore in FY 2023-24. Central Reserve Police Force (CRPF) which is primarily responsible for internal security has been allotted ₹ 32,810 Crore in 2024-25 in comparison to ₹ 31,772 Crore in the previous year. Central Industrial Security Force (CISF), which protects vital installations like Nuclear projects, airports and metro networks, has been given ₹ 13,655 Crore in 2023-24 in comparison to ₹ 12,930 Crore in the previous year.

**Smart City**

The Smart Cities Mission (SCM) was launched in June 2015 as a Centrally Sponsored Scheme (CSS) with the objective of providing a decent quality of life to citizens in cities, through the application of 'smart solutions', and improvement in the core infrastructure. The Mission was originally planned till March 2022 but has been extended till June 2024.

Smart Cities Mission (SCM) received reduced budget allocations in FY 2024-25 of ₹ 2,300 Crore compared to ₹ 7,600 Crore in FY 2023-24. Cumulatively, ₹ 42,055 Crore has been allocated for SCM till FY 2023-24, which accounts for 86% of anticipated GoI funds for the Mission. So far, out of the total projects, the completed projects are worth of ₹ 1,25,105 Crore.

Additionally, City Investments to Innovate, Integrate and Sustain (CITIIS), a new initiative under SCM has seen an increase in total allocation by almost 10 times between its initiation in FY 2018-19 and FY 2024-25.

The Strategic Business Unit which was formed exclusively to address the Homeland Security and Smart City business has made significant achievements in the Homeland Security and Smart City domain.

**Energy Storage Products**

Continually rising ozone-harming Green House Gas (GHG) discharges have forced nations and organisations to take focussed time-bound measures for adoption of clean and renewable energy.

As per market reports, the global battery energy storage system (BESS) market is projected to grow from US\$ 10.88 billion in 2022 to US\$ 32.50 billion by 2030, exhibiting a CAGR of 16.3% during the forecast period.

Government of India (GoI) notified Phase-II of Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India) with a budgetary support of ₹ 11,500 Crore for a 5 year period commencing from 1 April 2019. The Scheme has supported approximately 15 Lakh Electric Vehicles till end of March 2024. A total of 221 models of electric vehicles benefited under the FAME II scheme.

The Government has also approved the Production Linked Incentive (PLI) Scheme, 'National Programme on Advanced Chemistry Cell (ACC) Battery Storage' for achieving manufacturing capacity of 50 GWh of ACC for Enhancing India's Manufacturing Capabilities with a budgetary outlay of ₹ 18,100 Crore. The scheme incentivises local value addition for the battery storage manufacturing ecosystem in India and also discourages import of components, through increased duties etc.

BEL is addressing the energy storage system requirement for strategic applications and EV segment among its focussed markets. BEL has acquired technology from DRDO for high capacity Lithium-ion cells for strategic applications and has set up an R&D facility. BEL is also exploring adoption of fuel cell-based technologies for commercial manufacturing in partnership with technology partners.

**Solar – Renewable Energy**

The Government has set an ambitious target of generating 280 GW of installed solar capacity by 2030. In the Budget for FY 2024-25, the government has allocated ₹ 8,644 Crore for the solar power sector including grid and off-grid projects. This is about a 75% increase compared to previous years of ₹ 4,941 Crore (revised) allocations.

BEL has scaled up its operations from Cell/Module manufacturing to execution of solar power plant projects under the Engineering Procurement Construction (EPC). BEL has created a new Micro SBU for a focussed approach to target the requirements of the Solar Business, which is likely to contribute to BEL's business on a continuous basis in the near future. BEL is also exploring opportunities in export market. BEL has set-up a Solar Power plant using solar modules made up of bifacial solar cell tech as a trial basis within the BEL campus.

### 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 ₹ 13,043 Crore compared to ₹ 12,544 Crore for the year 2023-24, which is an increase of 4%.

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, Satellite Communication Services and address Launch Vehicle segment jointly with Indian private industry. BEL has long term objective of becoming a prominent player in Space-based Assets and Payloads. BEL also expressed its interest for participating in productionisation of Satellites and Small Satellite Launch Vehicle (SSLV) with support from ISRO.

BEL has qualified as an industry partner of ISRO for Assembly, Integration and Testing (AIT) of satellites. It has completed Satellite AIT of three RISAT satellites at ISRO. BEL has collaborated with ISRO and has come out with new products like the next-generation Indigenous Receivers for Positioning and Navigation (IRNSS), Satcom Terminals, LTCC-based Substrates and high power space TWTs, which have a usage in Defence, Government services and paramilitary applications, in collaboration with ISRO. 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.

### Network and Cyber Security

The cyber security market in India which is driven by investments by organisations to safeguard against cyber threats is expected to grow to about ₹ 29,116 Crore by 2027. The global Cyber Security market is expected to reach about US\$ 366 billion by the year 2028.

The Network & Cyber Security (NW&CS) division has made key progress during the year 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.

The Network & Cyber Security division is also vigorously pursuing current technologies like Quantum Key Distribution, Block-chain, Digital Forensics, 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. Various Cyber Security certifications have been obtained by this group, including CEH, GSEC, Lead Auditor for ISO 27001, CISSP, CSQE, CHFI, CCNA etc. certification to qualify in domestic and global tenders. A dedicated software Network and Cyber Security Strategic Business Unit (SBU) has been to address these opportunities.

### 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 on the promotion of Digital India and adoption of emerging technologies, including 5G, AI, ML and Drones.

The total capital expenditure by Railways for 2024-25 is projected at ₹2,55,000 Crore, an increase of 5.8% over the estimates of 2023-24. Indian Railways is planning to redevelop 508 stations spread across 16 states and Union Territories. This ambitious project is estimated to cost ₹ 24,470 Crore. The other plans for railways include the indigenous production of 400 energy efficient Vande Bharat trains in collaboration with technology partners. For Metro total budget for the financial year 2024-25 is ₹ 21,335 Crore.

The modernisation and new projects like National Common Mobility Card (NCMC) compliant Automatic Fare Collection (AFC) Gating system for Metros, Indian Computer-based Train Control/Intelligent Automatic Train Supervision (i-ATS), Rolling Stock Driver Training Simulator, Real Time Information System (RTIS) for Indian Railways, Supervisory Control And Data Acquisition (SCADA), CCTV Radios, Video Surveillance Systems, FOG Vision, LTE-based Mission Critical Communication

Networks for the Railways, Unmanned Railway Crossing System, Composite Panels for Rail and Metros, Platform Screen Doors etc. are some of the key areas being pursued by BEL.

BEL is collaborating with DMRC, RDSO, NCRTC and various public/private organisations in the area of i-ATS System, i-CBTC, DMI, Super-SCADA, Rolling Stock Driver Training Simulator, Kavach for Indian Railways, TCMS, Platform Screen Doors, etc. BEL has developed Platform Screen Door (PSD) for public safety and is being installed in MP Metro stations.

### Civil Aviation

As per reports, the global domestic aviation market was valued at US\$ 966.01 Billion in 2022 and is expected to reach US\$ 1,204.31 Billion by 2029 at a CAGR of 3.2% during the forecast period. The aircraft passenger traffic in India is estimated to reach 300 million annually by 2030 from 153 million in 2023, and number of airports will increase to over 200 over the next five-six years from existing 149 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 last decade. India is the third largest domestic civil aviation market in the world and the seventh largest international civil aviation market in the world. In the last 15 years, domestic and international cargo witnessed a growth of 60% and 53% respectively. The allocation for the civil aviation ministry stood at ₹ 3,113 Crore. Additionally, there were efforts to encourage the manufacturing of aircraft components within the country. This move aimed to boost the domestic aviation industry, creating job opportunities and reducing dependencies on imports. The government has continuously focussed on infrastructural development therefore, the industry was anticipating allocation of funds for the development of new airports and the enhancement of existing ones in order to improve facilities. The AAI has earmarked a sum of ₹ 25,000 Crore for a period of five years, for modernising 100 airports across the country.

To enable Atmanirbhar Bharat and Make-In-India initiative, BEL is collaborating with M/s Airports Authority of India for modernisation of Airports, providing solutions for Air traffic management, other ground & navigation solutions, etc.

Towards this, BEL in association with AAI, has developed indigenous Automated Air Traffic Management System (ATMS) and Advanced Surface Movement & Guidance Control System (ASMGCS) solutions which have been deployed at Bhubaneswar Airport and are under exploitation and validation.

BEL is also exploring partnerships with global OEMs in Civil aviation segment for indigenisation of systems and solutions required for modernisation of Airports and ground infrastructures.

### Software

Software is becoming a crucial piece of weaponry in the modern Defence system. Advanced software systems and embedded software technologies play a vital role in modern warfare and transforming every aspect of the product offerings.

India is one of the leading software development centres in the world and the Indian IT industry is growing at a CAGR of 10.71%. As per reports, the Indian IT industry, comprising software products, IT services, engineering and R&D services, ITes/BPO, hardware and e-commerce is expected to grow to US\$ 350 Billion by 2025.

The Software SBU of BEL is handling multi-disciplinary projects/programmes which require cutting-edge technologies. The SBU is catering to the in-house software requirements and is also exploring & addressing opportunities in both domestic and export markets.

Apart from core Defence segments, opportunities with respect to Homeland Security, e-Governance projects, Smart Cities, digital transformation projects, healthcare, software simulators, software assurance services, ERP Implementation and Digital Agriculture are also being focussed. BEL is planning to setup a Software Development Centre at different locations across India to cater for the software services and support activities.

### Medical Electronics & Healthcare Solutions

The medical electronics market globally is expected to reach over US\$ 795.00 Billion by 2032. Indian medical electronics market is expected to grow to US\$ 50.00 Billion by 2026 at 17% CAGR.

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 & healthcare segment. One



of the objectives of your Company is to enter into this market segment 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 a ToT. Your Company is also planning to come out with its own 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, portable remote patient health monitoring systems, patient monitoring systems for ICUs, Ultrasound, turbine-based ventilators, MRI, etc.

**Focussed approach for new areas in Defence**

To give a focussed 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**

As per the reports, the UAV Market is projected to grow from US\$ 17.31 Billion in 2024 to US\$ 32.95 Billion by 2029, at a CAGR of 13.74% during the forecast period. Unmanned aerial vehicles (UAVs) are remotely piloted, optionally piloted, or fully autonomous aerial vehicles that play a significant role in the defence and commercial sectors.

The Unmanned Underwater Vehicles (UUV) market is estimated to be US\$ 4.8 Billion in 2024 and is projected to reach US\$ 11.1 Billion by 2030, at a CAGR of 15% during the forecast period. The Unmanned ground vehicles (UGV) market is estimated to be US\$ 2.7 Billion in 2022 and is projected to reach US\$ 5.26 Billion by 2030, at a CAGR of 8% during the forecast period. The Unmanned surface vehicles (USV) market size was valued at US\$ 2.16 Billion in 2023 and is projected to grow from US\$ 2.27 Billion in 2024 to US\$ 3.29 Billion by 2032, at a CAGR of 4.7% during the forecast period.

The Indian Unmanned Systems segment offers good opportunity for the Indian Industry including BEL. 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.

To address the Unmanned Systems Business Opportunities in a focussed manner with dedicated resources, a separate Strategic Business Unit (SBU) has been created at BEL Bangalore. The SBU is building its capabilities through in-house development as well as through partnerships to address the Unmanned Systems Business opportunities.

**RF and IR Seekers**

The global missile seekers market size is projected to grow from US\$ 5.3 Billion in 2021 to US\$ 6.8 Billion by 2026, at a CAGR of 5.2% during the forecast period of 2021 to 2026.

The key drivers for the global growth of this segment continue to be increased by geo-political instabilities, the change in nature of the warfare strategies, continuous advancements in missile seeker technologies with increased R&D, depletion of stocks of legacy missile systems thereby necessitating the need for replenishment, increasing defence budgets of emerging economies and countries in need for securing their nation, etc.

The domestic demand for this segment emanates from the Government of India's Make in India policy and issuance of series of Positive Indigenisation Lists, wherein all strategic missile systems are included for domestic manufacturing in a phased manner.

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.

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

In order to address this critical segment in a focussed manner, a dedicated Strategic Business Unit (SBU) for RF & IR Seekers has been created at BEL Bangalore to address RF & IR Seekers. BEL continues to invest in the infrastructure for creation of required Manufacturing,

Assembly and Test facilities for these critical technology systems to enable mass manufacture of the Seekers to meet the required demand.

**Arms & Ammunition**

Arms & Ammunition including Smart Weapons are critical for the strategic needs of the country for which self-reliance has to be ensured. For long, 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., are offering huge opportunities to domestic defence manufacturers including BEL.

As per the reports, the global Arms and Ammunition (including Small arms, Smart weapons) market, is projected to reach US\$ 39.09 Billion by 2032.

In order to address the opportunities available and to effectively compete in this segment of business, a dedicated Strategic Business Unit (SBU) has been formed at BEL Bangalore.

BEL is engaged in development and also partnering with DRDO, Technology partners, Academia, R&D institutes, Start-ups etc. for development of Missiles Seekers, Glide Bombs, Rockets, Ammunitions, Electronic Fuzes and its related parts. BEL has made substantial investment for creating facilities for Processing/Hot integration and several storage magazines with all necessary regulatory licences and approvals.

**(b) Industry Structure and Developments**

At present, India is one of the largest importers of Defence equipment with majority of its Defence needs being met through imports, though India's arms import have decreased in the recent years, as per the reports. The Government of India aims to develop a strong self-reliant domestic industry in the Defence sector with substantial participation from the private sector, including MSMEs and start-ups to reverse the trend of imports.

In this regard, the Government has taken several initiatives like the Make-In-India programme, creation of an eco-system for development of technologies through innovation by MSMEs/start-ups, etc. With the support of the Government, the Indian industry is expected to move up in the value chain and deliver quality products, systems and services to the Defence forces. The Government has promulgated a draft Defence

production policy that aims at increasing Defence production to ₹ 1,70,000 Crore by 2025.

The MoD has introduced the Strategic Partnership model (SP) for the Indian private sector, as part of the DPP 2016. The model aims to progressively build indigenous capabilities in the private sector to design, develop and manufacture complex weapon systems and platforms.

The Defence Acquisition Procedure 2020 (DAP 2020) has incorporated several improvements focussing on self-reliance, wherein indigenisation and innovation is enabled through processes of make, design & development and strategic partnership. Import substitution has been facilitated through various schemes with an aim to reducing lifecycle costs and building a robust ecosystem with the help of the domestic industry/MSMEs. Amendments to DAP-2020 are underway, in order to further simplify the Make-I and Make-II procurement process, inclusion of Space activities, etc.

To promote indigenous Defence manufacturing, the Government has undertaken initiatives like liberalisation of Industrial Licensing, development of Defence Corridors, funding for Innovation in Defence and Aerospace through iDEX/DIO, continuous updation of DPP, thrust on exports, etc. Suo moto proposals can also be submitted under Make-II category.

Foreign Direct Investment (FDI) up to 74% is allowed through the automatic route and above 74% under the Government route, wherever it needs to access modern technology.

The DRDO developed technologies are now made available on a non-exclusive basis to the Indian industry, including the private sector against the payment of ToT and royalty fees. Also, the DRDO has come out with a revised Policy and Procedures for Transfer of Technology to Industry.

Two Defence industrial corridors in Uttar Pradesh and Tamil Nadu are being established by the Government. The Uttar Pradesh Defence Industrial Corridor (UPDIC) will have six nodes at Agra, Aligarh, Chitrakoot, Jhansi, Kanpur and Lucknow. The Tamil Nadu Defence Industrial Corridors (TNDIC) will have five nodes at Chennai, Coimbatore, Hosur, Salem and Tiruchirappalli.

The procedure of 'Make-I' and 'Make-II' programme has been introduced and being simplified further, by the Government which is likely to help MSME and start-up companies to integrate into Defence production. BEL is also participating in many of the Make II programmes of the Defence services. Reforms in Offset policy with thrust on attracting investment and transfer of technology for defence manufacturing by assigning higher multipliers.

Toward MoD's big push to Atmanirbhar Bharat initiative, MoD has put Import embargo on 400 plus items of Services through four 'Positive Indigenisation List' and three 'Positive Indigenisation List' of total 3,738 items of DPSUs with timelines to boost indigenisation of defence production. BEL's Products/Systems can meet about 30% of these positive lists of Defence Indigenisation.

Under these changing business scenarios, BEL is focussing on enhancing its interaction levels and building long-term relationships with emerging Strategic Partners, users and other key stakeholders in the Indian Defence industry.

**(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, Night Vision Devices, Multi-sensor Stabilisation Systems, Arms and Ammunitions, Transportation Solutions for Railways and Metro, Composite Products for Land, Marine & Avionics Segments, Artificial Intelligence & Robotics, Space Electronics & Launch Vehicles, Solar, Medical Equipment and related solutions, Energy Storage Products etc.

Many strategic alliances have been formed and other select partnerships are being pursued with Defence laboratories, DPSUs including the newly formed DPSUs, Academia, Start-ups, niche technology companies and reputed global OEMs and Indian companies/agencies for addressing the emerging Defence and Non-Defence businesses, including 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 Seeker, 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, Navigation Receivers, Explosives, Ammunitions, Inertial Navigation

Systems, High Power Lasers, Tethered Unmanned Aerial Vehicles and Swarm UAVs, Remotely Operated Vehicle (RoV), Counter Measure Systems, Electronics Systems for Futuristic AFV Platforms FICV etc, Satcom Terminals, Navigation Receivers, Composite Products, Rail & Metro Solutions, Li-ion Cells, Medical Equipment and related 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 in complementary technology/strength areas to bridge technology gaps and also to scale up the existing areas as well as enter into new and emerging business areas.

The Joint Venture BEL-THALES Systems Limited (BTSL) was formed between BEL and Thales, France with an objective of engaging in design, development, marketing, supply and support of civilian and select Defence radars for the Indian and global markets. Benefiting 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 and as a trusted supplier.

BTSL has successfully manufactured and delivered Low Band receiver modules for Electronic warfare suite solutions for Fighter Aircraft. BTSL has successfully customised and demonstrated the capability of Passive Radar to Indian Customers like IAF, CABSEC etc. BTSL is also working on Built to Print Projects for medium to long range Tracking and Illumination Radar Systems with Thales. BTSL is also carrying out Radar Service Management of Air Surveillance Radar (ASR) and Mono-Pulse Secondary Surveillance Radar (MSSR) for various existing and new customers. BTSL has set up a well-equipped Integration facility for high-end avionics systems, which has been further expanded for the manufacturing activity covering Quality Inspection, Testing, Assembly, Functional tests, Thermal Cycling, Vibration tests etc.

BEL is in the advanced stage with an Israel OEM IAI for setting up a Joint Venture Company to provide Product Life cycle support for Weapon System Programs in India for which the Israel OEM is the main designer.

**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 into a single source for technologies/solutions is a major challenge.

The demands of reducing size, Weight and Power (SWaP) along with higher 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, Microwave, Power Amplifiers, Antenna, 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, NMS, DSS, Multi Sensor Tracking and Data Fusion, GIS Technologies, Simulation, War Gaming, Tactical Algorithms, Cognitive Computing, Sensor-System Integration, Web Technologies, Software Engineering etc.

A centralised 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 technology core areas of



PDIC are Automation Solutions, Antennas, Crypto Solutions, Embedded Systems, Energy Systems, Engineering Solutions, RF and Microwave, MMICs, SoCs, Sonar Systems, Super Components, Navigation and Stabilisation, etc.

The Development and Engineering (D&E) divisions, operating at all Strategic Business Units (SBUs) and Units, liaison with end customers to understand 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.

The D&E of Software SBU, at Bengaluru, addresses all requirements related to software modules either directly to the customers or through respective D&Es of SBUs/Units. A Software Development Centre has also been opened at Vizag. The Software SBU is supported ably by the CRL scientists at Bengaluru & Ghaziabad. In BEL, the challenges are further being addressed through planned R&D initiatives, systems engineering, technology training for R&D Manpower, system-driven obsolescence management and by leveraging expertise through suitable collaborative R&D partners.

To overcome the challenge of lock-in to proprietary technologies, in feasible areas, the Company develops technology modules/solutions based on standard protocols and with modular designs which can be evaluated using standard test and measuring instruments. Even when a given Technology Module/Product/Solution is 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 situation 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 created 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 miniaturised platforms/products/solutions by optimising 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 indigenisation.

**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 262 IPRs including 161 patents during FY2023-24. Some of the granted patents are:

1. High Power Amplifier Module (PAM).
2. A Method of Geometry/Shape Correction of X-Ray Baggage Scan Images.
3. A Method and System for Target Detection in Digital Images using Salient Regions.
4. An Ultra-wide Dynamic Range Digital Receiver.
5. System and Method for Processing a Digital Signal.
6. System and Method for Reducing Signal Processing Latencies in Serial IFFT/FFT Based OFDM Systems.
7. High Power Bipolar Driver for GaN Device Application.
8. Systems and Methods for Reducing Latency in OFDM Receiver.
9. RF Driver Unit for Q Switch.
10. Narrow Band Pass Wide Stop Band Harmonic Rejection Suspended Substrate Stripline Filter.
11. Novel Method of Implementation of High Power, High Speed, Compact Switched Low Pass Filter Bank.
12. Multi-channel Receive Beam former with integrated Mono-pulse Architecture.
13. A Compact Multi-octave Power VHF/UHF Amplifier.
14. A Method and System for Dynamic Range Improvement in Detector Log Video Amplifier.
15. Automated RF Switch Apparatus for Testing Radio Frequency Power Distribution Networks.
16. System and Method for Determining Optimum Locations for Deploying Repeater Nodes.
17. Compact Configurable High Power Accurate Voltage Variable Attenuator.
18. Method for Auto Configurable Display System Based on Ethernet Network Data.
19. Three Field of View (FoV) discrete zoom lens for Thermal Imagers.
20. Large zoom ratio(43X) Continuous zoom lens in MWIR spectral region.

As on 31 March 2024, the cumulative IPRs granted/registered to BEL are 621 (Patents: 201, Copyrights: 395, Industrial Designs: 17, SICLD: 6, TM: 2). In FY 2023-24, a total of 146 new IPR applications were filed (Patents: 82, Copyrights: 55, Industrial Designs: 6, SICLD: 1, TM: 2). R&D/D&E scientists/engineers have presented and published 97 papers in reputed Conferences/Seminars/Journals in 2023-24.

BEL has empanelled 12 new Collaborative R&D partners in the year FY 2023-24. As on 31 March 2024, the cumulative Collaborative R&D partners empanelled are 321 (including 163 MSMEs). The partners are categorised under R&D solution providers: 40, design service providers: 207, consultants: 42 and production service providers: 42, of which 10 partners are empanelled under two categories.

BEL organised IETE International Conference India (IICI-23) on AI&ML driving 5G Advanced & 6G during 03-05 May 2023 and NavIC (Navigation with Indian Constellation) Conference during 22-23 January 2024.

Some of the new initiatives undertaken by BEL in collaboration with academia are Face Detection and Recognition Solution (IIT Kanpur); RF Channelizer Algorithm Implementation (DIAT Pune); Mathematical Modeling and Simulation of AUV (IIT Pallakad):

- New initiatives taken include an online system of applying for and processing R&D Excellence awards.
- BEL received the 10<sup>th</sup> Governance Now PSU Award for R&D.

**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 2023-24:**

**Specific areas in which R&D was carried on and benefits derived as a result of the activities**

During FY 2023-24, 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 2023-24:
  - a) Sight and Gimbal for BMP Upgrade.
  - b) Indigenous ASR-MSSR for AAI.
  - c) Voice Communication & Control System (IACCS B-III).
  - d) Compact Gun Fire Control System.
  - e) USHUS-2 (Integrated Submarine SONAR suite for EKM platform).
  - f) Development of CMS17A.
  - g) Upgrade of Turret Sys & Dev of Sight System.
  - h) Revathi Stabilization Platform.
  - i) IFF MK-XIIA Combined Interrogator Transponder.
  - j) ADC&RS.
  - k) Multi-Target Tracking Radar.
- R&D projects which have fetched considerable revenues for the Company (both Defence and Non-Defence segments) during FY 2023-24 include:
  - a) IFDSS for T-72
  - b) CSS ICG Phase 2
  - c) VCCS & IACCS Batch-III
  - d) D4 System (X-Band Radar)
  - e) GBVU COM JAM with DF
  - f) D4 system for Airforce
  - g) ACCS-P17A
  - h) RPA/AAAU
  - i) ACCS-ASW SCW
  - j) ADC&RS
  - k) LYNX U2-P28
  - l) RAWL-02 MK IIA
  - m) CBRN HAZMAT Vehicle
- Some of the major Technology Modules and Subsystems developed indigenously during the



year 2023-24, which have resulted in import substitution, are:

- a) Technology Modules and Subsystems ADC&RS
- b) HF Man-pack SDR for ARMY
- c) Wide Band GaAs MMICs
- d) AIFDSS
- e) CBTC Radios for DMRC
- f) IFF-Ant-Sys-HPR
- g) RDNSS of Ku BAND RFS
- h) CMS17A
- i) X BAND DWR(SSPA-based)

• R&D projects undertaken by BEL during the year 2023-24 which have resulted in exports are:

- a) Network Radio HH for Bangladesh Army
- b) Stabilized Platform for REVATHI (Export)
- c) 16 CH RJ with 116 Way SR for REVATHI
- d) Smart Mailbox
- e) Main Processor Unit - VPX Based
- f) Compact Time Server Unit
- g) Managed Ethernet Switch-12 Port
- h) RF MODEM-2 Channel
- i) Blanking Interface Unit
- j) HF Radio
- k) CRS 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 capitalising on the conducive policy environment encouraging indigenous solutions. In the past 5 years, the non-defence portion, on an average in the Company's business is about 15-20% of total turnover. This year, the Company has about 15.44% 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 30% of the 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 focussed upon in defence include: Next Generation Indigenous Missile Systems, RF Seekers, Imaging Infra-Red (IIR) Seekers, Arms & Ammunition and Explosives, 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 Inertial Navigation Systems (INS) and Solutions, Directed Energy Weapons, Countermeasure Systems for Air Platforms, Avionics Systems for Next-Gen Aircraft/ Helicopters, Software as a Service, Network & Cyber Security etc.

Some of the areas being focussed in the non-defence include: Solutions for Civil Aviation sector including Air Traffic Management Solutions, Advance Ground Control Surface Movement Radar, Anti Drone Systems, Space/Satellite Electronics, Space Launch Vehicles, Satellite Communication Services, Satellite Assembly & Integration, Solar Business, Railway and Metro Solutions, Software as a Service, Homeland Security & Smart City Businesses, Smart Meters, Platform Screen Door (PSD) for Metro Stations, a range of Medical Electronics and Health Care Solutions etc.

BEL has successfully diversified into Electronic Ammunition Fuzes, Missile Seekers, Homeland Security & Smart Cities, Network & Cyber Security, Rail & Metro solutions, Energy Storage Products, Solar Power Plants, Medical Electronics, Solar Cells & Modules, Cyber Security, Digital Transformation solutions, Satellite Assembly & Integration, 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, X-ray Baggage Inspection Machines, etc.) to expand its business by capturing new customer segments. BEL is striving to exploit its dual-use technologies (e.g. SDR, Solar Products, Satcom 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 its new International Marketing offices to expand the reach of its products & services to new

markets and also explore offset opportunities. BEL is also forging partnerships with other PSUs/industry players to quickly expanding the geo-spatial reach through resource sharing.

**(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. 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.

The Risk Management Policy is reviewed and revised periodically taking into account the changes in the external business environment and internal business organisation structure.

The changes in the recent past include introduction of ESG Risk in the identified areas of Risks, increase in the frequency of mandatory risk reporting to the Board and creation of additional Unit Risk Management Committee/s(URMCs) due to expansion of business/ creation of new business units.

The Risk Management Policy outlines the Risk Management Structure, Scope and Objectives, identified 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 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 etc.

A comprehensive framework for Risk Identification, Evaluation, Prioritisation 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 which need the expert advice and direction of the RMC are identified by the Corporate Risk Management Committee (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 policies and or business process improvements which emphasise decision making incorporating Risk mitigation measures. The recent process improvements in this regard include mandatory risk reporting in high value R&D projects, investment proposals and price proposals for submission of bids.

The implementation of mitigation measures are further reviewed by the RMC for compliance and the implementation status 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 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 77% of the Company's turnover is generated from indigenous technology. In line with the 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, 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 according priority to procurement of capital items from domestic sources under Defence Acquisition Procedure and notification of 'Positive Indigenisation Lists' for both Services and DPSUs for which there would be an embargo on the import beyond the timeline indicated against them.

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 boost to the defence manufacturing ecosystem in both States.

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.

**(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 unauthorised 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 the 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 Payroll. Risk analysis reports are regularly run 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 2023-24. 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:**

(₹ in Lakhs)

Particulars	31 March 2024	31 March 2023
Revenue from Operations	20,16,939	17,64,620
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	4,99,817	4,04,752
EBITDA Margin (EBITDA/ Revenue from operations [Net])	24.78%	22.94%
Profit After Tax	4,02,000	3,00,667
No. of Days Inventory/Value of Production	133	132
No. of Days Trade Receivables/ Turnover	136	148
Current Ratio	1.54	1.46
Debt Equity Ratio	-	-

**3. Analysis of Financial Performance of FY 2023-24:**

- Turnover registered a growth of 14.35% from ₹ 17,33,337 Lakhs in 2022-23 to ₹ 19,81,993 Lakhs in 2023-24.
- Value of Production has increased from ₹ 17,73,082 Lakhs in 2022-23 to ₹ 20,38,050 Lakhs in 2023-24. Increase of 14.94%
- 33.70% increase in Profit After Tax, from ₹ 3,00,667 Lakhs in 2022-23 to ₹ 4,02,000 Lakhs in 2023-24.
- Increase of PAT to Turnover Ratio from 17.35% in 2022-23 to 20.28% in 2023-24.

- Turnover per Employee has increased from ₹ 196.26 Lakhs in 2022-23 to ₹ 221.77 Lakhs in 2023-24.
- Earnings Per Share has increased from ₹ 4.11 in 2022-23 to ₹ 5.50 in 2023-24.
- Book Value Per Share has increased from ₹ 18.58 in 2022-23 to ₹ 22.00 in 2023-24.
- Net Worth has increased from ₹ 13,58,199 Lakhs in 2022-23 to ₹ 16,08,239 Lakhs in 2023-24.
- Return on Net Worth has increased from 22.14% in 2022-23 to 25.00% in 2023-24. The main reason for the increase is due to an increase in Value of production by 14.94%.

**(D) Development in Human Resources:**

BEL has been focussing on the sustained development of its employees, both at the individual and at the team level through various Human Resources Development initiatives. The focus has been on the Development and Enhancement of Functional, Behavioural and Leadership Competencies in Executives across all domains and grades. In line with this, various Technology specific programmes, Management Development Programmes, Quality related Certification Programmes were organised both Internally through Subject Matter Experts and Externally through Premier Training Institutions.

**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
1	Probationary Engineer's Induction Program - Batch 1 & 2	The 27 days induction program enables newly joined executives to understand business operations along with Plant & Customer visit to ensure smooth integration into the new work environment.	E-II grade Executives	253 PEs attended the program
2	High impact trainer program (train the trainer) (HIT)	To develop participants to acquire knowledge on training design, to develop training content for programs, to enhance presentation and facilitation skills etc.	E-III - E-IV grade Executives	26 Executives attended the program
3	Program on Interpersonal Effectiveness (PIE)	PIE was conducted for Promotee Executives in E-I grade to appreciate the importance of interpersonal effectiveness for professional growth & business excellence.	E-I grade Executives	20 Executives attended the program
4	Competency Enhancement Program (COMET)	To give our executives an immersion into BEL Behavioural competencies drive for excellence, passion for achievement & active learning	E-I to E-III grade Executives	162 Executives attended the program
5	Competency Development program (CODE)	To understand, recognise and develop the leadership competencies. The program also aims to impart the knowledge of developing a strategic perspective and managing stakeholders effectively for organisational excellence.	E-IV – E-V grade Executives	160 Executives attended the program
6	Creativity & Innovation Program (CIP)/SPARK	To enable the executives to understand the concepts of creativity, Lateral thinking, innovation and to have knowledge of relevant metrics in innovation and their practical application at the workplace.	E-II – E-III grade Executives	30 Executives attended the program
7	Finance for Non-Finance (FINLEARN)	To develop participants to understand concepts of finance, analysis of financial statements, learn capital budgeting etc.	E-III & E-V grade Executives	55 Executives attended the program
8	Analytical Thinking for Excellent Performance (ANTEP)	The outcome expected from the program is to help Executives understand Analytical Thinking, its relevance in decision making and developing an Analytical mindset.	E-IV & above grade Executives	37 Executives attended the program
9	Awareness Program on Defence Export Policy (SNAPSHOT)	To impart knowledge of Defence export policy which is an important competency for executives working in marketing and D&E departments	E-II to E-V grade Executives in Mktg. & D&E	100 Executives attended the program
10	Achieving success Thro' structured Education. GEN-Y (ARISE)	The outcome expected from the program is that the participants should acquire fundamental knowledge in general management subjects like finance, Marketing, HR, supply Chain management etc.	E-II – E-III grade Executives	68 Executives attended the program
11	Business writing skills (C3)	To develop the skills of drafting of effective official communication, articulating, concisely and precisising of business documents, amongst the executives.	E-IV – E-V grade Executives	104 executives are attending the program

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage
12	Conflict Management Theatre-Based Learning (RESOLVE)	To help participants understand that assumptions & communication styles can cause conflicts & to understand different ways conflicts can be resolved.	E-II – E-III grade Executives	28 executives attended the program
13	Leadership Acceleration Program -II (LEAP)	To enhance their leadership skills for understanding & nurturing high performance culture, conflict management, team coaching etc.	E-IV grade Executives	64 executives attended the program
14	Deputy Managers Executives' Education Program -I (DEEP)	To familiarise E-IV & E-V grade executives to develop a deeper insight into management functions like strategy, finance, marketing, HR, etc. and provide an integrated perspective for executive's development.	E-IV - E-V grade Executives	45 executives attended the program
15	Inform, Inspire and Influence (I3)	The outcome expected from the program is to design & deliver effective presentations, structure presentations, assess status quo for Executives in E-IV & E-V Level executives.	E-IV & E-V grade Executives	19 executives attended the program
16	Nurturing creativity and innovation (TORCH)	The outcome expected from the program is to understand, collaborate and strengthen the system for building organisation capabilities for creativity & innovation for senior executives.	E-VI & E-VI for senior executives	39 executives attended the program
17	Facilitating creativity and innovation (IGNITE)	Outcome of this program is to facilitate creativity through Design-thinking approach and have a Systematic approach to managing innovation in the workplace.	E-IV – E-V grade Executives	16 executives attended the program
18	Mastering the art of feedback (COMPASS-I)	To develop participants to understand the process of feedback, relevance & impact of feedback on individual and organisation goals & its importance for employee development for Mid-level Executives	E-IV – E-V grade Executives	72 executives attended the program
19	Mastering the art of feedback and feed forward (COMPASS-II)	To recognise the importance & relevance of feedback process for individual and organisational and also to understand its impact on employee engagement for Senior Executives	E-VI – E-VII grade Executives	81 executives attended the program
20	Dynamics of effective presentation skills (DEPS) Leader COMMUNISCAPE	To develop a deeper insight into the nuances of making impactful and effective presentations to stakeholders with a special focus on social media handling and understanding global trends in presentation skills.	E- VI – E-VII grade Executives	45 executives attended the program
21	Re-orientation program to promote executives (ROPE)	Develop participants to be aware of behavioural imperatives required in the changed role, knowledge of basic management concepts and principles and to create awareness of functional areas and related issues.	E-I grade Executives	33 executives attended the program.
22	Advanced Competency Program (ACP)	The program also aims for behavioural competency model, seizing opportunities, building & leveraging partnerships, winning with change, development partner relationship etc.	E-VI – E-VII grade Executives	30 executives attended the program
23	Corporate Grooming (GROOM)	The outcome expected from the program is to be aware of the aspects of a well-groomed professional & incorporate the same in the workshop.	E-I & E-III grade Executives	21 executives attended the program
24	Certificate program in Marketing Management (CMAM)	To explore in-depth the fundamentals of marketing, marketing techniques, practices & strategies, to enhance understanding of evolving marketing challenges for BEL and understand leading-edge thinking on a global perspective for business growth.	E-IV – E-V grade Executives	29 executives attended the program
25	Post Graduate Certificate in Management – Batch 2	The program is a one-year online program intended to give the executive a holistic understanding of business management & its functions and strengthen strategic thinking and leadership skills	E-IV & above grade Executives by selection	25 executives attended the program
26	Communication	It is intended to equip our executives with the skills needed to craft effective communication with both internal & stakeholders which in turn inspires high performance & enhances the Organisation culture.	E-II – E-III grade Executives	28 executives attended the program



Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage
27	Quality Management Tools	To provide a brief overview and hands-on practice of quality control tools (7 basic QC tools) To provide an in-depth understanding and hands-on practice of seven new management and planning tools and other improvement tools	E-II grade Executives	131 PEs attended the program
28	Orientation for Accounts Officer	To orient the recently joined Accounts Officer (having 2-3 years of experience) towards BELs Culture and Business Insights	E- II grade Executives	50 Executives attended the program

During FY 2023-24, various Technology programs were conducted to enhance Domain knowledge and Competencies of our engineers in various technology areas. Executives were also nominated for External Technology programs conducted by Premier Institutes. Some of the programs conducted at BAE/Nominated by BAE are:

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage
1	30 Unique technology programs from various technology domains	The technology topics covered include, Design Patterns, RTOS, RF Filters, VHDL on FPGA's, MATLAB for CV & Image Processing, Experimenting with IoT for Industrial Automation, Introduction to Arms & Ammunition & Manufacturing Challenges, Advanced Structural & Thermal Analysis Using ANSYS, Advanced MATLAB for Radar, SP & Communications Applications, Introduction to E-Mobility and its Applications, GNSS Receiver on FPGA, Solid Works, EMI/EMC, Medical Electronic Applications, RF Synthesizer Design Consideration for Strategic Applications, Sensor Fusion for Strategic System & its Challenges, Advanced Optical Fiber Technology with ROS, Phased Array Radar System Design and its Challenges, Microwave Filter Design Concepts & its Applications, Design Methodologies of DEW Systems & its Applications, RF PA Design for High Linearity and Bandwidth Applications, Emerging Trends In Radar Technologies, Advanced Wireless Network Technologies and their applications, Design & Development of UAV's, Quad-copters & their Challenges, Advanced EMP Protection for C4I Mission Critical Systems, Embedded Systems Design for ARM Processor with DSP, Design of BLDC motor controllers & its applications, Building Blocks of SDR & its applications, Emerging Defense Technologies & it's application, Modern Digital Communication System-Design, Analysis & it's Applications	E-II – E-VIA grade Executives	677 Executives attended the programs
2	19 Certification Programs	5G Core Networks & Wi-Fi Technologies, Embedded System Design, Remote Pilot Certificate (RPC) Course/Certified Drone Pilot, Hadoop Data Analytics, Advanced Concepts of AI & ML, Cryptography and Network Security, Introduction and Principles of Modern Radar System, Modern Radar Techniques and Photonics Based Radar, Power Business Intelligence, Intellectual Property Rights, Antenna Array Concepts & Beam Forming Techniques, Airframe Engineering and Analysis using CATIA, NASTRAN Technology, Energy Storage Cells & Fuels, Signal Processing Techniques, Electronic Packaging Cryptanalysis, Advanced Composite Materials, Cloud Architect, Jamming & Anti Jamming.	E-II – E-V grade Executives	376 Executives attended the programs
3	M.Tech (Communication & Signal Processing) - IIT Madras	Covers advance topics in DSP, Modulation and Coding, Wave propagation, Antenna, Wave guides, Microwave circuits and RADAR systems.	E-III – E-VI grade Executives	2 Executives completed the program
4	IITM - M.Tech (Microelectronics) - IIT Madras	Specialisation in Microelectronics with emphasis on design, simulation, modelling, fabrication and testing of microelectronic devices and systems.	E-III – E-VI grade Executives	9 Executives are attending the program
5	M.Tech (Communication & Signal Processing with Networks Specialisation) - IIT Madras	Covers advance topics in the areas of communications & signal processing, with a focus on networks that includes wireless LAN, cellular communication networks.	E-III – E-VI grade Executives	13 Executives are attending the program
6	M.Tech (Mechanical Design) - IIT Madras	Covers areas of Product Design, Engineering Design Optimisation, Advanced Composites, Advanced Mechanics of Solids, Product Reliability, Computational Methods on Engineering, Advanced Dynamics, Vibrations, FEA, Advanced Composites.	E-III – E-VI grade Executives	16 Executives are attending the program

In the Quality Domain the following Programs were conducted during the FY:

Sl. No	Name of the Program	Brief of the Program	Target Audience	Coverage
1	Certified Quality Engineer (ASQ-CQE)	The ASQ-CQE Certification is a globally recognised 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 work processes. The ASQ-CQE Body of Knowledge (BoK) covers all the latest and relevant global concepts on quality and related topics.	E-III – E-VIA grade Executives	25 Executives attended the program
2	Certified Reliability Engineer (ASQ-CRE)	The ASQ-CRE is one of the most sought-after and globally recognised certification for Design Engineers. The ASQ-CRE Body of Knowledge (BoK) includes design review and control, prediction, and apportionment methodology, FMEA, planning, operation and analysis of reliability testing including mathematical modelling, 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	E-III – E-VIA grade Executives	29 Executives attended the program
3	Certified Manager of Quality/Organisational Excellence (ASQ-CMQ/OE)	The ASQ-CMQ/OE is one of the most prestigious and globally recognised certification for top level Quality Managers. The ASQ-CMQ/OE Body of Knowledge (BoK) includes topics like: Lead and champion process improvement initiatives in organisations. Lead team efforts to establish and monitor customer/supplier relations; support strategic planning and deployment initiatives. Develop measurement systems to determine organisational improvement. Motivate and evaluate staff; manage projects and human resources. Analyse financial situations, determine and evaluate risk, and employ knowledge management tools and techniques in resolving organisational challenges	E-V – E-VII grade Executives (EV + 4 Years of Experience)	14 Executives attended the program
4	Project Management Professionals (PMP)	The PMP Certification [based on Exam Content Outline (ECO)] is one of the most sought-after and globally recognised 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 to the basic project Management terminology, glossary and concepts including the Agile concepts as given in the PMBOK Guide. This "35 Contact Hours Project Management Preparatory Training" Program is a mandatory requirement for taking the PMP certification exam offered by PMI-USA.	E-IV – E-VII grade Executives	51 Executives attended the program
5	Design for Six Sigma – Green Belt (DFSS-GB) (ISI)	Studies have shown that 70 - 80% of all quality problems are design related. The Design for Six Sigma (DFSS) aims to design or redesign products, services or processes so as to achieve Six Sigma quality. In addition to Six Sigma DMAIC tools, the program provides additional tools, structure and better methods for new design or design modification to achieve greater commercial and technical success of the ultimate product or service. The DFSS approach uses a structured method of DMADV, which indicates the five phases of design improvement, i.e. Define, Measure, Analyse, Design, and Verify.	E-III – E-VIA grade Executives	20 Executives attended the program
6	Certified Six Sigma Black Belt (CSSBB) (ISI)	Six Sigma-DMAIC methodology is a powerful breakthrough business strategy based on data and fact-driven approach, and sound performance metrics coupled with statistical analysis. It uses a structured method of DMAIC, i.e. Define, Measure, Analyse, Improve, and Control. The program is at Black Belt (BB) level. A Certified Six Sigma Black Belt (CSSBB) can successfully apply the methodology for breakthrough process improvement resulting in significant improvement in quality, productivity and competitiveness.	E-IV – E-VIA grade Executives	13 Executives attended the program
7	Certified Data Analytics (CDA) (ISI)	Data is extremely important for an organisation. The insights gained from data analysis can help an organisation develop specific strategies and actions to cost reduction, new product development and optimised customer offerings, and smarter business decision making that drives growth and reduces risks. In order to move to a fact-based decision-making culture, managing performance, establishing a framework for decision-making and aligning strategies, the today's organisations must adapt business analytics. The course will dwell upon the data management techniques, supervised learning for developing models using statistical learning techniques, and machine learning techniques.	E-III – E-VIA grade Executives	25 Executives attended the program

Sl. No	Name of the Program	Brief of the Program	Target Audience	Coverage
8	Basics of Data Analytics (Data-X) (ISI)	Data are extremely important for an organisation. The insights gained from data analysis can help an organisation develop specific strategies and actions for cost reduction, new product development and optimised customer offerings, and smarter business decision making that drives growth and reduces risks. In order to move to a fact-based decision-making culture, managing performance, establishing a framework for decision-making and aligning strategies, the today's organisations must adapt business analytics. The course will dwell upon the Overview of R Studio, Data Summarisation, Visualisation Techniques, Test of Hypothesis & ANOVA, Case Studies.		33 Executives attended the program
9	ISO 14001:2015 EMS Internal Auditor Program	Internal audit is an important aspect of an Environmental Management System. This course is intended to provide 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.	E-IV – E-VIA grade Executives	18 Executives attended the program
10	ISO 9001:2015 QMS Internal Auditor Program	Internal audit is an important aspect of a Quality Management System. This course is intended to provide an understanding of the evolution of ISO 9000 Series Standards, Fundamental Quality Management Principles, and the requirements of the ISO 9001:2015 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.	E-IV – E-VIA grade Executives	14 Executives attended the program
11	ISO 27001:2022 ISMS Internal Auditor Program	Internal audit is an important aspect of an Information Security Management System. This course is intended to provide Overview and Requirements, Internal Audit Process, Skills, 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.	E-IV – E-VIA grade Executives	14 Executives attended the program
12	ISO 45001:2018 OH&S Internal Auditor Program	Internal audit is an important aspect of an Occupational Health and Safety Management. This course is intended to provide Overview and Requirements, Internal Audit Process, Skills, Conformance & NC, Case Study, 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.	E-IV – E-VIA grade Executives	19 Executives attended the program
13	AS 9100 Internal Auditor Program	Internal audit is an important aspect of an Aerospace Quality Management System. This course is intended to provide Overview and Requirements, Internal Audit Process, Skills, Conformance & NC, Case Study, Audit Report & Follow-up. The program also covers the auditing requirements, and methodologies essential to conduct an effective internal audit as per AS 9100 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of an internal auditor.	E-IV – E-VIA grade Executives	10 Executives attended the program
14	Business Continuity Standards (ISO 22301-2019 Standard)	Internal audit is an important aspect of Business Continuity Standards. This course is intended to provide Leadership Support, Awareness on ISO 22301-2019 Standard Build Resilience, Automate Business Continuity Management (BCM). The program also covers the auditing requirements, and methodologies essential to conduct an effective internal audit as per ISO 22301 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of an internal auditor.	E-II – E-V grade Executives	13 Executives attended the program
15	ISO 27001:2022 ISMS Lead Auditor Program	Lead Auditor is an important aspect of an Information Security Management System. This course is intended to provide Overview of ISO 27001, Statement of Applicability, Auditor Competencies, Audit Program, Prepare, Conduct an Audit, Audit Report and Follow-Up. The program also covers the auditing requirements, and methodologies essential to conduct an effective Lead Audit as per ISO 27001 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of a Lead Audit.	E-VI – E-VII grade Executives	9 Executives attended the program

Sl. No	Name of the Program	Brief of the Program	Target Audience	Coverage
16	ISO 45001:2018 OH&S Lead Auditor Program	Lead Auditor is an important aspect of Occupational Health and Safety Management. This course is intended to provide OH&S Overview, Auditor Competencies, Audit Program, Prepare, Conduct an Audit, Audit Report & Follow-up. The program also covers the auditing requirements, and methodologies essential to conduct an effective Lead Audit as per ISO 45001 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of a Lead Audit.	E-VI – E-VII grade Executives	8 Executives attended the program
17	ISO 9001:2015 QMS Lead Implementer Program	Lead Implementer is an important aspect of a Quality Management System. This course is intended to provide Introduction to ISO 9000 Series Standards, Quality Mgmt. Principles, ISO 9001 Requirements, Formats & Checklist.	E-I – E-III grade Executives	24 Executives attended the program
18	ISO 27001:2022 ISMS Lead Implementer Program	Lead Implementer is an important aspect of an Information Security Management System. This course is intended to provide. Introduction, Risk Relationships, Information Security Policy, ISO 27001 requirements, Formats & Checklist, Statement of Applicability.	E-I – E-III grade Executives	16 Executives attended the program
19	ISO 45001:2018 OH&S Lead Implementer Program	Lead Implementer is an important aspect of an Occupational Health and Safety Management. This course is intended to provide Introduction, Implementation plan of an OH&S Management Standard, ISO 45001 requirements, Formats & Checklist.	E-I – E-III grade Executives	11 Executives attended the program
20	AS 9100 Lead Implementer Program	Lead Implementer is an important aspect of Aerospace Quality Management System. This course is intended to provide an Introduction, Aerospace Standard (AS 9100), Foreign Object Damage (FOD), AS 9100 requirements Formats & Checklist.	E-II – E-III grade Executives	18 Executives attended the programs
21	ISO 14001:2015 EMS Lead Implementer Program	Lead Implementer is an important aspect of Environmental Management System. This course is intended to provide Introduction, International Organisation for Standardisation, (ISO)-14001, Global Environmental issues Legal Framework, Formats & Checklist.	E-II – E-III grade Executives	26 Executives attended the programs
22	ERP AUDIT (ERP Process Auditing)	ERP Process Auditing is an important aspect of checking the proper implementation of ERP System. This course is intended to provide Overview and Scope, Types of ERP Audits, Conformance & NC, Audit Framework, Audit Report & Follow-up	E-VI – E-VII grade Executives	13 Executives attended the program
23	SIX SIGMA DMAIC - GREEN BELT (DMAIC-GB)	Six Sigma is a data-driven, process oriented approach, for causing breakthrough improvement in products, processes, and services. Six Sigma is a new culture of doing business. It started with defect elimination through variability reduction in processes, and has now become a means to achieve business excellence. Six Sigma DMAIC methodology uses a structured method of Define, Measure, Analyse, Improve and Control. The program will cover the 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.	E-III – E-VIA grade Executives	87 Executives attended the program
24	Quality Concepts for Industry 4.0 Program	Quality Concepts for Industry 4.0 is very relevant in today's business. This course is intended to provide The Evolution of Quality 4.0, Establishing and Implementing Quality 4.0 Principles, Quality 4.0 Tools & Value Propositions, ASQ Quality 4.0 Study, Context of Industry 4.0, Alignment of TQM with I 4.0, etc., Leverage Data Analytics, Artificial Intelligence, Internet of Things.	E-II – E-VII grade Executives	21 Executives attended the programs
25	Quality Management Tools Program	Quality Management Tools are very important for every individual for Process Improvements. This course is intended to provide Quality Control Tools, Quality Management, Quality Planning, Lean Concepts and Tools.	E-II – E-III grade Executives	37 Executives attended the programs
26	New Programs	Basics of Project Management, Business Excellence Model, Product & Process Design, Problem-Solving Tools & Techniques, Quality Tools for Analysis, RAMS (Reliability, Availability, Maintainability & Safety), Statistics for Six Sigma.	E-II – E-III grade Executives	186 Executives attended the programs

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

1. Master Class on Building Better Boards by the Indian Institute of Corporate Affairs (IICA).
2. 13<sup>th</sup> Executive Development Program by SCOPE
3. Master Class on Negotiation Skills by CII
4. Workshop on Navigating Sexual Harassment of Contract Employees in an evolving workplace conducted by SASHA
5. Vigilance course for Junior & Middle-Level Vigilance Officers on "Preventive Vigilance, Joint Surprise Check & Departmental Enquiry etc. for Vigilance Officers" conducted by CBI Academy Ghaziabad
6. Workshop on Leadership Development for Women Executives conducted by Standing Conference of Public Enterprises (SCOPE)
7. 3 days Residential Training Programme on Public Procurement at AJNIFM, Faridabad conducted by CVC
8. Training Program on Reservation in services for SCs, STs, OBCs, EWS, Ex-Servicemen and Persons with Disabilities conducted by the Institute of Good Governance (IGG)
9. National Ayush Conference (NAC)2023 AYUSHMAN with support of Ministry of Ayush
10. 3 Days training program on Preventive Forensics conducted by CVC
11. Training Programme on "Climate Risk Management: Policy and Governance" for Scientists & Technologists working in the Government sector conducted by Centre for Disaster Management (CDM)
12. 17<sup>th</sup> Global Communication Conclave conducted by PRCI, New Delhi
13. Online Workshop on "Ethics & Governance" by NAHRD
14. Training Program on Conduct Rules and Disciplinary Proceedings conducted by Institute of Good Governance (IGG)
15. 39<sup>th</sup> NIPM National Conference 2023 for HR professionals conducted by Pune chapter
16. National Meet on RTI organised by SCOPE
17. Training Programme on Geospatial Technologies & Applications conducted by ISRO
18. 6<sup>th</sup> Edition CRO Leadership Summit & Awards,2023 conducted by UBS forums

19. 55<sup>th</sup> Regional Conference of SIRC of ICAI
20. Workshop on Procurement in CPSEs conducted by DPE
21. Drafting of Mergers and Acquisitions (M&A) Contracts conducted by SAP networks
22. Forensic Auditing and Court of Law: Financial Crimes & Fraud Investigation conducted by NFSU
23. National Conference on Responsible Business Conduct 2023 organised by NIPM
24. Offline training programme on "Vigilance Administration" conducted by CBI Academy, Ghaziabad
25. Certificate Course on Internal Audit conducted by IRILMM
26. DPE-UNICEF Regional CSR Workshop conducted by the Department of Public Enterprise (DPE)
27. A two day training program on Corporate Social Responsibility for Business Sustainability conducted by the Institute of Public Enterprises (IPE) & NLC Limited
28. Advanced Contract Drafting, Negotiation & Dispute Management conducted by Koncepto Media Services
29. One-day Training Program for Company Secretaries of CPSEs on 'Effective functioning of Boards of CPSEs and DPE online portal' conducted by the Department of Public Enterprises (DPE) in association with the Institute of Company Secretaries of India.

**'Abhyudaya'- Centre for Learning**

Another major initiative in the direction of building a learning organisation was creation of '**Abhyudaya'- Centre for Learning as a centralised Learning facility for Non-Executive employees during January 2024.**

Abhyudaya - Centre of Learning aims to provide impetus to learning initiatives and ensure that non-executives across the Company are provided with consistent and high-quality training.

**The objective of Abhyudaya - Centre for Learning (ACL)** is to impart competency enhancement initiatives in the Technology, Quality and Behavioural domains; streamline & standardise learning initiatives across Units of BEL & continuously up-skill/re-skill the employees in light of the changing business landscape.

For and on behalf of the Board

**Manoj Jain**

Chairman & Managing Director

Bengaluru  
1 August 2024

**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 2024.

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 2024, the BEL Board of Directors comprises of four Whole-time Executive (Functional) Directors including the CMD, two Part-time Government (Non-Executive) Directors and seven Part-time Independent (Non-Executive) Directors including one Woman Independent Director.

**Meetings and Attendance of Board Meetings**

During FY 2023-24, 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 2023, 27 July 2023, 28 August 2023, 28 October 2023, 29 January 2024, 17 February 2024 and 15 March 2024. The requisite quorum was present for all the meetings. 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 2024 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 2023	No. of Directorship(s) held *	No. of Committee Membership across all Companies <sup>#</sup>		Directorship in other Listed Entity (Category of Directorship)
						As Member	As Chairman	
<b>Whole-Time Functional (Executive) Directors</b>								
1	Mr Bhanu Prakash Srivastava	07	07	Yes	02	02	Nil	Nil
2	Mr Vinay Kumar Katyal (Ceased to be Director w.e.f. 31.07.2023)	02	02	NA	-	-	-	-
3	Mr Manoj Jain	07	07	Yes	03	01	Nil	Nil
4	Mr Damodar Bhattad S	07	07	Yes	03	03	02	Nil
5	Mr Vikraman N (Appointed as Director w.e.f 01.06.2023)	06	06	Yes	01	01	Nil	Nil
6	Mr K V Suresh Kumar (Appointed as Director w.e.f 16.06.2023)	06	06	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 2023	No. of Directorship(s) held *	No. of Committee Membership across all Companies#		Directorship in other Listed Entity (Category of Directorship)
						As Member	As Chairman	
<b>Part-time Government (Non-Executive) Director</b>								
7	Mr T Natarajan	07	06	No	03	Nil	Nil	Hindustan Aeronautics Ltd. - Nominee Director
8	Dr Binoy Kumar Das	07	05	No	01	Nil	Nil	Nil
<b>Part-time Independent (Non-Executive) Directors</b>								
9	Dr Parthasarathi P V	07	06	Yes	01	Nil	Nil	Nil
10	Mr Mansukhbhai S Khachariya	07	06	Yes	01	01	01	Nil
11	Dr Santhoshkumar N	07	07	Yes	01	Nil	Nil	Nil
12	Mr Prafulla Kumar Choudhury	07	07	Yes	01	01	01	Nil
13	Dr Shivnath Yadav	07	07	Yes	01	01	Nil	Nil
14	Mr Gokulan B	07	07	Yes	01	01	Nil	Nil
15	Mrs Shyama Singh	07	07	Yes	01	01	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.

None of the Directors had any relationship inter-se during FY 2023-24. 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.

#### 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.

#### 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 role 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](https://bel-india.in/wp-content/uploads/2024/04/Info-Directors-Training_31012024_merged.pdf)

#### 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 2024. The certificate is attached with this Report.

#### Mandatory Committees of the Board of Directors

##### Audit Committee

The composition of the Audit Committee as on 31 March 2024 is in line with Section 177 of the Companies Act 2013 (the Act), Regulation 18 of the Listing Regulations, and DPE Guidelines. The Company's Audit Committee consists of three (03) Independent 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 69<sup>th</sup> Annual General Meeting of the Company held on 28 August 2023. 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 seven (7) times during FY 2023-24 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 2023-24 and details of the Members participation at the meetings are as under:

Name	Category	Position Held as on 31 March 2024	Attendance at the Audit Committee Meetings held on:						
			19 May 2023	26 June 2023	27 July 2023	24 September 2023	27 October 2023	29 January 2024	15 March 2024
Mr Prafulla Kumar Choudhury	Independent Director	Independent Director	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Dr. Shivnath Yadav	Member	Member	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Gokulan B	Member	Member	Attended	Attended	Attended	Attended	Attended	Attended	Attended

 Independent Director
  Chairman
  Member
  Attended

### Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on 31 March 2024 is in line with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Chairman of the Nomination and Remuneration Committee is an Independent Director. The Chairman of the Nomination and Remuneration Committee attended the 69<sup>th</sup> Annual General Meeting of the Company held on 28 August 2023. 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 seven (7) times during FY 2023-24. 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 2023-24 and details of the Members participation at the meetings of the said Committee are as under:

Name	Category	Position Held as on 31 March 2024	Attendance at the Nomination and Remuneration Committee Meeting held on:						
			10 June 2023	24 to 26 July 2023	28 August 2023	05 December 2023	21 to 23 December 2023	17 February 2024	15 March 2024
Mr Santhosh Kumar N	Independent Director	Independent Director	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Dr. Parthasarathi P V	Member	Member	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mrs Shyama Singh	Member	Member	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr Bhanu Prakash Srivastava	Member	Member	Attended	Attended	Attended	Attended	Attended	Attended	Attended

 Independent Director
  Executive Director
  Chairman
  Member
  Attended

### 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.

The appointment/remuneration and other matters in respect of Key Managerial Personnel and Senior Management Personnel are governed by the BEL Recruitment Rules and Procedures and subject to the policies and directives that may be issued by the Board of Directors and/or CMD as the case may be from time to time. Pay scales of the KMPs and Senior Management Personnel are governed by Presidential Directives received from the Ministry of Defence.

The Independent Director(s) reviewed the performance of the Chairman & Managing Director, Functional Whole-Time Directors, Non-Independent Directors and the Board as a whole in a separate meeting of Independent Director(s) held on 10 January 2024. An exercise was carried out to evaluate the performance of the Individual Directors, including the CMD on the basis of certain important parameters like level of engagement and contribution, exercising independence of judgement, achievement of objectives and targets, protection of interest of various stakeholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board.

### Remuneration paid to Directors during FY 2023-24 is as under:

(Amount in ₹)

Name of Director	Designation	Salaries & Allowances	Performance Linked Incentive	Other Benefits and Perquisites	Total
Mr Bhanu Prakash Srivastava	CMD - Addl. Charge Director (OU)	41,15,382	16,56,892	22,29,171	<b>80,01,445</b>
Mr Vinay Kumar Katyal (Ceased to be Director w.e.f. 27.07.2023)	Director (Bangalore Complex)	13,96,390	-	17,25,356	<b>31,21,746</b>
Mr Manoj Jain	Director (R&D) Director (Bangalore Complex) – Addl. Charge	52,91,715	15,64,662	17,50,304	<b>86,06,681</b>
Mr Damodar Bhattad S	Director (Finance) & CFO	38,27,179	11,20,380	20,80,266	<b>70,27,825</b>
Mr Vikraman N (Appointed as Director w.e.f. 01.06.2023)	Director (HR)	38,91,395	10,13,462	15,18,985	<b>64,23,842</b>
Mr K V Suresh Kumar (Appointed as Director w.e.f. 16.06.2023)	Director (Marketing)	30,47,354	9,21,809	17,28,607	<b>56,97,770</b>

Part-time Official (Government/Non-Executive) Directors are not paid any remuneration or sitting fees for attending Board/Committee meetings. From 1 April 2023 to 27 August 2023 Part-time Independent (Non-Executive) Directors were paid sitting fees of ₹ 30,000 for each meeting of the Board & ₹ 25,000 for each Board Committee(s) meeting and from 28 August 2023 to 31 March 2024 Part-time Independent (Non-Executive) Directors were 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 2023-24 are given below:

Name of the Independent Directors	Amount (₹)
Dr Parthasarathi P V	5,40,000
Mr Mansukhbhai S Khachariya	4,30,000
Dr Santhoshkumar N	8,65,000
Mr Prafulla Kumar Choudhury	6,40,000
Dr Shivnath Yadav	6,15,000
Mr Gokulan B	8,05,000
Mrs Shyama Singh	6,15,000
<b>Total</b>	<b>45,10,000</b>

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 2023-24.

The Composition of the Stakeholders' Relationship Committee during FY 2023-24 and details of the members' participation at the meeting of the said Committee are as under:

Name	Category	Position Held as on 31 March 2024	Attendance at the Stakeholder Relationship Committee Meeting held on:	
			27 July 2023	18 January 2024
Mr Mansukhbhai S Khachariya	Independent Director	Member	Attended	Attended
Mrs Shyama Singh	Independent Director	Member	Attended	Attended
Mr Damodar Bhattad S	Independent Director	Member	Attended	Attended
Mr. Vikraman N (Appointed as Member w.e.f 01.06.2023)	Independent Director	Member	Attended	Attended
Mr Bhanu Prakash Srivastava	Independent Director	Member	Attended	Attended

 Independent Director
  Executive Director
  Chairman
  Member
  Attended

### Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee as on 31 March 2024 is in line with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Chairman of Stakeholders' Relationship Committee attended the 69<sup>th</sup> Annual General Meeting of the Company held on 28 August 2023. 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 two (2) times during FY 2023-24.

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.

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. One grievance was pending as on 31 March 2024. Following are the details of investors' complaints during 2023-24 (SEBI SCORES):

No. Complaints Received	No. Complaints Resolved	No. Complaints Pending
03	02	01

### 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](mailto: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. 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 two (2) times during FY 2023-24.

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 2023-24 and the details of members' participation at the meetings of the said Committee are as under:

Name	Category	Position Held as on 31 March 2024	Attendance at the Corporate Social Responsibility Committee Meeting held on:	
			18 May 2023	27 October 2023
Mr Bhanu Prakash Srivastava	Independent Director	Member	Attended	Attended
Mr Vinay Kumar Katyal (Ceased to be Member w.e.f. 31.07.2023)	Independent Director	-	Attended	NA
Dr Shivnath Yadav	Independent Director	Member	Attended	Attended
Mr Mansukhbhai Shamjibhai Khachariya	Independent Director	Member	Attended	Attended
Mr Manoj Jain (Ceased to be Member w.e.f. 31.05.2023 as Director (HR) – Addl. Charge) (Appointed as a Member w.e.f. 01.08.2023 as Director (BG) – Addl. Charge)	Independent Director	Member	Attended	Attended
Mr Damodar Bhattad S	Independent Director	Member	Attended	Attended
Mr Vikraman N (Appointed as a Member w.e.f. 01.06.2023)	Independent Director	Member	NA	Attended























 Independent Director
  Executive Director
  Chairman
  Member
  Attended
  Not Applicable



### 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. 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](http://www.bel-india.in). The Risk Management Committee met two (2) times during FY 2023-24 and the maximum interval between any two meetings was not more than 180 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 2023-24 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 2024	Attendance at the RMC Meeting held on:	
			14 August 2023	20 February 2024
Mr K V Suresh Kumar (Appointed as Member & Chairman w.e.f 16.06.2023)				
Mr Bhanu Prakash Srivastava [Ceased to be Chairman w.e.f 15.06.2023 as Director (Marketing) - Addl. Charge]				
Mr Vinay Kumar Katyal (Ceased to be Member w.e.f. 31.07.2023)			NA	NA
Dr Santhosh Kumar N				
Mr Manoj Jain [Appointed as a Member w.e.f. 01.08.2023 as Director (BG) – Addl. Charge]				
Mr Damodar Bhattad S				

 Independent Director  Executive Director  Chairman  Member  Attended  Not Applicable

### Independent Directors' Meeting

During the year 2023-24, two (2) meetings of Independent Director(s) were held on 26 September 2023 and 10 January 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.

All the Independent Directors of the Company were present in Independent Directors' meeting held on 26 September 2023 and 10 January 2024.

### Other Non-Mandatory Committees

The following Sub Committees of the Board have been constituted:

#### Research & Development Committee

R&D Committee, comprising the Chairman & Managing Director, two Independent Directors, Director (Finance) and Director (R&D), has been constituted to consider and approve major Research, Development and Engineering proposals.

#### Capital Investment Committee

Capital Investment Committee comprises two Independent Directors, Director (Finance), Director (Bangalore Complex), Director (Other Unit) and Director (R&D) co-opted for considering R&D projects, 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.

### 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](http://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 2024. 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](http://www.bel-india.in).

### Subsidiary Companies

The Company does not have any material unlisted Indian Subsidiary Company as on 31 March 2024. 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-](https://bel-india.in/wp-content/uploads/2024/04/Policy-for-Determining-Material-Subsidiaries.pdf)

[content/uploads/2024/04/Policy-for-Determining-Material-Subsidiaries.pdf](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 2023-24.

### 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 2023-24, an unclaimed/unpaid amount pertaining to the final dividend 2015-16 and the interim dividend 2016-17 was transferred to IEPF. The unclaimed/unpaid dividend amount pertaining to the 2<sup>nd</sup> Interim dividend 2016-17, final dividend 2016-17 and the interim dividend 2017-18 is due for transfer to IEPF during 2023-24. The Company has posted on its website [www.bel-india.in](http://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
2020-21	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	28 September 2021 at 10:00 A.M.
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.

- (b) Special resolutions passed in the previous three AGMs:** Special resolutions passed in the 68<sup>th</sup> 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) 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](http://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 (AGM)

Date: 28 August 2024

Time: 10:00 AM (IST)

Venue: The 70<sup>th</sup> AGM of the Company will be held through VC/OAVM pursuant to MCA General Circular nos.14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 20/2020 dated 5 May 2020, 2/2022 dated 5 May 2022, 10/2022 dated 28 December 2022 the latest being 09/2023 dated 25 September 2023 and Securities Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7 October 2023 and as such there is no requirement to have venue for the AGM. For more details, please refer to the Notice of 70<sup>th</sup> AGM of the Company.

### Particulars of Senior Management of Bharat Electronics Limited

#### A. Details of Senior Management as on 31 March, 2024:

Sl. No.	Name	Designation
1	Mr Damodar Bhattad S	Director (Finance) & CFO (Key Managerial Personnel)
2	Mr S Sreenivas	Company Secretary (Key Managerial Personnel)
3	Mr Manoj Kumar	ED (NM) - Delhi
4	Mr Sankarasubramanian R	ED (Radar) & UH - GAD
5	Mr Loyola Pedro Vianney G	ED - CHN
6	Mrs Durga G K	ED (Software) - BG
7	Mr Rudhiramoorthy A	GM - NAMU
8	Mr Visweswar Putcha	GM (A&A) - BG
9	Mr Pugazhenthir R	GM (HLS&SCB) - BG
10	Mr Sampathkumar P	CTO (Comm) - CO
11	Mr Mohan R P	GM (HR) - BG
12	Mrs Ancy James	GM (EM) - BG
13	Mr Rajendra Aiwale	GM (Seeker/RF&IR) - BG
14	Mr Anil K Sogi	GM (EW&A) - BG
15	Mrs Vanisree V	CTO (EW&P) - CO
16	Mrs Prabha Goyal	GM - PK
17	Mr Anil Pant	GM (US) - BG
18	Mr Suryanarayana Murthy G	GM - PN
19	Mr Naresh Kumar	GM (PDIC)
20	Mr Murali Meenpidi Thekkedath	GM (PS) - Delhi
21	Mr Nandha Kumar T D	GM (NS-S&CS) - BG
22	Mr Hari Kumar R	GM (TP) - CO
23	Mr Jitendra Singh	GM - MC
24	Mrs Rashmi Kathuria	GM (SCCS) - GAD
25	Mrs Dharani B	CTO (R&WS) - CO
26	Mr Srinivas K	GM (EWNS) - HYD
27	Mr Rajnish Sharma	GM (MR) - BG
28	Mr Viswanadham C H	GM (EWLS) - HYD
29	Mr Sanjay Agarwal	GM (CS) - CO
30	Mr Srinivas Rao H P	GM (IM) - Delhi
31	Mr Ramkumar B	GM (HR) - CO
32	Mr Ambrish Tripathi	GM - KOT
33	Mrs Niti Pandit	GM (SP) - CO
34	Mr Prahalad P S	GM (CM) - Delhi

Sl. No.	Name	Designation
35	Mr Tribhuwan Narayana Singh	GM (Comps) - BG
36	Mr Anoop Kumar Rai	CS (CRL) - GAD
37	Mr Giriraja N	GM (DCCS) - GAD
38	Mrs Manjula Devi N	GM (MS) - BG
39	Mr Kamesh Kasana	GM (Mil.Com.) - BG
40	Mrs Rama S	GM (Finance) - CO
41	Mr Indrajit Singh	GM (Finance) - BG
42	Mr Pradeep Kumar Sethia	GM (IA) - CO
43	Mrs Hemavathy Muthusamy	GM (NW&CS) - BG
44	Mr Ramakrishnan L	CS (CRL) - BG
45	Cdr. [Retd] K Kumar	GM (NS-R&FCS) - BG

#### B. The following changes took place in the Senior Management during FY 2023-24:

Sl. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Mr Raman R	GM (IA) - CO	Not Applicable	30.06.2023
2	Mr Sekhar R L	GM (SC&US) - BG	Not Applicable	31.08.2023
3	Mr Murali V	GM (Finance) - BG	Not Applicable	31.12.2023
4	Mr Brahm Prakash Pahuja	GM (ES) - BG	Not Applicable	31.12.2023
5	Mrs Sarala B	CTO (R&WS) -CO	Not Applicable	31.12.2023
6	Mr Umesh K S	ED (ADSN) - BG	Not Applicable	29.02.2024

#### Financial Calendar 2024-25

Financial Year	:	1 April 2024 to 31 March 2025
First quarter results	:	By the end of July 2024
Second quarter results	:	By the end of October 2024
Third quarter results	:	By the end of January 2025
Annual Audited results	:	By the end of May 2025
Annual General Meeting:		By August/September 2025

#### Book Closure

From 16 August 2024 to 18 August 2024 (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 2023-24 and 2024-25 to both the stock exchanges.

The Stock Code assigned to the Company's equity shares by the respective Stock Exchanges and the ISIN number assigned by the Depositories for demat trade of the Company's equity shares are given below:

Particulars	
BSE Limited (BSE)	Stock Code - 500049
National Stock Exchange of India Limited (NSE)	Stock Code - BEL
ISIN	INE263A01024
CIN	L32309KA1954GOI000787

#### Custody Fees to Depositories

The Company has paid annual custody fees for the financial years 2023-24 & 2024-25 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.

The Company's shares are highly liquid and are actively traded in BSE and NSE. Relevant data of turnover for FY 2023-24 is given below:

Particulars	BSE	NSE	Total
No. of shares traded	24,49,92,615	4,39,39,68,042	4,63,89,60,657
Value (₹ in Lakhs)	3,77,665	68,03,340	71,81,005

#### Address and contact details of Company's RTA:

Integrated Registry Management Services Pvt. Ltd.  
No. 30, Ramana Residency, 4<sup>th</sup> Cross Sampige Road,  
Malleswaram Bengaluru – 560 003  
Telephone: 080-23460815/16/17/18  
Fax: 080 23460819  
E-mail: [irg@integratedindia.in](mailto:irg@integratedindia.in).

#### 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 2024, 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.



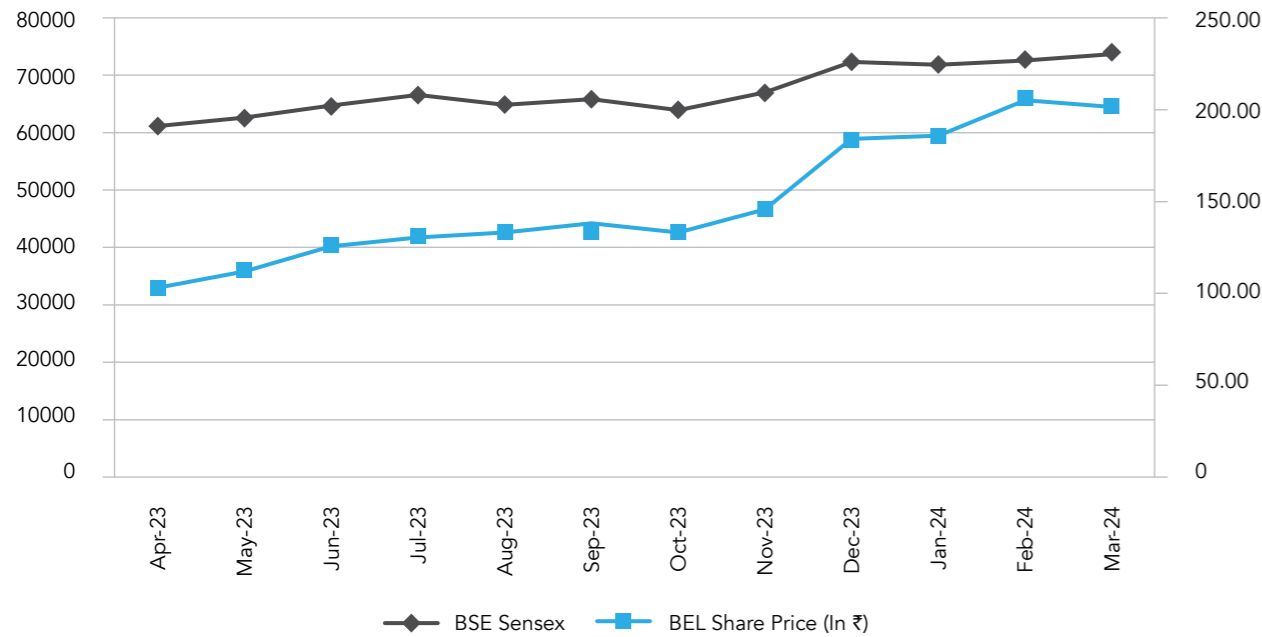
**Market Price Data**

The details of high/low market prices of the shares of the Company at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as under.

BEL Share Price on BSE vis-à-vis BSE Sensex from April 2023 to March 2024:

Month	BSE Sensex Close	BEL Share Price			No of Shares Traded	Turnover (₹ in Lakhs)
		High (In ₹)	Low (In ₹)	Close (In ₹)		
April 2023	61,112	103.75	95.30	103.30	1,14,42,131	11,470
May 2023	62,622	112.65	103.50	112.10	1,34,82,550	14,605
June 2023	64,719	127.40	111.90	125.85	2,10,48,454	25,459
July 2023	66,528	131.75	121.10	130.65	2,10,35,147	26,646
August 2023	64,831	138.20	123.55	133.20	1,68,21,363	22,111
September 2023	65,828	147.20	133.25	138.25	2,72,30,621	37,625
October 2023	63,875	141.35	127.00	133.30	94,85,229	12,745
November 2023	66,988	146.75	132.15	145.85	1,13,77,563	16,034
December 2023	72,240	185.20	146.80	184.10	3,08,85,713	51,773
January 2024	71,752	196.25	179.75	185.85	2,59,11,177	48,437
February 2024	72,500	209.00	171.70	205.10	2,88,14,356	55,773
March 2024	73,651	216.70	179.20	201.45	2,74,58,311	54,987

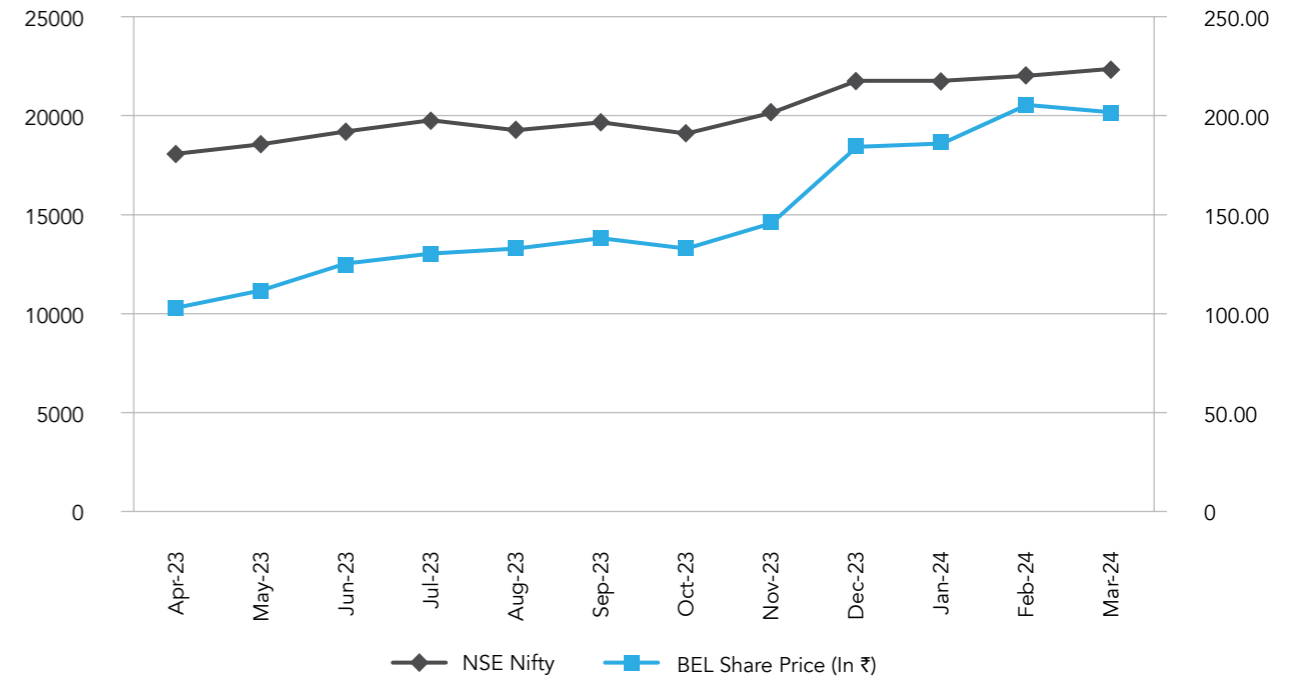
A comparison of the closing quotation of the Company's share price on BSE with the closing position of BSE SENSEX during the year 2023-24 is presented in the following graph:



BEL Share Price on NSE vis-à-vis NSE Nifty from April, 2023 to March, 2024:

Month	NSE Nifty Close	BEL Share Price			No of Shares Traded	Turnover (₹ in Lakhs)
		High (In ₹)	Low (In ₹)	Close (In ₹)		
April 2023	18,065	103.85	95.05	103.30	18,95,52,703	1,90,164
May 2023	18,534	112.60	103.50	112.15	24,74,91,462	2,68,492
June 2023	19,189	127.35	112.00	125.75	41,52,45,029	5,01,842
July 2023	19,754	131.70	121.05	130.70	31,92,05,289	4,03,615
August 2023	19,254	137.95	123.50	133.20	29,72,18,730	3,91,298
September 2023	19,638	147.15	133.30	138.30	37,89,36,484	5,24,292
October 2023	19,080	141.35	127.00	133.25	21,87,06,151	2,97,089
November 2023	20,133	146.75	132.05	145.90	22,79,25,900	3,21,526
December 2023	21,731	185.20	146.75	184.20	56,17,36,781	9,33,216
January 2024	21,726	195.50	179.75	185.90	40,32,02,942	7,54,258
February 2024	21,983	209.00	171.75	205.10	54,83,01,343	10,51,916
March 2024	22,327	216.80	179.10	201.50	58,64,45,228	11,65,630

A comparison of the closing quotation of the Company's share price on NSE with the closing position of NSE NIFTY during the year 2023-24 is presented in the following graph:



**Category-wise Shareholders Pattern as on 31 March 2024**

Sr.	Category	No. of Shareholders	No. of Shares	% Holding
1	Central Government	1	3,73,79,21,934	51.14
2	Mutual Funds/UTI	321	1,32,01,86,633	18.06
3	Financial Institutions/Banks	4	1,68,500	0.00
4	Alternative Investments Funds	45	2,76,24,808	0.38
5	Insurance Companies	77	21,08,21,987	2.88
6	Provident Funds/Pension Funds	42	9,60,25,428	1.31
7	NBFCs registered with RBI	9	2,33,304	0.00
8	Foreign Portfolio Investors	763	1,28,38,83,778	17.56
9	Bodies Corporate	3,262	4,24,51,061	0.58
10	Individuals	13,41,389	54,95,37,506	7.52
11	Trusts	62	27,93,486	0.04
12	NRI's	18,867	2,95,18,432	0.40
13	Foreign Individuals	0	0	0
14	Clearing Members	29	85,39,412	0.12
15	LLP	0	0	0
16	Investor Education and Protection Fund Authority Ministry of Corporate	1	67,560	0.00
17	Others Category	1	5,000	0.00
	<b>Total</b>	<b>13,64,873</b>	<b>7,30,97,78,829</b>	<b>100.00</b>

**Top 10 Shareholders (Other than Promoters) as on 31 March 2024 (Based on PAN)**

Sr.	Name of the Shareholder	No. of Shares	% Holding
1	CPSE Exchange Traded Scheme (CPSE ETF)	26,87,12,484	3.68
2	KOTAK Flexicap Fund	23,90,87,048	3.27
3	HDFC Mutual Fund - HDFC Mid-Cap Opportunities Fund	11,92,38,430	1.63
4	NPS Trust- A/C HDFC Pension Management Company Ltd Scheme E - Tier I	9,60,25,428	1.31
5	Canara Robeco Mutual Fund A/C Canara Robeco Emerging Equities	8,62,29,550	1.18
6	Government of Singapore	6,26,07,269	0.86
7	ICICI Prudential NIFTY 200 Momentum 30 Index Fund	6,20,18,850	0.85
8	UTI Balanced Advantage Fund	6,02,75,487	0.82
9	INVESCO India Flexi CAP Fund	5,99,99,487	0.82
10	AXIS Mutual Fund Trustee Limited A/C AXIS Mutual UNDF	5,57,70,517	0.76

**Distribution of Shareholding as on 31 March 2024**

No. of Equity Shares held	No. of Shareholders	%	No. of Shares	%
Upto 500	11,92,237	87.35	11,14,56,570	1.52
501 – 1,000	81,638	5.98	6,22,98,019	0.85
1,001 – 2,000	45,637	3.34	6,63,61,599	0.91
2,001 – 3,000	16,531	1.21	4,24,15,769	0.58
3,001 – 4,000	7,812	0.57	2,77,94,123	0.38
4,001 – 5,000	5,194	0.38	2,41,13,460	0.33
5,001 - 10,000	8,614	0.63	6,24,64,557	0.85
10,001 and Above	7,210	0.53	6,91,28,74,732	94.57
<b>Total</b>	<b>13,64,873</b>	<b>100.00</b>	<b>7,30,97,78,829</b>	<b>100.00</b>

**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 2024, 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.34 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](mailto:secretary@bel.co.in)  
Website: [www.bel-india.in](http://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 (pronounced ICRA triple A) to ₹ 500 Crore fund based limits of credit and long term - unallocated to ₹ 300 Crore.
- Short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) to ₹ 4,500 Crore non-fund based limits of credit.

The outlook on the long-term rating is 'Stable'. These ratings indicate the highest credit quality in the long- and short-term. The instruments rated in these categories carry the lowest credit risk in the long- and short-term. These ratings are valid till 14 February 2025.

**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;

The NSE & the BSE have imposed fines for non-compliance with the provision of Regulation 17 (1) - appointment of adequate number of Independent Directors including one Independent Woman Director, 18(1) & (2) – Composition and quorum of the Audit Committee and 19(1) & (2) Composition of the Nomination and Remuneration Committee. 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.

The gap between two meetings of the audit committee held in month of January 2021 and June 2021 was more than 120 days in terms of regulation 18(2). It is informed by the company that due to prevailing Covid-19 pandemic situation restrictions/lockdown in the State and non-availability of Directors, the Audit Committee meeting couldn't be conducted within 120 days from the date of previous meeting.

The NSE & the BSE have imposed fine for delay in submitting disclosure of Related Party Transaction for the half year ended 31 March 2022. Company has informed the exchanges that the delay was due to non-availability XBRL Utility from the Stock Exchanges and accordingly, requested for waiving off the fine.

(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](http://www.bel-india.in).

(d) During FY 2023-24, the Board of Directors accepted all the recommendations of its Committees which were mandatorily required.

(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) 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 2023-24 are given below:

Particulars	Amount (₹ in Lakhs)
Audit Fees	49
Tax Audit Fees	6
Other Services	16
Reimbursement of Expenses	10
<b>Total</b>	<b>81</b>

(g) The details of complaints filed, disposed of and pending during FY 2023-24 pertaining to sexual harassment are provided in the Business Responsibility & Sustainability Report Annexed to Board's Report.

(h) 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.

(i) 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.

(j) Administrative and office expenses as a percentage of total expenses and reasons for the increase, if any:

Administrative and office expenses were 2.99% of the total expenses for the year 2023-24 against 2.74% in the previous year.

(k) The Company has not given any loans and advances to firms/company in which directors are interested.

### 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.

### 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. 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

**Manoj Jain**

Chairman & Managing Director

Bengaluru  
1 August 2024

## 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](http://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 2024 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
1	Mr. Bhanu Prakash Srivastava	09578183	Whole-time Director	20/04/2022
2	Mr. Manoj Jain	09749046	Whole-time Director	26/09/2022
3	Mr. Damodar S Bhattad	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. T Natarajan	00396367	Govt. Nominee Director	02/01/2023
7	Dr. Binoy Kumar Das	09660260	Govt. Nominee Director	04/07/2022
8	Dr. Venkata Parthasarathi Podala	06400408	Independent Director	28/12/2021
9	Mr. Mansukhbhai S Khachariya	01423119	Independent Director	28/12/2021
10	Dr. N. Santhoshkumar	09451052	Independent Director	28/12/2021
11	Mr. Prafulla Kumar Choudhury	00871919	Independent Director	28/12/2021
12	Dr. Shiv Nath Yadav	09450917	Independent Director	28/12/2021
13	Mr. Gokulan Bangakandy	09473378	Independent Director	20/01/2022
14	Ms. Shyama Singh*	09495164	Independent Director	07/02/2022

\* As per MCA records, the name is Mrs Shyama Kumari (Maiden name).

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

**CS Thirupal Gorige**

Designated Partner

FCS No. 6680; CP No.6424

UDIN: F006680F0004000524

Place: Bengaluru

Date: 20 May 2024



## 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 2024.

For and on behalf of the Board

**Manoj Jain**

Chairman & Managing Director

Place: Bengaluru  
Date: 1 August 2024

## 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:

- (a) We have reviewed the financial statements and the cash flow statement for the period ended 31 March 2024 and to the best of our knowledge and belief:
  - (i) These results do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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.
- (b) 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.
- (c) 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.
- (d) We have indicated to the Auditors and the Management:
  - (i) Any significant changes in internal control over financial reporting during the period;
  - (ii) Any significant changes in accounting policies during the period; and
  - (iii) 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: Darjeeling  
Date: 20 May 2024

**Damodar Bhattad S**  
Director (Finance) & CFO

**Mr Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)

## Independent Auditor's Certificate on Compliance with Corporate Governance

**Pursuant to Clause E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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

Independent Auditors 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 18<sup>th</sup> October, 2023.
2. The report contains details of compliance of conditions of Corporate Governance by Bharat Electronics Limited, for the year ended March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraph C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

### Management's Responsibility for the Declarations

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, 2024.
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 Company Act, 2013, in so far as applicable for the purpose of this certification. The Guidance Note on Reports or Certificates for Special Purpose 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 during the year ended March 31, 2024, except that for the period from 16 June 2023 to 31 July 2023 the Company did not have 50% of the board of directors comprising of independent directors as required by regulation 17(1)(b). On 31 July 2023 on retirement of an executive director this requirement of regulation 17(1) (b) was complied with.

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.

#### Restrictions 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 there person to whom this certificate is shown or into whose hands it my come without our prior consent in writing.

For **P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number: 101118W/W100682

**Abhijeet Bhagwat**

Partner

Place: Darjeeling  
Date: 20 May 2024

Membership Number: 136835  
UDIN: 24136835BKBGV16073

#### Annexure-6

### Business Responsibility and 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 : 21 April 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](mailto:secretary@bel.co.in)
7. Telephone : 080-25039300
8. Website : [www.bel-india.in](http://www.bel-india.in)
9. Financial year for which reporting is being done : 2023-24
10. Name of the Stock Exchange(s) of where shares are listed :
  1. BSE Limited
  2. National Stock Exchange of 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  
Registered and Corporate Office,  
Outer Ring Road, Nagavara,  
Bengaluru – 560045  
Telephone: 080-25039300  
E-mail: [secretary@bel.co.in](mailto: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	89.92%
2	Services	Installation, Repairs and maintenance, AMC contracts for products/systems delivered by the Company	10.08%

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	Supplies to the Defence for 2023-24 contributed to 80.70% of turnover
2	Communication Systems	2630	
3	Electronic Warfare Systems	2008	

### 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	12 (9 Production Units & 3 R&D)	25	37
International	-	6	6

19. Markets served by the entity:

#### a. Number of locations

Locations	Number
National (No. of States)	Our product reach cover the entire Indian Territory through our Defence Forces/Non-Defence Customers
International (No. of Countries)	12

#### 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:

BEL supplies to both national and international customers catering to the Defence as well as Civil operations. However majority of the Company's supplies are for the Indian Defence Services.

### 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)
<b>Employees</b>						
1.	Permanent (D)	8,937	7,009	78.43	1,928	21.57
2.	Other than Permanent (E)	8,728	6,576	75.34	2,152	24.66
3.	<b>Total Employees (D + E)</b>	<b>17,665</b>	<b>13,585</b>	<b>76.90</b>	<b>4,080</b>	<b>23.10</b>
<b>Workers</b>						
4.	Permanent (F)	2,507	1,863	74.31	644	25.69
5.	Other than Permanent (G)	5,217	3,827	73.36	1,390	26.64
6.	<b>Total Workers (F + G)</b>	<b>7,724</b>	<b>5,690</b>	<b>73.67</b>	<b>2,034</b>	<b>26.33</b>

#### b. Differently abled Employees and Workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
<b>Differently abled Employees</b>						
1.	Permanent (D)	135	115	85.19	20	14.81
2.	Other than Permanent (E)	86	66	76.74	20	23.26
3.	<b>Total differently abled Employees (D+E)</b>	<b>221</b>	<b>181</b>	<b>81.90</b>	<b>40</b>	<b>18.10</b>
<b>Differently abled Workers</b>						
4.	Permanent (F)	16	11	68.75	5	31.25
5.	Other than Permanent (G)	70	55	78.57	15	21.43
6.	<b>Total differently abled Workers (F+G)</b>	<b>86</b>	<b>66</b>	<b>76.74</b>	<b>20</b>	<b>23.26</b>

21. Participation/Inclusion/Representation of Women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	14	1	7.14
Key Management Personnel	3	Nil	Nil

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	1.86%	2.49%	4.35%	3.34%	4.36%	7.7%	2.1%	4.07%	6.17%
Permanent Workers	1.34%	0.93%	2.27%	0.35%	0.29%	0.64%	0.76%	0.28%	1.04%

### 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 Optronics 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

### VI. CSR Details:

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes.

(ii) Turnover (in ₹): ₹ 19,81,993 Lakhs

(iii) Net worth (in ₹): ₹ 16,08,239 Lakhs



**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 2023-24			FY 2022-23		
		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	Yes. Centralised Public Grievance Redress and Monitoring System (CPGRAMS) under the Ministry of Personnel, Public Grievances & Pensions, the department of Administrative Reforms & Public Grievances	83	Nil	-	78	Nil	-
Investors (other than shareholders)	NA	NA	NA	-	NA	NA	-
Shareholders (SEBI Scores)	Yes*	3	1	-	4	Nil	-
Employees and Workers	Yes	224	24	-	153	15	-
Customers	Yes**	13,667	1,821	***	12,968	1,207	***
Value Chain Partners	Yes. Through CPGRAMS Portal	21	Nil	-	20	Nil	-
Other (please specify)	-	-	-	-	-	-	-

\* Yes, Shareholders can register their grievances on SCORES Portal at <https://scores.sebi.gov.in/>. Additionally, shareholders can lodge complaints by e-mailing their grievances at [secretary@bel.co.in](mailto:secretary@bel.co.in) or [irg@integratedindia.in](mailto:irg@integratedindia.in).

\*\* 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, delays in supply due to supply-chain issues or obsolescence of electronic items for which BEL has to find an 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

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)
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	Focussed 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
4	Community and Social Impact	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 the country's economic progress	Not applicable	Positive: Supporting CSR activities helps us to create a meaningful impact for the communities we interact with.
5	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 Organisation's cyberspace against cyber-attacks, threats and vulnerabilities	Negative: Breach of Privacy and Data Security
6	Disaster Recovery	Risk	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
7	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 a positive impact due to improvement in productivity, reduction in defects, etc
8	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
9	Pollution free Environment	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

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)
10	Health, Safety and Environment	Risk	<ol style="list-style-type: none"> <li>Non-compliance with safety measures by employees</li> <li>Non-awareness of hazardous nature of material</li> <li>Not following COVID-19 safety measures</li> </ol>	<ol style="list-style-type: none"> <li>Strict adherence to BBS (behaviour-based safety system)</li> <li>Focus on reducing the generation of effluent and arresting at the source and following MSDS for hazardous material handling</li> <li>Detailed SOP for COVID-19, employee training &amp; adherence followed strictly</li> <li>Medical check-up, vaccination drive as per Govt. Regulations</li> </ol>	Negative: Incidents impact employee morale and business reputation leading to negative financial implication
11	Data Protection	Risk	<ol style="list-style-type: none"> <li>Risk of confidential data leakage via USB drives/flash drives</li> <li>Exposure of Company data because of work from home and access to respective data</li> </ol>	<ol style="list-style-type: none"> <li>All privileged system access are reviewed periodically &amp; data leakage prevention system are implemented at these equipment</li> <li>Restricted data access control &amp; data encryption to monitor work from home activities</li> </ol>	Negative: 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	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
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	<a href="https://bel-india.in/codes-policies/">https://bel-india.in/codes-policies/</a>								
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
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.	ISO45001:2018 (Occupational Health & Safety Management Systems), ISO14001:2015 (Environmental Management Systems) and ISO13485:2016 (Medical Device Safety).								
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.	-								
<b>Governance, leadership and oversight</b>									
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)	As we grow our business, we remain committed to create a positive impact on nature, promote societal wellbeing and operate in a transparent manner. We have always looked at intertwining our sustainability agenda into the Company's business objectives and considered our focus on ESG to be a key driver of long-term value creation for all our stakeholders. This Business Responsibility and Sustainability Report is our third report which covers the operations of Bharat Electronics Limited on a standalone basis.								
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.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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)
	P1	P2	P3	P4	P5	P6	P7	P8	P9
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?									
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	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 categorised 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	3	Master Class for Building Better Boards for the new incumbents on the Board conducted by IICA	21.43%
Key Managerial Personnel	-		-
Employees other than BoD and KMPs	96	(i) Training/Awareness programs on CDA, Health & Safety, Gender Sensitisation, Environment, Sustainability etc.	35.72%
Workers	64	(ii) These programs enable employees to acquire knowledge & skills for capability enhancement	33.96%

Note: % of Persons (Employees and Workers) include those who have attended the training and awareness programs more than once.

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	Nil	Nil	Nil	NA	NA
Settlement	Nil	Nil	Nil	NA	NA
Compounding fee	Nil	Nil	Nil	NA	NA

Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	NA	NA	
Punishment	Nil	Nil	NA	NA	

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
NA	NA

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.

The Conduct, Discipline and Appeal Rules applicable for executives and Standing Order applicable for workmen category provides for specific provisions under which suitable action can be initiated for cases related to integrity/corruption/bribery.

The Whistle Blower Policy ensures that the Company continues to strive to the highest standards of ethical, moral and legal business conduct and its commitment to open communication.

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 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	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 2023-24	FY 2022-23
Number of days of accounts payables	111	110

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 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not Tracked	
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	Not Tracked	
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		
Share of RPTs	a. Purchases (Purchases with related parties/Total Purchases)	1.11%	0.54%
	b. Sales (Sales to related parties/Total Sales)	0.11%	0.17%
	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)	21.27%	0.00%

### 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
Awareness and Training Programmes are being conducted regularly for different stakeholders viz, Customers, Vendors, Suppliers & Partners.	Process quality, product quality, installation, configuration, commissioning, usage & maintenance of products and systems. General quality related topics viz, Six Sigma, TQM, Poka Yoke and 5S etc.	Around 50% are covered.

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.

Yes. The Company has a well-defined "Code of Conduct for Board Members, Key Managerial Personnel (KMP) and Senior Management" in place for Board Members, KMPs and Senior Management Personnel which stipulates guidelines for avoiding and disclosing potential conflict of interest with the Company. The Directors abstain from participating in the Board/Committee meetings on matters in which they are interested. A confirmation on compliance with the Code of Conduct by all the Senior Management Personnel is made in the Board's Report forming part of the Annual Report. The Code is available on the Company's website at <https://bel-india.in/codes-policies/>.



**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

- 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 2023-24 (₹ in Crore)	FY 2022-23 (₹ in Crore)	Details of improvements in environmental and social impacts
R&D	Not tracked	Not tracked	(i) Usage of lead-free/RoHS components in designs. (ii) E-waste disposal procedure for products/equipments is printed in the user manual supplied along with products/equipments
Capex	Not tracked	Not tracked	-

- Does the entity have procedures in place for sustainable sourcing?  
No.
  - If yes, what percentage of inputs were sourced sustainably?
- 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.

- 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 registration under the EPR framework under the Importer category of Plastic Waste Management Rules. Registrations under the Brandowner category under Plastic waste Rules, Producer category under Battery Waste Rules and E-Waste rules are in progress.

**Leadership Indicators**

- 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. However, raw materials to finished product are handled scientifically. Waste materials generated in the value added process are disposed off scientifically for recycling. Products supplied are provided with disposal guidelines for disposing the product after the End of Use of product.

- 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.

- 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 2023-24	FY 2022-23
-	-	-

- Of the products and packaging reclaimed at end of life of products, amount (in metrictonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

- 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
-	-

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**Essential Indicators**

- Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		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)
<b>Permanent employees</b>											
Male	7,009	7,009	100	7,009	100	NA	NA	7,009	100	NA	NA
Female	1,928	1,928	100	1,928	100	1,928	100	NA	NA	1,928	100
<b>Total</b>	<b>8,937</b>	<b>8,937</b>	<b>100</b>	<b>8,937</b>	<b>100</b>	<b>1,928</b>	<b>21.57</b>	<b>7,009</b>	<b>78.43</b>	<b>1,928</b>	<b>21.57</b>
<b>Other than Permanent employees</b>											
Male	6,576	6,576	100	6,576	100	NA	NA	-	-	NA	NA
Female	2,152	2,152	100	2,152	100	2,152	100	NA	NA	-	-
<b>Total</b>	<b>8,728</b>	<b>8,728</b>	<b>100</b>	<b>8,728</b>	<b>100</b>	<b>2,152</b>	<b>24.66</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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)
<b>Permanent workers</b>											
Male	1,863	1,863	100	1,863	100	NA	NA	1,863	100	NA	NA
Female	644	644	100	644	100	644	100	NA	NA	644	100
<b>Total</b>	<b>2,507</b>	<b>2,507</b>	<b>100</b>	<b>2,507</b>	<b>100</b>	<b>644</b>	<b>25.69</b>	<b>1,863</b>	<b>74.31</b>	<b>644</b>	<b>25.69</b>
<b>Other than Permanent workers</b>											
Male	3,827	3,827	100	3,827	100	NA	NA	3,827	100	NA	NA
Female	1,390	1,390	100	1,390	100	1,390	100	NA	NA	-	-
<b>Total</b>	<b>5,217</b>	<b>5,217</b>	<b>100</b>	<b>5,217</b>	<b>100</b>	<b>1,390</b>	<b>26.64</b>	<b>3,827</b>	<b>73.36</b>	<b>-</b>	<b>-</b>

Note:

- The above manpower data is as on 31.03.2024. The Company has in-house Medical scheme to address the medical needs of Employees/Workers and their dependants. Each Unit of BEL has Medical Centre to address the medical needs. In case of specialised treatment, Employees/Workers can avail treatment in empanelled hospitals.
- In case of Other than Permanent Employees/Workers i.e., Trainees/Project Engineers Health Insurance premium is borne by the Management. In case of contract workmen, they are covered under ESI Act. However, in case of Emergency treatment, they can avail medical facilities in the Medical centre of the Unit.
- Day-care facility is extended to women employees in accordance with the provisions of Factories Act, 1948.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on wellbeing measures as a % of total revenue of the company	11.20%	11.75%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	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%	Y	100%	100%	Y
ESI	NA	NA	NA	NA	NA	NA
Others – please specify	-	-	-	-	-	-

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. The facilities and provisions provided for differently-abled employees are in line with the Rights of Persons with Disability Act, 2016.

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.

No. However, all relaxations and concessions related to PwBD are complied with as per the Rights of Persons with Disabilities Act. With respect to the relaxations and concessions provided to Persons with Disabilities, the government directives issued from time to time are strictly adhered to. Some of the relaxations provided in recruitment are pass marks in written test/interview are relaxed to 30% as against 35% for General category, compensatory time is extended in written test, exemption of application fee etc.

Also, the facilities and provisions provided for differently-abled employees are in line with the Rights of Persons with Disabilities Act, 2016. Few examples include facilities created like ramps, lifts, and separate rest rooms which are disabled-friendly.

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%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

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 Grievances online pertaining to payment of wages, leave, transfer, promotions, seniority, work assignment, designation, non-extension of any welfare amenity provided for under the law, or benefit due under the rules, etc. affecting an individual employee. Timelines have been clearly defined at each level from prompt redressal of grievances. The policy related to e-GRAMS contains 6 levels of escalation. Also, the time limit within which the employee may take up his/her representation from one level to another shall be normally 7 working days from the date of receipt of the decision failing which the grievance will be considered as closed.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	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)
<b>Total Permanent Employees</b>	<b>8,937</b>	<b>8,019</b>	<b>89.73</b>	<b>8,832</b>	<b>8,015</b>	<b>90.75</b>
- Male	<b>7,009</b>	6,283	89.64	<b>6,921</b>	6,280	90.74
- Female	<b>1,928</b>	1,736	90.04	<b>1,911</b>	1,735	90.79
<b>Total Permanent Workers (Non-Executives)</b>	<b>2,507</b>	<b>2,322</b>	<b>92.62</b>	<b>2,626</b>	<b>2,432</b>	<b>92.61</b>
- Male	<b>1,863</b>	1,786	95.87	<b>1,953</b>	1,810	92.68
- Female	<b>644</b>	536	83.23	<b>673</b>	622	92.42

## 8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	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)
<b>Employees</b>										
Male	7,009	2,295	32.74	6,518	92.99	6,921	2,212	31.96	6,457	93.30
Female	1,928	675	35.01	1,793	93.00	1,911	640	33.49	1,757	91.94
<b>Total</b>	<b>8,937</b>	<b>2,970</b>	<b>33.23</b>	<b>8,311</b>	<b>93.00</b>	<b>8,832</b>	<b>2,852</b>	<b>32.29</b>	<b>8,214</b>	<b>93.00</b>
<b>Workers</b>										
Male	1,863	615	33.01	1,733	93.02	1,953	622	31.85	1,817	93.04
Female	644	225	34.94	598	92.86	673	220	32.69	620	92.12
<b>Total</b>	<b>2,507</b>	<b>840</b>	<b>33.51</b>	<b>2,331</b>	<b>92.98</b>	<b>2,626</b>	<b>842</b>	<b>32.06</b>	<b>2,437</b>	<b>92.80</b>

Note: % of persons (Employees and Workers) include those who have attended the training and awareness programmes more than once.

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	7,009	966	13.78	6,921	1,045	15.10
Female	1,928	235	12.19	1,911	246	12.87
<b>Total</b>	<b>8,937</b>	<b>1,201</b>	<b>13.44</b>	<b>8,832</b>	<b>1,291</b>	<b>14.62</b>
<b>Workers</b>						
Male	1,863	102	5.48	1,953	150	7.68
Female	644	68	10.56	673	55	8.17
<b>Total</b>	<b>2,507</b>	<b>170</b>	<b>6.78</b>	<b>2,626</b>	<b>205</b>	<b>7.81</b>

## 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. Implementation of Occupational Health & Safety Management System is under progress at all Units of BEL wherein the following aspects are covered in the System:

- EHS Policy;
- Documents like HS Manuals, Operational Control Procedures (OCP); Work Instructions, Emergency Preparedness Plan, etc.;
- Internal Auditor Training and Audits;
- Plant Level Safety Committee Meetings;
- BEL-Bangalore Complex & BEL-Ghaziabad have already implemented the ISO 45001:2018

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

As a ISO 45001:2018, OHSMS certified unit, all the departments of all the SBUs, conduct the 'Hazard Identification and Risk Assessment' process and this HIRA document is maintained and also audited periodically. The Safety Officers and the Safety Committee members also identify hazards and assess risks during 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' - Safety 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 encouraged to call Safety Engineering department regarding hazards and unsafe conditions.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services?

Yes. Employees can utilise the crèche facility in the Units as per the eligibility criteria. Employees who are 45 years and above age are provided with the facility of Preventive Health Check-up once in 2 years.

## 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
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	02*
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

\*including in the contract workforce.

## 12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The following measures taken by the entity to ensure a safe and healthy work place:

- Provisions of adequate Ventilation, Lighting, Machine Guards and Exhaust Systems at the workplace;
- Provisions of Drinking Water, Rest Rooms and establishment of First Aid Centre;
- Provision of Personal Protective Equipment, wherever necessary;
- Awareness created through display of signage, precautionary boards at prominent locations and trainings on Safety, Health & First Aid
- Implementation of work permit systems like Height Work, Hot Work;
- Implementation of OSHMS & EMS
- Periodical Health Check-up of Employees;
- Celebration of Safety Day by displaying safety banners, taking safety pledge and displaying safety awareness posters, etc.
- Presence of an effective Emergency Preparedness & Response Plan



BEL gives utmost importance to the safety and health of all the workers in the organisation. The Health and Safety policy clearly states and commits to providing a safe working environment and good health to all its workers. 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 to monitor safety and health as per statutory prerequisites. The statutory medical examination of the workers working in hazardous processes is periodically conducted.

Safety Engineering Department regularly conducts industrial safety training for employees, contract staff and trainees. The Safety Audits and plant safety inspections are carried out periodically. The National Safety Day/Week is celebrated in BEL and a safety pledge is administered to all workers on 4<sup>th</sup> March.

BEL maintains very good Emergency preparedness and response plans. Safety Engineering Department continuously interacts and coordinates with the Director of Factories, Boilers, Industrial Safety and Health authorities.

BEL Bangalore Complex is an ISO 45001-2018 Occupational Health and Safety Management System (OHSMS) certified unit and this indicates that the Health and Safety Systems are very good in the entity.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	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	153	18	Pending under progress	115	10	Pending completed during 2023-24
Health & Safety	71	06	Pending under progress	38	05	Pending completed during 2023-24

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	92%
Working Conditions	95%

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.

	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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

No high consequence injuries/incidents or significant risks.

### Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of:
  - Employees (Y/N) - Yes
  - Workers (Y/N) - Yes
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
 

Engagement of Contract Labour and other Contracts: The Bills of the Contractor are cleared after ensuring remittance of statutory dues to the concerned authorities by verifying deposit/remittance challans submitted along with Bills.
- 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 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

- 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)
 

No.
- 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
- 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.
 

Nil.

### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

#### Essential Indicators

- 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 process and the Company interacts with its stakeholders at different levels to understand and address their expectations and collaborates with them for creating shared value. The Company has built a constructive relationship with all its stakeholders based on mutual trust, transparency, ethics and accountability. Continuous two-way dialogue process with stakeholders along with their feedback on various issues concerning the company's operations has enabled us to establish sustainable relationships with the stakeholders. Apart from Customers, Suppliers, Employees, Shareholders, Government, Regulatory & Statutory Bodies, Auditors, Bankers, Collaborators and JV Partners, all community members surrounding the location of the plant/Divisions of the Company are considered 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, Meeting	As and when required	Regarding technical, commercial 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	Shareholders meeting and Resolution of grievance
Employees	NO	E-Newsletter, Internal Website	As and when required	Information on Company activities
Vendors/ Suppliers	NO	Website, Emails	As and when required	Tender, Orders and Payment related information. Various procurement related information are hosted on the website
Industry bodies, Regulators	NO	Email, Letters, Meeting	As and when required	Ensure compliance of rules and regulations
Communities	NO	As needed	As and when required	Communicate the performance of the company and other related information 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.

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 boost relationships enabling the Company to be informed of their expectations. The structured approach of engagement methods are covered in Stakeholder Engagement section of Integrated Annual Report. CSR projects undertaken in area of Education, Health Care, Solar, etc are based on inputs received from stakeholders. Directions received from sub-committees of the Board are being implemented in policies and activities of the Company.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised 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 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 skill training to enhance the employability of youth and creating a sustainable ecosystem for flora & fauna in the wild are high points in the CSR space.

### 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 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)		Total (C)	No. of employees/workers covered (D)	
		No. (B)	% (B/A)		No. (D)	% (D/C)
<b>Employees</b>						
Permanent	8,937	300	3.36	8,832	168	1.90
Other than Permanent	8,728	110	1.26	6,604	132	2.00
<b>Total Employees</b>	<b>17,665</b>	<b>410</b>	<b>2.32</b>	<b>15,436</b>	<b>300</b>	<b>1.94</b>
<b>Workers</b>						
Permanent	2,507	93	3.71	2,626	80	3.05
Other than Permanent	5,217	107	2.05	4,600	32	0.70
<b>Total Workers</b>	<b>7,724</b>	<b>200</b>	<b>2.59</b>	<b>7,226</b>	<b>112</b>	<b>1.55</b>

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (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)
<b>Employees</b>										
<b>Permanent</b>	<b>8,937</b>	-	-	<b>8,937</b>	<b>100</b>	<b>8,832</b>	-	-	<b>8,832</b>	<b>100</b>
Male	7,009	-	-	7,009	100	6,921	-	-	6,921	100
Female	1,928	-	-	1,928	100	1,911	-	-	1,911	100
<b>Other than permanent</b>	<b>8,728</b>	-	-	<b>8,728</b>	<b>100</b>	<b>6,604</b>	-	-	<b>6,604</b>	<b>100</b>
Male	6,576	-	-	6,576	100	5,140	-	-	5,140	100
Female	2,152	-	-	2,152	100	1,464	-	-	1,464	100
<b>Workers</b>										
<b>Permanent</b>	<b>2,507</b>	-	-	<b>2,507</b>	<b>100</b>	<b>2,626</b>	-	-	<b>2,626</b>	<b>100</b>
Male	1,863	-	-	1,863	100	1,953	-	-	1,953	100
Female	644	-	-	644	100	673	-	-	673	100
<b>Other than permanent</b>	<b>5,217</b>	-	-	<b>5,217</b>	<b>100</b>	<b>4,600</b>	-	-	<b>4,600</b>	<b>100</b>
Male	3,827	-	-	3,827	100	3,670	-	-	3,670	100
Female	1,390	-	-	1,390	100	930	-	-	930	100

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	No.	Median remuneration/salary/wages of respective category	No.	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	6	67,25,833	-	-
Key Managerial Personnel	1	40,55,326	-	-
Employees other than BoD and KMP	7,642	16,78,062	2,025	16,73,294
Workers	-	-	-	-

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	20.33%	20.48%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

No

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

BEL has laid down policies and procedures for Prevention of Sexual Harassment. The grievance redressal mechanism i.e., e-GRAMS is accessible easily by all employees of the organisation for any variety of grievance. Further, the contracts and recruitment policy of BEL does not engage or encourage child labour/forced labour practices.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	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	03	01	In Process	2	0	-
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 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	03	02
Complaints on POSH as a % of female employees/workers	0.16%	0.10%
Complaints on POSH upheld	01	-

Note: BEL handles the complaints of the female employees who are permanent (On the rolls of BEL). Other women workers will report their complaints to their respective agencies.

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 workplaces, in case both were in the same workplace. 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	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others – please specify	Nil

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable.

### Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Nil.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Nil.

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 facilities and provisions provided for differently-abled employees and visitors are in line with the Rights of Persons with Disabilities Act, 2016. Few examples include facilities created like ramps, lifts, and separate restrooms 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	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Others please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Nil.



**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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>From Renewable sources</b>		
Total electricity consumption (A)	19,298.13 Giga Joules	20,152.70 Giga Joules
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	74,709.0 Giga Joules	80,343.65 Giga Joules
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>94,007.13 Giga Joules</b>	<b>1,00,496.35 Giga Joules</b>
<b>From Non-Renewable sources</b>		
Total electricity consumption (D)	1,27,068.04 Giga Joules	1,04,261.51 Giga Joules
Total fuel consumption (E)	1,658.30 Giga Joules	1,949.61 Giga Joules
Energy consumption through other sources (F)	Nil	Nil
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>1,28,726.34 Giga Joules</b>	<b>1,06,211.12 Giga Joules</b>
<b>Total energy consumed from Renewable and Non-Renewable sources (A+B+C+D+E+F)</b>	<b>2,22,733.47 Giga Joules</b>	<b>2,06,707.47 Giga Joules</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/Revenue from operations)	11.04 GJ/Crore	11.71 GJ/Crore
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/Revenue from operations adjusted for PPP)	3.03 GJ/Crore	3.26 GJ/Crore
<b>Energy intensity in terms of physical output</b>	-	-
Energy 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. – 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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	1,000	Nil
(ii) Groundwater	8,23,612	9,17,581
(iii) Third party water	6,27,525	5,21,259
(iv) Seawater/desalinated water	0	Nil
(v) Others	21,000	39,086
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>14,73,137</b>	<b>14,77,926</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>14,73,137</b>	<b>14,77,926</b>

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water intensity per rupee of turnover</b> (Total water consumption/Revenue from operations)	73.04 KL/Crore	83.75 KL/Crore
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/Revenue from operations adjusted for PPP)	20.04 KL/Crore	23.34 KL/Crore
<b>Water intensity in terms of physical output</b>	-	-
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. - No.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(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 **	89,318.40	66,480.80
- 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	5,62,723.45 KL ; STP & ETP having Tertiary treatment (3 stages)	6,04,699.25 KL; STP & ETP having Tertiary treatment (3 stages)
<b>Total water discharged (in kilolitres)</b>	<b>6,52,041.85 KL</b>	<b>6,71,180.05 KL</b>

\*\* 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. - No.

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 the source and treated appropriately to meet the standards prescribed by the Pollution Control Board. This isolated treatment is specific to this type of wastewater to ensure effective detoxification with less chemical consumption. 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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	mg/Nm3	24.3	73.39
SOx	mg/Nm3	11.7	16.93
Particulate matter (PM)	mg/Nm3	45.6	38.1
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	mg/Nm3	4.2	3.2
Hazardous air pollutants (HAP)	-	-	-
Others –(Pb, Acid Fumes, Acid mist, Solvent vapour)	mg/Nm3	10.5	15.1

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. - No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	8930.70 **	2696.40
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	25572.50	20871.03
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	Measured in terms of per crore rupees of turnover (1.71 MT/Crore)		Measured in terms of per crore rupees of turnover (1.34 MT/Crore)
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions/revenue from operations adjusted for PPP)		0.47 MT/Cr	0.37 MT/Cr
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		-	-
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) the relevant metric may be selected by the entity		-	-

\*\* Source of emission factors taken from IPCC 4<sup>th</sup> assessment report

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. – No.

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 Davangere & 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. 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.

It is planned to set up an additional 4 MW of Wind Power Plant in the next 2 years as further enhancement towards Green Energy initiative leading reduction in CO<sub>2</sub> emissions to the environment.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	110.99	78.94
E-waste (B)	77.54	76.99
Bio-medical waste (C)	1.18	0.67
Construction and demolition waste (D)	-	-
Battery waste (E)	183.75	14.72
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)		
i. Used oil & coolant oil	23.918	10.43
ii. Plating metal sludge/Paint sludge/ETP sludge	49.748	33.83
iii. Spent etching chemicals and solvents	5.166	5.70
iv. Others	33.930	88.39
<b>Subtotal (G)</b>	<b>112.762</b>	<b>138.35</b>
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	328.6	292.69
ii. Non-metal scrap	600.4	461.06
iii. Other scraps	158.9	147.2
<b>Subtotal (H)</b>	<b>1,087.9</b>	<b>900.95</b>
<b>Total (A+B + C + D + E + F+G+H)</b>	<b>1,574.122</b>	<b>1,210.62</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.078 MT/Core	0.068 MT/Crore
<b>Waste intensity per rupee of turnover adjusted for purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.0214	0.0191
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>	NA	NA
(i) Recycled **		
• Plastic waste	78.71	65.5
• E-waste	68.18	29.97
• Battery waste	59.91	5.0
• Other Non-hazardous waste	820.46	623.89

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
<b>Total</b>	<b>1027.26</b>	<b>724.36</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste (Plastic waste)</b>		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Category of waste (E-waste)</b>		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Category of waste (Bio-medical waste)</b>		
(i) Incineration	1.18	0.67
(ii) Land filling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>1.18</b>	<b>0.67</b>
<b>Category of waste (Battery waste)</b>		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Category of waste (Other Hazardous waste) **</b>		
(i) Incineration	0	22.05
(ii) Land filling	20.92	34.55
(iii) Other disposal operations	51.38	53.13
<b>Total</b>	<b>72.30</b>	<b>109.73</b>
<b>Category of waste (Other Non-hazardous waste)</b>		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\*\* Recyclable wastes and Other hazardous wastes are disposed off in lots as per the standard practice and the left over will be disposed off to the authorised agencies in the subsequent lots

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. – No.

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 hazardous waste, the principle of reduction, reuse, recovery and recycling are practised. 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 has helped reduce the production of hazardous waste. In the previous year, BEL achieved continual improvement through the elimination of IPA use in the HF Oxide etching process in the solar plant. These initiatives resulted in generation of less hazardous waste. Bharat Electronics 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 landfilled. 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 the proper handling of waste. Biodegradable waste such as food waste and green waste of the 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 applications in the BEL Estate area. The green waste generated in BEL is subjected to natural composting. Leaf shredding machine is available for the reduction of the size of green waste. In addition, the food waste generated in the factory canteen is transported to the Bio-Methanation plant on a 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 FY 2023-24					

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): NA

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 2023-24	FY 2022-23
<b>Water withdrawal by source (in kilolitres)</b>		
(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
<b>Total volume of water withdrawal (in kilolitres)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>	NA	NA
<b>Water intensity per rupee of turnover</b> (Water consumed/turnover)	NA	NA
<b>Water intensity</b> (optional) the relevant metric may be selected by the entity	NA	NA
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(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
<b>Total water discharged (in kilolitres)</b>	NA	NA

Note: Currently, this is not being tracked. Will be reported in the upcoming years.

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 2023-24	FY 2022
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Assessment will be taken up	
<b>Total Scope 3 emissions per rupee of turnover</b>			
<b>Total Scope 3 emission intensity</b> (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 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 documents 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) 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. 2) All lightings replaced with LED lights in factory & estate areas. 3) Replacement of reciprocating air compressors with energy efficient oil-free screw air compressors. 4) Old Air Conditioners replaced with energy efficient rated ACs. 5) Cooling towers replaced with IE-3 rated motor cooling towers. 6) Installation of VFDs for existing cooling towers.	Achieving "Carbon Neutral Status" through renewable energy resources and energy conservation measures adopted.
3.	Water Conservation	1) Installed Rooftop rainwater harvesting system for reuse of water for RO generation; this enables every year to collect 500-600 m3 of rainwater of low TDS which in turn results in the use of saving about 800-1000 m3 of fresh water. 2) Innovative recharging of bore wells enable us to collect the runoff water adjacent to the building and near the borewells for facilitating recharging of aquifers. 45 recharge pits have been created in the Bangalore Complex campus of 685 acres. Overflow from recharging pit is diverted to a 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 freshwater 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 dishwashing system and the use of swill water with air agitation are implemented for conserving water. Implementation of these water conservation projects has 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	BEL-BG Complex has achieved "Water Positive Status" through water conservation measures adopted.

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, Section 41B (4) is in place to prevent any disaster arising inside BEL and the following practices adopted,

1. Chemical handling and awareness programmes are conducted for workers
2. Chemical storage and its compliance is reviewed and updated
3. Chemical & fire hazard related Mock drills are conducted for handling emergency
4. 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 were found on its value chain.

**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 four (4) 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

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 2023-24 (In ₹)
Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Describe the mechanisms to receive and redress grievances of the community.

Nil.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	37.28%	31.65%
Sourced directly from within India.	59.64%	59.48%

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 2023-24	FY 2022-23
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	10.95%	11.60%
Metropolitan	89.05%	88.40%

(Place to be categorised as per RBI Classification System-rural/semi-urban/urban/metropolitan)

**Leadership Indicators**

- 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
NA	NA

- 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	Karnataka	Raichur	2,88,77,000.00
2	Telangana	Kumurambheem Asifabad	2,30,00,000.00

- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)  
Yes.
  - From which marginalised/vulnerable groups do you procure?  
Social Category (SC/ST) and Companies owned by woman.
  - What percentage of total procurement (by value) does it constitute?  
% procurement from Social Category (SC/ST) Entrepreneurs for FY 2023-24 is 1.00%  
% procurement from Women Entrepreneurs for FY 2023-24 is 1.95%

- 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
1	Nil	Nil	NA	NA

- 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
NA	NA	NA

- Details of beneficiaries of CSR Projects:

Sl. No	CSR sectors	No. of Projects	No. of Persons benefitted from CSR Projects (approx.)	% of Beneficiaries from vulnerable and marginalised groups
1	Healthcare	15	13,62,069	80
2	Women Empowerment	1	17,500	80
3	Education	9	8,398	80
4	Skill Development	1	2,419	75
5	Rural Development	1	2,000	75
6	Environmental Sustainability	1	1,000	75

Note: % of Beneficiaries from vulnerable and marginalised groups is approximate value.

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators**

- 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 the SAP system, wherein customers can call on toll free number/send fax or e-mail and register their complaints. The toll free number/fax number/e-mail 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 the 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/e-mail or through the official channels of customers.

- 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%

- Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of Essential Services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	13,667	1,821	**	12,968	1,207	**

\*\* These are the complaints received/pending for resolution with respect to the non-functioning of the products/sub-systems supplied by BEL from across its SBUs/Units.

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, delays in supply due to supply-chain issues or obsolescence of electronic items for which BEL has to find an equivalent alternative/design a Form Fit equivalent, which may take time.

- Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

- 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.

Cyber Security Policy is available and is classified as a document for internal circulation.

- 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:
  - a. Number of instances of data breaches – Nil.
  - b. Percentage of data breaches involving personally identifiable information of customers – Nil.
  - c. 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](http://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
  - a. training programmes for the end users as well as repair technicians at customer workshops;
  - b. during customer meets; and
  - c. other forums with senior officers of the customer departments where customer concerns w.r.t. delivery, product improvements, new technologies, and improved usage mechanisms are addressed
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.  
All the contracts have a Force Majeure clause wherein BEL informs its customers in writing well in time about the impending disruption of service/delay in delivery etc. due to conditions like flooding, pandemics, supply chain disruptions due to war, obsolescence etc.
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 Customer Satisfaction Survey every year 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, and the analysis thus received, are reviewed by the SBU/Unit Heads of the company and suitable actions are being taken for improvement.

Since the customers of the company are spread PAN India, the survey covers all the locations where customer departments are located, as well as through online.

For and on behalf of the Board

**Manoj Jain**  
Chairman & Managing Director

Bengaluru  
1 August 2024

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

## Independent Assurance Statement

### Scope and Approach

Sustainability Actions Private Limited ("SAPL") has been engaged by management of Bharat Electronics Limited ("BEL" or "the Company", to perform an independent reasonable assurance engagement of the Company's Business Responsibility and Sustainability Report (BRSR) Core Matrices (refer to annexure 1) for the FY23-24.

### Reporting Criteria

The Report is prepared based on BRSR Core Framework (Annexure I of the SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR2023/122 dated July 12, 2023 and "Guidance Note for Business Responsibility and Sustainability Reporting Format" by Securities and Exchange Board of India (SEBI)

### 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.

### Our Responsibility

Our responsibility is to express a reasonable assurance conclusion on the BRSR Core Matrices, 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 BEL. 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.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### Basis of our Opinion

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion and the process did not involve engagement with external stakeholders. We carried out one-to-one discussions, onsite and remote assessments.

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 BEL's customised sustainability information management system.

We undertook the following activities:

- Obtained an understanding of the BRSR core matrices;

- Interviewed selected senior managers responsible for management of sustainability topics and reviewed selected evidences to support issues disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver BEL's Sustainability objectives;
  - Reviewed processes and systems for aggregating site level sustainability information, that is, reviewed sustainability disclosures for selected sites as well as the overall data aggregated and consolidated at the Corporate level from the Company's sustainability management system;
  - Review of the processes for gathering and consolidating the selected performance data related to identified material topics and, for a sample, checking the data consolidation in context under the Principle of Completeness.
- Based on the above understanding and the risks that the matrices may be materially misstated, determined the nature, timing and the extent of further procedures, reviewed records and performed testing including recalculation of sample data to establish an audit trail.
- 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 (refer to annexure 1) for the year ended 31<sup>st</sup> March 2024 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)

25 July 2024  
Gurgaon

**Saket Sinha**  
(Director)

Annexure – 1		
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	Provide details of water withdrawal by source	Reasonable
P6 E3	Provide details of water consumption	Reasonable
P6 E4	Provide details of water discharged	Reasonable
P6 E6	Details of Air Emissions (Other than GHG emissions)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 1)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 2)	Reasonable
P6 E7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2) intensity	Reasonable
P6 E9	Provide details related to waste generated by category of waste	Reasonable
P6 E9	Provide details related to waste recovered through recycling, re-using or other recovery operations	Reasonable
P6 E9	Provide 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

To the Members of Bharat Electronics Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the Standalone Financial Statements of **BHARAT ELECTRONICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, 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") in which are included the Returns (Branch financial statements/ financial information) of the Company's branches located at Ghaziabad, Panchkula, Kotdwara, Pune, Navi Mumbai and Machilipatnam, audited by the branch auditors, for the year ended on 31 March 2024.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, 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 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 Matter" 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, 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.

Sl. No.	Key Audit Matters	Our Principal Audit Procedures
1	<p>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").</p> <p>(Refer note 23, 12, 7 to the Standalone Financial Statements respectively).</p> <p>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.</p>	<p><b>Our audit procedures included the following:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> </ol>

Sl. No.	Key Audit Matters	Our Principal Audit Procedures
		<ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>on sample basis verified whether the Company has unconditional right to consideration in respect of trade receivable balances recognised during the year.</li> <li>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.</li> <li>Verified whether appropriate presentation and disclosure is made in the financial statements.</li> </ol>
2	<p>Recognition and measurement of Intangible assets under development (Refer note 5 to the Standalone Financial Statements).</p> <p>Total value of Intangible Assets under Development is ₹ 43,730 Lakhs as at 31 March 2024.</p> <p>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.</p> <p>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.</p>	<p><b>Our audit procedures included the following:</b></p> <ol style="list-style-type: none"> <li>understood and evaluated the internal controls implemented by the Management to ensure compliance with recognition and measurement criteria specified under Ind AS 38.</li> <li>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.</li> <li>performed audit procedures to verify accuracy and existence of cost capitalised under Intangible Assets under Development.</li> <li>assessed whether cost capitalised by the Company is in nature of development phase by obtaining technical assessment performed by the Management to evaluate: <ul style="list-style-type: none"> <li>technical feasibility of completing the intangible asset</li> <li>intentions and ability of the Company to complete and use the intangible asset</li> <li>whether intangible asset can generate probable future economic benefit</li> <li>whether availability of adequate technical, financial and other resources to complete the development</li> <li>whether expenditure incurred with respect to development projects can be reliably measured</li> </ul> </li> <li>obtained project wise aging of intangible assets under development to identify projects exceeding the originally estimated costs or time for completion.</li> <li>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.</li> <li>verified on sample basis that capitalization 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.</li> <li>verified whether appropriate presentation and disclosure is made in the financial statements.</li> </ol>



## 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 is 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.

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 ₹ 7,18,189 Lakhs as at 31 March 2024, revenue from operations of ₹ 6,17,658 Lakhs and total profit before tax of ₹ 1,51,845 Lakhs for the year ended on 31 March 2024. 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.

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, Kotdwar, 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 Government Companies.
- 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**".
- 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:
- The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 30 (8) (i) to the Standalone Financial Statements.
  - The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts. The Company did not have any derivative contracts. Refer Note 21 and 30 (14) to the Standalone Financial Statements.
  - There is no delay in amount required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024.
  - 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.
    - 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 i) (iv)(a) and (iv)(b) above contain any material misstatement.
- v. As stated in Note 30(17) to the Standalone Financial Statements
- 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.
  - 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.
  - 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.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.
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 **P G BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Abhijeet Bhagwat**  
Partner  
Membership Number: 136835  
UDIN: 24136835BKBGVG4474

Darjeeling  
20 May 2024

## "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:

- i. a. A. The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 

Act, 1988 (as amended in 2016) and rules made thereunder.
- 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 as specified in Note 1 (xiii).
- 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
- 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 31 March 2024, 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. According to the information and explanations provided to us, during the year, the Company has made investments in its subsidiary Company BEL Optronics Devices Limited. Refer Note 6 to the Standalone Financial Statements. 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.

(A) & (B)

Aggregate amount given during the year (₹ Lakhs)	Balance outstanding at the balance sheet date (₹ Lakhs)	Subsidiaries, joint ventures, associates and others	Nature of transaction
511	845	Employees	Loans /Advances in the nature of loans

- 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.

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.

- 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. According to the information and explanations provided to us and based on the terms and conditions of the loans, no amount is overdue except as specified below for which reasonable steps have been taken by the Company for recovery of the principal and interest:

(₹ in Lakhs)			
No. of cases	Principle overdue over 90 days	Interest Overdue	Total Overdue
3	0.95	0.47	1.42

- 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.

- 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. As explained to us, during the year, the Company did not have any dues on account of Cess.

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 2024, for a period of more than six months from the date they became payable.

- 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
- 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 2024, which have not been deposited by the Company on account of disputes, except for the following:



Name of the statute	Nature of dues	Amount (in ₹ Lakhs)	Amount paid under protest (in ₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act 1994	Service Tax including interest and penalty	310	8	2005 - 06 to 2008-09	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	Central Excise Duty including penalty	24	10	1990-91	Commissioner Appeals
Central Excise Act, 1944	Interest on Central Excise Duty	244	-	2011-12 and 2012-13	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs duty including interest and penalty	25	-	2002-03	Commissioner (Appeals) of Customs
Central Excise Act, 1944	Central Excise Duty including penalty	6	0.5	1991-92	Commissioner Appeals
Finance Act 1994	Service Tax including penalty	1,427	54	2014-15 & 2015-16	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs duty including interest and penalty	608	501	2015-16	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs duty including interest and penalty	3,081	-	2016-17 and 2019-20	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs duty including interest and penalty	0.2	0.2	2017-18	Assistant Commissioner of Customs
Goods and Service Tax Act, 2017	Union Territory Goods and Service Tax	0.21	-	2017-18 & 2018-19	The Assistant Commissioner of Central Tax (Andaman & Nicobar Division)
Madhya Pradesh VAT Act, 2002	Madhya Pradesh VAT including penalty	73	27	2011-12	Madhya Pradesh commercial Tax appellate Board, Bhopal
The Income Tax Act 1961	Tax deducted at source	40	-	2007-08, 2009-10, 2010-11 to 2013-14 and 2017-18	TDS Circle LTU
The Finance Act 1993	Service tax	11	-	2007-08	Customs, Excise and service tax appellate Tribunal
Finance Act 1994	Service Tax	31	3	2016-17 to 2017-18	CESTAT Chennai
Tamilnadu Value Added Tax 2006	Sales Tax	107	-	2015-16	Sales tax Tribunal Chennai
Tamilnadu Value Added Tax 2006	Sales Tax	31	-	2016-17	Sales tax Tribunal Chennai
Goods and Service Tax Act, 2017	Penalty under GST	4	-	Prior to 2017	Joint commissioner(Appeals) Goods and Service Tax,Chennai
Employee State Insurance Act 1948	ESI contribution	10	-	1992-1993	AP High court
Employee State Insurance Act 1948	Interest and cost of recovery	20	11	1998-2001	AP High court
Finance Act 1994	Service tax	6	-	2005-06 to 2008-09	Customs Excise and Service Tax Appellate Tribunal Benagaluru
Employee State Insurance Act 1948	Interest on damages towards late deposit	4	-	2000-01	Punjab and Hararyana high court Chandigarh
Finance Act 1994	Service Tax	212	-	2005-06 to 2008-09	Custom,Excise and Service Tax Appellate Tribunal Bengaluru
Goods and Service Tax Act, 2017	Central Goods and Service Tax	66	5	2017-18	Commissioner(Appeal)
The Income Tax Act 1961	Disallowance as per assessment orders	4,575	-	2008-09, 2009-10, 2011- 12 to 2013-2014, 2015-16 to 2017-18, 2019- 20, 2020-21	Commissioner of income tax appeals
Customs Act, 1962	Customs duty including interest and penalty	564	-	2021-22	Appellate level

Name of the statute	Nature of dues	Amount (in ₹ Lakhs)	Amount paid under protest (in ₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Customs Act, 1962	Customs duty including interest and penalty	0.18	-	2021-22	Appellate level
Goods and Service Tax Act, 2017	Cenvat Credit And ITC	8	-	2017-18	GST Department Panchkula
Goods and Service Tax Act, 2017	Input Tax Credit	32	-	2018-19	GST Department Panchkula
West Bengal Sales Tax Act, 1994	Sales Tax	0.71	-	2016-17	West Bengal Taxation Tribunal

- 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. The Management has represented to that the amounts involved in these cases are immaterial.

- 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 taken into consideration the reports made available to us by the Management of the Internal Auditors for the period under audit.
- 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, reporting on clause 3 (xvi) (b) & (c) of the Order is not applicable.  
(d) According to the information and explanations given to us, there is no Core Investment Company within the Group.
- 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 realization 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 ₹ 3,842 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 **P G BHAGWAT LLP**

Chartered Accountants

Firm Registration Number: 101118W/W100682

**Abhijeet Bhagwat**

Partner

Membership Number: 136835

UDIN: 24136835BKBGVG4474

Darjeeling

20 May 2024

## "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 2024 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.

### Auditors' 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 31 March 2024, 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 **P G BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Abhijeet Bhagwat**  
Partner  
Membership Number: 136835  
UDIN: 24136835BKBGVG4474

Darjeeling  
20 May 2024

**"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 2024.

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 **P G BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Abhijeet Bhagwat**  
Partner  
Membership Number: 136835  
UDIN: 24136835BKBGVG4474

Darjeeling  
20 May 2024





SUPREME AUDIT INSTITUTION OF INDIA  
लोकहितार्थ सत्यनिष्ठा  
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सं./No.

प्रधान निदेशक रक्षा-वाणिज्यिक लेखापरीक्षा का कार्यालय  
बेंगलूरु - 560 001  
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT,  
DEFENCE-COMMERCIAL, BENGALURU - 560 001

दिनांक/ DATE. 18.07.2024

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 2024.

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 2024.

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,

(J N Perumal)  
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@cag.gov.in

फैक्स /Fax : 080-2226 2491

**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 2024**

The preparation of financial statements of Bharat Electronics Limited, Bengaluru for the year ended 31 March 2024 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 him vide his Audit Report dated 20 May 2024.

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 2024 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.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment 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: 18 July 2024

## Standalone Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a)	Property, plant and equipment	1	2,69,911	2,59,630
(b)	Capital work-in-progress	2	45,377	36,157
(c)	Investment property	3	4	6
(d)	Other intangible assets	4	5,978	7,583
(e)	Intangible assets under development	5	43,730	47,970
(f)	Financial assets			
(i)	Investments	6	76,779	66,440
(ii)	Trade receivables	7	-	-
(iii)	Loans	8	703	656
(iv)	Other financial assets	9	1,428	1,917
(g)	Deferred tax assets (net)	10	57,416	50,339
(h)	Inventories	11	-	587
(i)	Other non current assets	12	25,124	43,835
			<b>5,26,450</b>	<b>5,15,120</b>
<b>(2) Current assets</b>				
(a)	Inventories	11	7,40,759	6,40,618
(b)	Financial assets			
(i)	Trade receivables	7	7,36,219	7,02,201
(ii)	Cash & cash equivalents	13	1,14,900	3,86,418
(iii)	Bank balances [other than (ii) above]	14	9,81,910	4,14,482
(iv)	Loans	8	141	172
(v)	Other financial assets	9	28,890	22,392
(c)	Current tax assets (net)	15	44,859	40,156
(d)	Other current assets	12	7,41,437	7,83,889
			<b>33,89,115</b>	<b>29,90,328</b>
			<b>39,15,565</b>	<b>35,05,448</b>
<b>TOTAL ASSETS</b>				
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a)	Equity share capital	16	73,098	73,098
(b)	Other equity		15,35,141	12,85,101
			<b>16,08,239</b>	<b>13,58,199</b>
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a)	Deferred income	17	5,709	6,019
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		6,025	5,942

## Standalone Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2024	As at 31 March 2023
(ii)	Trade payables	19		
-	total outstanding dues of micro enterprises & small enterprises; and		-	-
-	total outstanding dues of creditors other than micro enterprises & small enterprises		-	37
(iii)	Other financial liabilities	20	480	473
(c)	Provisions	21	96,104	83,897
(d)	Other non-current liabilities	22	-	-
			<b>1,08,318</b>	<b>96,368</b>
<b>(2) Current liabilities</b>				
(a)	Deferred income	17	310	336
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		226	192
(ii)	Trade payables	19		
-	total outstanding dues of micro enterprises & small enterprises; and		21,217	20,713
-	total outstanding dues of creditors other than micro enterprises & small enterprises		3,48,148	3,11,253
(iii)	Other financial liabilities	20	1,31,303	1,27,006
(c)	Other current liabilities	22	16,28,904	15,29,066
(d)	Provisions	21	68,900	62,315
(e)	Current tax liabilities (net)	15	-	-
			<b>21,99,008</b>	<b>20,50,881</b>
			<b>39,15,565</b>	<b>35,05,448</b>
<b>TOTAL EQUITY AND LIABILITIES</b>				

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

Darjeeling  
20 May 2024

**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 2024	For the year ended 31 March 2023
I	Revenue from operations	23	20,16,939	17,64,620
II	Other income	24	75,584	36,002
III	<b>Total income (I+II)</b>		<b>20,92,523</b>	<b>18,00,622</b>
IV	<b>EXPENSES</b>			
a	Cost of material consumed		10,49,762	9,37,844
b	Consumption of stock in trade		62,886	82,785
c	Changes in inventories of finished goods, work in progress & scrap	25	(56,057)	(39,745)
d	Employee benefits expense	26	2,46,670	2,29,773
e	Finance costs	27	702	1,479
f	Depreciation and amortisation expense	28	41,243	40,787
g	Other expenses	29	2,13,861	1,49,211
	<b>TOTAL EXPENSES (a to g)</b>		<b>15,59,067</b>	<b>14,02,134</b>
V	<b>Profit before exceptional items &amp; tax (III - IV)</b>		<b>5,33,456</b>	<b>3,98,488</b>
VI	<b>Exceptional items</b>		-	-
VII	<b>Profit before tax (V - VI)</b>		<b>5,33,456</b>	<b>3,98,488</b>
VIII	<b>Tax expense</b>	10		
	- Current tax		1,44,959	87,446
	- Earlier years tax		(6,890)	(2,001)
	- Deferred tax		(6,613)	12,376
	<b>Total provision for taxation</b>		<b>1,31,456</b>	<b>97,821</b>
IX	<b>Profit for the year (VII - VIII)</b>		<b>4,02,000</b>	<b>3,00,667</b>
X	<b>Other comprehensive income / (loss)</b>			
	Items that will not be reclassified subsequently to profit or loss			
	- Remeasurement of the net defined benefit liability/asset		(7,705)	(22,217)
	- Equity instruments through other comprehensive income		2	2
	- Income tax relating to these items		1,939	5,591
	<b>Total other comprehensive income / (loss) (net of tax)</b>		<b>(5,764)</b>	<b>(16,624)</b>
XI	<b>Total comprehensive income for the year (IX + X) [comprising profit and other comprehensive income for the year]</b>		<b>3,96,236</b>	<b>2,84,043</b>
XII	<b>Earnings per equity share (face value of INR 1/- each) :</b>	30(1)		
	(1) Basic [in INR]		5.50	4.11
	(2) Diluted [in INR]		5.50	4.11

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

Darjeeling  
20 May 2024

## Standalone Statement of Changes in Equity

(₹ in Lakhs)

### A. Equity share capital

Particulars	Note no.	Amount
<b>Balance as at 1 April 2023</b>		73,098
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
<b>Balance as at 31 March 2024</b>		<b>73,098</b>

Particulars	Note no.	Amount
<b>Balance as at 1 April 2022</b>		24,366
Changes in equity share capital during the year		
- Issue of bonus shares	16	48,732
- Buyback of shares		-
<b>Balance as at 31 March 2023</b>		<b>73,098</b>

### 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 *	
<b>Balance as at 1 April 2023</b>		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)
<b>Total</b>		<b>4,669</b>	<b>1,868</b>	<b>4,30,814</b>	<b>13,09,115</b>	<b>13</b>	<b>(65,142)</b>	<b>16,81,337</b>
Amount transfer to general reserve		-	-	40,000	(40,000)	-	-	-
<b>Transaction with owners in their capacity as owner</b>								
Dividends	16	-	-	-	(1,46,196)	-	-	(1,46,196)
Issue of bonus shares	16	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>		<b>4,669</b>	<b>1,868</b>	<b>4,70,814</b>	<b>11,22,919</b>	<b>13</b>	<b>(65,142)</b>	<b>15,35,141</b>



## 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 *	
<b>Balance as at 1 April 2022</b>		<b>4,669</b>	<b>1,868</b>	<b>4,39,546</b>	<b>7,70,718</b>	<b>9</b>	<b>(42,750)</b>	<b>11,74,060</b>
Profit for the year		-	-	-	3,00,667	-	-	3,00,667
Addition during the year		-	-	-	-	2	(16,626)	(16,624)
<b>Total</b>		<b>4,669</b>	<b>1,868</b>	<b>4,39,546</b>	<b>10,71,385</b>	<b>11</b>	<b>(59,376)</b>	<b>14,58,103</b>
Amount transfer to general reserve		-	-	40,000	(40,000)	-	-	-
<b>Transaction with owners in their capacity as owner</b>								
Dividends	16	-	-	-	(1,24,270)	-	-	(1,24,270)
Issue of bonus shares	16	-	-	(48,732)	-	-	-	(48,732)
Buyback of shares	16	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>		<b>4,669</b>	<b>1,868</b>	<b>4,30,814</b>	<b>9,07,115</b>	<b>11</b>	<b>(59,376)</b>	<b>12,85,101</b>

\* Refer Note 16 (B).

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835  
  
Darjeeling  
20 May 2024

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

## Standalone Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit before exceptional items and tax	5,33,456	3,98,488
Adjustments for:		
Depreciation and amortisation expense	41,243	40,787
Provisions for doubtful debts, liquidated damages, customers' claims and disallowances (net of withdrawal)	83,105	37,533
Provision for doubtful advances, claims (net of withdrawal)	1,913	(195)
Provision for performance warranty (net)	16,861	3,542
Provision for onerous contract (net)	3,132	1,844
Provision for obsolete / redundant materials (net of withdrawal)	6,640	17,724
Provision for intangible assets under development	9,666	544
Intangible assets under development charged off	-	1,950
Provision Others - Contract costs	2	4,180
Transfer from government grants	(336)	(350)
Interest income	(56,736)	(25,741)
Dividend income	(9,458)	(8,122)
Interest on lease liability	421	370
Finance costs	281	1,109
Profit on sale of property, plant & equipment	(334)	(152)
<b>Operating Profit Before Working Capital Changes</b>	<b>6,29,856</b>	<b>4,73,511</b>
Increase / (Decrease) due to:		
Trade receivables	(1,17,123)	(1,29,395)
Loans	(16)	48
Other financial assets	7,074	(13,436)
Other assets	59,248	12,878
Inventories	(1,06,194)	(1,02,239)
Trade payables	37,362	(4,627)
Other financial liabilities	4,957	30,987
Other liabilities	99,838	50,216
Provisions	(8,904)	(1,02,958)
<b>Cash Generated from Operations</b>	<b>6,06,098</b>	<b>2,14,985</b>
Income taxes paid (net)	(1,41,297)	(1,06,330)
<b>Cash Flow Before Exceptional Items</b>	<b>4,64,801</b>	<b>1,08,655</b>
Exceptional items	-	-
<b>Net Cash from / (used in) Operating Activities</b>	<b>4,64,801</b>	<b>1,08,655</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant & equipment and other intangible assets	(64,714)	(56,382)
Receipt of grant	-	214
Proceeds from sale of property, plant & equipment	485	170
Increase / (Decrease) from term deposits & other bank balances	(5,67,601)	2,11,355
Equity investments in subsidiaries & associates	(2,199)	-
Investments in others	(8,140)	88,984
Interest received	43,826	27,547
Dividend received	9,458	8,122
<b>Net Cash from / (used in) Investing Activities</b>	<b>(5,88,885)</b>	<b>2,80,010</b>

# Standalone Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Dividend paid	(1,46,154)	(1,24,239)
Repayment of lease liabilities	(578)	(433)
Interest on lease liability	(421)	(370)
Finance costs	(281)	(1,109)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(1,47,434)</b>	<b>(1,26,151)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(2,71,518)</b>	<b>2,62,514</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>3,86,418</b>	<b>1,23,904</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,14,900</b>	<b>3,86,418</b>

Cash flow in respect of CSR Activities is ₹ 2,755 (₹ 2,652).

Non-cash changes recognised in respect of liabilities on account of financing activities is Nil (Nil).

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

Darjeeling  
20 May 2024

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

# Standalone Notes to Accounts

## Note 1 - Property, plant and equipment

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
<b>Owned Asset</b>										
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 and equipments	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	-	-
<b>Right of use Asset</b>										
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
<b>Total</b>	<b>4,95,808</b>	<b>49,251</b>	<b>1,614</b>	<b>5,43,445</b>	<b>2,36,178</b>	<b>38,819</b>	<b>1,463</b>	<b>2,73,534</b>	<b>2,69,911</b>	<b>2,59,630</b>

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT			
	As at 1 April 2022	Additions / adjustments during the year	Deductions/ adjustments during the year	As at 31 March 2023	Accumulated depreciation / amortisation as at 1 April 2022	Depreciation / amortisation for the year	Deductions / adjustments during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
<b>Owned Asset</b>										
Freehold land	14,317	44	-	14,361	-	-	-	-	14,361	14,317
Roads and culverts	2,271	593	-	2,864	513	127	-	640	2,224	1,758
Buildings	88,055	10,721	-	98,776	15,351	3,766	-	19,117	79,659	72,704
Installations	4,990	960	94	5,856	2,800	483	93	3,190	2,666	2,190
Plant and machinery	1,65,832	23,660	133	1,89,359	80,770	17,071	130	97,711	91,648	85,062
Electronic equipment	64,480	3,231	59	67,652	44,407	6,761	59	51,109	16,543	20,073
Equipment for R & D lab	52,491	7,761	66	60,186	37,467	7,202	60	44,609	15,577	15,024
Vehicles	1,096	214	53	1,257	644	156	45	755	502	452
Office equipment	13,950	3,427	111	17,266	9,428	1,857	111	11,174	6,092	4,522
Furniture, fixtures & equipments	10,084	970	50	11,004	5,841	915	50	6,706	4,298	4,243
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
<b>Right of Use Asset</b>										
Lease of other assets	4,862	1,468	205	6,125	441	353	205	589	5,536	4,421
Leasehold land	21,037	-	-	21,037	352	161	-	513	20,524	20,685
<b>Total</b>	<b>4,43,530</b>	<b>53,049</b>	<b>771</b>	<b>4,95,808</b>	<b>1,98,079</b>	<b>38,852</b>	<b>753</b>	<b>2,36,178</b>	<b>2,59,630</b>	<b>2,45,451</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

- i. Freehold land consists of 2,086.13 acres (2,086.13 acres) and Leasehold land consists of 989.28 acres (989.28 acres). Freehold land includes INR 287 (Nil) [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. Additions related to R&D assets during the year includes
  - A. ₹ 2,486 (₹ 2,440) in respect of the assets of Central Research Laboratories / Product Development and Innovation Centre accounted under natural code heads.
  - B. ₹ 9 (₹ 205) in respect of the assets of Navi Mumbai Unit accounted under natural code heads.
- iv. **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 ₹ 2,395 (₹ 2,355) in respect of Wind Mill & Solar Power Plants.
- v. **Contractual Commitments**  
Refer Note 30(6) for outstanding Contractual Commitments.
- vi. **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 & equipment.
- vii. **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 equipments	6 - 10
Equipment for R & D Lab	5

## Standalone Notes to Accounts

(₹ in Lakhs)

- viii. **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.
- ix. **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).
- x. **Impairment of Assets**  
Refer Note 30 (4).
- xi. Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, Plant & Equipment.
- xii. Land acquired free of cost from the Government in some units has been accounted in line with provisions of Ind AS 101.
- xiii. **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 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 January 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. Windmill Generator - II is capitalised in the year 2007-08 on the leased land by paying upfront lease rent of ₹ 36. Lease Agreement for the land is pending finalisation.
  - 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.



## Standalone Notes to Accounts

(₹ in Lakhs)

- 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).
- xiv. 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.
- xv. Prepaid rent for 3 MW Hassan & 8.4 MW Davangere windmill plants are capitalised as Right of Use on transition to Ind AS 116.
- xvi. 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 ₹ 7,974 (₹ 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.
- xvii. Short term lease amount expended during the year is Nil (Nil).
- xviii. 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)
- 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).
- xx. Repayment of Lease for Right to Use Asset during the year amounts to ₹ 578 (₹ 433).
- xxi. Lease agreement has been entered into with QUBEXPRO, Visakhapatnam towards lease of space for 2 years (non-cancellable period) with an extendable period of another 4 years (Total lease period is 6 years) and capitalised during the year 2022-23 as ROU asset for total value of ₹ 780. Interest expenses on lease liability is ₹ 54. Rate used for discounting for arriving expenses is 7.6% p.a. as per Ind AS - 116. Total cashflow for SDC-Vizag lease is ₹ 986.
- xxii. Gross block and Accumulated Depreciation for Electronic Equipments include ₹ 247 and ₹ 247 (₹ 247 & ₹ 247) towards assets procured out of Other Grants.
- xxiii. Electronic Equipments of acquisition value ₹ 8,635 (₹ 8,342) are lying with vendors. Plant & Machinery of acquisition value ₹55 (₹ 40) is lying outside the factory premises.

## Standalone Notes to Accounts

(₹ in Lakhs)

### Note 2 - Capital work-in-progress

Particulars	As at 31 March 2024	As at 31 March 2023
Civil Construction	34,557	25,429
Plant & Machinery	7,362	5,048
Others	3,276	5,505
Capital Items in Transit	306	299
	<b>45,501</b>	<b>36,281</b>
Less : Provision for impairment	(124)	(124)
	<b>45,377</b>	<b>36,157</b>

### 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
Others	6,610	875	276	73	7,834
Project temporarily suspended	-	-	-	124	124
Provision for impairment	-	-	-	(124)	(124)
<b>Total</b>	<b>25,964</b>	<b>8,186</b>	<b>6,268</b>	<b>4,959</b>	<b>45,377</b>

### Completion schedule - Time and 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-Ibrahimpattam	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
<b>Total</b>	<b>5,952</b>	<b>1,065</b>	<b>124</b>	<b>-</b>	<b>7,142</b>

### Completion schedule - Suspended projects 2023-24

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Production Building	-	-	124	-	124
<b>Total</b>	<b>-</b>	<b>-</b>	<b>124</b>	<b>-</b>	<b>124</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

### Capital Work in Progress 2022-23

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	7,538	8,161	3,291	2,370	21,358
Others	13,460	889	242	208	14,799
Project temporarily suspended	-	-	-	124	124
Provision for impairment	-	-	-	(124)	(124)
<b>Total</b>	<b>20,998</b>	<b>9,049</b>	<b>3,533</b>	<b>2,577</b>	<b>36,157</b>

### Completion schedule - Time and Cost overrun 2022-23

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
LRSAM Infrastructure facility	2,520	-	-	-	2,520
DSIC Palasamudram	592	-	-	274	866
Project-Ibrahimpattinam	-	309	-	-	309
Production Building	-	124	-	-	124
MWC BLDG	-	106	-	-	106
TEL Facility	95	-	-	-	95
EVM PROJECT	63	-	-	-	63
MCG CADDS BLDG	-	38	-	-	38
BMS PHASE-II	31	-	-	-	31
Flap Barrier	-	-	26	-	26
DCCS HANGER MISC WORKS	21	-	-	-	21
RENOVATION PS-NCS	20	-	-	-	20
Automatic Humisealing	-	17	-	-	17
<b>Total</b>	<b>3,341</b>	<b>595</b>	<b>26</b>	<b>274</b>	<b>4,235</b>

### Completion schedule - Suspended projects 2022-23

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
<b>Total</b>	<b>-</b>	<b>124</b>	<b>-</b>	<b>-</b>	<b>124</b>

i. Refer Note 30(6) in respect of contractual commitments.

ii. Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, plant &amp; 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. During the year 2021-22 a claim of ₹ 1,398 submitted to official liquidator based on independent valuation report. As per the advice of Official Liquidator (High court, Madras) condonation of delay from High Court has been obtained during the year 2022-23. An amount of ₹ 124 was impaired in the financial year 2018-19. Refer Note 30(4).

iv. Civil Construction mainly comprises of Production related building, R&amp;D 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 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
<b>Total</b>	<b>14</b>	<b>-</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>6</b>

\* 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.

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT			
	As at 1 April 2022	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2023	As at 1 April 2022	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Freehold land *	-	-	-	-	-	-	-	-	-	-
Buildings	14	-	-	14	7	1	-	8	6	7
<b>Total</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>7</b>	<b>1</b>	<b>-</b>	<b>8</b>	<b>6</b>	<b>7</b>

\* Freehold land includes INR 3,830 (INR 3,830) [represents absolute figure] which is rounded off.

#### i. Amount recognised in Statement of Profit & Loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Rental Income	219	242
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	-	(1)
e. Profit from Investment property	219	241

ii. Refer Note 30(6) for Contractual Commitments.

#### iii. Fair Value of the investment properties

Particulars	As at 31 March 2024	As at 31 March 2023
Land	3,120	2,896
Building	406	844

iv. Land comprises of Freehold Land of 1.59 acres (1.48 acres) in Bengaluru.

#### v. 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)

### vi. 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

### 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 Company and recognised as expenses in the Statement of Profit and Loss.

### ix. Related Party Transactions

Investment Property includes Building and land measuring 0.42 acres (0.31 acres ) given under cancellable operating lease to Subsidiary Company BEL Thales Systems Ltd. Also Refer Note 31.

### x. Details of Registration, Pending Litigation etc.

A. Nil (Nil).

xi. **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. All resulting fair value estimates for the investment properties are included in level 2.

xii. **Restriction on the realisability of Investment Property:-** There is no restriction on the land allotted to the company by Government.

xiii. 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 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
<b>Total</b>	<b>12,465</b>	<b>819</b>	<b>-</b>	<b>13,284</b>	<b>4,882</b>	<b>2,424</b>	<b>-</b>	<b>7,306</b>	<b>5,978</b>	<b>7,583</b>

\* Includes funding to development agencies.

## Standalone Notes to Accounts

(₹ in Lakhs)

PARTICULARS	GROSS CARRYING AMOUNT				AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2022	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2023	As at 1 April 2022	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Software licenses / implementation Enterprise resource planning (ERP)	2,614	438	-	3,052	680	899	-	1,579	1,473	1,934
Others (Development Cost) *	7,239	2,174	-	9,413	2,268	1,035	-	3,303	6,110	4,971
<b>Total</b>	<b>9,853</b>	<b>2,612</b>	<b>-</b>	<b>12,465</b>	<b>2,948</b>	<b>1,934</b>	<b>-</b>	<b>4,882</b>	<b>7,583</b>	<b>6,905</b>

\* 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.

viii. Refer Note 30(7) for the aggregate amount of research and development expenditure recognised as an expense during the period.



## Standalone Notes to Accounts

(₹ in Lakhs)

### Note 5 - Intangible assets under development

Particulars	As at 31 March 2024	As at 31 March 2023
Internally developed *	60,609	55,728
Less: Provision for impairment	(16,879)	(7,758)
	<b>43,730</b>	<b>47,970</b>

\* Includes funding to other development agencies.

### 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)
<b>Total</b>	<b>5,502</b>	<b>4,016</b>	<b>10,306</b>	<b>23,905</b>	<b>43,730</b>

### Completion schedule - Time and 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
<b>Total</b>	<b>27,255</b>	<b>8,637</b>	-	-	<b>35,892</b>

### 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	
	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

### Intangible assets under development 2022-23

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	4,212	18,920	1,526	29,593	54,251
Others	803	674	-	-	1,477
Provision for impairment	(544)	-	-	(7,213)	(7,758)
<b>Total</b>	<b>4,471</b>	<b>19,594</b>	<b>1,526</b>	<b>22,379</b>	<b>47,970</b>

### Completion schedule - Time and cost over run 2022-23

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
QRSAM	-	18,027	-	-	18,027
ATULYA	8,435	-	-	-	8,435
Development of DJAG System for Jaguar	6,404	-	-	-	6,404
QT model for Sarakshi	459	-	-	-	459
HEMO DIALYSIS MACHINE	-	374	-	-	374
Development for Samudrika Project	342	-	-	-	342
Development work for Sarvadhari System	144	-	-	-	144
Development of ASU	30	-	-	-	30
X-Band RF Seeker for Anti Ship Appl	-	16	-	-	16
UET model for Tushar	15	-	-	-	15
<b>Total</b>	<b>15,829</b>	<b>18,417</b>	-	-	<b>34,246</b>

### Completion schedule - Suspended projects 2022-23

Intangible assets under development	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

i. Refer Note 30 (6) for Contractual Commitments.

### ii. Impairment of Assets :-

An amount ₹ 9,666 (₹ 545) 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 ₹ 545 (Nil) was provided during 2022-23 was written off during Current year. (Refer Note 30(4)).

iii. An amount of Nil (₹ 1950) Charged off to Statement of Profit &amp; Loss.

## Standalone Notes to Accounts

(₹ in Lakhs)

### Note 6 - Investments

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Fair Valuation of loan given to Subsidiary (Deemed Investment)</b>		
BEL Optronics Devices Ltd., Pune	227	227
<b>(I) Investment in Equity Instruments (Unquoted)</b>		
<b>(a) Subsidiary (at Cost)</b>		
BEL Optronics Devices Ltd., Pune** 9,32,23,820 (8,45,06,970) equity shares of INR 10 each fully paid	18,962	16,763
BEL Thales Systems Limited, Bengaluru 42,63,538 (42,63,538) equity shares of INR 100 each fully paid	4,264	4,264
<b>(b) Associate (at Cost)</b>		
GE-BE Private Ltd., Bengaluru 26,00,000 (26,00,000) equity shares of INR 10 each fully paid	260	260
<b>(c) Others (at FVOCI) (refer note v below)</b>		
Mana Effluent Treatment Plant Ltd., Hyderabad 500 (500) equity shares of INR 1,000 each fully paid	16	15
Defence Innovation Organisation, Bengaluru 50 (50) equity shares of INR 1,000 each fully paid	1	1
<b>(II) Other Investments (Unquoted)</b>		
<b>a) Investments in Co-operative societies (at cost)*</b>		
Cuffe Parade Persopolis Premises Co-Op Society, Mumbai 40 (40) equity shares of INR 50 each fully paid	-	-
Sukhsagar Premises Co-Op. Society, Mumbai 10 (10) equity shares of INR 50 each fully paid	-	-
Shri. Sapta Ratna Co-Op. Society, Mumbai 10 (10) equity shares of INR 50 each fully paid	-	-
Dalamal Park Co-Op. Society, Mumbai 5 (5) equity shares of INR 50 each fully paid	-	-
Chandralok Co-Op. Housing Society, Pune 30 (30) equity shares of INR 50 each fully paid	-	-
<b>b) Others (at FVTPL)</b>		
Life Insurance Corporation of India – (Refer Note vi)	53,049	44,910
	<b>76,779</b>	<b>66,440</b>

\* 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.

\*\* During March 2023, an amount of ₹ 2,199 was invested towards 87,16,850 no. of Rights Issues shares against which allotment was made on 09 May 2023.

Particulars	2023-24	2022-23
Aggregate value of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	76,779	66,440
Aggregate amount of impairment in value of investments	-	-

ii. Refer Note 32 for classification of financial instruments.

iii. An amount of INR 50,000 [represents absolute figure] has been contributed towards equity capital in M/s Defence Innovation Organisation (DIO). 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 Bengaluru.

## Standalone Notes to Accounts

(₹ in Lakhs)

An amount of ₹ 5,000 has been provided in the books of account towards contribution to initial corpus fund. Out of this an amount of ₹ 4,000 is pending for disbursement.

iv. a. The Company has designated investment in equity shares of Mana Effluent Treatment Plant Ltd, Hyderabad and Defence Innovation Organisation, Bengaluru 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 2024	Dividend income recognised during 2023-24	Fair value as at 31 March 2023	Dividend income recognised during 2022-23
Mana Effluent Treatment Plant Ltd., Hyderabad	16	-	15	-
Defence Innovation Organisation, Bengaluru	1	-	1	-

b. Company has not received any dividend so far on these Investments.

c. No strategic investments were disposed off during 2023-24, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

### v. Related party disclosure

For Related Party Disclosures refer Note 31.

vi. a. The company has invested its leave Encashment liabilities in LIC's New Group Leave Encashment Plan.

b. During the year 2022-23 LIC investment related to BERECHS liabilities which was in new group superannuation cash accumulation plan has been transferred to Bharat Electronics Limited Retired Employees Medical Trust (BREMT). Refer Note 21.

### Note 7 - Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Unsecured, Considered Doubtful</b>		
Trade receivables	2,29,732	1,83,839
Less: Provision*	(2,29,732)	(1,83,839)
<b>Sub Total (A)</b>	-	-
<b>Current</b>		
Secured, considered good	690	934
Unsecured, considered good	7,35,529	7,01,267
<b>Sub Total (B)</b>	<b>7,36,219</b>	<b>7,02,201</b>
<b>Total (A+B)</b>	<b>7,36,219</b>	<b>7,02,201</b>

\* Includes provision towards Liquidated Damages.

## Standalone Notes to Accounts

(₹ in Lakhs)

### 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 good	-	-	-	-	-	-	16,438	16,438
Disputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less : Provision	(4,112)	(120)	(29,510)	(13,122)	(29,641)	(16,636)	(1,36,591)	(2,29,732)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 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	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,32,721</b>	<b>4,191</b>	<b>3,97,176</b>	<b>65,572</b>	<b>79,754</b>	<b>31,891</b>	<b>24,914</b>	<b>7,36,219</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

### Non Current Trade Receivable 2022-23

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	1,899	36	17,435	15,059	19,118	13,033	1,00,483	1,67,062
Undisputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	339	339
Disputed Trade Receivables – considered good	-	-	-	-	-	-	16,438	16,438
Disputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less : Provision	(1,899)	(36)	(17,435)	(15,059)	(19,118)	(13,033)	(1,17,260)	(1,83,839)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Current Trade Receivable 2022-23

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	89,818	2,916	3,36,506	1,10,435	88,154	32,399	41,172	7,01,400
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	-	-	-	-	-	-	-	-
<b>Total</b>	<b>89,818</b>	<b>2,916</b>	<b>3,36,506</b>	<b>1,10,435</b>	<b>88,154</b>	<b>32,399</b>	<b>41,973</b>	<b>7,02,201</b>

#### 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.



## Standalone Notes to Accounts

(₹ in Lakhs)

- 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.

### Note 8 - Loans

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non current</b>		
<b>Unsecured, considered good</b>		
Loans to employees	703	656
	<b>703</b>	<b>656</b>
<b>Unsecured, considered doubtful Others</b>		
Loans to employees	1	1
Less: Provisions	(1)	(1)
Loans to others	132	132
Less: Provisions*	(132)	(132)
<b>Sub Total (A)</b>	<b>703</b>	<b>656</b>
<b>Current</b>		
<b>Unsecured, Considered Good</b>		
<b>Others</b>		
Loans to employees	141	172
<b>Sub Total (B)</b>	<b>141</b>	<b>172</b>
<b>Total (A+B)</b>	<b>844</b>	<b>828</b>

\* 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 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Unsecured, Considered Good</b>		
Security deposits	1,255	1,744
Bank deposits with more than 12 months maturity **	173	173
	<b>1,428</b>	<b>1,917</b>
<b>Unsecured, Considered Doubtful</b>		
Security deposits	83	83
Less: Provisions	(83)	(83)
	-	-
Advance to others	14	14
Less: Provisions	(14)	(14)
	-	-
Receivables other than trade receivables	1,037	971
Less: Provisions *	(1,037)	(971)
	-	-
Other assets	339	107
Less: Provisions	(339)	(107)
	-	-
<b>Sub Total (A)</b>	<b>1,428</b>	<b>1,917</b>
<b>Current</b>		
<b>Unsecured, considered good</b>		
Security deposits	1,724	2,128
Advance to employees	177	166
Advance to others	3	3
Interest accrued but not due on term deposits	14,879	1,969
Receivables other than trade receivables	1,986	1,795
Securities application money***	-	2,199
Other assets	10,121	14,132
<b>Sub Total (B)</b>	<b>28,890</b>	<b>22,392</b>
<b>Total (A+B)</b>	<b>30,318</b>	<b>24,309</b>

\* Refer Note 30(22).

\*\* Represents balances held as margin money against bank guarantee.

\*\*\* During March 2023, an amount of ₹ 2,199 was invested towards 87,16,850 no. of Rights Issues shares against which allotment was made on 09.05.2023, same has been classified as Investment under Note 6 during 2023-24. Refer note 31 for Related Party Disclosure.

### 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 10 - Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	77,486	71,159
Deferred tax liabilities	(20,070)	(20,820)
	<b>57,416</b>	<b>50,339</b>

### i. Income Tax recognised in Statement of Profit or Loss

Sl. No	Particulars	As at 31 March 2024	As at 31 March 2023
<b>1</b>	<b>Income Tax Expenses:</b>		
	- Current period	1,44,959	87,446
	- Changes in estimates related to earlier years	(6,890)	(2,001)
<b>2</b>	<b>Deferred tax:</b>		
	- Origination and reversal of temporary differences	(6,613)	12,376
<b>3</b>	<b>Total deferred tax expense/(benefit)</b>	<b>(6,613)</b>	<b>12,376</b>
<b>4</b>	<b>Income tax expenses</b>	<b>1,31,456</b>	<b>97,821</b>

### ii. Income Tax recognised in other comprehensive income

Sl. No	Particulars	As at 31 March 2024			As at 31 March 2023		
		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)	(7,705)	1,940	(5,765)	(22,217)	5,592	(16,625)
2	Equity instruments through other comprehensive income	2	(1)	1	2	(1)	1
	<b>Total</b>	<b>(7,703)</b>	<b>1,939</b>	<b>(5,764)</b>	<b>(22,215)</b>	<b>5,591</b>	<b>(16,624)</b>

### iii. Income Tax recognised directly in Equity

There are no income tax recognised directly in equity for the year ended 31 March 2024 &amp; 31 March 2023.

### iv. Reconciliation of Effective Tax Rates

Particulars	As at 31 March 2024		As at 31 March 2023	
	Rate	Amount	Rate	Amount
<b>Profit Before Tax</b>		<b>5,33,456</b>		<b>3,98,488</b>
Tax using the company's Domestic Tax Rate	25.17%	1,34,260	25.17%	1,00,291
<b>Effect of</b>				
Exempt Income	-	-	-	-
Tax Incentives	-	-	-	-
Changes in estimates related to previous years	-1.29%	(6,890)	-0.50%	(2,001)
Non-deductible Expenses	0.67%	3,563	0.42%	1,676
Others	0.10%	523	-0.54%	(2,145)
<b>Effective Tax rate</b>	<b>24.64%</b>	<b>1,31,456</b>	<b>24.55%</b>	<b>97,821</b>

## 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	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
1.	Trade Receivables	(11,312)	(12,372)	-	-	(11,312)	(12,372)
2.	Inventory	(16,687)	(15,380)	-	-	(16,687)	(15,380)
3.	Provision others	(23,854)	(20,160)	-	-	(23,854)	(20,160)
4.	Employee Benefits	(18,009)	(18,321)	-	-	(18,009)	(18,321)
5.	Other Intangible Assets	-	-	222	409	222	409
6.	Deferred Revenue	(22)	(261)	-	-	(22)	(261)
7.	Other Assets	-	-	-	-	-	-
8.	Property, Plant and Equipment	-	-	16,129	15,938	16,129	15,938
9.	ICDS Adjustment	-	-	-	-	-	-
10.	Equity Investments	-	-	3	2	3	2
11.	Other Financial Liabilities	-	-	8	8	8	8
12.	Provision for Impairment	(7,602)	(4,665)	-	-	(7,602)	(4,665)
13.	Intangible Assets under development	-	-	3,708	4,463	3,708	4,463
14.	<b>Total</b>	<b>(77,486)</b>	<b>(71,159)</b>	<b>20,070</b>	<b>20,820</b>	<b>(57,416)</b>	<b>(50,339)</b>
15.	Set off of (Asset)/Liability	20,070	20,820	(20,070)	(20,820)	-	-
	<b>Net Deferred Tax (Asset)/Liability</b>	<b>(57,416)</b>	<b>(50,339)</b>	<b>-</b>	<b>-</b>	<b>(57,416)</b>	<b>(50,339)</b>

### vi. 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
	<b>Total</b>	<b>(50,339)</b>	<b>(6,613)</b>	<b>(464)</b>	<b>(57,416)</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

### Movement for Deferred Tax (Assets) and Liabilities :

Sl. No.	Particulars	Balance as on 01.04.2022	Recognised in P&L during 2022-23	Recognised in OCI during 2022-23	Balance as on 31.03.2023
1.	Trade Receivables	(10,985)	(1,387)	-	(12,372)
2.	Inventory	(11,784)	(3,596)	-	(15,380)
3.	Provision others	(17,707)	(2,453)	-	(20,160)
4.	Employee Benefits	(39,387)	21,711	(645)	(18,321)
5.	Other Intangible Assets	487	(78)	-	409
6.	Deferred Revenue	(261)	-	-	(261)
7.	Other Assets	-	-	-	-
8.	Property, Plant and Equipment	16,488	(550)	-	15,938
9.	ICDS Adjustment	-	-	-	-
10.	Equity Investments	2	-	-	2
11.	Other Financial Liabilities	8	-	-	8
12.	Provision for Impairment	(3,394)	(1,271)	-	(4,665)
13.	Intangible Assets under development	4,463	-	-	4,463
	<b>Total</b>	<b>(62,070)</b>	<b>12,376</b>	<b>(645)</b>	<b>(50,339)</b>

### Note 11 - Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current</b>		
Raw Materials & Components	65,811	61,317
Add: Raw Materials & Components in Transit	101	67
Less: Provisions	(65,912)	(60,806)
	-	<b>578</b>
Stock in Trade	22	49
Less : Provisions	(22)	(49)
	-	-
Stores & Spares	292	202
Less: Provisions	(292)	(197)
	-	<b>5</b>
Loose Tools	76	62
Less: Provisions	(76)	(58)
	-	<b>4</b>
<b>Sub Total (A)</b>	-	<b>587</b>
<b>Current</b>		
Raw Materials & Components	4,15,337	3,83,157
Add: Raw Materials & Components in Transit	32,322	21,557
	<b>4,47,659</b>	<b>4,04,714</b>
Work In Progress	2,62,535	1,93,943
Finished Goods	17,208	11,067
Add: Finished Goods in Transit	7,306	25,940
	<b>24,514</b>	<b>37,007</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Stock in Trade	1,535	1,225
	<b>1,535</b>	<b>1,225</b>
Stores & Spares	3,100	2,237
Add: Stores & Spares in Transit	8	25
	<b>3,108</b>	<b>2,262</b>
Loose Tools	898	916
Add: Loose Tools in Transit	1	-
	<b>899</b>	<b>916</b>
Disposal Scrap	509	551
	<b>509</b>	<b>551</b>
<b>Sub Total (B)</b>	<b>7,40,759</b>	<b>6,40,618</b>
<b>Total (A+B)</b>	<b>7,40,759</b>	<b>6,41,205</b>

i. Raw Materials and Components include ₹ 16,213 (₹ 27,843) being materials with sub-contractors, out of which ₹ 80 (₹ 179) of materials is subject to confirmation and reconciliation. Against ₹ 80 (₹ 179) an amount of ₹ 59 (₹ 163) has been provided for.

#### ii. Stock verification discrepancies for the year are as follows:

Shortages of ₹ 1,833 (₹ 713) and surplus of ₹ 428 (₹ 240). Pending reconciliation, an amount of ₹ 1,406 (₹ 447) 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 CO<sub>2</sub>EQ 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 Equipments during the year :

Sl. No.	Particulars	2023-24	2022-23
i.	Depreciation	300	295
ii.	Operation Cost of Emission Reduction Equipments	207	210
	<b>Total</b>	<b>507</b>	<b>505</b>

#### v. Security, Hypothecation etc

Refer Note 34.

#### vi. Impairment of Assets

Provisions for inventory has been made in line with Accounting Policy No. 18 of the Company.

#### vii. Amount recognised in Statement of Profit & Loss :-

Write-down of inventories to net realisable value amounted to ₹ 1,792 (₹ 945) has been recognised in the statement of profit and loss for Work in progress and Finished goods.



## Standalone Notes to Accounts

(₹ in Lakhs)

- viii. Reversal of write down of inventories of ₹ 2,317 (₹ 885) has been made during the year, which were recognised as an expenses in the previous year for Work in progress and Finished goods.
- ix. Inventory includes ₹ 4,503 (₹ 4,157) which 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 2024	As at 31 March 2023
<b>Non Current</b>		
Capital advances	3,061	2,280
	<b>3,061</b>	<b>2,280</b>
<b>Advances other than Capital advances</b>		
Advances for purchase	1,392	2,754
Less: Provisions	(1,392)	(2,754)
	-	-
Contract asset	42,465	21,870
Less: Provisions	(42,465)	(21,870)
	-	-
<b>Others</b>		
Balances with customs, port trust and other government authorities	638	458
Less: Provisions	(638)	(384)
	-	<b>74</b>
Prepaid expenses	69	220
Claims receivable purchases	(1,186)	1,152
Less: Provisions	(1,186)	(1,152)
	-	-
Contract costs	21,996	45,441
Less: Provisions	(2)	(4,180)
	<b>21,994</b>	<b>41,261</b>
Others - Assets	11	19
Less: Provisions	(11)	(19)
	-	-
<b>Sub Total (A)</b>	<b>25,124</b>	<b>43,835</b>
<b>Current</b>		
<b>Advances other than Capital advances</b>		
Advances to employees	459	677
Advances for purchase	1,13,719	1,02,783
Contract asset	5,42,240	6,09,644
<b>Others</b>		
Balances with customs, port trust and other government authorities*	55,352	33,241

## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	1,115	1,073
Prepaid taxes	3,002	10,346
Claims receivable purchases	2,982	3,287
Contract costs	21,781	19,777
Others - Assets	787	3,061
<b>Sub Total (B)</b>	<b>7,41,437</b>	<b>7,83,889</b>
<b>Total (A+B)</b>	<b>7,66,561</b>	<b>8,27,724</b>

\* Balance with customs, port trust and other government authorities includes decisions in favour of BEL from Single & Larger bench of Hon'ble High Court of Madras. Caveat filed in Supreme Court and GST department is persuaded for enabling BEL to utilise the credit. Subsequently, ₹ 1,497 of CGST transitional credit is utilised during 2022-23.

### 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 ₹ 711 (₹ 318) & cost to fulfill contract is ₹ 43,064 (₹ 60,720).

### iv. Amortisation and Impairment of Contract Costs

Amortisation of contract costs determined based on the period of benefit expected from the contract cost is ₹ 19,358 (₹ 24,176). Impairment of contract costs recognised is ₹ 2 (₹ 4,180).

### v. Impairment of a contract asset

Impairment of a contract asset charged during the year is ₹ 20,595 (₹ 4,952).

### vi. Security, Hypothecation etc

Refer Note 34.

### Note 13 - Cash & cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with banks	57,399	83,717
Cash on hand	1	1
Term deposits	57,500	3,02,700
	<b>1,14,900</b>	<b>3,86,418</b>

- 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).

## Standalone Notes to Accounts

(₹ in Lakhs)

### iv. Security, Hypothecation etc

Refer Note 34.

#### Note 14 - Bank balances [other than (ii) above]

Particulars	As at	
	31 March 2024	31 March 2023
Term deposits	9,79,500	4,12,509
Unpaid dividend account *	2,410	1,973
	<b>9,81,910</b>	<b>4,14,482</b>

\* Includes ₹ 2,122 (₹ 1,727) 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 2024	31 March 2023
<b>Current tax assets (net)</b>		
Advance payment of income tax	44,859	40,156
	<b>44,859</b>	<b>40,156</b>
<b>Current tax liability (net)</b>		
Provision for taxation	-	-
	-	-

#### Note 16

##### a. Equity share capital

Particulars	As at	
	31 March 2024	31 March 2023
<b>i. Authorised capital</b>		
750,00,00,000 (750,00,00,000) Equity Shares of INR 1 (INR 1) each	75,000	75,000
<b>ii. Issued, subscribed &amp; fully paid-up capital</b>		
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 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the reporting period	730,97,78,829	73,098	243,65,92,943	24,366
Add: Shares issued during the year	-	-	487,31,85,886	48,732
Less: Shares Bought Back during the year	-	-	-	-
Shares outstanding at the end of the reporting period	730,97,78,829	73,098	730,97,78,829	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 2024		As at 31 March 2023	
	No. of Shares	% of Share holding	No. of Shares	% of Share holding
Government of India	373,79,21,934	51.14%	373,79,21,934	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	2019-20	2020-21	2021-22	2022-23	2023-24
No. of shares	-	-	-	487,31,85,886	-

### vi. Aggregate number and class of shares bought back during the pervious 5 years.

Equity shares bought back

Year	2019-20	2020-21	2021-22	2022-23	2023-24
No. of shares	-	-	-	-	-

Particulars	As at	
	31 March 2024	31 March 2023
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

- The 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 Company.
- 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 2024	For the year ended 31 March 2023
Final dividend for FY 2022-23 and FY 2021-22 respectively	43,859	36,549
Interim dividend for FY 2023-24 and FY 2022-23 respectively	1,02,337	87,717

## Standalone Notes to Accounts

(₹ in Lakhs)

### 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 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 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.

#### 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).

xii. Government of India being the Promoter holding 51.14% (51.14%) of Shares as on 31.03.2024. No. of Equity Shares held as on Balance Sheet date is 373,79,21,934 (373,79,21,934).

xiii. Nil (487,31,85,886) Bonus shares were issued during the year 2022-23 for consideration other than cash.

### Note 17 - Deferred income

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current</b>		
Government grants - deferred	5,709	6,019
<b>Sub Total (A)</b>	<b>5,709</b>	<b>6,019</b>
<b>Current</b>		
Government grants - deferred	310	336
<b>Sub Total (B)</b>	<b>310</b>	<b>336</b>
<b>Total (A+B)</b>	<b>6,019</b>	<b>6,355</b>

I. Refer Accounting Policy 16 for method of presentation.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>II. Nature of utilisation of govt. grant</b>		
a) Revenue Expenditure	-	-
b) Capital Expenditure		
- Property, Plant and Equipment	6,019	6,355
<b>III. Other forms of government assistance that has directly benefited the company</b>	-	-
<b>IV. Details of unfulfilled conditions attached to govt. grant</b>	-	-
<b>V. Contingencies attached to govt. grant</b>	-	-

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 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Secured</b>		
Term loan from banks	-	-
<b>Sub Total (A)</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
Other borrowings	-	-
Current maturities of long term debt	-	-
<b>Sub Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>-</b>	<b>-</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 2024	As at 31 March 2023
<b>Non Current</b>		
- Others	-	37
<b>Sub Total (A)</b>	<b>-</b>	<b>37</b>
<b>Current</b>		
- Dues to Micro & Small Enterprises	21,217	20,713
- Others	3,48,148	3,11,253
<b>Sub Total (B)</b>	<b>3,69,365</b>	<b>3,31,966</b>
<b>Total (A+B)</b>	<b>3,69,365</b>	<b>3,32,003</b>

### 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	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Standalone Notes to Accounts

(₹ in Lakhs)

### 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	7,379	15	9	5	21,059
(ii) Others	13,410	2,15,720	95,728	14,033	1,886	7,116	3,47,893
(iii) Disputed dues - MSME	-	158	-	-	-	-	158
(iv) Disputed dues - Others	-	203	-	-	-	52	255
<b>Total</b>	<b>15,963</b>	<b>2,27,179</b>	<b>1,03,107</b>	<b>14,048</b>	<b>1,894</b>	<b>7,173</b>	<b>3,69,365</b>

### Non Current Trade Payable 2022-23

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	
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	37	37
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37</b>	<b>37</b>

### Current Trade Payable 2022-23

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	
MSME	1,677	14,831	4,031	11	6	-	20,556
Others	9,192	2,26,745	64,339	3,022	1,621	6,053	3,10,973
Disputed dues - MSME	-	158	-	-	-	-	158
Disputed dues - Others	-	227	-	-	-	52	280
<b>Total</b>	<b>10,869</b>	<b>2,41,962</b>	<b>68,370</b>	<b>3,033</b>	<b>1,627</b>	<b>6,105</b>	<b>3,31,966</b>

- 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 2024 is furnished below

Particulars	2023-24	2022-23
a. The principal and the interest due thereon remaining unpaid as at 31 March :		
Principal *	21,994	21,344
Interest	24	3
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	3	8
c. The interest reversed by the company during the year ended 31 March	-	4

## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
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	24	5
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	4	3

\* Includes amount shown under Note 20.

- 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 Company and have been relied upon by the Auditors.

### iii. Financial Instruments

Refer Note 32 for classification of financial instruments.

### iv. Related Party Disclosure

For Related Party Disclosures refer Note 31.

- v. The exposure of company to currency and liquidity risk related to Trade Payables is disclosed at Note 33.

### Note 20 - Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non current</b>		
Security deposits including retention money	480	473
<b>Sub Total (A)</b>	<b>480</b>	<b>473</b>
<b>Current</b>		
Security deposits including retention money	34,185	38,972
Interest accrued and due on trade payables*	24	5
Non trade Payables - Others**	12,362	14,697
Unpaid matured deposits	37	37
Unpaid dividend	288	246
Non trade payables dues to micro and small enterprises	777	631
Outstanding expenses	81,919	70,953
Other liabilities	1,711	1,465
<b>Sub Total (B)</b>	<b>1,31,303</b>	<b>1,27,006</b>
<b>Total (A+B)</b>	<b>1,31,783</b>	<b>1,27,479</b>
Amount to be transferred to the Investor Education & Protection Fund as at Balance Sheet date	Nil	Nil

\* Refer Note 19.

\*\* Includes an amount of ₹ 4,000 to be contributed to M/S Defence Innovation Organisation (Associate) and amount payable for Capital items.

### 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 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Employee benefits</b>		
Long - term compensated absences	46,463	40,955
Provident fund Interest obligation	4,409	2,563
<b>Others</b>		
Provision for onerous contracts	1,572	614
Provision for performance warranty	41,212	37,357
Provision for Site restoration obligation	2,448	2,408
<b>Sub Total (A)</b>	<b>96,104</b>	<b>83,897</b>
<b>Current</b>		
<b>Employee Benefits</b>		
Gratuity	2,130	274
Long-term compensated absences	7,114	5,487
BEL retired employees' contributory health scheme (BERECHS)	13,467	25,381
Provident fund interest obligation	94	258
<b>Others</b>		
Provision for performance warranty	38,889	25,883
Provision for onerous contracts	7,206	5,032
<b>Sub Total (B)</b>	<b>68,900</b>	<b>62,315</b>
<b>Total (A+B)</b>	<b>1,65,004</b>	<b>1,46,212</b>

#### i. Movement of provisions for the year ended 2023-24

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
<b>As at 1 April</b>	<b>63,240</b>	<b>5,646</b>	<b>2,408</b>
Additional provision recognised during the year	38,010	6,848	40
Amount used during the year	-	-	-
Amount reversed during the year	21,149	3,716	-
<b>As at 31 March</b>	<b>80,101</b>	<b>8,778</b>	<b>2,448</b>

#### Movement of provisions for the year ended 2022-23

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	59,697	3,801	2,371
Additional provision recognised during the year	23,758	2,283	37
Amount used during the year	-	-	-
Unused amount reversed during the year	20,215	438	-
<b>As at 31 March</b>	<b>63,240</b>	<b>5,646</b>	<b>2,408</b>

## 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. An amount of ₹ 6,711 (₹ 6,937) has been debited against Natural Code Heads wrt Warranty Cost.

An amount of Nil (Nil) has been debited against Natural Code Heads wrt Site Restoration Obligation.

#### vi. 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.

### (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	2023-24	2022-23
<b>i) Change in Present Value of Obligations :</b>		
Present Value of Obligation as at the beginning of the year	69,311	68,101
Current Service Cost	1,354	1,335
Interest Cost	4,761	4,762
Past Service Cost	-	-
Benefits paid	(6,572)	(6,442)

## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
<b>Actuarial (gains) / Losses recognised in other comprehensive income</b>		
Changes in financial assumptions on planned liability - loss / (gains)	1,334	1,793
Experience adjustments on planned liability - loss / (gains)	(256)	(238)
<b>Present Value of Obligation as at the end of the period</b>	<b>69,932</b>	<b>69,311</b>
<b>ii) Change in Fair Value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	69,037	70,375
Expected return on plan assets	4,751	4,930
Contributions	275	-
Benefits paid	(6,572)	(6,442)
Actuarial gain / (loss) on Plan Assets recognised in other comprehensive income	311	174
<b>Fair value of plan assets as at the end of the period</b>	<b>67,802</b>	<b>69,037</b>
<b>Defined benefit (Asset) / liability</b>	<b>2,130</b>	<b>274</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	<b>-</b>	<b>64</b>
<b>Effects of asset ceiling - As at the end of the year</b>	<b>-</b>	<b>(64)</b>
<b>Net defined benefit (asset) / liability</b>	<b>2,130</b>	<b>274</b>
<b>iii) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Current Service cost	1,354	1,335
Net Interest on Net Defined Benefit Obligations	10	(167)
Past service cost	-	-
Expenses recognised in the statement of profit and loss	1,363	1,168
<b>iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :</b>		
Actuarial (gain)/loss on Plan Obligations	1,078	1,554
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(311)	(174)
Effect of Balance Sheet Asset limit	-	(64)
Amounts recognised in the statement of Other Comprehensive Income	767	1,316
<b>v) Amounts recognised in Balance Sheet :</b>		
Present Value of Obligation as at the end of the period	69,932	69,311
Fair Value of Plan Assets at the end of the period	67,802	69,037
<b>Funded Status [ (Surplus) / Deficit ]</b>	<b>2,130</b>	<b>274</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	<b>-</b>	<b>64</b>
<b>Effects of asset ceiling - As at the end of the year</b>	<b>-</b>	<b>(64)</b>
<b>Liability / (Asset) for the year as on 31 March as per Balance Sheet</b>	<b>2,130</b>	<b>274</b>
<b>vi) Plan Assets</b>		
<b>Categories of Plan Assets are as follows :</b>		
State Govt. Securities	-	-
Govt. of India Securities	0.52%	0.50%
High Quality Corporate Bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Investment with Insurer	99.47%	99.49%
Others (Bank balance)	0.01%	0.01%

## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
<b>vii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Rate of increase in compensation level	7.00%	7.00%
Expected rate of Return on Plan Assets	6.97%	7.21%
Estimated Average Future working life	14.80	14.40
<b>viii) Best Estimate of Contribution to be paid :</b>		
The best estimate of contribution to be paid towards Gratuity during the annual period beginning after the Balance Sheet is ₹2130 (₹274).		
<b>ix) Sensitivity Analysis :</b>		
Discount Rate (0.50% movement)increase	7.47%	7.71%
Increase/(decrease) in defined benefit Obligation as at the end of the period	(2,725)	(2,647)
Discount Rate (0.50% movement)decrease	6.47%	6.71%
Increase/(decrease) defined benefit Obligation as at the end of the period	2,947	2,858
Salary Escalation Rate (0.50% movement)increase	7.50%	7.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	616	655
Salary Escalation Rate (0.50% movement)decrease	6.50%	6.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	(695)	(738)

### 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 2024	As at 31 March 2023
Year 1	5,034	4,744
Year 2	12,684	12,000
Year 3	8,055	8,398
Year 4	7,318	7,856
Year 5	7,289	7,102
Next 5 years	22,590	25,367

### (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	2023-24	2022-23
<b>i) Change in Present Value of Obligations :</b>		
Present Value of Obligation (PVO) as at the beginning of the year	1,48,142	1,16,494
Current Service Cost	7,461	6,139
Interest Cost	10,184	8,551
Past service cost	-	-
Benefits paid *	(13,776)	-
<b>Actuarial (gains) / Losses recognised in other comprehensive income</b>		
Changes in financial assumptions on plan liability - loss / (gains)	15,967	3,466
Experience adjustments on plan liability - loss / (gains)	(10,875)	13,492
Impact on Change in Demographic assumption on Plan liabilities - loss / (gains)	-	-
<b>Present Value of Obligation as at the end of the period</b>	<b>1,57,103</b>	<b>1,48,142</b>
<b>ii) Change in Fair Value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	1,22,761	-
Expected return on plan assets	9,269	7,647
Direct Contributions to meet direct benefit payment	-	-
Benefit paid *	(13,776)	-
Actuarial gain / (loss) on plan Assets recognised in other comprehensive income	1	(1,379)
Contribution to plan assets	25,381	1,16,493
<b>Fair value of plan assets at the end of the period</b>	<b>1,43,636</b>	<b>1,22,761</b>
<b>Defined benefit (Asset) / liability</b>	<b>13,467</b>	<b>25,381</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	-	-
<b>Effects of asset ceiling - As at the end of the year</b>	-	-
<b>Net defined benefit (asset) / liability</b>	<b>13,467</b>	<b>25,381</b>
<b>iii) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Current Service cost	7,461	6,139
Net Interest on net defined benefit obligation	915	904
Past service cost	-	-
<b>Net Expenses Recognised in the Statement of Profit &amp; Loss</b>	<b>8,376</b>	<b>7,043</b>
<b>iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :</b>		
Actuarial (gain)/loss on plan Obligations	5,092	16,958
Difference between Actual Return and expected Interest on Plan Assets (gain)/loss	(1)	1,379
<b>Amounts recognised in the statement of Other Comprehensive Income</b>	<b>5,092</b>	<b>18,337</b>
<b>v) Amounts recognised in Balance Sheet :</b>		
Present Value of Obligation as at the end of the period	1,57,103	1,48,142
Fair Value of Plan Assets at the end of the period	1,43,636	1,22,761
<b>Funded Status [ (Surplus) / Deficit ]</b>	<b>13,467</b>	<b>25,381</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	-	-
<b>Effects of asset ceiling - As at the end of the year</b>	-	-
<b>Liability / (Asset) for the year as on 31 March as per Balance Sheet</b>	<b>13,467</b>	<b>25,381</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
<b>vi) Plan Assets</b>		
<b>Categories of Plan Assets are as follows:</b>		
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%
<b>vii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Medical inflation rate	7.00%	7.00%
Attrition Rate	1.50%	1.50%
<b>viii) Best Estimate of Contribution to be paid :</b>		
The best estimate of contribution to be paid towards BERECHS during the annual period beginning after the Balance Sheet is ₹13,467 (₹25,381).		
<b>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 :</b>		
Effect on the aggregate of the service cost and interest cost	2,029	1,862
Effect on the defined benefit obligation	16,586	14,925
<b>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:</b>		
Effect on the aggregate of the service cost and interest cost	(1,749)	(1,606)
Effect on the defined benefit obligation	(14,292)	(12,872)
<b>x) Sensitivity Analysis :</b>		
Discount Rate (0.50% movement)increase	7.47	7.71
Increase/(decrease) Defined benefit Obligation as at the end of the period	(8,673)	(7,748)
Discount Rate (0.50% movement)decrease	6.47	6.71
Increase/(decrease) Defined benefit Obligation as at the end of the period	9,613	8,574
Medical Inflation Rate (0.50% movement)increase	7.50	7.50
Increase/(decrease) Defined benefit Obligation as at the end of the period	7,980	7,183
Medical Inflation Rate (0.50% movement)decrease	6.50	6.50
Increase/(decrease) Defined benefit Obligation as at the end of the period	(7,407)	(6,670)

### 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)

iii. Maturity profile of the BERECHS defined benefit obligation is given below:

Year	As at 31 March 2024	As at 31 March 2023
Year 1	8,595	6,892
Year 2	9,050	7,207
Year 3	9,705	7,520
Year 4	10,257	7,990
Year 5	10,793	8,430
Next 5 years	61,325	49,557

\* Sum of ₹ 891 (₹ 6,564) 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	2023-24	2022-23
<b>i) Change in Present Value of Benefit Obligations :</b>		
Present Value of Obligation as at the beginning of the year	3,91,192	3,62,025
Current Service Cost	13,305	12,092
Interest Cost	28,062	26,203
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Actuarial (gain) / Loss	7,902	12,561
Benefits paid/payable	(74,639)	(75,564)
Contributions	57,908	53,875
<b>Present Value of Obligation as at the end of the period</b>	<b>4,23,730</b>	<b>3,91,192</b>
<b>ii) Change in Fair Value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	3,88,629	3,70,216
Expected return on plan assets	27,878	26,804
Contributions *	70,674	65,495
Benefit paid	(74,639)	(75,564)
Actuarial gain / (loss) on Plan Assets	6,779	1,678
<b>Fair value of plan assets at the end of the period</b>	<b>4,19,321</b>	<b>3,88,629</b>
<b>iii) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Opening Net Liability	-	-
Current Service cost	13,305	12,092
Interest Cost	28,062	26,203
Expected return on Plan Assets	(27,877)	(26,804)

## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
Net Actuarial (gain) / loss recognised in the period	-	-
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
<b>Expenses Recognised in the Statement of Profit &amp; Loss</b>	<b>13,490</b>	<b>11,491</b>
<b>iv) Amounts recognised in Balance Sheet :</b>		
Present Value of Obligation as at the end of the period	4,23,730	3,91,192
Fair Value of Plan Assets at the end of the period	4,19,321	3,88,629
Effect of Balance Sheet asset limit	-	-
<b>Difference</b>	<b>4,409</b>	<b>2,563</b>
Unrecognised Actuarial (gains) / losses	-	-
<b>Liability recognised in Balance Sheet</b>	<b>4,409</b>	<b>2,563</b>
<b>v) Amount for the Current Period :</b>		
Present Value of Obligation	4,23,730	3,91,192
Plan Assets	4,19,321	3,88,629
Effect of Balance Sheet asset limit	-	-
Surplus/ (Deficit)	(4,409)	(2,563)
Experience Adjustments on Plan liabilities - (Loss)/ Gain	(7,763)	(13,287)
Experience Adjustments on Plan Assets - (Loss)/ Gain	6,779	1,678
<b>vi) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :</b>		
Actuarial (gain)/loss on Plan Obligations	7,902	12,561
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(6,779)	(1,678)
Effect of Balance Sheet asset limit	3,286	(8,320)
Amounts recognised in the statement of Other Comprehensive Income	4,409	2,563
<b>vii) Category of Assets as at 31 March :</b>		
Government of India Securities & State Government Securities	52.82%/56.16%	53.60%/57.64%
High Quality Corporate Bonds	30.61%/27.72%	33.10%/26.14%
Mutual Funds	3.73%/3.18%	2.70%/2.49%
Others	10.22%/8.83%	7.68%/9.10%
Recoverable from Enterprise **	2.62%/4.11%	2.92%/4.63%
<b>Total</b>	<b>100%/100%</b>	<b>100%/100%</b>
<b>viii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Salary escalation rate	7.00%	7.00%
Expected rate of Return on Plan Assets	7.98%/8.12%	7.96%/8.16%

\*Note; Include ₹94 (₹258) towards interest shortfall of the provident fund Trust for the current year and provided.

\*\* Note : The unsecured/secured (principal) portion of the investment which amounts to ₹ 13,326 (₹13,601) 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)

### 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 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	2023-24	2022-23
<b>i) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Net Expenses Recognised in the Statement of Profit & Loss [2023-24 Leave Encashed : ₹2,106 , Provisions : ₹7,133 ] [2022-23 Leave Encashed : ₹1,925, Provisions : ₹5,027]	9,239	6,952
<b>ii) Amounts to be recognised in Balance Sheet :</b>		
Liability recognised in Balance Sheet [As per Actuarial Valuation]	53,577	46,443
<b>iii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Rate of increase in compensation level	7.00%	7.00%
<b>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.</b>		
Current leave obligations expected to be settled within the next 12 months	7,114	5,488
Leave obligations expected to be settled beyond 12 months	46,463	40,955
<b>Total</b>	<b>53,577</b>	<b>46,443</b>

### 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 :-

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.

- The Gratuity plan of the company is a funded plan. 99.47% (99.49%) of the plan assets backing this plan are insurer managed assets and 0.52% (0.50%) 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.
- 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 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Sub Total (A)</b>	-	-
<b>Current</b>		
<b>Contract liability</b>		
Deferred revenue	12,455	14,672
Customer advance received	15,89,103	14,81,740
Statutory liabilities	24,234	26,772
Others	3,112	5,882
<b>Sub Total (B)</b>	<b>16,28,904</b>	<b>15,29,066</b>
<b>Total (A+B)</b>	<b>16,28,904</b>	<b>15,29,066</b>

### i. Related Party Disclosure

For Related Party Disclosures refer Note 31.

- Revenue recognised during the period is ₹ 5,59,586 (₹ 5,68,898) 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 2024	For the year ended 31 March 2023
Sale of products	17,82,263	15,59,423
Income from services	1,99,730	1,73,914
<b>Revenue from contracts from customers</b>	<b>19,81,993</b>	<b>17,33,337</b>
<b>Other operating revenue</b>		
Sale of scrap	1,057	500
Transport receipts	297	312
Rent receipts	739	658
Canteen receipts	1,769	1,469
Electricity charges collected	238	238
Water charges collected	63	54



## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Provisions withdrawn		
- Doubtful debts, Liquidated Damages	4,704	8,794
- Inventory	3,703	2,867
- Loans & advances	125	360
	<b>8,532</b>	<b>12,021</b>
Government grants including duty drawback	1,176	860
LD recovered from vendors	16,252	13,320
Miscellaneous	4,823	1,851
<b>Total other operating revenue</b>	<b>34,946</b>	<b>31,283</b>
<b>Total revenue from operations</b>	<b>20,16,939</b>	<b>17,64,620</b>

### (i) 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
<b>Total</b>	<b>15,99,565</b>	<b>2,63,996</b>	<b>42,010</b>	<b>76,422</b>	<b>19,81,993</b>

### Disaggregation of revenue recognised against contracts with customers (2022-23)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Products	13,73,842	1,24,039	26,493	35,049	15,59,423
Income from Services	1,35,056	33,815	637	4,406	1,73,914
<b>Total</b>	<b>15,08,898</b>	<b>1,57,854</b>	<b>27,130</b>	<b>39,455</b>	<b>17,33,337</b>

### (ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price.

Particulars	2023-24		2022-23	
	Amount	Amount	Amount	Amount
<b>Revenue as per Statement of Profit and Loss</b>				
Sale of Products	17,82,263		15,59,423	
Income from Services	1,99,730		1,73,914	
<b>Total (a)</b>		<b>19,81,993</b>		<b>17,33,337</b>
<b>Add / (Less) adjustment to contract price</b>				
Foreign Exchange variation claim	(38,590)		(42,001)	
Price revision	964		(5,842)	
Discount and rebate offered	22		39	
Others	(4,979)		(5,492)	
<b>Total adjustment (b)</b>		<b>(42,583)</b>		<b>(53,296)</b>
<b>Contract price (a + b)</b>		<b>19,39,410</b>		<b>16,80,041</b>

## 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 equipments 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 equipments, 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 ₹ 29,219 (₹ 76,411). Out of the above the Value of Ex-works Sales is ₹ 807 (₹ 10,008).

## Standalone Notes to Accounts

(₹ in Lakhs)

### Note 24 - Other Income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income from staff/IT refund/others*	1,523	244
Income from long term investments (Dividend)**	9,458	8,122
Interest income on term deposits	56,736	25,741
Profit on sale of PPE	334	152
Rental income - Investment property	219	242
Foreign Exchange gain	5,125	773
Gain / (loss) on mutual funds	1,939	587
Miscellaneous (Net of expenses)	250	141
	<b>75,584</b>	<b>36,002</b>

\*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 2024	For the year ended 31 March 2023
<b>Work-in-progress:</b>		
Closing Inventory	2,62,535	1,93,943
Opening Inventory	1,93,943	1,67,273
	<b>(68,592)</b>	<b>(26,670)</b>
<b>Finished goods:</b>		
Closing Inventory	24,514	37,007
Opening Inventory	37,007	24,248
	<b>12,493</b>	<b>(12,759)</b>
<b>Scrap :</b>		
Closing Inventory	509	551
Opening Inventory	551	235
	<b>42</b>	<b>(316)</b>
	<b>(56,057)</b>	<b>(39,745)</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

### Note 26 - Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, Wages and Bonus/Ex-gratia	2,02,003	1,84,994
<b>Retirement benefit expenses</b>		
Gratuity	1,363	1,168
Contribution to Provident and Pension Funds	13,248	12,668
Management Contribution to BEL Superannuation (Pension) Scheme	6,208	6,040
Provision for BEL Retired Employees Contributory Health Scheme	8,376	7,043
	<b>29,195</b>	<b>26,919</b>
Welfare expenses	15,472	17,860
	<b>2,46,670</b>	<b>2,29,773</b>

- i. Refer Note 21 (A) (iii), accordingly a provision of ₹ 275 was reversed during the year 2023-24 and provision of ₹ 5,050 during the year 2022-23.

- ii. Refer note 31 for remuneration of Key Managerial Personnel.

### Note 27 - Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Interest expenses</b>		
Interest on dues to Micro & Small Enterprises	12	(1)
Interest expense on lease liability	421	370
Interest on income tax	-	1
Other interest expenses	247	1,088
	<b>680</b>	<b>1,458</b>
<b>Other borrowing cost</b>		
Loan processing charges	22	21
	<b>702</b>	<b>1,479</b>

### Note 28 - Depreciation and amortisation expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation/amortisation on property, plant & equipment	38,230	38,338
Depreciation on investment property	-	1
Amortisation on other intangible assets	2,424	1,934
Depreciation on right of use assets	589	514
	<b>41,243</b>	<b>40,787</b>

# Standalone Notes to Accounts

(₹ in Lakhs)

## Note 29 - Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel *	4,812	4,014
Water charges	574	396
Royalty & technical assistance	328	551
Rent	1,652	1,680
Rates & taxes	1,155	813
Insurance	2,425	2,733
<b>Auditors remuneration</b>		
Audit fees	46	34
Tax audit fees	5	5
Other services (Certification fees)	16	10
Reimbursement of expenses	10	9
	<b>77</b>	<b>58</b>
Cost audit fee	4	4
<b>Repairs &amp; maintenance</b>		
Buildings	3,735	2,519
Plant & machinery	1,807	1,680
Others	12,035	10,243
	<b>17,577</b>	<b>14,442</b>
Bank charges	456	366
Printing and stationery	304	352
Advertisement & publicity	1,327	1,768
Travelling expenses	18,236	12,914
Hiring charges for van & taxis	1,661	1,489
Packing & forwarding	2,633	2,541
Bad debts & advances written off	16,602	5,855
Less: Charged to provisions	(16,602)	(5,855)
	-	-
Provision for obsolete / redundant materials	10,343	20,591
Provision for doubtful debts, LD, customers' claims & disallowances	87,809	46,327
Provision for doubtful advances, claims	2,038	165
Provision for performance warranty (net)**	16,861	3,542
Provision for onerous contracts**	3,132	1,844
Write off of raw materials, stores & components due to obsolescence & redundancy	1,447	3,519
Less: charged to provisions	(1,447)	(3,436)
	-	<b>83</b>
Provision others ***	2	4,180
Provision for intangible assets under development	9,666	544
Write off of intangible assets under development	-	1,950
Corporate social responsibility	6,284	5,475

# Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Others</b>		
Other Misc. Direct Expenditure****	17,866	14,546
After Sales Service	320	462
Telephones	1,008	1,088
Expenditure on Seminars & Courses	530	759
Other Selling Expenses	1,519	127
Miscellaneous	6,561	6,167
	<b>27,804</b>	<b>23,149</b>
Less: Expenditure allocated to capital jobs	(3,299)	(2,760)
	<b>2,13,861</b>	<b>1,49,211</b>

\* Power expenditure incurred during the FY is after netting off Wind Energy Generation of ₹ 1,538 (₹1,737).

\*\* Refer note 21.

\*\*\* Contract Cost which was provided during 2022-23 to the extent of ₹ 4,180 has been written off during the year 2023-24.

\*\*\*\* Includes expenses towards outsourcing of production area.

## Note 30 - General Notes to Accounts

### 1 Earnings per Equity Share

Particulars	2023-24	2022-23
a From continuing operations		
Basic earnings per share [INR]	5.50	4.11
Diluted earnings per share [INR]	5.50	4.11
b Amounts used as the numerators in calculating basic and diluted earnings per share	4,02,000	3,00,667
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 ₹ 17,003 (₹ 7,882) is provided as provision for impairment as on Balance Sheet date. During the year an amount of ₹ 9,666 (₹ 545) has been provided as impairment of asset.



## Standalone Notes to Accounts

(₹ in Lakhs)

### 5 Short Term Borrowings

- a 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).
- b The interest rate payable on fund based limit is linked to SBI 3 Months MCLR Rate. [Interest rate payable as on 31 March 2024 is 8.20 % p.a. (8.10%)].
- c The amount utilised is repayable on demand. Utilisation as on 31 March 2024 is Nil (Nil).
- d 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 2024	As at 31 March 2023
A. Estimated amount of contracts remaining to be executed on capital account and not provided as on 31 March		
Property, plant & equipment (Net of Advance)	78,108	71,286
Investment property	-	-
Other intangible assets	6,804	5,481
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 2024	For the year ended 31 March 2023
<b>Expenditure</b>		
Materials	24,124	24,045
Employees Remuneration & Benefits	66,111	55,841
Depreciation	8,971	9,161
Others	19,642	18,517
<b>Gross Expenditure</b>	<b>1,18,848</b>	<b>1,07,564</b>

## Standalone Notes to Accounts

(₹ in Lakhs)

### 8 Contingent Liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Claims not acknowledged as debts</b>		
i. Statutory Dues		
a. Direct Taxes (Income taxes)	4,616	4,627
b. Indirect Taxes (Service tax, Excise Duty, Custom Duty and GST)	6,902	8,011
ii. Arbitration (Vendor, Customer and Others)	1,46,795	1,16,231
iii. Outstanding Letters of Credit	1,25,694	62,865
iv. Provisional Liquidated Damages upto 31 March on unexecuted customer orders where the delivery date has expired	76,604	46,236

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 2024	As at 31 March 2023
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 2024	As at 31 March 2023
Not later than one year	61	62
Later than one year and not later than five years	265	316
Later than five years.	2,645	2,715

- 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 Company has leases that were classified as finance lease applying Ind AS 17, for such leases the carrying amount of the right of use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease on the transition date as measured applying Ind AS 17. Accordingly an amount of ₹ 1,275 has been reclassified from property plant and equipment to right of use assets.

On transition, the company recognises right of use asset representing its right to use the underlying asset for the unexpired lease period.

The right of use asset is recognised at :

- The carrying amount of prepaid rent when no future lease payments are payable; or
- At the carrying amount and discounted at incremental borrowing rate. Accordingly right of use asset is ₹ 365 and Corresponding lease liability ₹ 365 has been recognised. On application of Ind AS 116 in respect of these assets, nature of expenses has been reclassified from lease rent to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The above lease contracts, entered by company pertains to land taken on lease for generation of power through solar project and buildings for business purposes. The company has restriction with respect to disposal of these assets.

The company has not recognised any expenses as contingent rent.

The maturity analysis of Contractual Cash flows of Lease Liabilities is disclosed in Note 34.

### 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 Foreign Exchange Exposure

The disclosure of "Foreign Exchange Exposure", the major currency-wise exposure as on 31 March 2024 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	1,009	85,011	559	46,142	1,174	98,908
	(734)	(60,914)	(234)	(19,029)	(480)	(39,895)
EURO	292	26,825	29	2,561	284	26,078
	(158)	(14,373)	(16)	(1,409)	(125)	(11,368)
GBP	24	2,523	-	-	3	301
	(20)	(2,039)	-	-	(12)	(1,212)
JYEN	8	5	-	-	129	72
	(93)	(59)	-	-	-	-
CHF	28	2,610	-	-	22	2,082
	(30)	(2,710)	-	-	(29)	(2,690)

## Standalone Notes to Accounts

(₹ in Lakhs)

Currency	Payables		Receivables / Contract Asset		Contingent Liability*	
	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent	Foreign Currency	Indian Rupee Equivalent
Others	7	130	-	-	-	-
	(3)	(157)	-	-	-	-
<b>Total (₹)</b>		<b>1,17,104</b>		<b>48,703</b>		<b>1,27,441</b>
		<b>(80,252)</b>		<b>(20,438)</b>		<b>(55,165)</b>
Amount covered by Exchange Rate variation clause from Customers out of the above		39,595		-		22,003
		(18,168)		-		(23,506)

\* includes exposures relating to outstanding Letters of Credit and Capital Commitments.

During the FY 2023-24, 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 31.03.2024.

### 15 Disclosure relating to CSR Expenditure

- Gross amount required to be spent by the Company during the FY 2023-24 is ₹ 6,598 (₹ 5,749).

#### b. Amount spent during the FY 2023-24:

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	2,755	1	2,756	3,842	6,598
		(2,652)	(15)	(2,667)	(3,082)	(5,749)

\* ₹ 3,842 (₹ 3,082) provided pursuant to Company (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("the Rules"), towards unspent CSR account as this pertains to ongoing projects.

Above expenses also includes CSR Administration Overhead of ₹ 314 (₹ 274) which is grouped under Employee benefits expense.

#### c. Movement of CSR Provision

Sl. No.	Particulars	2023-24	2022-23
i	As at 1 April	5,786	5,095
ii	Additional provision recognised during the year *	3,842	3,082
iii	Less: Amount used during the year	2,997	2,391
iv	Less: Amount reversed during the year	-	-
v	As at 31 March	6,631	5,786

\* Includes provision towards interest earned from CSR funds Nil (Nil).

## Standalone Notes to Accounts

(₹ in Lakhs)

Sl. No.	Particulars	2023-24	2022-23
1	Amount required to be spent by the Company during the year	6,598	5,749
2	Amount of Expenditure incurred	2,756	2,667
3	Shortfall at the end of the year	3,842	3,082
4	Total of previous years shortfall	2,789	2,704
5	Reasons for shortfall	Pertains to Ongoing Projects	
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

**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 31.03.2024.

### 17 Dividend not recognised at the end of the reporting period

The directors have recommended a final dividend of INR 0.80 (INR 0.60) per share. [Represents absolute figure].

The proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would result in cash outflow of approximately of ₹ 58,478 (₹ 43,859).

**18** An amount of ₹ 27 (₹ 26) 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 31.03.2024	75,93,372	33,47,501	19,31,328	9,73,095	13,41,448
Unexecuted order value as on 31.03.2023	60,69,000	23,04,450	19,12,029	11,43,345	7,09,176

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.

## Standalone Notes to Accounts

(₹ in Lakhs)

### 20 Financial Ratios as per Revised Schedule III Requirements :-

Sl. No.	Particulars	2023-24	2022-23	%age change	Remarks
<b>Numerator</b>	Current Assets	33,89,115	29,90,328		
<b>Denominator</b>	Current Liabilities	21,99,008	20,50,881		
<b>(a)</b>	<b>Current Ratio (in times)</b>	<b>1.54</b>	<b>1.46</b>	<b>5.48</b>	
<b>Numerator</b>	Total Debt	-	-		
<b>Denominator</b>	Shareholder's Equity / Net Worth	16,08,239	13,58,199		
<b>(b)</b>	<b>Debt-Equity Ratio (in times)</b>	<b>-</b>	<b>-</b>		
<b>Numerator</b>	Earnings available for debt service (PAT + Interest Cost + Depreciation / Amortisation)	4,43,945	3,42,933		
<b>Denominator</b>	Debt Service (Interest + Lease Payments + Principal Repayments)	702	1,479		
<b>(c)</b>	<b>Debt Service Coverage Ratio (in times)</b>	<b>632.40</b>	<b>231.87</b>	<b>172.74</b>	Due to decrease in finance costs by ₹ 777 during the current year
<b>Numerator</b>	Profit After Tax (PAT)	4,02,000	3,00,667		
<b>Denominator</b>	Average Shareholder's Equity / Net Worth	14,83,219	12,78,313		
<b>(d)</b>	<b>Return on Equity Ratio (in %age)</b>	<b>27.10</b>	<b>23.52</b>	<b>15.22</b>	
<b>Numerator</b>	Sales & Services	19,81,993	17,33,337		
<b>Denominator</b>	Average Inventory	6,90,982	5,98,948		
<b>(e)</b>	<b>Inventory Turnover Ratio (in times)</b>	<b>2.87</b>	<b>2.89</b>	<b>(0.69)</b>	
<b>Numerator</b>	Sales & Services	19,81,993	17,33,337		
<b>Denominator</b>	Average Trade Receivables	7,19,210	6,56,270		
<b>(f)</b>	<b>Trade Receivables Turnover Ratio (in times)</b>	<b>2.76</b>	<b>2.64</b>	<b>4.55</b>	
<b>Numerator</b>	Purchases	12,12,202	11,05,144		
<b>Denominator</b>	Average Trade Payables	3,50,684	3,34,317		
<b>(g)</b>	<b>Trade Payables Turnover Ratio (in times)</b>	<b>3.46</b>	<b>3.31</b>	<b>4.53</b>	
<b>Numerator</b>	Sales & Services	19,81,993	17,33,337		
<b>Denominator</b>	Working Capital	11,90,107	9,39,447		
<b>(h)</b>	<b>Net Capital Turnover Ratio (in times)</b>	<b>1.67</b>	<b>1.85</b>	<b>(9.73)</b>	
<b>Numerator</b>	Profit After Tax (PAT)	4,02,000	3,00,667		
<b>Denominator</b>	Sales & Services	19,81,993	17,33,337		
<b>(i)</b>	<b>Net Profit Ratio (in %age)</b>	<b>20.28</b>	<b>17.35</b>	<b>16.89</b>	



## Standalone Notes to Accounts

(₹ in Lakhs)

Sl. No.	Particulars	2023-24	2022-23	%age change	Remarks
<b>Numerator</b>	Earnings Before Interest and Tax (EBIT)	5,34,158	3,99,967		
<b>Denominator</b>	Capital Employed	14,66,000	12,06,666		
<b>(j)</b>	<b>Return on Capital Employed (in %age)</b>	<b>36.44</b>	<b>33.15</b>	<b>9.92</b>	
<b>Numerator</b>	Income from long term investments (Dividend)	9,460	8,124		
<b>Denominator</b>	Investments in Equity Instruments	23,503	21,303		
<b>(k)</b>	<b>Return on Investment (in %age)</b>	<b>40.25</b>	<b>38.14</b>	<b>5.53</b>	

### 21 Other Disclosure required as per the amendments in Schedule III.

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company 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 2024	As at 31 March 2023
ABSOLUTE TRADING PVT.LTD.	Trade payable		33,203	33,203
Aircomfort Engineers Private Limited	Trade payable		32,253	32,253
Arctic India Sales Private Limited	Trade payable		1,10,520	1,10,520
Bergen Associates Private Limited	Trade payable		60,010	-
Bigtech Software Private Limited	Trade payable		68,759	1,34,436
Chawla Health Care Private Limited	Trade payable		40,184	90,473
Chawla Health Care Private Limited	Security Deposit received		4,87,435	4,87,435
Compu lease Networks Private Limited	Trade payable		13,44,917	13,44,917
El Camino Technologies Private Limited	Trade payable		19,500	19,500
Exigent Solutions Private Limited	Advance paid		19,50,934	19,50,934
Exigent Solutions Private Limited	Trade Payable		19,50,934	72,632
FAIRDEAL MOTORS & WORKSHOP PVT LTD.	Trade payable		14,655	-
GILARD ELECTRONICS PVT.LTD.	Trade payable		25	1,17,724
H.M BROTHERS LTD.	Recoverable from Vendor		38,586	38,586
HEIDELBERG INDIA PRIVATE LIMITED	Trade payable		76,459	-
Hema Enterprises Private Limited	Advance Received		16,815	-
Innowire Technologies Private Limited	Trade payable		4,98,550	4,98,550
Kaptron Private Limited	Trade payable		1,26,000	1,26,000
M S Enterprise Private Limited	Advance Received		-	399
Ravi Thermal Engineers Pvt Ltd	Trade payable		48,960	6,480
REETHIS DIGITAL MEDIA PVT. LTD.	Trade payable		70,335	70,335
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	-
S.B.S. Technocarts & Engineers Private Limited	Trade payable		2,71,192	-
Sharp products Private Limited	Advance Received		28,932	28,932
Solastek Network Systems Private Limited	Trade payable		11,02,839	11,02,839
Star Informatics Private Limited	Security Deposit received		1,50,450	1,50,450
STAR WIRE INDIA LIMITED	Trade payable		23,38,666	65,08,835

## 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 2024	As at 31 March 2023
Sumitron Exports Private Limited	Trade payable		25,939	25,939
Swathi Airconditioning Private Limited	Security Deposit received		6,251	6,251
Value Point IT Services Private Limited	Security Deposit received		2,000	-
Value Point IT Services Private Limited	Trade payable		1,971	-
VEERAN ENGINEERS	Security Deposit received		4,74,942	4,74,942
D R Shares Private Limited	Shareholders		9,900	9,900
Garg Capital & Stock Private Limited	Shareholders		9,900	9,900
Satidham Industries Private Limited	Shareholders		30,000	-
Tangmarg Investment and Trading Pvt Ltd	Shareholders		7,540	7,540

- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (RoC) beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 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:
  - 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 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:
  - 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 Company has not 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** Figure in brackets relate to previous years.

**24** All figures in financial statements are rounded off to nearest Lakhs unless otherwise mentioned.

**25** The standalone Ind AS financial statements were approved for issue on 20 May 2024 by the Board of Directors.

# Standalone Notes to Accounts

(₹ in Lakhs)

## 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 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	
		BEL Optronics Devices Ltd. (BELOP) - Subsidiary	India	100%	100%	
BEL - THALES Systems Ltd. - Subsidiary	India	74%	74%	26%	26%	Design, Develop, Supply and Support of Defence and Civilian Radars.
Defence Innovation Organisation - Associate	India	50%	50%	50%	50%	Carrying out Defence related Research and Developmental activities.
GE BE Private Limited - Associate	India	26%	26%	-	-	- Manufacturing of Medical Equipments.

### b. Key Management Personnel's Details

#### i. Name of Key Management Personnel's

Mr Bhanu Prakash Srivastava, Director [Other Units] from 20.04.2022, Additional Charge as Chairman & Managing Director from 01.11.2022 and Director (Marketing) from 01.11. 2022 till 15.06.2023.
Mr Manoj Jain, Director (Research & Development) from 26.09.2022, Additional Charge as Director (BG Complex) from 01.08.2023 and Additional Charge as Director (Human Resources) from 01.11.2022 till 31.05.2023.
Mr Damodar Bhattad S, Director (Finance) & CFO from 11.01.2023
Mr Vikraman N, Director (Human Resources) from 01.06.2023
Mr K V Suresh Kumar, Director (Marketing) from 16.06.2023
Mr Vinay Kumar Katyal, Director (BG Complex) till 31.07.2023, Additional charge as Director (Finance) from 01.11.2022 to 10.01.2023.
Mr Dinesh Kumar Batra, Director (Finance) & CFO upto 31.10.2022, Additional Charge as Chairman & Managing Director from 01.09.2022 upto 31.10.2022, Director (Marketing) and Director (Human Resources) from 01.09.2022 to 31.08.2022.
Mrs Anandi Ramalingam, Director (Marketing), Additional Charge as Chairman & Managing Director from 01.07.2021 upto 31.08.2022
Mr Rajasekhar M V, Director (Research & Development) upto 31.08.2022
Mr S Sreenivas, Company Secretary

#### ii. Compensation to Key Management Personnels

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Short term employee benefits	338	314
Post employment benefits	13	10
Long term employee benefits	78	74
Termination benefits	-	-
Share based payment	-	-
<b>Total</b>	<b>429</b>	<b>398</b>

# Standalone Notes to Accounts

(₹ in Lakhs)

### c. Post Employment Benefit Plans

Particulars	Contribution by the company	
	For the year ended 31 March 2024	For the year ended 31 March 2023
BEL Provident Fund Trust	12,380	11,598
BEL Gratuity Trust Fund	275	-
Bharat Electronics Limited Superannuation (Pension) Trust	6,208	6,040
Bharat Electronics Limited Retired Employees Medical Trust (BREMT)*	25,381	1,16,493

\*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	
Purchase of Goods	4,505	8,018	-	-	<b>12,523</b>
	(904)	(4,359)	-	-	<b>(5,263)</b>
Sale of Goods	-	-	2,271	-	<b>2,271</b>
	-	(723)	(2,240)	-	<b>(2,963)</b>
Services Received	99	828	-	-	<b>927</b>
	(118)	(587)	-	-	<b>(705)</b>
Services rendered	1	6	-	-	<b>7</b>
	(1)	(34)	-	-	<b>(35)</b>
Rent Received (Lease)	-	68	-	-	<b>68</b>
	-	(48)	-	-	<b>(48)</b>
Interest Income	-	-	-	-	<b>-</b>
	-	-	-	-	<b>-</b>
Dividend Income on Investments	202	156	9,100	-	<b>9,458</b>
	(206)	(116)	(7,800)	-	<b>(8,122)</b>
Loan disbursed	-	-	-	-	<b>-</b>
	-	-	-	-	<b>-</b>
Trade Payables Outstanding as on 31.03.2024	1,025	741	-	-	<b>1,766</b>
	(69)	(647)	-	-	<b>(716)</b>
Trade Receivables Outstanding as on 31.03.2024	1	7	730	-	<b>738</b>
	(1)	(1)	(515)	-	<b>(517)</b>
Investment in Equity as on 31.03.2024	19,189	4,264	260	1	<b>23,714</b>
	(16,990)	(4,264)	(260)	(1)	<b>(21,515)</b>
Rights Issues during 2023-24 *	-	-	-	-	<b>-</b>
	(2,199)	-	-	-	<b>(2,199)</b>
Contribution Outstanding as on 31.03.2024	-	-	-	4,000	<b>4,000</b>
	-	-	-	(4,000)	<b>(4,000)</b>

\* During March 2023, an amount of ₹ 2,199 was invested towards 87,16,850 no. of Rights Issues shares against which allotment was made on 09.05.2023.

## Standalone Notes to Accounts

(₹ in Lakhs)

### Directors sitting fees :

The sitting fees paid to Non Executive Directors is ₹ 45 during the Financial Year 2023-24 and ₹ 32 during the Financial Year 2022-23.

- e. All transactions dealt with related parties are on arm's length basis. In respect of loan to subsidiary (BELOP) refer note "g" below.
- 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**
- 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 as on 31.03.2024 and an amount of Nil (Nil) is outstanding as on 31.03.2024.
- 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 wrt related party transactions with government and government related entities. However as required under Ind AS 24, following are the individually significant transactions : -
- Nil (249,19,47,956) number of Bonus Shares were Issued.
- An amount of ₹ 74,765 (₹ 63,546) was paid as Dividend during the FY 2023-24.
- In addition to the above, around 94% (96%) of the Company's Turnover, around 93% (97%) of Trade Receivables and around 98% (99%) 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.

## 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 2024			As at 31 March 2023		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets measured at fair value</b>						
<b>I Investments</b>						
i Equity Instruments – Mana Effluent treatment Pvt Ltd	-	16	-	-	15	-
ii Equity instruments - Defence Innovation Organisation	-	1	-	-	1	-
iii Other Investments	-	-	-	-	-	-
a. Investment in Life Insurance Corporation (LIC) of India (towards Leave encashment & BERECHS)	53,049	-	-	44,910	-	-
<b>Sub Total</b>	<b>53,049</b>	<b>17</b>	<b>-</b>	<b>44,910</b>	<b>16</b>	<b>-</b>
<b>Financial Assets not measured at fair value</b>						
<b>II Trade Receivables</b>	-	-	7,36,219	-	-	7,02,201
<b>III Loans</b>						
a Loans to Related Parties	-	-	-	-	-	-
b Loans to Employees	-	-	844	-	-	828
c Loans to Others	-	-	-	-	-	-
<b>IV Cash and cash equivalents</b>	-	-	1,14,900	-	-	3,86,418
<b>V Other Bank Balances</b>	-	-	9,81,910	-	-	4,14,482
<b>VI Other Financial Assets</b>						
a Security deposits	-	-	2,979	-	-	3,872
b Advance to Employees	-	-	177	-	-	166
c Advance to Others	-	-	3	-	-	3
d Receivables (other than Trade Receivables)	-	-	1,986	-	-	1,795
e Bank deposits with more than 12 months maturity	-	-	173	-	-	173
f Interest accrued but not due on term deposits	-	-	14,879	-	-	1,969
g Other financial Assets	-	-	10,121	-	-	14,132
<b>Other Investments</b>						
a Investment in Co-operative societies, Housing Societies etc.*	-	-	-	-	-	-
b Investment in Subsidiaries	-	-	23,453	-	-	21,254
c Investment in Associate	-	-	260	-	-	260
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>18,87,904</b>	<b>-</b>	<b>-</b>	<b>15,49,752</b>
<b>Total</b>	<b>53,049</b>	<b>17</b>	<b>18,87,904</b>	<b>44,910</b>	<b>16</b>	<b>15,49,752</b>

\* INR 4,750 (INR 4,750) [represents absolute figure] which is rounded off.



## Standalone Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2024			As at 31 March 2023		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Liabilities measured at fair value</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Financial Liabilities not measured at fair value</b>						
I Borrowings	-	-	-	-	-	-
II Trade Payables	-	-	3,69,365	-	-	3,32,003
III <b>Other Financial Liabilities</b>						
a Security Deposits including retention money	-	-	34,665	-	-	39,445
b Interest accrued and due on term loan	-	-	-	-	-	-
c Interest Accrued and due on Trade Payables	-	-	24	-	-	5
d Non Trade payables - Others	-	-	12,362	-	-	14,697
e Unpaid Matured Deposits	-	-	37	-	-	37
f Unpaid Dividend	-	-	288	-	-	246
g Non Trade Payables Dues to Micro and Small Enterprises	-	-	777	-	-	631
h Outstanding Expenses	-	-	81,919	-	-	70,953
i Other Lease liability	-	-	6,251	-	-	6,134
j Other Liabilities	-	-	1,711	-	-	1,465
<b>Total</b>	-	-	<b>5,07,399</b>	-	-	<b>4,65,616</b>

### 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 2024			As at 31 March 2023		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>I Financial Assets and Liabilities measured at Fair value – recurring fair value measurements</b>							
A Financial Assets							
i Financial Investments at FVPL	6	-	53,049	-	-	44,910	-
ii Financial Investments at FVOCI - Unquoted	6	-	-	17	-	-	16
<b>II Financial Assets and Liabilities which are measured at Amortised Cost</b>		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 maximize 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, prioritization, treatment of various risks associated with different areas of finance and operations.

The company has a centralized 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 USD, 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 realized mostly by remittance into an Export Earnings 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% (12%) 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 2024, 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 2024					As at 31 March 2023				
	USD	EURO	GBP	CHF	J Yen	USD	EURO	GBP	CHF	J Yen
Trade Payable	1,009	292	24	28	8	734	158	20	30	93
Trade Receivable / Contract asset	559	29	-	-	-	234	16	-	-	-
<b>Net Exposure</b>	<b>450</b>	<b>263</b>	<b>24</b>	<b>28</b>	<b>8</b>	<b>500</b>	<b>142</b>	<b>20</b>	<b>30</b>	<b>93</b>

### 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 2024	As at 31 March 2023
USD – Increase by 5%	1,896	2,076
USD – Decrease by 5%	(1,896)	(2,076)
EURO – Increase by 5%	1,207	648
EURO – Decrease by 5%	(1,207)	(648)
GBP – Increase by 5%	128	104
GBP – Decrease by 5%	(128)	(104)
CHF – Increase by 5%	131	137
CHF – Decrease by 5%	(131)	(137)

### 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 2024 is Nil (31 March 2023 is Nil)]. The outstanding balance as on 31.03.2024 with respect to non fund based limit is ₹ 3,20,500 (₹ 2,37,600). 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 Associate) 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 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

### As at 31 March 2023

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	2,65,746	47,675	18,422	123	37	-	3,32,003
Interest accrued and due on Trade Payables	5	-	-	-	-	-	5
Lease Liability	1,140	23	28	261	690	3,992	6,134
Other Financial Liabilities	94,165	2,773	29,444	996	96	-	1,27,474

The company does not have any outstanding derivatives as on 31 March 2024.

### 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.

As part of this overall objective, the Company has expanded capital base by issuing bonus shares in FY 2022-23. 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 2024	As at 31 March 2023
Net Debt	-	-
Total Equity	16,08,239	13,58,199
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 2024	As at 31 March 2023
(i) Inventories	7,40,759	6,40,618
(ii) Trade Receivables	7,36,219	7,02,201
(iii) Cash & Cash Equivalents	1,14,899	3,86,417
(iv) Bank Balances [Other than (iii) above]	9,79,500	4,11,300
(v) Loans	141	172
(vi) Other Financial Assets	28,890	22,392
(vii) Other Current Assets	7,15,539	7,52,693
<b>Total assets pledged as security</b>	<b>33,15,947</b>	<b>29,15,793</b>

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 March 31, 2024, MCA has not notified any new Accounting Standards or Amendments to the existing Standards applicable to the company.



# 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

- 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 Standalone 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 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 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.

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 recognizes 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 **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835  
Darjeeling  
20 May 2024

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

## Independent Auditors' Report

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 (Holding Company and its Subsidiaries together referred to as "the Group") and its Associate, which comprise the Consolidated Balance Sheet as at 31 March 2024, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Associate as at 31 March 2024, of the 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 Associate 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.



Sl. No.	Key Audit Matters	Our Principal Audit Procedures
1	<p>Revenue recognition of Holding Company (including recognition of contract assets, contract cost, and trade receivables) as per Ind AS 115 - Revenue from Contracts with Customers ("Ind AS 115").</p> <p>(Refer note 23, 12, 7 to the Consolidated Financial Statements respectively).</p> <p>The Holding Company is engaged in the manufacturing 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.</p>	<p><b>Our audit procedures included the following:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>obtained customer contracts on sample basis to evaluate terms of the contract to verify whether the accounting policy adopted by the Holding Company complies Ind AS 115.</li> <li>tested the Managements 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.</li> <li>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 Holding Company has right to consideration.</li> <li>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.</li> <li>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.</li> <li>on sample basis verified whether the Holding Company has unconditional right to consideration in respect of trade receivable balances recognised during the year.</li> <li>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.</li> <li>Verified whether appropriate presentation and disclosure is made in the financial statements.</li> </ol>
2	<p>Recognition and measurement of Intangible assets under development of Holding Company (Refer note 5 to the Consolidated Financial Statements).</p> <p>Total value of Intangible Assets under Development of Holding Company is ₹ 43,730 Lakhs as at 31 March 2024.</p> <p>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 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.</p> <p>Because identifying projects as being in the development stage requires a high degree of judgement and 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.</p>	<p><b>Our audit procedures included the following:</b></p> <ol style="list-style-type: none"> <li>understood and evaluated the internal controls implemented by the Management to ensure compliance with recognition and measurement criteria specified under Ind AS 38.</li> <li>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.</li> <li>performed audit procedures to verify accuracy and existence of cost capitalised under Intangible Assets under Development.</li> <li>assessed whether cost capitalised by the Holding Company is in nature of development phase by obtaining technical assessment performed by the Management to evaluate: <ul style="list-style-type: none"> <li>technical feasibility of completing the intangible asset.</li> <li>intentions and ability of the Company to complete and use the intangible asset.</li> <li>whether intangible asset can generate probable future economic benefit.</li> </ul> </li> </ol>

Sl. No.	Key Audit Matters	Our Principal Audit Procedures
		<ul style="list-style-type: none"> <li>whether availability of adequate technical, financial and other resources to complete the development.</li> <li>whether expenditure incurred with respect to development projects can be reliably measured.</li> </ul> <ol style="list-style-type: none"> <li>obtained project wise aging of intangible assets under development to identify projects exceeding the originally estimated costs or time for completion.</li> <li>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.</li> <li>verified on sample basis that capitalization 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.</li> <li>verified whether appropriate presentation and disclosure is made in the financial statements.</li> </ol>

### 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 auditors' 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 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 Associate 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 Associate 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 Associate 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 Associate are responsible for assessing the ability of the Group and its Associate 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 Associate 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 Associate are responsible for overseeing the financial reporting process of the Group and its Associate.

### 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 Associate 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 Associate 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 Associate 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 Associate 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.

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 ₹ 48,173 Lakhs as at 31 March 2024, revenues from operation of ₹ 23,352 Lakhs, total comprehensive income (comprising of profit and other comprehensive income) of ₹ 1,956 Lakhs and net cash outflows of ₹ (2,419) 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 the Associate included in the Consolidated Financial Statements. The Management of the Holding Company has recorded its share (26 % by equity method) of profit after tax of ₹ 4,208 Lakhs based on Management drawn Financial Statements. According to the information and explanations given to us by the Management and in our opinion, the Financial Statements of the Associate are not material to the Group.
3. 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 ₹ 7,18,189 Lakhs as at 31 March 2024, revenue from operations of ₹ 6,17,658 Lakhs and total profit before tax of ₹ 1,51,845 Lakhs for the year ended on 31 March 2024. The financial statements/financial information of these branches have 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.

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:
  - 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 of the aforesaid Consolidated Financial Statements.
  - b) 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). In case on one subsidiary backup of its accounts on a daily basis is not maintained.
  - c) 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.
  - d) 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.

- e) According to the information and explanation provided to us and as per notification no. GSR 463(E) dated 5<sup>th</sup> 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.
- f) 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).
- 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**.
- h) According to the information and explanation provided to us and as per notification no. GSR 463(E) dated 5<sup>th</sup> 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.
- i) 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 2024 on the consolidated financial position of the Group and its Associate - 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.
  - There is 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 2024.
- 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
- 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.
  - 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.
  - 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.
- In case of another subsidiary company as per the audit report of that auditor the subsidiary company has used an accounting software for maintaining its books of account for the year ended 31 March 2024 which does not have a feature of recording audit trail (edit log) facility.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.
- With respect to the matters specified in paragraphs 3(xxi) 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.
  - 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 **P G BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Abhijeet Bhagwat**  
Partner

Membership Number: 136835  
UDIN: 24136835BKBGVH5254

Darjeeling  
May 20, 2024



## "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 31 March 2024, 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 (Holding Company and its Subsidiaries together referred to as "the Group") and one Associate Company, as of that date.

### Management's Responsibility for Internal Financial Controls

The Management of the companies included in the Group and its Associate 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.

### Auditors' 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 31 March 2024, 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 is based on the corresponding reports of the auditors of such companies. The financial statements of the Associate is management drawn and are immaterial to the Group. Our opinion is not modified in respect of the above matter.

For **P G BHAGWAT LLP**  
Chartered Accountants  
Firm Registration Number: 101118W/W100682

**Abhijeet Bhagwat**  
Partner  
Membership Number: 136835  
UDIN: 24136835BKBGVH5254

Darjeeling  
May 20, 2024



SUPREME AUDIT INSTITUTION OF INDIA  
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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

दिनांक/ DATE. 18.07.2024

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 2024.

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 2024.

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,

(J N Perumal)  
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@cag.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 2024**

The preparation of consolidated financial statements of Bharat Electronics Limited, Bengaluru for the year ended 31 March 2024 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 his Audit Report dated 20 May 2024.

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 2024 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 Thales Systems Limited, Bengaluru but did not conduct supplementary audit of the financial statements of BEL Optronics Devices Limited, Pune for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to GE BE Private Limited, Bengaluru being private entity 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 this company. 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.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment 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*  
(Rajesh Ranjan)

Principal Director of Audit, Defence - Commercial

Place: Bengaluru

Date: 18 July 2024



## Consolidated Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>				
<b>(1) Non-current assets</b>				
(a)	Property, plant and equipment	1	2,78,847	2,69,431
(b)	Capital work-in-progress	2	45,642	36,123
(c)	Investment property	3	4	6
(d)	Other intangible assets	4	24,670	26,849
(e)	Intangible assets under development	5	43,730	49,371
(f)	Investment in associate		15,157	20,073
(g)	Financial assets			
(i)	Investments	6	53,066	44,926
(ii)	Trade receivables	7	-	-
(iii)	Loans	8	703	656
(iv)	Other financial assets	9	1,883	2,045
(h)	Deferred tax assets (net)	10	57,468	50,372
(i)	Inventories	11	-	587
(j)	Other non current assets	12	25,200	43,904
			<b>5,46,370</b>	<b>5,44,343</b>
<b>(2) Current assets</b>				
(a)	Inventories	11	7,44,689	6,44,804
(b)	Financial assets			
(i)	Trade receivables	7	7,39,238	7,03,348
(ii)	Cash & cash equivalents	13	1,20,632	3,94,569
(iii)	Bank balances [other than (ii) above]	14	9,85,027	4,16,589
(iv)	Loans	8	141	172
(v)	Other financial assets	9	29,440	20,342
(c)	Current tax assets (net)	15	44,961	40,314
(d)	Other current assets	12	7,42,170	7,84,636
			<b>34,06,298</b>	<b>30,04,774</b>
<b>TOTAL ASSETS</b>			<b>39,52,668</b>	<b>35,49,117</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a)	Equity share capital	16	73,098	73,098
(b)	Other equity		15,59,549	13,13,065
<b>Total equity attributable to the owners of the company</b>			<b>16,32,647</b>	<b>13,86,163</b>
Non controlling interest			1,792	1,775
<b>Total equity</b>			<b>16,34,439</b>	<b>13,87,938</b>

## Consolidated Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2024	As at 31 March 2023
<b>LIABILITIES</b>				
<b>(1) Non-current liabilities</b>				
(a)	Deferred income	17	11,776	13,395
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		6,025	5,942
(ii)	Trade payables	19		
	- total outstanding dues of micro enterprises & small enterprises; and		-	-
	- total outstanding dues of creditors other than micro enterprises & small enterprises		-	37
(iii)	Other financial liabilities	20	480	473
(c)	Provisions	21	96,728	84,465
(d)	Deferred tax liabilities (net)	10	547	289
(e)	Other non-current liabilities	22	-	-
			<b>1,15,556</b>	<b>1,04,601</b>
<b>(2) Current liabilities</b>				
(a)	Deferred income	17	1,637	1,665
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		226	192
(ii)	Trade payables	19		
	- total outstanding dues of micro enterprises & small enterprises; and		21,306	20,754
	- total outstanding dues of creditors other than micro enterprises & small enterprises		3,49,325	3,12,284
(iii)	Other financial liabilities	20	1,31,714	1,29,023
(c)	Other current liabilities	22	16,28,984	15,29,906
(d)	Provisions	21	69,453	62,754
(e)	Current tax liabilities (net)	15	28	-
			<b>22,02,673</b>	<b>20,56,578</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>39,52,668</b>	<b>35,49,117</b>

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

Darjeeling  
20 May 2024



## Consolidated Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2024	For the year ended 31 March 2023
I	Revenue from operations	23	20,26,824	17,73,444
II	Other income	24	67,014	28,080
III	<b>Total income (I+II)</b>		<b>20,93,838</b>	<b>18,01,524</b>
IV	<b>EXPENSES</b>			
a	Cost of material consumed		10,50,918	9,39,299
b	Consumption of stock in trade		62,886	82,785
c	Changes in inventories of finished goods, work in progress & scrap	25	(56,172)	(39,328)
d	Employee benefits expense	26	2,48,949	2,31,734
e	Finance costs	27	714	1,495
f	Depreciation and amortisation expense	28	44,320	42,882
g	Other expenses	29	2,15,602	1,50,366
	<b>TOTAL EXPENSES (a to g)</b>		<b>15,67,217</b>	<b>14,09,233</b>
V	<b>Profit before exceptional items, share of net profit of associate accounted under equity method &amp; tax (III - IV)</b>		<b>5,26,621</b>	<b>3,92,291</b>
VI	<b>Exceptional items</b>		-	-
VII	<b>Profit before share of net profit of associate accounted under equity method &amp; tax (V - VI)</b>		<b>5,26,621</b>	<b>3,92,291</b>
VIII	<b>Tax expense</b>	10		
	- Current tax		1,45,576	87,747
	- Earlier years tax		(6,893)	(2,001)
	- Deferred tax		(6,373)	12,510
	<b>Total provision for taxation</b>		<b>1,32,310</b>	<b>98,256</b>
IX	<b>Profit before share of net profit of associate accounted under equity method (VII - VIII)</b>		<b>3,94,311</b>	<b>2,94,035</b>
X	Share of net profit of associate accounted under equity method		4,213	4,589
XI	<b>Profit for the year (IX+X)</b>		<b>3,98,524</b>	<b>2,98,624</b>
XII	<b>Other comprehensive income / (loss)</b>			
	Items that will not be reclassified subsequently to profit or loss			
	- Remeasurement of the net defined benefit liability / asset		(7,675)	(22,189)
	- Equity instruments through other comprehensive income		2	2
	- Share of other comprehensive income of associate accounted under equity method (net of tax)		(29)	2
	- Income tax relating to these items		1,930	5,583
	<b>Total other comprehensive income / (loss) (net of tax)</b>		<b>(5,772)</b>	<b>(16,602)</b>
XIII	<b>Total comprehensive income for the year (XI + XII) [comprising profit and other comprehensive income for the year]</b>		<b>3,92,752</b>	<b>2,82,022</b>

## Consolidated Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2024	For the year ended 31 March 2023
XIV	<b>Net profit / (loss) attributable to</b>			
a)	Owners of the company		3,98,452	2,98,442
b)	Non controlling interest		72	182
	<b>Other comprehensive income attributable to</b>			
a)	Owners of the company		(5,772)	(16,602)
b)	Non controlling interest		-	-
	<b>Total comprehensive income attributable to</b>			
a)	Owners of the company		3,92,680	2,81,840
b)	Non controlling interest		72	182
XV	<b>Earnings per equity share (face value of INR 1/- each) :</b>	30(1)		
(1)	Basic [in INR]		5.45	4.09
(2)	Diluted [in INR]		5.45	4.09

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

Darjeeling  
20 May 2024

## Consolidated Statement of Changes in Equity

(₹ in Lakhs)

### A. Equity share capital

Particulars	Note no.	Amount
<b>Balance as at 1 April 2023</b>		73,098
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
<b>Balance as at 31 March 2024</b>		<b>73,098</b>

Particulars	Note no.	Amount
<b>Balance as at 1 April 2022</b>		24,366
Changes in equity share capital during the year		
- Issue of bonus shares	16	48,732
- Buyback of shares		-
<b>Balance as at 31 March 2023</b>		<b>73,098</b>

### 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 *		
<b>Balance as at 1 April 2023</b>		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)
<b>Total</b>		<b>4,669</b>	<b>362</b>	<b>1,868</b>	<b>4,30,814</b>	<b>13,33,631</b>	<b>13</b>	<b>(65,612)</b>	<b>1,847</b>	<b>17,07,592</b>
Amount transfer to general reserve		-	-	-	40,000	(40,000)	-	-	-	-
Amount transfer to capital reserve		-	-	-	-	-	-	-	-	-
<b>Transaction with owners in their capacity as owner</b>										
Dividends	16	-	-	-	-	(1,46,196)	-	-	(55)	(1,46,251)
Issue of bonus shares	16	-	-	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>		<b>4,669</b>	<b>362</b>	<b>1,868</b>	<b>4,70,814</b>	<b>11,47,435</b>	<b>13</b>	<b>(65,612)</b>	<b>1,792</b>	<b>15,61,341</b>

## 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 *		
<b>Balance as at 1 April 2022</b>		4,669	362	1,868	4,39,546	8,01,007	9	(43,234)	1,634	12,05,861
Profit for the year		-	-	-	-	2,98,624	-	-	-	2,98,624
Consolidation adjustments (Transfer of NCI share)		-	-	-	-	(182)	-	-	182	-
Addition during the year		-	-	-	-	-	2	(16,604)	-	(16,602)
<b>Total</b>		<b>4,669</b>	<b>362</b>	<b>1,868</b>	<b>4,39,546</b>	<b>10,99,449</b>	<b>11</b>	<b>(59,838)</b>	<b>1,816</b>	<b>14,87,883</b>
Amount transfer to general reserve		-	-	-	40,000	(40,000)	-	-	-	-
Amount transfer to capital reserve		-	-	-	-	-	-	-	-	-
<b>Transaction with owners in their capacity as owner</b>										
Dividends	16	-	-	-	-	(1,24,270)	-	-	(41)	(1,24,311)
Issue of bonus shares	16	-	-	-	(48,732)	-	-	-	-	(48,732)
Buyback of shares	16	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>		<b>4,669</b>	<b>362</b>	<b>1,868</b>	<b>4,30,814</b>	<b>9,35,179</b>	<b>11</b>	<b>(59,838)</b>	<b>1,775</b>	<b>13,14,840</b>

\* Refer Note 16 (b).

Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

 For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

 Darjeeling  
20 May 2024

## Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Profit after share of associate but before exceptional items and tax	5,30,834	3,96,880
Adjustments for:		
Depreciation and amortisation expense	44,320	42,882
Provisions for doubtful debts, liquidated damages, customers' claims and disallowances (net of withdrawal)	83,118	37,536
Provision for doubtful advances, claims (net of withdrawal)	1,913	(260)
Provision for performance warranty (net)	16,852	3,215
Provision for onerous contract (net)	3,132	1,844
Provision for obsolete / redundant materials (net of withdrawal)	7,235	17,721
Provision for intangible assets under development	9,666	544
Intangible assets under development charged off	-	1,950
Provision Others - Contract costs	2	4,180
Transfer from government grants	(1,657)	(1,665)
Interest income	(57,195)	(26,088)
Interest on lease liability	421	370
Finance costs	293	1,125
Profit on sale of property, plant & equipment	(702)	(152)
<b>Operating Profit Before Working Capital Changes</b>	<b>6,38,232</b>	<b>4,80,082</b>
Increase / (Decrease) due to:		
Trade receivables	(1,19,008)	(1,30,075)
Loans	(16)	48
Other financial assets	4,565	(11,137)
Other assets	59,255	14,044
Inventories	(1,06,533)	(1,01,188)
Trade payables	37,556	(3,889)
Other financial liabilities	3,351	32,716
Provisions	(8,694)	(1,02,941)
Other liabilities	99,078	48,999
<b>Cash Generated from Operations</b>	<b>6,07,786</b>	<b>2,26,659</b>
Income taxes paid (net)	(1,41,837)	(1,06,733)
<b>Cash Flow Before Exceptional Items</b>	<b>4,65,949</b>	<b>1,19,926</b>
Exceptional items	-	-
<b>Net Cash from / (used in) Operating Activities</b>	<b>4,65,949</b>	<b>1,19,926</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant & equipments and other intangible assets	(65,253)	(59,045)
Receipt of grant	10	228
Proceeds from sale of property, plant & equipment	853	170
Increase / (Decrease) in term deposits & other bank balances	(5,69,004)	2,09,439
Other investments	(3,251)	92,204
Interest received	44,260	27,769
<b>Net Cash from / (used in) Investing Activities</b>	<b>(5,92,385)</b>	<b>2,70,765</b>

## Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Dividend paid	(1,46,209)	(1,24,280)
Repayment of lease liabilities	(578)	(433)
Interest on lease liability	(421)	(370)
Finance costs	(293)	(1,125)
<b>Net Cash from / (used in) Financing Activities</b>	<b>(1,47,501)</b>	<b>(1,26,208)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(2,73,937)</b>	<b>2,64,483</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>3,94,569</b>	<b>1,30,086</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,20,632</b>	<b>3,94,569</b>

Cash flow in respect of CSR Activities is ₹ 2,768 (₹ 2,729).

1. 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)

2. Material accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

Darjeeling  
20 May 2024



## 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 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
<b>Owned Asset</b>										
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 equipments	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	-	-
<b>Right Of Use Asset</b>										
Leasehold land	21,055	-	20	21,035	514	161	-	675	20,360	20,541
Lease of other assets	6,125	240	345	6,020	589	428	229	788	5,232	5,536
<b>Total</b>	<b>5,12,374</b>	<b>49,489</b>	<b>2,042</b>	<b>5,59,821</b>	<b>2,42,943</b>	<b>39,922</b>	<b>1,891</b>	<b>2,80,974</b>	<b>2,78,847</b>	<b>2,69,431</b>

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT			
	As at 1 April 2022	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2023	Accumulated depreciation / amortisation as at 1 April 2022	Depreciation / amortisation for the year	Deductions / adjustments during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
<b>Owned Asset</b>										
Freehold land	14,317	44	-	14,361	-	-	-	-	14,361	14,317
Roads and culverts	2,271	593	-	2,864	513	127	-	640	2,224	1,758
Buildings	88,544	10,721	-	99,265	15,558	3,797	-	19,355	79,910	72,986
Installations	5,120	968	94	5,994	2,880	495	93	3,282	2,712	2,240
Plant and machinery	1,76,043	28,799	133	2,04,709	85,993	17,788	130	1,03,651	1,01,058	90,050
Electronic equipment	64,805	3,231	59	67,977	44,659	6,823	59	51,423	16,554	20,146
Equipment for R & D lab	52,491	7,761	66	60,186	37,467	7,202	60	44,609	15,577	15,024
Vehicles	1,096	214	53	1,257	644	156	45	755	502	452
Office equipment	14,091	3,437	111	17,417	9,536	1,869	111	11,294	6,123	4,555
Furniture, fixtures and equipments	10,178	971	50	11,099	5,892	924	50	6,766	4,333	4,286
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
<b>Right Of Use Asset</b>										
Leasehold land	21,055	-	-	21,055	353	161	-	514	20,541	20,702
Lease of Buildings	4,862	1,468	205	6,125	441	353	205	589	5,536	4,421
<b>Total</b>	<b>4,54,938</b>	<b>58,207</b>	<b>771</b>	<b>5,12,374</b>	<b>2,04,001</b>	<b>39,695</b>	<b>753</b>	<b>2,42,943</b>	<b>2,69,431</b>	<b>2,50,937</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

- Freehold Land consists of 2,086.13 acres (2,086.13 acres) and Leasehold Land consists of 992.66 acres (992.66 acres).  
Freehold land includes INR 287 (Nil) [represents absolute figure] transferred to investment property during the year.
- Freehold Land includes 5.32 acres (5.32 acres) leased to commercial / religious organisations and in their possession.
- 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).
- Additions to R&D assets of Parent company includes, ₹ 2,486 (₹ 2,440), and ₹ 9 (₹ 205) in respect of the assets of Central Research Laboratories / Product Development and Innovative Centre, Navi Mumbai Unit, accounted under natural code heads.
- 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 ₹ 2,395 (₹ 2,355) in respect of Wind Mill & Solar Power Plants.
- Contractual Commitments**  
Refer Note 30 (9) for outstanding Contractual Commitments.
- 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 & Equipment.
- Estimation of Useful Life of Assets**  
The management has estimated the useful life of the various categories of Property, Plant & 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 & 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 Equipments	5 - 7
Vehicles	4 - 5
Office Equipments	5 - 7
Furniture, Fixtures and equipments	6 - 10
Equipments 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
<b>BELOP</b>	
Plant & Machinery - Continuous Process Plant	15
<b>BEL Thales</b>	
Plant & Machinery	5 - 15
Electronic Equipments	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 & 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]

- 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.
- 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.
- Land admeasuring 122.82 acres (122.82 acres) at Ibrahimpatnam allotted by APIIC / TSIIIC possession is given for which sale deed is pending.
- A demand of ₹ 648 (₹ 648) being 50% of the compensation amount decreed by City Civil Court, Hyderabad has been received towards additional compensation from TSIIIC dated 31 January 2015 for Land of 22.375 acres (22.375 acres)

## Consolidated Notes to Accounts

(₹ in Lakhs)

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.

- 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.
- 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. Upfront Lease rent is Nil and Lease Agreement for the land is pending finalisation. Windmill Generator - II is capitalised in the year 2007-08 on the leased land by paying upfront lease rent of ₹ 36. Lease Agreement for the land is pending finalisation.
- 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.
- 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.
- Land measuring 12.52 acres (12.52 acres) at Sohna (Haryana), mutation is pending with concerned Tehsildar (Ghaziabad).
- 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 Ishopore by paying a nominal value of INR 1 [Represents absolute figure] as Annual lease rent for every plant.
- 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.
- 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 ₹ 7,974 (₹ 7,974) capitalised under Lease hold land. As per the terms of the lease agreement, on successful commencement of the project the same will be converted as freehold land.
- Short term lease amount expended during the year is Nil (Nil).
- 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).
- Lease agreement has been entered into with QUBEXPRO, Visakhapatnam towards lease of space for 2 years (non-cancellable period) with an extendable period of another 4 years (Total lease period is 6 years) and capitalised during the year 2022-23 as ROU asset for total value of ₹ 780. Interest expenses on lease liability is ₹ 54. Rate used for discounting for arriving expenses is 7.6% p.a. as per Ind AS - 116. Total cashflow for SDC-Vizag lease is ₹ 986.
- Repayment of Lease during the year amounts to ₹ 578 (₹ 433).
- Gross block and Accumulated Depreciation in Parent company includes Electronic Equipments Include ₹ 247 and ₹ 247 (₹ 247 and ₹ 247) towards assets procured out of other grant.
- Electronic Equipments of acquisition value ₹ 8,635 and (₹ 8,342) in Parent company are lying with vendors. Plant & Machinery of acquisition value ₹ 55 (₹ 40) is lying outside the factory premises.

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 2 - Capital work-in-progress

Particulars	As at 31 March 2024	As at 31 March 2023
Civil Construction	35,024	25,740
Plant & Machinery	7,128	4,676
Others	3,308	5,532
Capital Items in Transit	306	299
	<b>45,766</b>	<b>36,247</b>
Less : Provision for impairment	(124)	(124)
	<b>45,642</b>	<b>36,123</b>

### 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)
<b>Total</b>	<b>25,850</b>	<b>8,498</b>	<b>6,331</b>	<b>4,963</b>	<b>45,642</b>

### Completion schedule - Time and 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
<b>Total</b>	<b>5,953</b>	<b>1,065</b>	<b>124</b>	<b>-</b>	<b>7,142</b>

### 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
<b>Total</b>	<b>-</b>	<b>-</b>	<b>124</b>	<b>-</b>	<b>124</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Capital Work in Progress 2022-23

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	7,435	8,225	3,291	2,370	21,321
Others	13,460	889	242	211	14,802
Projects temporarily suspended	-	-	-	124	124
Provision for impairment	-	-	-	(124)	(124)
<b>Total</b>	<b>20,895</b>	<b>9,114</b>	<b>3,533</b>	<b>2,581</b>	<b>36,123</b>

### Completion schedule - Time and Cost overrun

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
LRSAM Infrastructure facility	2,520	-	-	-	2,520
DSIC Palasamudram	592	-	-	274	866
Project-Ibrahimpatnam	-	309	-	-	309
Production Building	-	124	-	-	124
MWC Building	-	106	-	-	106
Tel Facility	95	-	-	-	95
EVM Project	63	-	-	-	63
MCG CADDs Building	-	38	-	-	38
BMS Phase II	31	-	-	-	31
Flap Barrier	-	-	26	-	26
DCCS Hanger MISC Works	21	-	-	-	21
Renovation PS-NCS	20	-	-	-	20
Automatics Humisealing	-	17	-	-	17
<b>Total</b>	<b>3,342</b>	<b>594</b>	<b>26</b>	<b>274</b>	<b>4,235</b>

### Completion schedule - Suspended projects

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
<b>Total</b>	<b>-</b>	<b>-</b>	<b>124</b>	<b>-</b>	<b>124</b>

- Civil construction mainly comprises of Production related building, R&D building & Regional Product Support Centres.
- Refer Note 30 (9) in respect of contractual commitments.
- Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, plant & equipment.
- 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. During the year 2021-22 a claim of ₹ 1,398 submitted to Official Liquidator based on independent valuation report. As per the advice of Official Liquidator (High Court, Madras) condonation of delay from High Court has been obtained during the year 2022-23. An amount of ₹ 124 was impaired in the financial year 2018-19. Refer note 30 (7).



## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 3 - Investment property

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 2023	As at 31 March 2023
Freehold land *	-	-	-	-	-	-	-	-	-	-
Buildings**	14	-	6	8	8	-	4	4	4	6
<b>Total</b>	<b>14</b>	<b>-</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>6</b>

\* 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.

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT			
	As at 1 April 2022	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2023	As at 1 April 2022	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Freehold land *	-	-	-	-	-	-	-	-	-	-
Buildings**	14	-	-	14	7	1	-	8	6	7
<b>Total</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>7</b>	<b>1</b>	<b>-</b>	<b>8</b>	<b>6</b>	<b>7</b>

\* Freehold land of Parent company includes INR 3,830 (INR 3,830) [represents absolute figure] which is rounded off.

#### i. Amount recognised in Statement of Profit & Loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a. Rental Income	151	194
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	-	1
e. Profit from Investment property	<b>151</b>	<b>193</b>

ii. Refer Note 30(9) for Contractual Commitments.

#### iii. Fair Value of the investment properties

Particulars	As at 31 March 2024	As at 31 March 2023
Land	3,120	2,896
Building	406	844

#### 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. All resulting fair value estimates for the investment properties are included in Level 2.

## 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 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 2023	As at 31 March 2023
<b>Intangible assets - others</b>										
Computer operating system*	3	-	-	3	2	-	-	2	1	1
Licensing fee	29,266	-	-	29,266	10,002	1,973	-	11,975	17,291	19,264
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	1,820	-	11,233	3,303	1,465	-	4,768	6,465	6,110
<b>Total</b>	<b>41,734</b>	<b>2,220</b>	<b>-</b>	<b>43,954</b>	<b>14,886</b>	<b>4,398</b>	<b>-</b>	<b>19,284</b>	<b>24,670</b>	<b>26,848</b>

\* Amortisation for the year includes INR 36,129 (INR 25,311) [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 2022	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2023	Accumulated amortisation as at 1 April 2022	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
<b>Intangible assets - others</b>										
Computer operating system*	3	-	-	3	1	1	-	2	1	2
Licensing fee	18,424	10,842	-	29,266	8,750	1,252	-	10,002	19,264	9,674
Software licenses / implementation Enterprise resource planning (ERP)	2,614	438	-	3,052	680	899	-	1,579	1,473	1,934
Others (Development Cost)**	7,239	2,174	-	9,413	2,267	1,035	-	3,302	6,111	4,972
<b>Total</b>	<b>28,280</b>	<b>13,454</b>	<b>-</b>	<b>41,734</b>	<b>11,698</b>	<b>3,187</b>	<b>-</b>	<b>14,885</b>	<b>26,849</b>	<b>16,582</b>

\* Amortisation for the year includes INR 25,311 (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 2024	As at 31 March 2023
Internally developed *	60,609	57,129
Less: Provision for impairment	(16,879)	(7,758)
	<b>43,730</b>	<b>49,371</b>

### Intangible assets under development 2023-2024

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)
<b>Total</b>	<b>5,502</b>	<b>4,016</b>	<b>10,306</b>	<b>23,906</b>	<b>43,730</b>

### Completion schedule - Time and 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
<b>Total</b>	<b>27,255</b>	<b>8,637</b>	<b>-</b>	<b>-</b>	<b>35,892</b>

### Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Intangible assets under development 2022-23

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	4,212	18,920	1,656	30,864	55,652
Others	803	674	-	-	1,477
Provision for Impairment	(545)	-	-	(7,213)	(7,758)
<b>Total</b>	<b>4,470</b>	<b>19,594</b>	<b>1,656</b>	<b>23,651</b>	<b>49,371</b>

### Completion schedule - Time and Cost overrun

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
QR SAM	-	18,027	-	-	18,027
ATULYA	8,435	-	-	-	8,435
Development of DJAG system for Jaguar	6,404	-	-	-	6,404
QT Model for Sarakshi	459	-	-	-	459
HEMO Dialysis Machine	-	374	-	-	374
Development for Samudrika Project	342	-	-	-	342
Development work for Sarvadhari System	144	-	-	-	144
Development of ASU	30	-	-	-	30
X-Band RF Seeker for Anti Ship Appl	-	16	-	-	16
UET model for Tushar	15	-	-	-	15
<b>Total</b>	<b>15,829</b>	<b>18,417</b>	<b>-</b>	<b>-</b>	<b>34,246</b>

### Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Includes funding to other development agencies.

i. Refer Note 30 (9) for Contractual Commitments.

#### ii. Impairment of Assets [Parent company]

An amount ₹ 9,666 (₹ 545) 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 ₹ 545 (Nil) was provided during 2022-23 was written off during Current year. (Refer Note 30(7)).

An amount Nil (₹ 1,950) is charged off to Statement of Profit & Loss.

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 6 - Investments

Particulars	As at 31 March 2024	As at 31 March 2023
<b>(I) Investment in Equity Instruments (Unquoted)</b>		
<b>(a) Others (at FVOCI) (Refer Note v below)</b>		
Mana Effluent Treatment Plant Ltd, Hyderabad 500 (500) equity shares of INR 1,000 each fully paid	16	15
Defence Innovation Organisation, Bengaluru 50 (50) equity shares of INR 1,000 each fully paid	1	1
<b>(II) Other Investments (Unquoted)</b>		
<b>a) Investments in Co-operative societies (at cost)*</b>		
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. Saptarata 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>b) Others (at FVTPL)</b>		
Life Insurance Corporation of India (Refer Note ii)	53,049	44,910
	<b>53,066</b>	<b>44,926</b>

\* 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	2023-24	2022-23
Aggregate value of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	53,066	44,926
Aggregate amount of impairment in value of investments	-	-

ii. a. The Parent company has invested its Leave Encashment liabilities in LIC's New Group Leave Encashment Plan.

b. During the year 2022-23 LIC investment related to BERECHS liabilities which was in new group Superannuation Cash Accumulation Plan has been transferred to Bharat Electronics Limited Retired Employees Medical Trust (BREMT). [Refer Note 21].

iii. Refer Note 33 for classification of financial instruments.

iv. An amount of INR 50,000 [represents absolute figure] has been contributed towards equity capital in M/s Defence Innovation Organisation (DIO). 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 towards contribution to initial corpus fund and out of which, an amount of ₹ 4,000 (₹ 4,000) is pending for disbursement.



## Consolidated Notes to Accounts

(₹ in Lakhs)

- v. a. The parent company have designated investment in equity shares of Mana Effluent Treatment Plant Ltd., Hyderabad and Defence Innovation Organisation, Bengaluru 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 2024	Dividend income recognised during 2023-24	Fair value as at 31 March 2023	Dividend income recognised during 2022-23
Investment in Mana Effluent Treatment Plant Ltd.	16	-	15	-
Investment in Defence Innovation Organisation, Bengaluru	1	-	1	-

- b. Parent company has not received any dividend so far on these Investments.
- c. No strategic investments were disposed off during 2023-24, and there were no transfers of any cumulative gain or loss within equity relating to these investments.

### Note 7 - Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Unsecured, Considered Doubtful</b>		
Trade receivables	2,29,738	1,83,839
Less: Provision*	(2,29,738)	(1,83,839)
<b>Sub Total (A)</b>	-	-
<b>Current</b>		
Secured, considered good	690	934
Unsecured, considered good	7,38,548	7,02,414
<b>Sub Total (B)</b>	<b>7,39,238</b>	<b>7,03,348</b>
<b>Total (A+B)</b>	<b>7,39,238</b>	<b>7,03,348</b>

\* Includes provision towards Liquidated Damages.

### 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	
(ii) 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 good	-	-	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)
<b>Sub Total (A)</b>	-	-	-	-	-	-	-	-

## 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	-	-	-	-	-	-	-	-
<b>Sub Total (B)</b>	<b>1,32,716</b>	<b>4,191</b>	<b>4,00,194</b>	<b>65,572</b>	<b>79,760</b>	<b>31,891</b>	<b>24,914</b>	<b>7,39,238</b>

### Non Current Trade Receivable 2022-23

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	1,897	36	17,579	15,061	19,118	13,033	1,00,339	1,67,062
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	339	339
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	16,438	16,438
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Provision	(1,897)	(36)	(17,579)	(15,061)	(19,118)	(13,033)	(1,17,116)	(1,83,839)
<b>Sub Total (A)</b>	-	-	-	-	-	-	-	-

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Current Trade Receivable 2022-23

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	89,818	2,916	3,37,652	1,10,435	88,154	32,399	41,172	7,02,547
(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	-	-	-	-	-	-	-	-
<b>Sub Total (B)</b>	<b>89,818</b>	<b>2,916</b>	<b>3,37,652</b>	<b>1,10,435</b>	<b>88,154</b>	<b>32,399</b>	<b>41,973</b>	<b>7,03,348</b>

#### 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 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Unsecured, Considered Good</b>		
Loans to employees	703	656
	<b>703</b>	<b>656</b>
<b>Unsecured, Considered Doubtful</b>		
<b>Others</b>		
Loans to employees	1	1
Less: Provisions	(1)	(1)
	-	-
Loans to others	132	132
Less: Provisions*	(132)	(132)
	-	-
<b>Sub Total (A)</b>	<b>703</b>	<b>656</b>
<b>Current</b>		
<b>Unsecured, Considered Good</b>		
<b>Others</b>		
Loans to related Parties	-	-
Loans to employees	141	172
<b>Sub Total (B)</b>	<b>141</b>	<b>172</b>
<b>Total (A+B)</b>	<b>844</b>	<b>828</b>

\* 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 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Unsecured, Considered Good</b>		
Security deposits	1,301	1,780
Interest accrued on term deposits	16	5
Bank deposits with more than 12 months maturity **	566	260
	<b>1,883</b>	<b>2,045</b>
<b>Unsecured, Considered Doubtful</b>		
Security deposits	83	83
Less: Provisions	(83)	(83)
	-	-
Advance to others	14	14
Less: Provisions	(14)	(14)
	-	-
Receivables other than trade receivables	1,037	971
Less: Provisions *	(1,037)	(971)
	-	-
Other assets	339	107
Less: Provisions	(339)	(107)
	-	-
<b>Sub Total (A)</b>	<b>1,883</b>	<b>2,045</b>
<b>Current</b>		
<b>Unsecured, Considered Good</b>		
Security deposits	1,724	2,128
Advance to employees	177	166
Advance to others	3	3
Interest accrued but not due on term deposits	15,049	2,114
Receivables other than trade receivables	2,366	1,795
Other assets	10,121	14,136
<b>Sub Total (B)</b>	<b>29,440</b>	<b>20,342</b>
<b>Total (A+B)</b>	<b>31,323</b>	<b>22,387</b>

\* 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. Security, Hypothecation etc

Refer Note 35.

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 10 - Deferred tax assets / liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax assets (net)</b>		
Deferred tax assets	77,538	71,192
Deferred tax liabilities	(20,070)	(20,820)
	<b>57,468</b>	<b>50,372</b>
<b>Deferred tax liabilities (net)</b>		
Deferred tax liabilities	1,907	1,312
Deferred tax assets	(1,360)	(1,023)
	<b>547</b>	<b>289</b>

#### i. Income Tax recognised in Statement of Profit or Loss

Sl. No	Particulars	As at 31 March 2024	As at 31 March 2023
<b>1</b>	<b>Income Tax Expenses:</b>		
	- Current period	1,45,576	87,747
	- Changes in estimates related to prior years	(6,893)	(2,001)
<b>2</b>	<b>Deferred tax:</b>		
	- Origination and reversal of temporary differences	(6,373)	12,510
<b>3</b>	<b>Total deferred tax expense/(benefit)</b>	<b>(6,373)</b>	<b>12,510</b>
<b>4</b>	<b>Income tax expenses</b>	<b>1,32,310</b>	<b>98,256</b>

#### ii. Income Tax recognised in other comprehensive income (Excluding share in OCI of associate)

Sl. No.	Particulars	As at 31.03.2024			As at 31.03.2023		
		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)	(7,675)	1,931	(5,744)	(22,189)	5,584	(16,605)
2	Equity instruments through other comprehensive income	2	(1)	1	2	(1)	1
	<b>Total</b>	<b>(7,673)</b>	<b>1,930</b>	<b>(5,743)</b>	<b>(22,187)</b>	<b>5,583</b>	<b>(16,604)</b>

#### iii. Income Tax recognised directly in Equity

There are no income tax recognised directly in equity for the year ended 31 March 2024 &amp; 31 March 2023.



## Consolidated Notes to Accounts

(₹ in Lakhs)

### iv. Reconciliation of Effective Tax Rates

Particulars	As at 31.03.2024		As at 31.03.2023	
	Rate	Amount	Rate	Amount
<b>Profit Before Tax</b>		<b>5,26,621</b>		<b>3,92,291</b>
Tax using the company's Domestic Tax Rate	25.17%	1,32,540	25.17%	98,732
<b>Effect of</b>				
Exempt Income	-	-	-	-
Tax Incentives	-	-	-	-
Changes in estimates related to previous years	-1.31%	(6,890)	-0.51%	(2,001)
Non-deductible Expenses	1.15%	6,065	0.43%	1,692
Accelerated Depreciation for Tax Purpose	-	-	-0.01%	(32)
Others	0.11%	595	-0.03%	(135)
<b>Effective Tax rate</b>	<b>25.12%</b>	<b>1,32,310</b>	<b>25.05%</b>	<b>98,256</b>

### 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	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
1	Trade Receivables	(11,351)	(12,411)	-	-	(11,351)	(12,411)
2	Inventory	(16,701)	(15,392)	-	-	(16,701)	(15,392)
3	Provision others	(23,913)	(20,220)	-	-	(23,913)	(20,220)
4	Employee Benefits	(18,185)	(18,482)	-	-	(18,185)	(18,482)
5	Other Intangible Assets	-	-	1,477	1,262	1,477	1,262
6	Deferred Revenue	(22)	(261)	-	-	(22)	(261)
7	Other Assets	-	-	-	-	-	-
8	Property, Plant and Equipment	(49)	(30)	16,781	16,397	16,732	16,367
9	ICDS Adjustment	-	-	-	-	-	-
10	Equity Investments	-	-	3	2	3	2
11	Other Financial Liabilities	-	-	8	8	8	8
12	Provision for Impairment	(7,602)	(4,665)	-	-	(7,602)	(4,665)
13	Intangible Assets under development	-	-	3,708	4,463	3,708	4,463
14	Trade Payables	(6)	(6)	-	-	(6)	(6)
15	Income Tax loss	(281)	(375)	-	-	(281)	(375)
16	Bonus	-	-	-	-	-	-
17	Superannuation	-	-	-	-	-	-
18	MAT Credit	(788)	(374)	-	-	(788)	(374)
19	<b>Total</b>	<b>(78,898)</b>	<b>(72,216)</b>	<b>21,977</b>	<b>22,132</b>	<b>(56,921)</b>	<b>(50,084)</b>
20	Set off of (Asset)/Liability	21,430	21,843	(21,430)	(21,843)	-	-
	<b>Net Deferred Tax (Asset)/ Liability</b>	<b>(57,468)</b>	<b>(50,373)</b>	<b>547</b>	<b>289</b>	<b>(56,921)</b>	<b>(50,084)</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

### vi. 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)
	<b>Total</b>	<b>(50,084)</b>	<b>(6,373)</b>	<b>(464)</b>	<b>(56,921)</b>

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 01.04.2022	Recognised in P&L during 2022-23	Recognised in OCI during 2022-23	Balance as on 31.03.2023
1	Trade Receivables	(11,026)	(1,385)	-	(12,411)
2	Inventory	(11,797)	(3,595)	-	(15,392)
3	Provision others	(17,867)	(2,353)	-	(20,220)
4	Employee Benefits	(39,541)	21,704	(645)	(18,482)
5	Other Intangible Assets	1,037	225	-	1,262
6	Deferred Revenue	(261)	-	-	(261)
7	Other Assets	-	-	-	-
8	Property, Plant and Equipment	16,728	(361)	-	16,367
9	ICDS Adjustment	-	-	-	-
10	Equity Investments	2	-	-	2
11	Other Financial Liabilities	8	-	-	8
12	Provision for Impairment	(3,394)	(1,271)	-	(4,665)
13	Intangible Assets under development	4,463	-	-	4,463
14	Trade Payables	(6)	-	-	(6)
15	Income Tax Loss	-	(375)	-	(375)
16	Bonus	(1)	1	-	-
17	Superannuation	(22)	22	-	-
18	MAT Credit	(272)	(102)	-	(374)
	<b>Total</b>	<b>(61,950)</b>	<b>12,510</b>	<b>(645)</b>	<b>(50,084)</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

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 2020-21) and BEL-Thales Systems Ltd (from FY 2022-23) has opted for lower tax rate under section 115 BAA of Income Tax Act, 1961 inserted vide Taxation law (Amendment) Act, 2019.

### Note - 11 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current</b>		
Raw Materials & Components	66,448	61,358
Add: Raw Materials & Components in Transit	101	67
Less: Provisions	(66,549)	(60,847)
	-	<b>578</b>
Stock in Trade	22	49
Less: Provisions	(22)	(49)
	-	-
Stores & Spares	292	202
Less: Provisions	(292)	(197)
	-	<b>5</b>
Loose Tools	76	62
Less: Provisions	(76)	(58)
	-	<b>4</b>
<b>Sub Total (A)</b>	-	<b>587</b>
<b>Current</b>		
Raw Materials & Components	4,16,235	3,84,381
Add: Raw Materials & Components in Transit	32,426	21,786
	<b>4,48,661</b>	<b>4,06,167</b>
Work In Progress	2,65,150	1,96,287
Finished Goods	17,208	11,067
Add: Finished Goods in Transit	7,306	25,940
	<b>24,514</b>	<b>37,007</b>
Stock in Trade	1,535	1,225
Add: Stock in Trade in Transit	-	-
	<b>1,535</b>	<b>1,225</b>
Stores & Spares	3,741	2,797
Add: Stores & Spares in Transit	8	25
	<b>3,749</b>	<b>2,822</b>
Loose Tools	898	916
Disposable Scrap	509	551
	<b>7,45,016</b>	<b>6,44,975</b>
Unrealised profit on unsold inventory	(327)	(171)
<b>Sub Total (B)</b>	<b>7,44,689</b>	<b>6,44,804</b>
<b>Total (A+B)</b>	<b>7,44,689</b>	<b>6,45,391</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

i. Raw Materials and Components include ₹ 16,237 (₹ 27,876) being materials with sub-contractors, out of which ₹ 80 (₹ 179) of materials is subject to confirmation and reconciliation. Against ₹ 80 (₹ 179), an amount of ₹ 59 (₹ 163) has been provided for.

### ii. Stock verification discrepancies for the year are as follows:

Shortages of ₹ 1,833 (₹ 714) and surplus of ₹ 428 (₹ 240). Pending reconciliation, an amount of ₹ 1,406 (₹ 447) 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 November 2007 to 31 March 2012 (05 November 2007 to 31 March 2009) to Parent company. 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 Equipments during the year :

Sl. No.	Particulars	2023-24	2022-23
i.	Depreciation	300	295
ii.	Operation Cost of Emission Reduction Equipments	207	210
	<b>Total</b>	<b>507</b>	<b>505</b>

### v. Security, Hypothecation etc

Refer Note 35.

### vi. Amount recognised in Statement of Profit & Loss

Write-down of inventories to net realisable value amounted to ₹ 1,792 (₹ 945) has been recognised in the statement of profit and loss for work in progress and Finished goods.

vii. Reversal of write down of inventories of ₹ 2,317 (₹ 885) 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 ₹ 4,503 (₹ 4,157) 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 2024	As at 31 March 2023
<b>Non Current</b>		
Capital advances	3,061	2,282
<b>Advances other than Capital advances</b>		
Advances for purchase	1,414	2,776
Less: Provisions	(1,414)	(2,776)
	-	-
Contract asset	42,465	21,870
Less: Provisions	(42,465)	(21,870)
	-	-
<b>Others</b>		
Balances with customs, port trust and other government authorities	695	515
Less: Provisions	(638)	(384)
	<b>57</b>	<b>131</b>
Prepaid expenses	88	230
Claims receivable purchases	1,186	1,152
Less: Provisions	(1,186)	(1,152)
	-	-
Contract costs	21,996	45,441
Less: Provisions	(2)	(4,180)
	<b>21,994</b>	<b>41,261</b>
Others - Assets	11	19
Less: Provisions	(11)	(19)
	-	-
<b>Sub Total (A)</b>	<b>25,200</b>	<b>43,904</b>
<b>Current</b>		
<b>Advances other than Capital advances</b>		
Advances to employees	459	678
Advances for purchase	1,13,730	1,02,800
Contract asset	5,42,491	6,09,838
<b>Others</b>		
Balances with customs, port trust and other government authorities*	55,791	33,756
Prepaid expenses	1,144	1,093
Prepaid taxes	3,004	10,346
Claims receivable purchases	2,982	3,287
Contract costs	21,781	19,777
Others - Assets	788	3,061
<b>Sub Total (B)</b>	<b>7,42,170</b>	<b>7,84,636</b>
<b>Total (A+B)</b>	<b>7,67,370</b>	<b>8,28,540</b>

\* Balances with customs, port trust and other government authorities includes Two decisions in favour of Parent company from Single & Larger bench of Hon'ble High Court of Madras. Caveat filed in Supreme Court and GST department is persuaded for enabling Parent company to utilise the credit. Subsequently ₹ 1,497 of CGST transitional credit is utilised during the year 2022-23.

## 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 ₹ 20,595 (₹ 4,952).

### iii. Amortisation and impairment of contract costs

Amortisation of contract costs determined based on the period of benefit expected from the contract cost is ₹ 19,358 (₹ 24,176). Impairment of contract costs recognised is ₹ 2 (₹ 4,180).

### iv. Closing balance of contract costs represents, cost to obtain the contract from customer ₹ 711 (₹ 318) and cost to fulfill the contract is ₹ 43,064 (₹ 60,720).

### v. Security, Hypothecation etc

Refer Note 35.

### Note 13 - Cash & cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balance with banks	59,151	84,173
Cash on hand	1	1
Term deposits	61,480	3,10,395
	<b>1,20,632</b>	<b>3,94,569</b>

### 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 2024	As at 31 March 2023
Term deposits	9,82,617	4,14,616
Unpaid dividend account *	2,410	1,973
	<b>9,85,027</b>	<b>4,16,589</b>

\* Includes ₹ 2,122 (₹ 1,727) 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 2024	As at 31 March 2023
<b>Current tax assets (net)</b>		
Advance payment of income tax	44,961	40,314
	<b>44,961</b>	<b>40,314</b>
<b>Current tax liability (net)</b>		
Provision for taxation	28	-
	<b>28</b>	<b>-</b>

### Note 16

#### a. Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
<b>i. Authorised capital</b>		
750,00,00,000 (750,00,00,000) Equity Shares of INR 1 (INR 1) each	75,000	75,000
<b>ii. Issued, subscribed &amp; fully paid-up capital</b>		
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 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the reporting period	730,97,78,829	73,098	243,65,92,943	24,366
Add: Shares issued during the year	-	-	487,31,85,886	48,732
Less: Shares Bought Back during the year	-	-	-	-
Shares outstanding at the end of the reporting period	730,97,78,829	73,098	730,97,78,829	73,098

#### iv. Shares in the company held by each shareholder holding more than 5%

Name of Shareholder	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% of Share holding	No. of Shares	% of Share holding
Government of India	373,79,21,934	51.14%	373,79,21,934	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	2019-20	2020-21	2021-22	2022-23	2023-24
No. of shares	-	-	-	487,31,85,886	-

## Consolidated Notes to Accounts

(₹ in Lakhs)

### vi. Aggregate number and class of shares bought back during the previous 5 years.

Equity shares bought back

Year	2019-20	2020-21	2021-22	2022-23	2023-24
No. of shares	-	-	-	-	-

Particulars	As at 31 March 2024	As at 31 March 2023
<b>vii.</b> Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.	Nil	Nil
<b>viii.</b> The aggregate value of calls unpaid (including Directors and Officers of Company)	Nil	Nil
<b>ix.</b> 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 2024	For the year ended 31 March 2023
Final dividend for FY 2022-23 and FY 2021-22 respectively.	43,859	36,549
Interim dividend for FY 2023-24 and FY 2022-23 respectively.	1,02,337	87,717

### 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.

## Consolidated Notes to Accounts

(₹ in Lakhs)

### 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).

xii. Government of India being the Promoter holding 51.14% (51.14%) of Shares as on 31 March 2024. No. of Equity Shares held as on Balance Sheet date is 373,79,21,934 (373,79,21,934).

xiii. 487,31,85,886 Bonus shares were issued during the year 2022-23 for consideration other than cash.

### Note 17 - Deferred income

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current</b>		
Government grants - deferred	11,776	13,395
<b>Sub Total (A)</b>	<b>11,776</b>	<b>13,395</b>
<b>Current</b>		
Government grants - deferred	1,637	1,665
<b>Sub Total (B)</b>	<b>1,637</b>	<b>1,665</b>
<b>Total (A+B)</b>	<b>13,413</b>	<b>15,060</b>

i. Refer Accounting Policy No. 16 for method of presentation.

Particulars	As at 31 March 2024	As at 31 March 2023
<b>ii. Nature of utilisation of government grant</b>		
a) Revenue Expenditure	-	-
b) Capital Expenditure		
- Property, Plant and Equipment	13,413	15,060
<b>iii. Other forms of government assistance that has directly benefited the company</b>	-	-
<b>iv. Details of unfulfilled conditions attached to government grant</b>	-	-
<b>v. Contingencies attached to government grant</b>	-	-

vi. The above grants received represents viability gap funding towards solar power plants, assistance towards roof top solar systems & 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 2021-22 towards ToT has been transferred to income in the Statement of Profit and Loss and corresponding expenses is debited to Statement of Profit and Loss.

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 18 - Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Secured</b>		
Term loan from banks	-	-
<b>Sub Total (A)</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>Secured</b>		
Term Loan from banks	-	-
<b>Sub Total (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>-</b>	<b>-</b>

### i. Nature of security:

Refer Note 35.

ii. 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 2024	As at 31 March 2023
<b>Non Current</b>		
- Others	-	37
<b>Sub Total (A)</b>	<b>-</b>	<b>37</b>
<b>Current</b>		
- Dues to micro & small enterprises	21,306	20,754
- Others	3,49,325	3,12,284
<b>Sub Total (B)</b>	<b>3,70,631</b>	<b>3,33,038</b>
<b>Total (A+B)</b>	<b>3,70,631</b>	<b>3,33,075</b>

### 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	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

### 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
<b>Total</b>	<b>15,963</b>	<b>2,27,179</b>	<b>1,04,314</b>	<b>14,107</b>	<b>1,894</b>	<b>7,173</b>	<b>3,70,631</b>

### Non Current Trade Payable 2022-23

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	-	-	-	-	-	37	37
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37</b>	<b>37</b>

### Current Trade Payable 2022-23

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	1,677	14,831	4,071	11	6	1	20,597
(ii) Others	9,192	2,26,745	65,354	3,035	1,621	6,057	3,12,004
(iii) Disputed dues - MSME	-	158	-	-	-	-	158
(iv) Disputed dues - Others	-	227	-	-	-	52	279
<b>Total</b>	<b>10,869</b>	<b>2,41,961</b>	<b>69,425</b>	<b>3,046</b>	<b>1,627</b>	<b>6,110</b>	<b>3,33,038</b>

- 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 2024 is furnished below:

Particulars	2023-24	2022-23
a. The principal and the interest due thereon remaining unpaid as at 31 March:		
Principal *	22,083	21,385
Interest	24	14
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	3	8
c. The interest reversed by the company during the year ended 31 March	-	4

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
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.	24	5
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.	4	3

\* 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 March 2024 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 2024	As at 31 March 2023
<b>Non Current</b>		
Security deposits including retention money	480	473
<b>Sub Total (A)</b>	<b>480</b>	<b>473</b>
<b>Current</b>		
Security deposits including retention money	34,226	39,019
Interest accrued and due on trade payables <sup>1</sup>	24	5
Non trade payables - Others *	12,384	16,296
Unpaid matured deposits	37	37
Unpaid dividend	288	246
Non trade payables dues to micro & small enterprises <sup>1</sup>	777	631
Outstanding expenses	81,999	71,007
Other liabilities	1,979	1,782
<b>Sub Total (B)</b>	<b>1,31,714</b>	<b>1,29,023</b>
<b>Total (A+B)</b>	<b>1,32,194</b>	<b>1,29,496</b>
Amount to be transferred to the Investor Education & Protection Fund as at Balance Sheet date.	Nil	Nil

\* Includes an amount of ₹ 4,000 to be contributed to M/s Defence Innovation Organisation (Associate) and amount payable for Capital items.

<sup>1</sup> 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 2024	As at 31 March 2023
<b>Non Current</b>		
<b>Employee Benefits</b>		
Gratuity	9	4
Long-term compensated absences	47,078	41,519
BEL retired employees' contributory health scheme (BERECHS)	-	-
Provident fund interest obligation	4,409	2,563
<b>Others</b>		
Provision for onerous contracts	1,572	614
Provision for performance warranty	41,212	37,357
Provision for Site restoration obligation	2,448	2,408
<b>Sub Total (A)</b>	<b>96,728</b>	<b>84,465</b>
<b>Current</b>		
<b>Employee Benefits</b>		
Gratuity	2,145	297
Long-term compensated absences	7,133	5,503
BEL retired employees' contributory health scheme (BERECHS)	13,467	25,381
Provident fund interest obligation	94	258
Management Contribution to Superannuation (Pension) scheme	22	20
Annual incentive	299	169
<b>Others</b>		
Provision for onerous contracts	7,206	5,032
Provision for performance warranty	39,087	26,094
<b>Sub Total (B)</b>	<b>69,453</b>	<b>62,754</b>
<b>Total (A+B)</b>	<b>1,66,181</b>	<b>1,47,219</b>

### i. 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	-
<b>As at 31 March</b>	<b>80,299</b>	<b>8,778</b>	<b>2,448</b>

### Movement of provisions for the year ended 2022-23

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	60,244	3,801	2,371
Additional provision recognised during the year	23,799	2,284	37
Amount used during the year (refer note vi below)	9	-	-
Unused amount reversed during the year	20,583	438	-
<b>As at 31 March</b>	<b>63,451</b>	<b>5,646</b>	<b>2,408</b>

# 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 ₹ 6,711 (₹ 6,937) has been debited against Natural Code Heads wrt Warranty Cost. An amount of Nil (Nil) has been debited against Natural Code Heads wrt Site Restoration Obligation.

## (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	2023-24	2022-23
<b>i) Change in Present Value of Obligations :</b>		
Present Value of Obligation as at the beginning of the year	69,311	68,101
Current Service Cost	1,354	1,335
Interest Cost	4,761	4,762
Past Service Cost	-	-
Benefits paid	(6,572)	(6,442)

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
<b>Actuarial (gains) / Losses recognised in other comprehensive income</b>		
Changes in financial assumptions on planned liability - loss / (gains)	1,334	1,793
Experience adjustments on planned liability - loss / (gains)	(256)	(238)
<b>Present Value of Obligation as at the end of the period</b>	<b>69,932</b>	<b>69,311</b>
<b>ii) Change in Fair Value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	69,037	70,375
Expected return on plan assets	4,751	4,930
Contributions	275	-
Benefits paid	(6,572)	(6,442)
Actuarial gain / (loss) on Plan Assets recognised in other comprehensive income	311	174
<b>Fair value of plan assets as at the end of the period</b>	<b>67,802</b>	<b>69,037</b>
<b>Defined benefit (Asset) / liability</b>	<b>2,130</b>	<b>274</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	<b>-</b>	<b>64</b>
<b>Effects of asset ceiling - As at the end of the year</b>	<b>-</b>	<b>(64)</b>
<b>Net defined benefit (asset) / liability</b>	<b>2,130</b>	<b>274</b>
<b>iii) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Current Service cost	1,354	1,335
Net Interest on Net Defined Benefit Obligations	10	(167)
Past service cost	-	-
Expenses recognised in the statement of profit and loss	1,363	1,168
<b>iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :</b>		
Actuarial (gain) / loss on Plan Obligations	1,078	1,554
Difference between Actual Return and Interest Income on Plan Assets - (gain) / loss	(311)	(174)
Effect of Balance Sheet Asset limit	-	(64)
Amounts recognised in the statement of Other Comprehensive Income	767	1,316
<b>v) Amounts recognised in Balance Sheet :</b>		
Present Value of Obligation as at the end of the period	69,932	69,311
Fair Value of Plan Assets at the end of the period	67,802	69,037
<b>Funded Status [(Surplus) / Deficit]</b>	<b>2,130</b>	<b>274</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	<b>-</b>	<b>64</b>
<b>Effects of asset ceiling - As at the end of the year</b>	<b>-</b>	<b>(64)</b>
<b>Liability / (Asset) for the year as on 31 March as per Balance Sheet</b>	<b>2,130</b>	<b>274</b>
<b>vi) Plan Assets</b>		
<b>Categories of Plan Assets are as follows :</b>		
State Govt. Securities	-	-
Govt. of India Securities	0.52%	0.50%
High Quality Corporate Bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Investment with Insurer	99.47%	99.49%

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
Others (Bank balance)	0.01%	0.01%
<b>vii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Rate of increase in compensation level	7.00%	7.00%
Expected rate of Return on Plan Assets	6.97%	7.21%
Estimated Average Future working life	14.80	14.40
<b>viii) Best Estimate of Contribution to be paid :</b>		
The best estimate of contribution to be paid towards Gratuity during the annual period beginning after the Balance Sheet is ₹ 2130 (₹ 274).		
<b>ix) Sensitivity Analysis :</b>		
Discount Rate (0.50% movement) increase	7.47%	7.71%
Increase/(decrease) in defined benefit Obligation as at the end of the period	(2,725)	(2,647)
Discount Rate (0.50% movement) decrease	6.47%	6.71%
Increase/(decrease) defined benefit Obligation as at the end of the period	2,947	2,858
Salary Escalation Rate (0.50% movement) increase	7.50%	7.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	616	655
Salary Escalation Rate (0.50% movement) decrease	6.50%	6.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	(695)	(738)

### 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 2024	As at 31 March 2023
Year 1	5,034	4,744
Year 2	12,684	12,000
Year 3	8,055	8,398
Year 4	7,318	7,856
Year 5	7,289	7,102
Next 5 years	22,590	25,367

### (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

- Actuarial gains and losses in respect of defined benefit plans recognised in the statement of Profit & Loss is ₹ 48 Lakhs (Previous Year ₹ 50 Lakhs).
- Actuarial gains and losses in respect of defined benefit plans recognised in the statement Other Comprehensive Income is ₹ (33) Lakhs (Previous Year ₹ (28) Lakhs).

## 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	As at 31 March 2024	As at 31 March 2023
<b>A Changes in the present value of defined obligation representing reconciliation of opening and closing balances thereof are as follows :</b>		
1 Present Value of Defined Benefit Obligation at the Beginning of the period	1,183	1,099
2 Interest Cost	88	77
3 Current Service Cost	46	47
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)	(13)	(6)
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	18	(38)
14 Actuarial (gains) / losses on obligations- Due to Experience	(38)	4
15 Present value of Defined Benefit Obligation as on Balance Sheet date	1,284	1,183
<b>B Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows :</b>		
1 Fair value of Plan assets at the Beginning of the period	1,160	1,060
2 Interest Income	86	74
3 Actual contributions by Employers	23	38
4 Expected contributions by Employees	-	-
5 Assets Transferred In/ Acquisitions	-	-
6 (Assets Transferred Out / Divestment)	-	-
7 (Benefit Paid From the Fund)	(13)	(6)
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	(6)
12 Fair value of Plan assets at the End of the Period	1,269	1,160
<b>C Amount Recognised in the Balance Sheet</b>		
1 Present value of Plan assets at the end of the period	(1,284)	(1,183)
2 Fair Value of Plan assets at the end of the year	1,269	1,160
3 Funded Status (Surplus/(Defecit))	(15)	(23)
4 Net Asset/(Liability) recognised in the Balance Sheet	(15)	(23)

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
<b>D Reconciliation of Present Value of Defined Benefit Obligation and fair value of plan assets showing amount recognised in the Balance Sheet :</b>		
1 Present Value of Defined Benefit Obligation at the end of the period	(1,284)	(1,183)
2 Fair value of plan assets at the end of the period	1,269	1,160
3 Funded status [Surplus/(Defecit)]	(15)	(23)
4 Unrecognised Past Service Costs	-	-
5 Net asset/(Liability) recognised in Balance Sheet	(15)	(23)
<b>E Expenses Recognised in the Statement of Profit or Loss for current Period</b>		
1 Current Service cost	46	47
2 Interest cost	2	3
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	<b>48</b>	<b>50</b>
<b>F Expenses Recognised in the Other Comprehensive Income (OCI) for Current Period</b>		
1 Acturial (Gains)/Losses on the Obligation for the period	(20)	(34)
2 Return Plan Assets, Excluding Interest Income	(13)	6
3 Change in Asset Ceiling	-	-
4 Net (Income)/Expenses for the Period Recognised in OCI	<b>(33)</b>	<b>(28)</b>

**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 2024	As at 31 March 2023
1 Discount Rate (%)	7.20%	7.44%
2 Expected Return on plan assets (%)	7.20%	7.44%
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 2024	As at 31 March 2023
Projected Benefit Obligation on Current Assumptions	1,283	1,183
1 Delta Effect +1% Change in Rate of Discounting	(74)	(77)
2 Delta Effect -1% Change in Rate of Discounting	82	85
3 Delta Effect +1% Change in Rate of salary increase	79	82
4 Delta Effect -1% Change in Rate of salary increase	(72)	(75)
5 Delta Effect +1% Change in Rate of Employee Turnover	(12)	(12)
6 Delta Effect -1% Change in Rate of Employee Turnover	13	13

### J Investment of Gratuity Fund is with Insurance Company

#### Defined Contribution Plans (In respect of Subsidiary Company - BEL Thales System 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 (refer Note No.21) remitted periodically to the Holding Company & Thales India Private Limited:

- Contribution to Provident Fund
- Employee Superannuation Fund
- Gratuity
- 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 in Note no. 14).

The Company has a defined benefit gratuity plan (unfunded) for employees of BEL - Thales Systems Limited.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Contribution to Provident Fund included under contribution to provident and other funds.	37.45	33.59
<b>TOTAL</b>	<b>37.45</b>	<b>33.59</b>

#### 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)

<b>Interest rate risk</b>	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).
<b>Liquidity risk</b>	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.
<b>Salary escalation risk</b>	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.
<b>Demographic risk</b>	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.
<b>Regulatory risk</b>	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	Gratuity as at 31 March 2024	Gratuity as at 31 March 2023
<b>Net Employee benefit expense recognised in the employee cost in statement of profit &amp; loss account</b>		
Current service cost	1.18	1.10
Interest cost on benefit obligation	0.28	0.20
Past Service Cost		
Expected return on plan assets		
<b>Sub Total</b>	<b>1.46</b>	<b>1.30</b>
<b>Recognised in Other Comprehensive Income</b>		
Net actuarial (gain)/loss recognised in the year on plan obligations	3.49	-0.42
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss		
Effect of Balance Sheet asset limit		
<b>Sub Total</b>	<b>3.49</b>	<b>-0.42</b>
<b>Net benefit expense recognised in Statement of Profit &amp; Loss</b>	<b>4.95</b>	<b>0.87</b>
<b>Balance Sheet</b>		
<b>Benefit asset / liability</b>		
Present value of defined benefit obligation	8.78	3.82
Fair value of plan assets	-	-
<b>Assets / (Liability) recognised in the balance sheet</b>	<b>8.78</b>	<b>3.82</b>
<b>Change in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	3.82	2.95
Interest Cost	0.28	0.20
Current Service Cost	1.18	1.10
Actuarial (gain)/loss on obligation	3.49	(0.42)
Acquisition Adjustments	-	-
<b>Present Value of defined Benefit Obligation at the end of the period</b>	<b>8.77</b>	<b>3.82</b>
<b>Bifurcation of Present Value of Obligation at the end of the year</b>		
Current Liability (Short term)	0.10	0.22
Non-Current Liability (Long term)	8.68	3.61

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	Gratuity as at 31 March 2024	Gratuity as at 31 March 2023
<b>Present Value of Obligation</b>	<b>8.78</b>	<b>3.82</b>
<b>Change in the fair value of plan assets</b>		
Opening fair value of plan assets	-	-
Contributions by employer	-	-
Investment Income	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expenses	-	-
<b>Closing fair value of plan assets</b>	<b>-</b>	<b>-</b>
<b>Assumptions</b>		
Discount Rate (% p.a)	7.00%	7.27%
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	28.54%	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, 2024	8.78	(8.78)	(3.27)	(0.22)	-

### Sensitivity analysis of the defined benefit obligation

Assumptions	Discount Rate		Salary Growth Rate	
	+50 basis point	-50 basis point	+50 basis point	-50 basis point
Sensitivity Level				
0.50% movement	7.50%	6.50%	6.50%	
Increase/(decrease) in defined benefit Obligation	3.75	3.90	3.91	3.74
Increase/(decrease) in Current Service Cost	1.16	1.21	1.21	1.16

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Compensated absences</b>		
Charge in the Statement of Profit and Loss	15.65	12.85
Liability as at the year end	1.80	1.80
<b>Actuarial assumptions</b>		
Discount rate	7.27%	7.27%
Salary escalation	6.00%	6.00%
Retirement age	60 Yrs	60 Yrs
Attrition rate	28.54%	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	2023-24	2022-23
<b>i) Change in Present Value of Obligations :</b>		
Present Value of Obligation (PVO) as at the beginning of the year	1,48,142	1,16,494
Current Service Cost	7,461	6,139
Interest Cost	10,184	8,551
Past service cost	-	-
Benefits paid *	(13,776)	-
<b>Actuarial (gains) / Losses recognised in other comprehensive income</b>		
Changes in financial assumptions on plan liability - loss / (gains)	15,967	3,466
Experience adjustments on plan liability - loss / (gains)	(10,875)	13,492
Impact on Change in Demographic assumption on Plan liabilities - loss / (gains)	-	-
<b>Present Value of Obligation as at the end of the period</b>	<b>1,57,103</b>	<b>1,48,142</b>
<b>ii) Change in Fair Value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	1,22,761	-
Expected return on plan assets	9,269	7,647
Direct Contributions to meet direct benefit payment	-	-
Benefit paid *	(13,776)	-
Actuarial gain / (loss) on plan Assets recognised in other comprehensive income	1	(1,379)
Contribution to plan assets	25,381	1,16,493
<b>Fair value of plan assets at the end of the period</b>	<b>1,43,636</b>	<b>1,22,761</b>
<b>Defined benefit (Asset) / liability</b>	<b>13,467</b>	<b>25,381</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	<b>-</b>	<b>-</b>
<b>Effects of asset ceiling - As at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Net defined benefit (asset) / liability</b>	<b>13,467</b>	<b>25,381</b>
<b>iii) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Current Service cost	7,461	6,139
Net Interest on net defined benefit obligation	915	904
Past service cost	-	-
<b>Net Expenses Recognised in the Statement of Profit &amp; Loss</b>	<b>8,376</b>	<b>7,043</b>
<b>iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :</b>		
Actuarial (gain)/loss on plan Obligations	5,092	16,958
Difference between Actual Return and expected Interest on Plan Assets (gain)/loss	(1)	1,379
<b>Amounts recognised in the statement of Other Comprehensive Income</b>	<b>5,092</b>	<b>18,337</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
<b>v) Amounts recognised in Balance Sheet :</b>		
Present Value of Obligation as at the end of the period	1,57,103	1,48,142
Fair Value of Plan Assets at the end of the period	1,43,636	1,22,761
<b>Funded Status [ (Surplus) / Deficit ]</b>	<b>13,467</b>	<b>25,381</b>
<b>Effects of asset ceiling - As at the beginning of the year</b>	-	-
<b>Effects of asset ceiling - As at the end of the year</b>	-	-
<b>Liability / (Asset) for the year as on 31 March as per Balance Sheet</b>	<b>13,467</b>	<b>25,381</b>
<b>vi) Plan Assets</b>		
<b>Categories of Plan Assets are as follows:</b>		
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%
<b>vii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Medical inflation rate	7.00%	7.00%
Attrition Rate	1.50%	1.50%
<b>viii) Best Estimate of Contribution to be paid :</b>		
The best estimate of contribution to be paid towards BERECHS during the annual period beginning after the Balance Sheet is ₹ 13,467 (₹ 25,381).		
<b>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 :</b>		
Effect on the aggregate of the service cost and interest cost	2,029	1,862
Effect on the defined benefit obligation	16,586	14,925
<b>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:</b>		
Effect on the aggregate of the service cost and interest cost	(1,749)	(1,606)
Effect on the defined benefit obligation	(14,292)	(12,872)
<b>x) Sensitivity Analysis :</b>		
Discount Rate (0.50% movement) increase	7.47	7.71
Increase/(decrease) Defined benefit Obligation as at the end of the period	(8,673)	(7,748)
Discount Rate (0.50% movement) decrease	6.47	6.71
Increase/(decrease) Defined benefit Obligation as at the end of the period	9,613	8,574
Medical Inflation Rate (0.50% movement) increase	7.50	7.50
Increase/(decrease) Defined benefit Obligation as at the end of the period	7,980	7,183
Medical Inflation Rate (0.50% movement) decrease	6.50	6.50
Increase/(decrease) Defined benefit Obligation as at the end of the period	(7,407)	(6,670)

## Consolidated Notes to Accounts

(₹ in Lakhs)

### 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 BERECHS defined benefit obligation is given below:

Year	As at 31 March 2024	As at 31 March 2023
Year 1	8,595	6,892
Year 2	9,050	7,207
Year 3	9,705	7,520
Year 4	10,257	7,990
Year 5	10,793	8,430
Next 5 years	61,325	49,557

\* Sum of ₹ 891 (₹6,564) 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	2023-24	2022-23
<b>i) Change in Present Value of Benefit Obligations :</b>		
Present Value of Obligation as at the beginning of the year	3,91,192	3,62,025
Current Service Cost	13,305	12,092
Interest Cost	28,062	26,203
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Actuarial (gain) / Loss	7,902	12,561
Benefits paid / payable	(74,639)	(75,564)
Contributions	57,908	53,875
<b>Present Value of Obligation as at the end of the period</b>	<b>4,23,730</b>	<b>3,91,192</b>
<b>ii) Change in Fair Value of plan assets :</b>		
Fair value of plan assets at the beginning of the year	3,88,629	3,70,216
Expected return on plan assets	27,878	26,804
Contributions *	70,674	65,495
Benefit paid	(74,639)	(75,564)
Actuarial gain / (loss) on Plan Assets	6,779	1,678
<b>Fair value of plan assets at the end of the period</b>	<b>4,19,321</b>	<b>3,88,629</b>



## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	2023-24	2022-23
<b>iii) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Opening Net Liability	-	-
Current Service cost	13,305	12,092
Interest Cost	28,062	26,203
Expected return on Plan Assets	(27,877)	(26,804)
Net Actuarial (gain) / loss recognised in the period	-	-
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
<b>Expenses Recognised in the Statement of Profit &amp; Loss</b>	<b>13,490</b>	<b>11,491</b>
<b>iv) Amounts recognised in Balance Sheet :</b>		
Present Value of Obligation as at the end of the period	4,23,730	3,91,192
Fair Value of Plan Assets at the end of the period	4,19,321	3,88,629
Effect of Balance Sheet asset limit	-	-
<b>Difference</b>	<b>4,409</b>	<b>2,563</b>
Unrecognised Actuarial (gains) / losses	-	-
<b>Liability recognised in Balance Sheet</b>	<b>4,409</b>	<b>2,563</b>
<b>v) Amount for the Current Period :</b>		
Present Value of Obligation	4,23,730	3,91,192
Plan Assets	4,19,321	3,88,629
Effect of Balance Sheet asset limit	-	-
Surplus/ (Deficit)	(4,409)	(2,563)
Experience Adjustments on Plan liabilities - (Loss) / Gain	(7,763)	(13,287)
Experience Adjustments on Plan Assets - (Loss) / Gain	6,779	1,678
<b>vi) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements) :</b>		
Actuarial (gain)/loss on Plan Obligations	7,902	12,561
Difference between Actual Return and Interest Income on Plan Assets - (gain) / loss	(6,779)	(1,678)
Effect of Balance Sheet asset limit	3,286	(8,320)
Amounts recognised in the statement of Other Comprehensive Income	4,409	2,563
<b>vii) Category of Assets as at March 31 :</b>		
Government of India Securities & State Government Securities	52.82%/56.16%	53.60%/57.64%
High Quality Corporate Bonds	30.61%/27.72%	33.10%/26.14%
Mutual Funds	3.73%/3.18%	2.70%/2.49%
Others	10.22%/8.83%	7.68%/9.10%
Recoverable from Enterprise **	2.62%/4.11%	2.92%/4.63%
<b>Total</b>	<b>100%/100%</b>	<b>100%/100%</b>
<b>vii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Salary escalation rate	7.00%	7.00%
Expected rate of Return on Plan Assets	7.98%/8.12%	7.96%/8.16%

\*Note; Include ₹94 (₹258) towards interest shortfall of the provident fund Trust for the current year and provided.

\*\* Note : The unsecured / secured (principal) portion of the investment which amounts to ₹ 13,326 (₹ 13,601) 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	2023-24	2022-23
<b>i) Expenses Recognised in the Statement of Profit &amp; Loss :</b>		
Net Expenses Recognised in the Statement of Profit & Loss [2023-24 Leave Encashed : ₹2,106, Provisions : ₹7,133] [2022-23 Leave Encashed : ₹1,925, Provisions : ₹5,027]	9,239	6,952
<b>ii) Amounts to be recognised in Balance Sheet :</b>		
Liability recognised in Balance Sheet [As per Actuarial Valuation]	53,577	46,443
<b>iii) Actuarial Assumptions :</b>		
Discount Rate	6.97%	7.21%
Rate of increase in compensation level	7.00%	7.00%
<b>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.</b>		
Current leave obligations expected to be settled within the next 12 months	7,114	5,488
Leave obligations expected to be settled beyond 12 months	46,463	40,955
<b>Total</b>	<b>53,577</b>	<b>46,443</b>

### Long Term Compensated Absence (in respect of Subsidiary Company - 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 ₹ 632/- Lakhs as on 31.03.2024 (Previous Year ₹ 578/- Lakhs). The actuarial valuation has been done using PUC method.

Particulars	2023-24	2022-23
Retirement Age	58 Years	58 Years
Attrition Rate	2%	2%
Future Salary Rise	10.50%	10.50%
Rate of Discounting	7.20%	6.98%
Mortality Table	Indian Assured Lives Mortality (2006-08)	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	2023-24	2022-23
Current Liability	19	15
Non Current Liability	613	563
<b>Total</b>	<b>632</b>	<b>578</b>

### 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. 99.47% (99.49%) of the plan assets backing this plan are insurer managed assets and 0.52% (0.50%) 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 2024	As at 31 March 2023
<b>Non Current</b>		
Deferred revenue - customer grants	-	-
<b>Sub Total (A)</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>Contract liability</b>		
- Customer advance received	15,89,105	14,82,298
- Deferred revenue	12,455	14,672
Statutory liabilities	24,312	27,054
Others	3,112	5,882
<b>Sub Total (B)</b>	<b>16,28,984</b>	<b>15,29,906</b>
<b>Total (A+B)</b>	<b>16,28,984</b>	<b>15,29,906</b>

#### i. Contract Liability

Revenue recognised during the period is ₹ 5,60,142 (₹ 5,70,510) 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 2024	For the year ended 31 March 2023
Sale of products	17,90,303	15,66,295
Income from services	2,00,246	1,74,123
Revenue from contracts from customers	<b>19,90,549</b>	<b>17,40,418</b>
<b>Other operating revenue</b>		
Sale of scrap	1,057	500
Transport receipts	297	312
Rent receipts	739	658
Canteen receipts	1,769	1,469
Electricity charges collected	238	238
Water charges collected	63	54
Provisions withdrawn		
- Performance warranty	-	357
- Doubtful debts, Liquidated Damages	4,704	8,794
- Inventory	3,703	2,873
- Loans & advances	125	425
	<b>8,532</b>	<b>12,449</b>
Government grants including duty drawback	2,497	2,175
LD recovered from vendors	16,260	13,320
Miscellaneous	4,823	1,851
<b>Total other operating revenue</b>	<b>36,275</b>	<b>33,026</b>
<b>Total revenue from operations</b>	<b>20,26,824</b>	<b>17,73,444</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

### (i) 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
<b>Total</b>	<b>16,03,964</b>	<b>2,64,534</b>	<b>42,810</b>	<b>79,241</b>	<b>19,90,549</b>

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).

### Disaggregation of revenue recognised against contracts with customers (2022-23)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Product	13,75,936	1,23,316	27,624	39,419	15,66,295
Income from Services	1,35,204	33,828	637	4,453	1,74,123
<b>Total</b>	<b>15,11,140</b>	<b>1,57,144</b>	<b>28,261</b>	<b>43,872</b>	<b>17,40,418</b>

Out of above Group's Export sales, ₹ 39,455 pertains to Parent company. In addition to this GE-BE Pvt Ltd has exports of ₹ 1,44,640 (value not included above).

### (ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price.

Particulars	2023-24	2022-23
<b>Revenue as per Statement of Profit and Loss Account</b>		
Sale of Product	17,90,303	15,66,295
Income from Services	2,00,246	1,74,123
<b>Total (a)</b>	<b>19,90,549</b>	<b>17,40,418</b>
<b>Add / (Less) adjustment to contract price</b>		
Foreign exchange variation claim	(38,745)	(42,001)
Price revision	915	-
Discount, rebate offered	22	39
Others	(4,979)	(5,492)
<b>Total adjustment (b)</b>	<b>(42,787)</b>	<b>(47,452)</b>
<b>Contract price (a+b)</b>	<b>19,47,762</b>	<b>16,92,966</b>

### Satisfaction of performance obligation

- 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.
- 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)

- 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.
- 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.
- The Group turnover mainly includes supply of defence electronics equipments and systems.
- Contract entered into with customer, typically do not have a return / refund clause.
- Warranties provided are primarily in the nature of performance warranty.
- 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.
- 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 equipments, 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.
- 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
- 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.
- 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 ₹ 29,219 (₹ 76,411). Out of the above the Value of Ex-works Sales is ₹ 807 (₹ 10,008).



## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 24 - Other Income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on term deposits	57,195	26,088
Interest income from staff / IT refund / others	1,530	250
Profit on sale of property, plant & equipments	702	152
Foreign exchange differential gain	5,234	637
Rental income - Investment property	151	194
Gain / (loss) on mutual funds	1,939	587
Miscellaneous (Net of expenses)	263	172
	<b>67,014</b>	<b>28,080</b>

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 2024	For the year ended 31 March 2023
<b>Work-in-progress:</b>		
Closing Inventory	2,65,150	1,96,287
Opening Inventory	1,96,287	1,70,163
	(68,863)	(26,124)
<b>Finished goods:</b>		
Closing Inventory	24,514	37,007
Opening Inventory	37,007	24,248
	12,493	(12,759)
<b>Scrap:</b>		
Closing Inventory	509	551
Opening Inventory	551	236
	42	(315)
	<b>(56,328)</b>	<b>(39,198)</b>
Less: Unrealised Profit on Stock	(156)	130
	<b>(56,172)</b>	<b>(39,328)</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 26 - Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus / ex-gratia	2,04,017	1,86,704
<b>Retirement benefit expenses</b>		
Gratuity	1,411	1,218
Contribution to provident and pension funds	13,390	12,798
Management contribution to BEL superannuation (Pension) scheme	6,239	6,069
Provision for BEL retired employees' contributory health scheme	8,376	7,043
	<b>29,416</b>	<b>27,128</b>
Welfare expenses	15,516	17,902
	<b>2,48,949</b>	<b>2,31,734</b>

Refer Note 31 for Remuneration to Key Managerial Personnel.

Refer Note 21 (A) (iii), accordingly a provision of ₹ 275 was reversed during the year 2023-24 and provision made of ₹ 5,050 during the year 2022-23.

### Note 27 - Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Interest expenses</b>		
Interest on dues to Micro & Small Enterprises	12	(1)
Interest on income tax	6	1
Interest expense on lease liability	421	370
Other interest expenses	247	1,088
	<b>686</b>	<b>1,458</b>
<b>Other borrowing cost</b>		
Loan processing charges	28	37
	<b>714</b>	<b>1,495</b>

### Note 28 - Depreciation / amortisation

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation / amortisation on property, plant & equipment	39,333	39,180
Depreciation on investment property	-	1
Amortisation on other intangible assets	4,398	3,187
Depreciation / amortisation on right of use assets	589	514
	<b>44,320</b>	<b>42,882</b>

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Note 29 - Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel *	5,142	4,281
Water charges	579	400
Royalty & technical assistance	328	964
Rent	1,656	1,683
Rates & taxes	1,184	843
Insurance	2,464	2,770
<b>Auditors remuneration</b>		
Audit fees	49	37
Tax audit fees	6	6
Other services (Certification fees)	16	10
Reimbursement of expenses	10	9
	<b>81</b>	<b>62</b>
Cost audit fee	4	4
Repairs & maintenance		
Buildings	3,735	2,521
Plant & machinery	2,006	1,759
Others	12,277	10,428
	<b>18,018</b>	<b>14,708</b>
Bank charges	492	388
Printing and stationery	313	358
Advertisement & publicity	1,327	1,768
Travelling expenses	18,333	12,962
Hiring charges for van & taxis	1,661	1,489
Packing & forwarding	2,643	2,541
Bad debts & advances written off	16,602	5,855
Less: Charged to provisions	(16,602)	(5,855)
	-	-
Provision for obsolete / redundant materials	10,938	20,594
Provisions for doubtful debts, liquidated damages, customers' claims and disallowances	87,822	46,330
Provision for doubtful advances, claims	2,038	165
Provision for performance warranty (net) **	16,852	3,572
Provision - Onerous Contract (net) **	3,132	1,844
Write off of raw materials, stores & components due to obsolescence and redundancy	1,447	3,519
Less: Charged to provisions	(1,447)	(3,436)
	-	<b>83</b>
Provision others ***	2	4,180
Provision for Intangible asset under development	9,666	544
Intangible asset Under Development charged off	-	1,950

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Corporate social responsibility	6,312	5,496
<b>Others</b>		
Other Misc Direct Expenditure ****	17,866	14,458
After Sales Service	339	462
Telephones	1,013	1,094
Expenditure on Seminars & Courses	530	759
Other Selling Expenses	1,519	127
Miscellaneous	6,647	6,247
	<b>27,914</b>	<b>23,147</b>
	<b>2,18,901</b>	<b>1,53,126</b>
Less: Expenditure allocated to capital jobs	(3,299)	(2,760)
	<b>2,15,602</b>	<b>1,50,366</b>

\* Power expenditure incurred during the year is after netting off Wind Energy Generation of ₹ 1,538 (₹ 1,737).

\*\* Refer note 21.

\*\*\* Contract Cost which was provided during 2022-23 to the extent of ₹ 4,180 has been written off during the year 2023-24.

\*\*\*\* Includes expenses towards outsourcing of production area.

### Note 30 - General Notes to Accounts

#### 1 Earnings per Equity Share

Particulars	2023-24	2022-23
<b>a From continuing operations</b>		
Basic earnings per share (₹)	5.45	4.09
Diluted earnings per share (₹)	5.45	4.09
<b>b</b> Amounts used as the numerators in calculating basic and diluted earnings per share	3,98,452	2,98,624
<b>c</b> Number of Shares used in computing earnings per share	730,97,78,829	730,97,78,829

#### 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, Bangalore (Share Holding 74%), and un-audited financial statements of Associate Company viz., GE BE Private Limited, Bangalore (Share Holding 26%). 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 unrealized 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 Associate GE BE Pvt Ltd, consolidation has been done on equity method basis. The financial statements of the subsidiaries and Associate are drawn upto the same reporting date as that of the Parent Company.

Another associate company, Defence Innovation Organisation (DIO), 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 Company GE - BE Private Limited, the financial statements considered for Group's Consolidation for FY 2023-24 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 ₹ 17,003 (₹ 7,882) is provided as provision for impairment as on Balance Sheet date. During the year an amount of ₹ 9,666 (₹ 545) 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 March 2024 is 8.20% p.a. (8.10% p.a.)].
- c The amount utilised is repayable on demand. Utilisation as on 31 March 2024 is Nil (Nil).
- d The above sanction limit is secured by hypothecation of Current Assets of the parent company (refer Note 35).

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 8.70% (7.10%) p.a.[SBI].

## Consolidated Notes to Accounts

(₹ in Lakhs)

### 9 Contractual Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
A. Estimated amount of contracts remaining to be executed on Capital Account and not provided as on 31 March		
Property, Plant & Equipments (Net of Advance)	78,163	71,359
Investment Property	-	-
Other Intangible Assets	6,804	5,481
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 2024	As at 31 March 2023
<b>Claims not acknowledged as debts</b>		
i. Statutory Dues		
a. Direct Taxes (Income taxes)	4,664	4,675
b. Indirect Taxes (Service tax, Excise Duty, Custom Duty and GST)	7,114	8,223
ii. Arbitration (Vendor, Customer and Others )	1,46,795	1,16,231
iii. Outstanding Letters of Credit	1,26,019	63,409
iv. Provisional Liquidated Damages upto 31 March on unexecuted customer orders where the delivery date has expired	76,604	46,242

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 2024	As at 31 March 2023
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 2024	As at 31 March 2023
Not later than one year	61	62
Later than one year and not later than five years	265	316
Later than five years.	2,645	2,715



## Consolidated Notes to Accounts

(₹ in Lakhs)

The company has Leased out few portions of Land to different organizations 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 Group has leases that were classified as finance lease applying Ind AS 17, for such leases the carrying amount of the right of use asset at the date of initial application of Ind AS 116 is the carrying amount of the lease on the transition date as measured applying Ind AS 17. Accordingly an amount of ₹ 1,293 [ Parent Company ₹ 1,275 and BELOP ₹ 18] has been reclassified from Property, Plant and Equipment to right of use assets.

On transition, the company recognises right of use asset representing its right to use the underlying asset for the unexpired lease period.

The right of use asset is recognised at :

- The carrying amount of prepaid rent when no future lease payments are payable, or
- At the carrying amount and discounted at incremental borrowing rate. Accordingly right of use asset is ₹ 365 and Corresponding lease liability ₹ 365 has been recognised. On application of Ind AS 116 in respect of these assets, nature of expenses has been reclassified from lease rent to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The above lease contracts, entered by company pertains to land taken on lease for generation of power and buildings for business purposes. The company has restriction with respect to disposal of these assets.

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 31.03.2024.

### 16 Dividend not recognised at the end of the reporting period [parent company]

The directors have recommended a final dividend of INR 0.80 (INR 0.60) [represents absolute figure] per share.

The proposed dividend is subject to approval of shareholders in the ensuing Annual General Meeting and if approved would result in cash outflow of approximately of ₹ 58,478 (₹ 43,859).

## Consolidated Notes to Accounts

(₹ in Lakhs)

### 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 31.03.2024	76,16,127	33,62,902	19,38,658	9,73,119	13,41,448
Unexecuted order value as on 31.03.2023	60,84,656	23,18,590	19,13,415	11,43,475	7,09,176

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.

### 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 2024	As at 31 March 2023
ABSOLUTE TRADING PVT. LTD.	Trade payable	-	33,203	33,203
Aircomfort Engineers Private Limited	Trade payable	-	32,253	32,253
Arctic India Sales Private Limited	Trade payable	-	1,10,520	1,10,520
Bergen Associates Private Limited	Trade payable	-	60,010	-
Bigtech Software Private Limited	Trade payable	-	68,759	1,34,436
Chawla Health Care Private Limited	Trade payable	-	40,184	90,473
Chawla Health Care Private Limited	Security Deposit received	-	4,87,435	4,87,435
Compu lease Networks Private Limited	Trade payable	-	13,44,917	13,44,917
El Camino Technologies Private Limited	Trade payable	-	19,500	19,500
Exigent Solutions Private Limited	Advance paid	-	19,50,934	19,50,934
Exigent Solutions Private Limited	Trade Payable	-	19,50,934	72,632
FAIRDEAL MOTORS & WORKSHOP PVT LTD.	Trade payable	-	14,655	-
GILARD ELECTRONICS PVT. LTD.	Trade payable	-	25	1,17,724
H.M BROTHERS LTD.	Recoverable from Vendor	-	38,586	38,586
HEIDELBERG INDIA PRIVATE LIMITED	Trade payable	-	76,459	-
Hema Enterprises Private Limited	Advance Received	-	16,815	-
Innowire Technologies Private Limited	Trade payable	-	4,98,550	4,98,550
Kaptron Private Limited	Trade payable	-	1,26,000	1,26,000
M S Enterprise Private Limited	Advance Received	-	-	399
Ravi Thermal Engineers Pvt Ltd	Trade payable	-	48,960	6,480
REETHIS DIGITAL MEDIA PVT. LTD.	Trade payable	-	70,335	70,335
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	-

## Consolidated 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 2024	As at 31 March 2023
S.B.S. Technocarts & Engineers Private Limited	Trade payable	-	2,71,192	-
Sharp products Private Limited	Advance Received	-	28,932	28,932
Solastek Network Systems Private Limited	Trade payable	-	11,02,839	11,02,839
Star Informatics Private Limited	Security Deposit received	-	1,50,450	1,50,450
STAR WIRE INDIA LIMITED	Trade payable	-	23,38,666	65,08,835
Sumitron Exports Private Limited	Trade payable	-	25,939	25,939
Swathi Airconditioning Private Limited	Security Deposit received	-	6,251	6,251
Value Point IT Services Private Limited	Security Deposit received	-	2,000	-
Value Point IT Services Private Limited	Trade payable	-	1,971	-
VEERAN ENGINEERS	Security Deposit received	-	4,74,942	4,74,942
D R Shares Private Limited	Shareholders	-	9,900	9,900
Garg Capital & Stock Private Limited	Shareholders	-	9,900	9,900
Satidham Industries Private Limited	Shareholders	-	30,000	-
Tangmarg Investment and Trading Pvt Ltd	Shareholders	-	7,540	7,540

- c The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (RoC) beyond the statutory period.
- d The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e 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.
- f 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.
- g The Group has not 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)

## Consolidated Notes to Accounts

(₹ in Lakhs)

- 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 ₹ 27 (₹ 26) 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 Figures in brackets relate to previous years.
- 23 All figures in the consolidated financial statement are rounded off to nearest Lakhs unless otherwise mentioned.
- 24 The consolidated Ind AS financial statements were approved for issue on 20 May 2024 by the Board of Directors.

### 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 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	
GE BE Private Limited	India	26%	26%	-	-	Manufacturing of Medical Equipments.
Defence Innovation Organisation	India	50%	50%	50%	50%	Carrying out Defence related Research and Developmental activities.

#### b. Key Management Personnel's Details

##### i. Name of Key Management Personnel's

Mr Bhanu Prakash Srivastava, Director (Other Units) from 20.04.2022, Additional Charge as Chairman & Managing Director from 01.11.2022 and Director (Marketing) from 01.11.2022 till 15.06.2023.

Mr Manoj Jain, Director (Research & Development) from 26.09.2022, Additional charge as Director (BG Complex) from 01.08.2023 and Additional Charge as Director (Human Resources) from 01.11.2022 till 31.05.2023.

Mr Damodar Bhattad S, Director (Finance) & CFO from 11.01.2023

Mr Vikraman N, Director (Human Resources) from 01.06.2023

Mr K V Suresh Kumar, Director (Marketing) from 16.06.2023

Mr Vinay Kumar Katyal, Director (BG Complex) till 31.07.2023, Additional charge as Director (Finance) from 01.11.2022 to 10.01.2023.

## Consolidated Notes to Accounts

(₹ in Lakhs)

Mr Dinesh Kumar Batra, Director (Finance) & CFO upto 31.10.2022, Additional Charge as Chairman & Managing Director from 01.09.2022 upto 31.10.2022, Director (Marketing) and Director (Human Resources) from 01.09.2022 to 31.10.2022.

Mrs Anandi Ramalingam, Director (Marketing), Additional Charge as Chairman & Managing Director from 01.07.2021 upto 31.08.2022

Mr Rajasekhar M V, Director (Research & Development) upto 31.08.2022

Mr S Sreenivas, Company Secretary

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

Mrs Priya S Iyer, Company Secretary - BELOP Additional Charge as CFO from 05.02.2024

Mr Narasimha Prasad K, CEO - BEL THALES Systems upto 29.02.2024.

Mr Nikhil Kumar Jain, CEO - BEL THALES Systems from 01.03.2024.

Mr Amresh Kumar Jha, CFO - BEL THALES Systems

Ms Kirti Sewani, Company Secretary - BEL THALES Systems

### ii. Compensation to Key Management Personnels

Particulars	Contribution by the company	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Short term employee benefits	557	495
Post employment benefits	48	45
Long term employee benefits	22	74
Termination benefits	-	-
Share based payment	-	-
<b>Total</b>	<b>627</b>	<b>614</b>

### c. Post Employment Benefit Plans [Parent Company].

Particulars	Contribution by the company	
	For the year ended 31 March 2024	For the year ended 31 March 2023
BEL Provident Fund Trust	12,380	11,598
BEL Gratuity Trust Fund	275	-
Bharat Electronics Limited Superannuation (Pension) Trust	6,208	6,040
Bharat Electronics Limited Retired Employees Medical Trust (BREMT)*	25,381	1,16,493

\*Refer note 21 (A) (ii) in respect to BREMT.

## Consolidated Notes to Accounts

(₹ in Lakhs)

### d. The transactions with Related Parties other than Key Management Personnel are as follows (Previous Year figures are shown in brackets) :-

Particulars	Contribution by the company	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of Goods	2,271	-
	(2,240)	-
Trade Receivables Outstanding as on 31.03.2024	730	-
	(515)	-
Investment in Equity as on 31.03.2024	260	1
	(260)	(1)
Contribution Outstanding as on 31.03.2024	-	4,000
	-	(4,000)

e. All transactions dealt with related parties are on arm's length basis.

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 :-

Nil (249,19,47,956) number of Bonus Shares were issued.

An amount of ₹ 74,765 (₹ 63,546) was paid as Dividend during the FY 2023-24.

In addition to the above, around 94% (96%) of the Company's Turnover, around 93% (97%) of Trade Receivables and around 98% (99%) 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.

### Note 32 - Interest in Other Entities

#### a. Subsidiaries

Name of the entity	Place of Business / Place of Incorporation	Ownership interest held by the parent company		Ownership interest held by the non controlling interests		Principal Activities
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	
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 2024	As at 31 March 2023
<b>NCI percentage</b>	<b>26%</b>	<b>26%</b>
Non - Current assets	1,664	1,645
Current assets	7,389	6,307
<b>Total Assets</b>	<b>9,053</b>	<b>7,952</b>
Non - Current liabilities	11	5
Current liabilities	2,149	1,118
<b>Total liabilities</b>	<b>2,160</b>	<b>1,123</b>
<b>Net assets</b>	<b>6,893</b>	<b>6,829</b>
<b>Net assets attributable to NCI</b>	<b>1,792</b>	<b>1,775</b>

Summarised Statement of Profit & Loss	BEL - THALES Systems Ltd.	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue	10,080	8,005
Profit	277	700
Other comprehensive income (OCI)	(3)	-
<b>Total comprehensive income</b>	<b>274</b>	<b>700</b>
<b>Profit allocated to NCI</b>	<b>72</b>	<b>182</b>
OCI allocated to NCI	-	-
<b>Total comprehensive income allocated to NCI</b>	<b>72</b>	<b>182</b>

Summarised Cash Flows	BEL - THALES Systems Ltd.	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flows from Operating activities	806	1,296
Cash flows from Investing activities	(715)	(1,642)
Cash flows from Financing activities	(260)	(204)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(169)</b>	<b>(550)</b>

### 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 2024	As at 31 March 2023
GE BE Private Limited	India	26%	Associate	Equity Method	15,157	20,073
Defence Innovation Organisation	India	50%	Associate	#	1	1

# Represents investment made with Defence Innovation Organisation, a not for profit company 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 associate other than equity investment of INR 50,000 [represents absolute figure].

## Consolidated Notes to Accounts

(₹ in Lakhs)

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 2024 (Un-Audited)	As at 31 March 2023 (Audited)
<b>Non - Current assets</b>	25,642	25,567
<b>Current assets: -</b>		
Cash and Cash equivalents	9,622	17,669
Other assets	58,878	57,294
<b>Total Current assets</b>	<b>68,500</b>	<b>74,963</b>
<b>Total assets</b>	<b>94,142</b>	<b>1,00,530</b>
<b>Non - Current liabilities: -</b>		
Financial liabilities other than trade payables	41	31
Other liabilities	612	1,024
<b>Total Non - Current liabilities</b>	<b>653</b>	<b>1,055</b>
<b>Current liabilities: -</b>		
Financial liabilities other than trade payables	1,006	872
Other liabilities	34,169	21,362
<b>Total Current liabilities</b>	<b>35,175</b>	<b>22,234</b>
<b>Total liabilities</b>	<b>35,828</b>	<b>23,289</b>
<b>Net assets</b>	<b>58,314</b>	<b>77,241</b>
Less: unrealised profit on stock	(5)	(10)
<b>Company's share of Net assets</b>	<b>15,157</b>	<b>20,073</b>

Summarised Statement of Profit & Loss	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue	1,72,154	1,57,910
Interest Income	585	1,328
Depreciation and amortisation	3,795	3,707
Interest expense	37	44
Income tax expense	5,586	6,040
<b>Profit for the year</b>	<b>16,184</b>	<b>17,624</b>
Other comprehensive income	(111)	6
<b>Total comprehensive income</b>	<b>16,073</b>	<b>17,630</b>
Company's share of Profit	4,208	4,582
Unrealised profit on stock	5	7
Net company share of profit	4,213	4,589
Company's share of OCI	(29)	2
<b>Company's share of total comprehensive income</b>	<b>4,184</b>	<b>4,591</b>

The Parent Company has received Dividend of ₹ 9,100 (₹ 7,800) from its Associate (GE BE private limited).

## Consolidated Notes to Accounts

(₹ in Lakhs)

### Reconciliation to carrying amounts

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Opening net assets</b>	<b>20,073</b>	<b>23,293</b>
Profit for the year	4,208	4,589
Other comprehensive income	(29)	2
Unrealised profit on stock	5	(10)
Dividend paid	9,100	7,800
<b>Closing net assets</b>	<b>15,157</b>	<b>20,073</b>

### Commitments and Contingent Liabilities in respect of Associates: -

Particulars	GE BE Pvt. Ltd.	
	As at 31 March 2024	As at 31 March 2023
Capital Commitments	176	210
Other Commitments	-	-
Other Contingent Liabilities	523	756

Name of the Entity	Defence Innovation Organisation	
Place of Business / Place of Incorporation	India	
% of ownership interest	50%	
Relationship	Associate	
Carrying Amount	2023-24	1
	2022-23	1

### 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
<b>Parent :</b>									
Bharat Electronics Ltd.	2023-24	96.90%	15,83,786	98.45%	3,92,375	99.92%	(5,767)	98.43%	3,86,608
	2022-23	96.12%	13,33,915	98.01%	2,92,659	100.13%	(16,624)	97.88%	2,76,035
<b>Subsidiaries :</b>									
Indian									
BEL Optronics Devices Ltd. (BELOP)	2023-24	1.75%	28,603	0.42%	1,659	-0.42%	24	0.43%	1,683
	2022-23	1.95%	27,121	0.23%	676	-0.12%	20	0.25%	696
BEL - THALES Systems Ltd.	2023-24	0.31%	5,101	0.05%	205	-	-	0.05%	205
	2022-23	0.36%	5,054	0.17%	518	-	-	0.18%	518
<b>Non Controlling Interest in Subsidiary:</b>									
Indian									
BEL - THALES Systems Ltd.	2023-24	0.11%	1,792	0.02%	72	-	-	0.02%	72
	2022-23	0.13%	1,775	0.06%	182	-	-	0.06%	182
<b>Associates (investment as per the equity method) :</b>									
Indian									
GE BE Pvt. Ltd.	2023-24	0.93%	15,157	1.06%	4,213	0.50%	(29)	1.07%	4,184
	2022-23	1.45%	20,073	1.54%	4,589	-0.01%	2	1.63%	4,591
<b>Total</b>	<b>2023-24</b>	<b>100%</b>	<b>16,34,439</b>	<b>100%</b>	<b>3,98,524</b>	<b>100%</b>	<b>(5,772)</b>	<b>100%</b>	<b>3,92,752</b>
	2022-23	100%	13,87,938	100%	2,98,624	100%	(16,602)	100%	2,82,022

## 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 2024			As at 31 March 2023		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Assets measured at fair value</b>						
<b>I Investments</b>						
i Equity Instruments - Mana Effluent Pvt Ltd	-	16	-	-	15	-
ii Equity instruments - Defence Innovation Organisation	-	1	-	-	1	-
<b>iii Other Investments</b>						
a. Investment in Life Insurance Corporation (LIC) of India (towards Leave encashment & BERECHS)	53,049	-	-	44,910	-	-
<b>Sub Total</b>	<b>53,049</b>	<b>17</b>	<b>-</b>	<b>44,910</b>	<b>16</b>	<b>-</b>
<b>Financial Assets not measured at fair value</b>						
<b>II Trade Receivables</b>						
	-	-	7,39,238	-	-	7,03,348
<b>III Loans</b>						
a Loans to Employees	-	-	844	-	-	828
<b>IV Cash and cash equivalents</b>						
	-	-	1,20,632	-	-	3,94,569
<b>V Other Bank Balances</b>						
	-	-	9,85,027	-	-	4,16,589
<b>VI Other Financial Assets</b>						
a Security deposits	-	-	3,025	-	-	3,908
b Advance to Employees	-	-	177	-	-	166
c Advance to Others	-	-	3	-	-	3
d Receivables (other than Trade Receivables)	-	-	2,366	-	-	1,795
e Interest accrued on term deposits	-	-	16	-	-	5
f Bank deposits with more than 12 months maturity	-	-	566	-	-	260
g Interest accrued but not due on term deposits	-	-	15,049	-	-	2,114
h Other financial Assets	-	-	10,121	-	-	14,136
<b>Other Investments</b>						
a Investment in Co-operative societies, Housing Societies etc.*	-	-	-	-	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>18,77,064</b>	<b>-</b>	<b>-</b>	<b>15,37,721</b>
<b>Total</b>	<b>53,049</b>	<b>17</b>	<b>18,77,064</b>	<b>44,910</b>	<b>16</b>	<b>15,37,721</b>

\* INR 4750 (INR 4750) [represents absolute figure] which is rounded off.

## Consolidated Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2024			As at 31 March 2023		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial Liabilities measured at fair value</b>	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Financial Liabilities not measured at fair value</b>						
I Borrowings	-	-	-	-	-	-
II Trade Payables	-	-	3,70,631	-	-	3,33,075
III <b>Other Financial Liabilities</b>						
a Interest Accrued and due on Trade Payables	-	-	24	-	-	5
b Security Deposits including retention money	-	-	34,706	-	-	39,492
c Unpaid Matured Deposits	-	-	37	-	-	37
d Unpaid Dividend	-	-	288	-	-	246
e Non Trade Payables Dues to MSME	-	-	777	-	-	631
f Outstanding Expenses	-	-	81,999	-	-	71,007
g Non Trade payables - Others	-	-	12,384	-	-	16,296
h Interest Accrued and due - Term loan	-	-	-	-	-	-
i Other Lease liability	-	-	6,251	-	-	6,134
j Other Liabilities	-	-	1,979	-	-	1,782
<b>Total</b>	-	-	<b>5,09,076</b>	-	-	<b>4,68,705</b>

### 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 2024			As at 31 March 2023		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>I Financial Assets and Liabilities measured at Fair value – recurring fair value measurements</b>							
A Financial Assets							
i Financial Investments at FVPL	6	-	53,049	-	-	44,910	-
ii Financial Investments at FVOCI - Unquoted	6	-	-	17	-	-	16
<b>II Financial Assets and Liabilities which are measured at Amortised Cost</b>							
		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 USD, 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.



## Consolidated Notes to Accounts

(₹ in Lakhs)

The Parent Company's export proceeds are realized 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% (12%) 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 2024, 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 31.03.2024					As at 31.03.2023				
	USD	EURO	GBP	CHF	J Yen	USD	EURO	GBP	CHF	J Yen
Trade Payable	1,012	315	24	28	8	734	166	20	30	93
Trade Receivable / Contract Asset	559	41	-	-	-	234	18	-	-	-
<b>Net Exposure</b>	<b>453</b>	<b>274</b>	<b>24</b>	<b>28</b>	<b>8</b>	<b>500</b>	<b>148</b>	<b>20</b>	<b>30</b>	<b>93</b>

### 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 2024	As at 31 March 2023
USD – Increase by 5%	1,908	2,076
USD – Decrease by 5%	(1,908)	(2,076)
EURO – Increase by 5%	1,258	677
EURO – Decrease by 5%	(1,258)	(677)
GBP – Increase by 5%	128	102
GBP – Decrease by 5%	(128)	(102)
CHF – Increase by 5%	131	135
CHF – Decrease by 5%	(131)	(135)

### 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 2024 is Nil (31 March 2023 is Nil)]. The outstanding balance as on 31 March 2024 with respect to non fund based limit is ₹ 3,20,500 (₹ 2,37,600). 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.

## Consolidated Notes to Accounts

(₹ in Lakhs)

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 8.70% 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 2024 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).

### 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 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

As at 31 March 2023

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	2,66,818	47,675	18,422	123	37	-	3,33,075
Interest accrued and due on Trade Payables	5	-	-	-	-	-	5
Other Lease Liability	1,140	23	28	261	690	3,992	6,134
Other Financial Liabilities	96,178	2,774	29,445	997	97	-	1,29,491

The Group does not have any outstanding derivatives as on 31 March 2024.

## Consolidated Notes to Accounts

(₹ in Lakhs)

### 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 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 2024	As at 31 March 2023
Net Debt	-	-
Total Equity	16,32,647	13,86,163
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 2024	As at 31 March 2023
(i) Inventories	7,44,689	6,44,804
(ii) Trade Receivables	7,39,238	7,03,348
(iii) Cash & Cash Equivalents	1,20,631	3,94,568
(iv) Bank Balances [Other than (iii) above]	9,82,617	4,13,407
(v) Loans	141	172
(vi) Other Financial Assets	29,440	20,342
(vii) Other Current Assets	7,16,241	7,53,420
<b>Total current assets pledged as security</b>	<b>33,32,997</b>	<b>29,30,061</b>

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 31 March 2024, MCA has not notified any new Accounting Standards or Amendments to the existing Standards applicable to the company.

## 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

- 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 Consolidated 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".

## 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

- (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

## 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.

## Material Accounting Policies on Ind As Consolidated Financial Statements

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. 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

(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 Consolidated 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.

### 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 recognizes 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.

## Material Accounting Policies on Ind As Consolidated 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.

### 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.

## Material Accounting Policies on Ind As Consolidated Financial Statements

- a. Time barred dues from the government / government departments / government companies 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.

### 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

## Material Accounting Policies on Ind As Consolidated Financial Statements

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.

### 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.

As per our report of even date attached.

For **P G BHAGWAT LLP**,  
Chartered Accountants  
Firm Regn No. 101118W/W100682

**Abhijeet Bhagwat**  
Partner  
Membership No. 136835

Darjeeling  
20 May 2024

**Bhanu Prakash Srivastava**  
Chairman & Managing Director  
(Additional Charge)  
DIN : 09578183

**Damodar Bhattad S**  
Director (Finance) & CFO  
DIN : 09780732

**S Sreenivas**  
Company Secretary  
Membership No. : F4686

# Form AOC-I

## Part "A": Subsidiaries

Sl. No.	Particulars	BEL Optronics Devices Limited	BEL Thales Systems Limited
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	19,280	1,131
6	Total Assets	39,120	9,053
7	Total Liabilities	10,518	2,160
8	Investments	-	-
9	Turnover	12,645	9,368
10	Profit before taxation	2,324	466
11	Provision for taxation	665	189
12	Profit after taxation	1,659	277
13	Proposed Dividend	500	61
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

## Part "B": Associates and Joint Ventures

Sl. No.	Name of Associates	GE BE Private Limited	Defence Innovation Organisation
1	Latest audited Balance Sheet Date	31 March 2024	31 March 2024
2	Shares of Associate held by the company on the year end		
	No.	26,00,000	50
	Amount of Investment in Associate	260	1
	Extend of Holding %	26%	50%
3	Description of how there is significant influence	Voting Rights	Voting Rights
4	Reason why the Associate is not consolidated	Not applicable	*
5	Networth attributable to Shareholding as per latest audited Balance Sheet	15,162	-
6	Profit / Loss for the year		
	i. Considered in Consolidation	4,208	-
	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 **P G BHAGWAT LLP**,  
 Chartered Accountants  
 Firm Regn No. 101118W/W100682

**Bhanu Prakash Srivastava**  
 Chairman & Managing Director  
 (Additional Charge)  
 DIN : 09578183

**Damodar Bhattad S**  
 Director (Finance) & CFO  
 DIN : 09780732

**Abhijeet Bhagwat**  
 Partner  
 Membership No. 136835

**S Sreenivas**  
 Company Secretary  
 Membership No. : F4686

Darjeeling  
 20 May 2024





## **BHARAT ELECTRONICS LIMITED**

(A Government of India Enterprise  
under the Ministry of Defence)  
(CIN: L32309KA1954GOI000787)

## **Registered & Corporate Office**

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