



प्रतिष्ठा में/ To,
बीएसई लि. /BSE Ltd.,
फिरोज़ जीजीबाय टावर्स/
Phiroze Jeejeebhoy Towers
दलाल स्ट्रीट/Dalal Street
मुंबई/Mumbai – 400 001

सं .No. 17565/4/SE/MUMC/SEC
दिनांक / Date: 04.08.2023

महोदय / महोदया,
Dear Sir/Madam,

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

विषय: 69वीं वार्षिक आम बैठक की सूचना और एकीकृत वार्षिक रिपोर्ट 2022-23।

Sub: Notice of 69th Annual General Meeting and Integrated Annual Report 2022-23.

सेबी (एलओडीआर) विनियम, 2015 के विनियम 30 के संदर्भ में, आपको सूचित किया जाता है कि कंपनी की 69वीं वार्षिक सामान्य बैठक (एजीएम) सोमवार, **28 अगस्त, 2023** को सुबह **10.00** बजे (आईएसटी) वीडियो कॉन्फ्रेंसिंग ("वीसी") / अन्य श्रव्य-दृश्य माध्यम ("ओएवीएम") द्वारा आयोजित होगी।

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, we wish to inform that 69th Annual General Meeting (AGM) of the Company will be held on, **Monday, 28th August, 2023 at 10.00 A.M (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

सेबी (एलओडीआर) विनियम, 2015 के विनियम 34(1) के संदर्भ में, कृपया 69वीं वार्षिक आम बैठक की सूचना और वित्तीय वर्ष 2022-23 की एकीकृत वार्षिक रिपोर्ट (जिसमें कारोबारी उत्तरदायित्व और निर्वहनीयता रिपोर्ट शामिल है) एतद्वारा संलग्न पाएँ।

Pursuant to Regulation 34(1) of the SEBI (LODR) Regulations, 2015, please find enclosed herewith copy of Notice of 69th Annual General meeting and Integrated Annual Report for the financial year 2022-23 (which includes Business Responsibility & Sustainability Report).

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 69वीं वार्षिक सामान्य बैठक (एजीएम) सोमवार, दिनांक 28 अगस्त, 2023 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 2023 को समाप्त वित्तीय वर्ष हेतु कंपनी के लेखा परीक्षित वित्तीय विवरण और उन पर निदेशक मंडल और लेखा परीक्षकों की रिपोर्ट; और
 - 31 मार्च 2023 को समाप्त वित्तीय वर्ष हेतु कंपनी के लेखा परीक्षित समेकित वित्तीय विवरण और उन पर लेखा परीक्षकों की रिपोर्ट।
- वित्तीय वर्ष 2022-23 के लिए ₹ 1.20 (120%) प्रति इक्विटी शेयर के अंतरिम लाभांश के भुगतान को संपुष्ट करना और ₹ 1 प्रत्येक पूर्ण चुकता शेयर पर ₹ 0.60 (60%) प्रति इक्विटी शेयर का अंतिम लाभांश घोषित करना।
- श्री भानु प्रकाश श्रीवास्तव (डीआईएन-09578183) निदेशक (ओयू), जो चक्रानुक्रम से सेवानिवृत्त होते हैं और पात्र होने पर स्वयं को पुनःनियुक्ति के लिए प्रस्तुत करते हैं, के स्थान पर निदेशक की नियुक्ति करना।

विशेष कार्य-

- श्री नटराजन तिरुवेंकडम (डीआईएन-00396367) की 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 152 के प्रावधानों तथा अन्य लागू प्रावधान, यदि कोई हो, और उसके तहत बनाए गए नियमों (वर्तमान में लागू किसी सांविधिक संशोधनों या उसके पुनः

To

The Members of Bharat Electronics Limited

NOTICE IS HEREBY GIVEN THAT the 69th Annual General Meeting (the AGM) of the Members of Bharat Electronics Limited will be held on **Monday, 28 August 2023, 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 2023 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 2023 and the reports of Auditors thereon.
- To confirm the payment of interim dividend of ₹ 1.20 (120%) per equity share and to declare final dividend of ₹ 0.60 (60%) per equity share of ₹ 1 each fully paid up for the financial year 2022-23.
- To appoint a Director in place of **Mr Bhanu Prakash Srivastava** (DIN:09578183), Director (OU) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- Appointment of Mr Natarajan Thiruvankadam (DIN: 00396367) as Director.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under

अधिनियमन सहित) के तारतम्य में, श्री नटराजन तिरुवेकडम (डीआईएन-00396367), जिन्हें भारत सरकार द्वारा रक्षा मंत्रालय के पत्र सं. 8 (32)/ 2019- डी (कोऑर्ड/डीडीपी) दिनांक 23 दिसंबर 2022 द्वारा अंशकालिक सरकारी निदेशक नियुक्त किया गया और तदुपरांत जिन्हें निदेशक मंडल द्वारा कंपनी अधिनियम, 2013 की धारा 161 के संदर्भ में, इस वार्षिक सामान्य बैठक की तारीख तक पद धारित करने के लिए दिनांक 2 जनवरी 2023 से प्रभावी अपर निदेशक नियुक्त किया गया और जिनके संबंध में कंपनी ने एक सदस्य से कंपनी अधिनियम, 2013 की धारा 160 (1) के तहत आवश्यक जमा राशि के साथ लिखित में एक सूचना प्राप्त की है जिसमें श्री नटराजन तिरुवेकडम (डीआईएन- 00396367) को कंपनी के निदेशक पद के अभ्यर्थी के रूप में प्रस्ताव किया गया है, को कंपनी का निदेशक नियुक्त किया जाए और एतद्वारा निदेशक नियुक्त किया जाता है जो भारत सरकार द्वारा निर्दिष्ट निबंधन व शर्तों पर चक्रानुक्रम से सेवानिवृत्त नहीं होंगे।”

5. श्री दामोदर भट्टड एस (डीआईएन-09780732) की 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 152 के प्रावधानों तथा अन्य लागू प्रावधान, यदि कोई हो, और उसके तहत बनाए गए नियमों (वर्तमान में लागू किसी सांविधिक संशोधनों या उसके पुनः अधिनियमन सहित) के तारतम्य में, श्री दामोदर भट्टड एस (डीआईएन- 09780732), जिन्हें भारत सरकार द्वारा रक्षा मंत्रालय के पत्र सं, डीडीपी/ई0032/2/2022-डी(बीईएल) दिनांक 11 जनवरी, 2023 द्वारा निदेशक (वित्त) नियुक्त किया गया और तदुपरांत जिन्हें निदेशक मंडल द्वारा अपर निदेशक नियुक्त किया गया और कंपनी अधिनियम, 2013 की धारा 161 के संदर्भ में, इस वार्षिक सामान्य बैठक की तारीख तक पद धारित करने के लिए दिनांक 11 जनवरी 2023 से प्रभावी निदेशक (वित्त) पदनामित किया गया और जिनके संबंध में कंपनी ने एक सदस्य से कंपनी अधिनियम, 2013 की धारा 160 (1) के तहत आवश्यक जमा राशि के साथ लिखित में एक सूचना प्राप्त की है जिसमें श्री दामोदर भट्टड एस (डीआईएन- 09780732) को कंपनी के निदेशक पद के अभ्यर्थी के रूप में प्रस्ताव किया गया है, को कंपनी का निदेशक नियुक्त किया जाए और एतद्वारा निदेशक नियुक्त किया जाता है जो भारत सरकार द्वारा निर्दिष्ट निबंधन व शर्तों पर चक्रानुक्रम से सेवानिवृत्त नहीं होंगे।”

(including any statutory modification(s) or re-enactment thereof for the time being in force), Mr Natarajan Thiruvankadam (DIN: 00396367), who was appointed as Part-time Official Director by the Govt. of India vide Ministry of Defence letter no. 8 (32)/ 2019- D (Coord/DDP) dated 23 December 2022 and subsequently appointed by the Board of Directors as an Additional Director w.e.f 2 January 2023 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member along with the deposit of the requisite amount under Section 160 (1) of the Companies Act, 2013, signifying his intention to propose Mr Natarajan Thiruvankadam (DIN:00396367) as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company, not liable to retire by rotation, on terms and conditions as stipulated by the Government of India”.

5. Appointment of Mr Damodar Bhattad S (DIN: 09780732) as Director.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr Damodar Bhattad S (DIN: 09780732), who was appointed as Director (Finance) by the Govt. of India vide Ministry of Defence letter no. DDP-E0032/2/2022-D(BEL) dated 11 January 2023 and subsequently appointed by the Board of Directors as an Additional Director and designated as Director (Finance) w.e.f 11 January 2023 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member along with the deposit of the requisite amount under Section 160 (1) of the Companies Act, 2013, signifying his intention to propose Mr Damodar Bhattad S (DIN: 09780732) as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company, not liable to retire by rotation, on terms and conditions as stipulated by the Government of India”.

6. श्री विक्रमन एन (डीआईएन -10185349) की 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 152 के प्रावधानों तथा अन्य लागू प्रावधान, यदि कोई हो, और उसके तहत बनाए गए नियमों (वर्तमान में लागू किसी सांविधिक संशोधन या उसके पुनः अधिनियमन सहित) के तारतम्य में, श्री विक्रमन एन (डीआईएन-10185349), जिन्हें भारत सरकार द्वारा रक्षा मंत्रालय के पत्र सं, डीडीपी-ई0032/3/2020-डी(बीईएल) दिनांक 31 मई, 2023 द्वारा निदेशक (मानव संसाधन) नियुक्त किया गया और तदुपरांत जिन्हें निदेशक मंडल द्वारा अपर निदेशक नियुक्त किया गया और कंपनी अधिनियम, 2013 की धारा 161 के संदर्भ में, इस वार्षिक सामान्य बैठक की तारीख तक पद धारित करने के लिए दिनांक 1 जून 2023 से प्रभावी निदेशक (मानव संसाधन) पदनामित किया गया और जिनके संबंध में कंपनी ने एक सदस्य से कंपनी अधिनियम, 2013 की धारा 160 (1) के तहत आवश्यक जमा राशि के साथ लिखित में एक सूचना प्राप्त की है जिसमें श्री विक्रमन एन (डीआईएन- 10185349) को कंपनी के निदेशक पद के अभ्यर्थी के रूप में प्रस्ताव किया गया है, को कंपनी का निदेशक नियुक्त किया जाए और एतद्वारा निदेशक नियुक्त किया जाता है जो भारत सरकार द्वारा निर्दिष्ट निबंधन व शर्तों पर चक्रानुक्रम से सेवानिवृत्त होंगे।”

7. श्री के वी सुरेश कुमार (डीआईएन-10200827) की 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 152 के प्रावधानों तथा अन्य लागू प्रावधान, यदि कोई हो, और उसके तहत बनाए गए नियमों (वर्तमान में लागू किसी सांविधिक संशोधन या उसके पुनः अधिनियमन सहित) के तारतम्य में, श्री के वी सुरेश कुमार (डीआईएन-10200827), जिन्हें भारत सरकार द्वारा रक्षा मंत्रालय के पत्र सं, डीडीपी-ई0032/3/2022-डी(बीईएल) दिनांक 15 जून, 2023 द्वारा निदेशक (विपणन) नियुक्त किया गया और तदुपरांत जिन्हें निदेशक मंडल द्वारा अपर निदेशक नियुक्त किया गया और कंपनी अधिनियम, 2013 की धारा 161 के संदर्भ में, इस वार्षिक सामान्य बैठक की तारीख तक पद धारित करने के लिए दिनांक 16 जून 2023 से प्रभावी निदेशक (विपणन) पदनामित किया गया और जिनके संबंध में कंपनी ने एक सदस्य से कंपनी अधिनियम, 2013 की धारा 160 (1) के तहत आवश्यक जमा राशि के साथ लिखित में एक सूचना प्राप्त की है जिसमें श्री के वी सुरेश कुमार (डीआईएन- 10200827) को कंपनी के निदेशक पद के अभ्यर्थी के रूप में प्रस्ताव किया गया है, को कंपनी का निदेशक नियुक्त किया जाए और एतद्वारा निदेशक नियुक्त किया जाता है जो भारत सरकार द्वारा निर्दिष्ट निबंधन व शर्तों पर चक्रानुक्रम से सेवानिवृत्त होंगे।”

6. **Appointment of Mr Vikraman N (DIN: 10185349) as Director.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr Vikraman N (DIN: 10185349), who was appointed as Director (HR) by the Govt. of India vide Ministry of Defence letter no. DDP-E0032/3/2020-D(BEL) dated 31 May 2023 and subsequently appointed by the Board of Directors as an Additional Director and designated as Director (HR) w.e.f 01 June 2023 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member along with the deposit of the requisite amount under Section 160 (1) of the Companies Act, 2013, signifying his intention to propose Mr Vikraman N (DIN: 10185349) as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation, on terms and conditions as stipulated by the Government of India”.

7. **Appointment of Mr K V Suresh Kumar (DIN: 10200827) as Director.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr K V Suresh Kumar (DIN: 10200827), who was appointed as Director (Marketing) by the Govt. of India vide Ministry of Defence letter no. DDP-E0032/3/2022-D(BEL) dated 15 June 2023 and subsequently appointed by the Board of Directors as an Additional Director and designated as Director (Marketing) w.e.f 16 June 2023 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member along with the deposit of the requisite amount under Section 160 (1) of the Companies Act, 2013, signifying his intention to propose Mr K V Suresh Kumar (DIN: 10200827) as a candidate for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation, on terms and conditions as stipulated by the Government of India”.

8. 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, 31 मार्च 2024 को समाप्त वित्तीय वर्ष 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. मूर्ति एंड कं. एलएलपी, लागत लेखाकार, बेंगलूरु (एलएलपिन- एएबी-1402 और फर्म पंजीकरण सं. 000648) को ₹ 3,50,000/- (रुपये तीन 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
4 अगस्त, 2023

एस श्रीनिवास
कंपनी सचिव

नोट

1. कार्पोरेट कार्य मंत्रालय (एम. सी. ए.) 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 के माध्यम से नवीनतम दिनांक 10/2022 दिनांक 28 दिसंबर 2022 और भारतीय प्रतिभूति विनियम बोर्ड (सेबी) ने अपने परिपत्र सं. सेबी/एचओ/सीएफडी/पीओडी-2/पी/सीआईआर 2023/4 दिनांक 5 जनवरी 2023 (इसके बाद सामूहिक रूप से “परिपत्र” के रूप में संदर्भित), और इस संबंध में जारी अन्य लागू परिपत्रों के माध्यम से कंपनियों को 30 सितंबर 2023 तक सामान्य स्थल पर सदस्यों की उपस्थिति के बिना वीडियो कॉन्फ्रेंसिंग (वीसी) या अन्य श्रव्य-दृश्य साधनों (ओएवीएम) के माध्यम से एजीएम आयोजित करने की अनुमति दी है। कंपनी अधिनियम, 2013 (अधिनियम), सेबी (सूचीबद्धता बाध्यताएं और प्रकटीकरण आवश्यकताएं) विनियम, 2015 (“सूचीबद्धता विनियम”) और परिपत्रों के लागू प्रावधानों के अनुपालन में, कंपनी की 69वीं एजीएम वीसी/ओएवीएम के माध्यम से आयोजित की जा रही है। एजीएम का समतुल्य स्थल कंपनी का पंजीकृत कार्यालय, आउटर रिंग रोड, नागवारा, बेंगलूरु-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।

8. 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 ₹ 3,50,000 (Rupees Three Lakh and Fifty Thousand only) plus applicable taxes to M/s Murthy & Co. LLP, Cost Accountants, Bengaluru (LLPIN- AAB-1402 & Firm Registration No. 000648) 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 2024.”

By order of the Board
For Bharat Electronics Limited

Bengaluru
4 August, 2023

S Sreenivas
Company Secretary

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 the latest being 10/2022 dated 28 December 2022 and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5 January 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 2023, 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 69th 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 and Attendance Slip is not annexed to this Notice.

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 2022-23 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 2022-23 कंपनी की वेबसाइट www.bel-india.in पर, स्टॉक एक्सचेंजों यानी बीएसई लिमिटेड और नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड की वेबसाइटों क्रमशः www.bseindia.com और 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 पर भी उपलब्ध कराई गई है।

ऐसे सदस्य जिन्होंने अपने ईमेल एड्रेस दर्ज नहीं कराए हैं, उनसे अनुरोध है कि वे अपने ईमेल एड्रेस और मोबाइल नंबर कंपनी के पंजीयक और अंतरण एजेंट में, इंटीग्रेटेड रजिस्ट्री मैनेजमेंट सर्विसेस प्रा. लि. ("आरटीए") के पास एजीएम की सूचना, एकीकृत वार्षिक रिपोर्ट 2022-23 भेजने के प्रयोजनार्थ लिंक <https://www.integratedindia.in/emailupdation.aspx> पर क्लिक करते हुए अस्थायी रूप से दर्ज कराएँ / अपडेट कर लें। वैकल्पिक रूप से, सदस्य एजीएम की सूचना और एकीकृत वार्षिक रिपोर्ट 2022-23 भेजने के लिए, अपने ईमेल एड्रेस, मोबाइल नंबर, स्व-अनुप्रमाणित पैन कॉपी और इलेक्ट्रॉनिक फोलियो के मामले में क्लाइंट मास्टर कॉपी और भौतिक फोलियो के मामले में शेरर प्रमाण-पत्र की कॉपी प्रदान करते हुए विधिवत् हस्ताक्षरित अनुरोध पत्र की स्कैन की गई प्रति के साथ-साथ अपने अनुरोध कंपनी के आरटीए को उनके ईमेल आईडी irg@integratedindia.in पर भेज सकते हैं।
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 इच्छुक कार्पोरेट / संस्थागत सदस्यों से अनुरोध है कि वे स्कूटिनाइज़र को मंडल के संकल्प / प्राधिकरण पत्र की प्रमाणित प्रति 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 कंपनी पंजीयक और अंतरण एजेंट (आरटीए) में, इंटीग्रेटेड रजिस्ट्री मैनेजमेंट सर्विसेस प्रा. लि. को उनके ईमेल आईडी irg@integratedindia.in पर 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
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 2022-23 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 2022-23 will also be available on the Company's website www.bel-india.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and 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.

Members who have not registered their e-mail address are requested to temporarily register/update their e-mail address and mobile number with Company's Registrar and Transfer Agent M/s Integrated Registry Management Services Pvt. Ltd. ("the RTA"), by clicking the link: <https://www.integratedindia.in/emailupdation.aspx> for the purpose of sending Notice of the AGM and Integrated Annual Report 2022-23. Alternatively, Members may send their request to Company's RTA at their e-mail id irg@integratedindia.in along with scanned copy of request letter duly signed, providing the e-mail address, mobile number, self-attested PAN copy and client master copy in case of electronic folio and copy of share certificate in case of physical folio for sending Notice of the AGM and Integrated Annual Report 2022-23.
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 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 with a copy marked to Company's RTA at their e-mail id 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

(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, 2023 को समाप्त वित्तीय वर्ष के लाभांश, यदि एजीएम में घोषित हो, का भुगतान करने के लिए सदस्यों की हकदारिता तय करने के प्रयोजनार्थ **शुक्रवार, 18 अगस्त, 2023 से लेकर रविवार, 20 अगस्त, 2023** (दोनों दिनों को मिलाकर) बंद रखी जाएगी।
 8. निदेशक मंडल ने ₹ 1 के पूर्ण चुकता शेयर पर ₹ 1.20 (120%) प्रति इक्विटी शेयर के अंतरिम लाभांश की घोषणा की है जिसे वित्तीय वर्ष 2022-23 के दौरान अदा किया गया। जिन सदस्यों ने अपने लाभांश वारंटों / डीडी का नकदीकरण नहीं किया है या प्राप्त नहीं किया है, वे कालातीत वारंटों / डीडी को दोबारा विधिमाम्य करने के लिए कंपनी के आरटीए से संपर्क कर सकते हैं। निदेशक मंडल ने दिनांक 20 मई, 2023 को हुई अपनी बैठक में कंपनी के प्रति ₹ 1 प्रत्येक पूर्ण चुकता इक्विटी शेयर पर ₹ 0.60/- (60%) के अंतिम लाभांश की सिफारिश की है। वर्ष 2022-23 का अंतिम लाभांश, यदि एजीएम में घोषित हो, घोषणा की तारीख से 30 दिनों के भीतर ऐसे सदस्यों को देय होगा जिनके नाम **17 अगस्त 2023** 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 **17 अगस्त 2023** 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 डिपोजिटरी 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 वाले सदस्य कंपनी के आरटीए को निरस्त बैंक के साथ अपने बैंक विवरण भेज सकते हैं। ऐसे शेयरधारक जिन्होंने अपने बैंक खाते के विवरण अद्यतन नहीं किए हैं, लाभांश वारंट / डिमांड ड्राफ्ट / बैंक उनके दर्ज पतों पर भेजे जाएंगे। लाभांश वारंटों / डीडी की धोखाधड़ी से नकदीकरण करने से सुरक्षा प्रदान करने के लिए, शेयरधारकों से अनुरोध किया जाता है कि वे अपने संबंधित डिपोजिटरी सहभागी (डी.पी.) के पास अपने बैंक खाते के विवरण अद्यतन करा लें।
 10. सेबी के परिपत्र सं. SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 दिनांक 16 मार्च 2023 के अनुसरण में, सेबी ने भौतिक प्रतिभूतियों के धारकों को 1 अक्टूबर 2023 तक पैन, नामांकन, संपर्क विवरण, बैंक खाता विवरण और नमूना हस्ताक्षर आदि प्रस्तुत करने का आदेश दिया है। तदनुसार, कंपनी ने कंपनी के शेयर धारण करने वाले सभी सदस्यों को अपना पैन, नामांकन, संपर्क विवरण, बैंक खाता विवरण और नमूना हस्ताक्षर आदि प्रस्तुत
- 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, 18 August 2023 to Sunday, 20 August 2023** (both days inclusive) for the purpose of determining entitlement of Members for the payment of dividend for the financial year ended 31 March 2023, if declared at the AGM.
 8. The Board of Directors has declared an interim dividend of ₹ 1.20 (120%) per equity share of ₹ 1/- each fully paid-up which was paid for the financial year 2022-23. 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 2023, has recommended a final dividend of ₹ 0.60 (60%) per equity share of ₹ 1/- each fully paid. The Final Dividend for the year 2022-23, 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 **17 August 2023** 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 **17 August 2023** 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 details along with cancelled cheque to Company's RTA. For shareholders who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent to their registered addresses. In order to provide protection against fraudulent encashment of dividend warrants/DDs, shareholders are requested to update their Bank account details with their respective Depository Participants (DPs).
 10. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSDPoD-1/P/ CIR/2023/37 dated 16 March 2023, SEBI has mandated the submission of PAN, Nomination, Contact details, Bank A/c details and Specimen signature etc by holders of physical securities by 1 October 2023. Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical

करने के लिए व्यक्तिगत पत्र भेजे हैं। शेयरधारकों से अनुरोध है कि वे अपना पैन, नामांकन, संपर्क विवरण, बैंक खाता विवरण और नमूना हस्ताक्षर आदि कंपनी के आरटीए को प्रस्तुत करें। इलेक्ट्रॉनिक रूप में शेयर धारित करने वाले सदस्यों से अनुरोध है कि वे अपने डिपॉजिटरी भागीदारों को प्रस्तुत करें। इसे अद्यतन करने के लिए प्रपत्र <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।

यदि भौतिक प्रतिभूतियों का धारक ऊपर उल्लिखित नियत तारीख से पहले ये विवरण प्रदान करने में विफल रहता है या अपने पैन को आधार से जोड़ने में विफल रहता है तो आरटीए ऐसे फोलियो को फ्रीज करने के लिए बाध्य है। फ्रीज किए गए फोलियो में मौजूद प्रतिभूतियां संपूर्ण दस्तावेज प्रस्तुत करने के बाद ही भुगतान (लाभांश सहित) प्राप्त करने और शिकायत दर्ज करने के पात्र होंगे। यदि 31 दिसंबर 2025 तक प्रतिभूतियां फ्रीज बनी रहती हैं, तो आरटीए/कंपनी ऐसी प्रतिभूतियों को बेनामी लेनदेन (निषेध) अधिनियम, 1998 और/या धनशोधन रोकथाम अधिनियम, 2002 के तहत प्रशासनिक प्राधिकारी को संदर्भित करेगी।

11. '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 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, 4था क्रॉस, सम्पिगे 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, सम्पिगे रोड, मल्लेश्वरम, बेंगलूरु - 560003 को भेजें।

form for furnishing their PAN, Nomination, Contact details, Bank A/c details and Specimen signature etc. Shareholders are requested to submit their PAN, Nomination, Contact details, Bank A/c details and Specimen signature etc to the Company's RTA. Members holding shares in electronic form are requested to submit to their respective Depository Participant(s). The forms for updating the same are available at <https://www.bel-india.in/ContentPage.aspx?MId=17&CId=2505&LId=1&link=2505> and <https://www.integratedindia.in/Corporate-Container.aspx?RTI/STA>

In case a holder of physical securities fails to furnish these details before the due date as mentioned above or fails to link their Pan with Aadhaar, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on 31 December 2025, the RTA/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1998, and/or the Prevention of Money Laundering Act, 2002.

11. 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, 4th 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 th Cross, Sampige Road, Malleswaram, Bengaluru - 560003.

धारक का प्रकार	प्रक्रिया जिसका अनुसरण किया जाना है
	भौतिक रूप में धारित प्रतिभूतियों के लिए पैन, ईमेल एड्रेस, बैंक के विवरण तथा अन्य केवाईसी विवरण या उनमें परिवर्तन / अद्यतन सूचना दर्ज करने संबंधी निवेशक सेवाएं प्राप्त करने का फॉर्म फॉर्म आईएसआर-1
	प्रतिभूति धारक का हस्ताक्षर अद्यतन करना फॉर्म आईएसआर-2
	कंपनी (शेयर पूंजी और ऋणपत्र) नियम, 2014 के नियम 19 में बताए गए अनुसार नामांकन के लिए फॉर्म एसएच-13
	विकल्प लेने की घोषणा फॉर्म आईएसआर-3
	धारक द्वारा नामांकन रद्द करना (आईएसआर-3 के साथ) / नामिती का परिवर्तन फॉर्म एसएच-14
	डुप्लिकेट प्रमाण-पत्र जारी करने तथा भौतिक रूप में धारित शेयरों / ऋणपत्रों / बांड आदि के लिए अन्य सेवा अनुरोधों का फॉर्म आईएसआर 4
	उक्त विवरण / सेवा अनुरोध अद्यतन करने के फॉर्म यहां उपलब्ध हैं 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
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।

12. 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 किये गए हैं, वे www.iepf.gov.in पर उपलब्ध फार्म 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 https://www.bel-india.in/ContentPage.aspx?MId=17&CId=2505&LId=1&link=2505 and https://www.integratedindia.in/Corporate_Container.aspx?RTI/STA
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.

12. 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.

वर्ष 2015-16 का दावा न किया गया / अदत्त अंतिम लाभांश तथा वर्ष 2016-17 का अंतरिम लाभांश वर्ष 2023-24 के दौरान आईईपीएफ को अंतरित किया जाना है। कंपनी ने यथा 31 मार्च, 2023 को कंपनी के पास मौजूद अदत्त और दावा न की गई राशियों के विवरण कंपनी की वेबसाइट www.bel-india.in पर अपलोड कर दिया है। अंतरित शेयरों के विवरण कंपनी की वेबसाइट www.bel-india.in में अपलोड किए गए हैं। दावा न किए जाने वाले लाभांश का दावा करने के इच्छुक सदस्यों से अनुरोध है कि वे आरटीए के साथ पत्राचार करें।

13. 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, पृष्ठांकन, 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](https://www.integratedindia.in/CorporateContainer.aspx?RTI/STA) में उपलब्ध है।

14. 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, 2023 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) और डिपॉजिटरी (यदि शेयर डीमैट माध्यम में धारित किए हों) में अपने पैन को अद्यतन करा लें।

The unclaimed/unpaid final dividend for the financial year 2015-16 and interim dividend for the financial year 2016-17 are due for transfer to IEPF during the financial year 2023-24. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31 March 2023 on the website of the Company www.bel-india.in. Details of shares transferred have been uploaded on the website of the Company www.bel-india.in. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA.

13. In accordance with Regulation 40 of the Listing Regulations, as amended, the Company had stopped accepting any fresh 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 <https://www.bel-india.in/ContentPage.aspx?MId=17&CId=2505&LId=1&link=2505> and at [https://www.integratedindia.in/Corporate Container.aspx?RTI/STA](https://www.integratedindia.in/CorporateContainer.aspx?RTI/STA)

14. 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> on or before 28 August 2023. 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 physical mode) and depositories (in case of shares held in demat mode).

15. 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 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।
16. 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।
17. कंपनी ने 69वीं एजीएम के लिए वीडियो कॉन्फ्रेंसिंग की सुविधा प्रदान करने हेतु सेंट्रल डिपोजिटरी 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 <https://www.evotingindia.com> की ई-मतदान वेबसाइट पर लॉग इन कर एजीएम के लाइव वेबकास्ट को देख सकेंगे।
18. 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 कैमरा 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 ज़रिए 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।
- 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।
15. 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. The same will be suitably replied by the Company.
16. 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.
17. The Company has appointed Central Depository Services (India) Limited (CDSL), to provide Video Conferencing facility for the 69th 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 <https://www.evotingindia.com> using their secure login credentials.
18. **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.
- 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.

- 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, 2023 (सुबह 9.00 बजे आई.एस.टी.) से 22 अगस्त, 2023 (शाम 5 बजे आई.एस.टी.)** तक 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 जाएँगे जब शेयरधारक निर्दिष्ट तारीख पर कंपनी के शेयर धारित करते हैं।
19. 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 अपेक्षाएँ) विनियम, 2015 (यथा संशोधित) के विनियम 44 और एमसीए परिपत्रों के साथ पढ़ा जाना है, के अनुपालन में, कंपनी एजीएम में व्यवहारीत 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 डिपॉजिटरी 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 गुरुवार, 24 अगस्त 2023 को सुबह 9 बजे आईएसटी से शुरू होगी और रविवार, 27 अगस्त 2023 को शाम 5.00 बजे आईएसटी को समाप्त होगी। इस अवधि के दौरान, कंपनी के सदस्य जो 21 अगस्त, 2023 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।
- 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 from **14 August 2023 (09:00 a.m IST) to 22 August 2023 (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.
19. 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 **Thursday, the 24 August 2023 at 09:00 a.m IST** and ends on **Sunday, the 27 August 2023 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 2023** 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. सेबी/एचओ/सीएफडी/सीएमडी/सीआईआर/पी/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 -

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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 https://web.cdslindia.com/myeasinew/home/login है या वे www.cdslindia.com 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। तदनुसार, ई-मतदान के सभी सेवा प्रदाताओं जैसे CDSL/NSDL/KARVY/LINKINTIME 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 CDSL	<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 https://web.cdslindia.com/myeasinew/home/login or visit www.cdslindia.com 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 & voting during the meeting. Additionally, there is 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 https://web.cdslindia.com/myeasinew/Registration/EasiRegistration</p>

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	<p>4) वैकल्पिक रूप से, यूजर www.cdslindia.com के होम पेज में उपलब्ध ई-मतदान लिंक से या https://evoting.cdslindia.com/Evoting/EvotingLogin 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 यूजर का प्रमाणीकरण करेगा। प्रमाणीकरण सफल होने पर यूजर 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. https://eservices.nsdl.com टाइप कर वेब ब्राउज़र खोलें। ई-सर्विसेस का होम पेज लांच होने के बाद, 'IDeAS' खंड के तहत उपलब्ध "Login" में "Beneficial Owner" आइकन पर क्लिक करें। एक नया स्क्रीन खुलेगा। आपको यहां अपना यूजर 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 यूजर IDeAS ई-सेवा में पंजीकृत नहीं है तो https://eservices.nsdl.com पर पंजीकरण करने का विकल्प उपलब्ध है। "Register Online for IDeAS" पोर्टल चुनें या https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp पर क्लिक करें।</p> <p>3) एनएसडीएल की ई-मतदान वेबसाइट देखें। पर्सनल कंप्यूटर पर या मोबाइल पर यू.आर.एल. https://www.evoting.nsdl.com/ टाइप कर वेब ब्राउज़र खोलें। सर्विसेस का होम पेज लांच होने</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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & 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 NSDL	<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: https://eservices.nsdl.com 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 & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of</p>

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	के बाद, 'Shareholder/Member' 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।
अपने डिपॉजिटरी प्रतिभागी द्वारा लॉगिन करने वाले शेयरधारक (जो डीमैट माध्यम में प्रतिभूतियां धारित करते हैं)	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।

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 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
	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 & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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 & voting during the meeting.

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.
 - 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 पर आपने 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 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"> 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।
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"> यदि दोनों विवरण डिपॉजिटरी या कंपनी में दर्ज नहीं हैं तो लाभांश बैंक विवरण के स्थान पर सदस्य आईडी / फोलियो नंबर दर्ज करें।

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"> 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.
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"> 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.

- 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 फील्ड 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 पर क्लिक करें- 230729001 जिस पर आप मतदान करना चाहते हैं।
- xi) मतदान पृष्ठ पर, आपको “RESOLUTION DESCRIPTION” दिखाई देगा और उसी विकल्प के सामने मतदान के लिए “YES/NO” 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 - केवल रिमोट मतदान के लिए।
- गैर-व्यक्तिगत शेयरधारकों (यानी व्यक्ति, एचयूएफ, एनआरआई आदि के अलावा) और संरक्षकों को www.evotingindia.com पर लॉग इन करना होगा और स्वयं को “Corporates” मॉड्यूल में पंजीकृत करना होगा।
 - संस्था के स्टैम्प और हस्ताक्षर के साथ पंजीकरण प्रारूप की एक स्कैन की गई प्रति helpdesk.evoting@cdslindia.com पर ई-मेल की जानी चाहिए।
 - लॉगिन विवरण प्राप्त करने के बाद एडमिन लॉगिन और पॉसवर्ड 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।
- 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: 230729001 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 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.
 - 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.

- लॉगिन में जुड़े खातों की सूची helpdesk.evoting@cdslindia.com पर मेल की जानी चाहिए और उन खातों को अनुमोदन प्राप्त करने पर 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 ।
- घ. एजीएम के दौरान ई-मतदान करने वाले सदस्यों के लिए अनुदेश-
- क) एजीएम के दिन ई-मतदान की प्रक्रिया रिमोट ई-मतदान के लिए ऊपर बताए गए अनुदेशों के समान है ।
 - ख) 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 ।
 - ग) 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 ।
 - घ) 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

- The list of accounts linked in the login should be mailed to 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.

D. Instructions for Members for e-voting during the AGM:

- a) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b) 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.
- c) 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.
- d) 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

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 helpdesk.evoting@cdslindia.com में अनुरोध भेजते हुए सीडीएसएल के हेल्पडेस्क से संपर्क कर सकते हैं या 022- 23058738 और 22-23058542-43 पर संपर्क कर सकते हैं।

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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.

लॉगिन का प्रकार	हेल्पडेस्क के विवरण
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 evoting@nsdl.co.in में अनुरोध भेजते हुए एनएसडीएल के हेल्पडेस्क से संपर्क कर सकते हैं या टॉल फ्री नंबर 1800 1020 990 और 1800 22 44 30 पर संपर्क कर सकते हैं।

20. 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।
21. कंपनी के निदेशक मंडल ने ई-मतदान की प्रक्रिया की उचित एवं पारदर्शी ढंग से छानबीन करने के लिए श्री तिरुपाल गोरिगे, एफसीएस 6680, 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 रिपोर्ट 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 पर लगाए जाएंगे और इसकी सूचना एक साथ बाम्बे स्टॉक एक्सचेंज लिमिटेड तथा नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड को दी जाएगी।
22. 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।
23. 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 दस्तावेज इस सूचना के परिचालन की तारीख से लेकर एजीएम की तारीख यानी 28 अगस्त 2023 तक बिना किसी शुल्क से सदस्यों द्वारा इलेक्ट्रॉनिक रूप से निरीक्षण के लिए उपलब्ध कराई जाएगी। ऐसे दस्तावेजों का निरीक्षण करने के इच्छुक सदस्य अपना अनुरोध ई-मेल आईडी secretary@bel.co.in पर भेज सकते हैं।
24. एजीएम के दर्ज प्रतिलेख कंपनी द्वारा रखे जाएंगे और बैठक के समाप्त होने के तुरंत बाद कंपनी की वेबसाइट www.bel-india.in के निवेशक खंड में उपलब्ध कराए जाएंगे।
25. चूंकि एजीएम वीसी / ओएवीएम के माध्यम से आयोजित की जाएगी, इसलिए इस सूचना के साथ रूट मैप संलग्न नहीं किया गया है।

Login type	Helpdesk details
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

20. 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.
21. The Board of Directors of the Company has appointed Mr Thirupal Gorige, FCS 6680, Practising Company 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 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.
22. 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.
23. 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 2023. Members seeking to inspect such documents can send their request at the e-mail ID secretary@bel.co.in
24. 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 in the Investor Section, at the earliest soon after the conclusion of the Meeting.
25. 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 पत्र सं. 8 (32)/2019-डी (कोऑर्ड/डीडीपी) दिनांक 23 दिसंबर 2022 के माध्यम से श्री नटराजन तिरुवेकडम (डीआईएन- 00396367) को बीईएल के मंडल में अंशकालिक सरकारी निदेशक के रूप में नियुक्त किया है जिन्हें तदुपरांत इस वार्षिक सामान्य बैठक की तारीख तक पद ग्रहण करने के लिए दिनांक 2 जनवरी 2023 से प्रभावी अपर निदेशक के पद पर नियुक्त किया गया।

कंपनी अधिनियम, 2013 की धारा 161 (1) और कंपनी के संस्था के अंतर्नियमों के अनुच्छेद 71सी के अनुसार, निदेशक मंडल ने श्री नटराजन तिरुवेकडम को इस सामान्य बैठक की तारीख तक पद ग्रहण करने के लिए अपर निदेशक नियुक्त किया है। तदुपरांत, कंपनी को एक सदस्य से अधिनियम की धारा 160 के तहत लिखित सूचना प्राप्त हुई है जिसमें कंपनी के निदेशक के रूप में श्री नटराजन तिरुवेकडम की नियुक्ति का प्रस्ताव दिया गया है जो चक्रानुक्रम से सेवानिवृत्त नहीं होंगे।

इस बैठक की सूचना के मद सं. 4 में दिए गए संकल्प में श्री नटराजन तिरुवेकडम को छोड़कर कंपनी के कोई भी निदेशक, मुख्य प्रबंधकीय कार्मिक या उनके रिश्तेदार किसी भी तरह से, वित्तीय या अन्यथा, संबंधित या इच्छुक नहीं हैं।

मंडल सदस्यों के अनुमोदनार्थ इस संकल्प की संस्तुति करता है।

मद सं. 5 के संबंध में -

सरकार ने पत्र सं. डीडीपी-ई0032/2/2022-डी (बीईएल) दिनांक 11 जनवरी 2023 के माध्यम से श्री दामोदर भट्ट एस (डीआईएन- 09780732) को उनकी सेवानिवृत्ति की तारीख तक या अगले आदेश तक, इनमें से जो भी पहले हो, बीईएल के मंडल में निदेशक (वित्त) नियुक्त किया है।

कंपनी अधिनियम, 2013 की धारा 161 (1) और कंपनी के संस्था के अंतर्नियमों के अनुच्छेद 71सी के अनुसार, निदेशक मंडल ने 11 जनवरी 2023 से प्रभावी श्री दामोदर भट्ट एस को इस सामान्य बैठक की तारीख तक पद ग्रहण करने के लिए अपर निदेशक नियुक्त किया है। तदुपरांत, कंपनी को एक सदस्य से अधिनियम की धारा 160 के तहत लिखित सूचना प्राप्त हुई है जिसमें कंपनी के निदेशक के रूप में श्री दामोदर भट्ट एस की नियुक्ति का प्रस्ताव दिया गया है जो चक्रानुक्रम से सेवानिवृत्त नहीं होंगे।

इस बैठक की सूचना के मद सं. 5 में दिए गए संकल्प में श्री दामोदर भट्ट एस को छोड़कर कंपनी के कोई भी निदेशक, मुख्य प्रबंधकीय कार्मिक या उनके रिश्तेदार किसी भी तरह से, वित्तीय या अन्यथा, संबंधित या इच्छुक नहीं हैं।

मंडल सदस्यों के अनुमोदनार्थ इस संकल्प की संस्तुति करता है।

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 letter no. 8 (32)/ 2019- D (Coord/ DDP) dated 23 December 2022, appointed Mr Natarajan Thiruvankadam (DIN: 00396367), as Part-time Official Director on the Board of BEL and was subsequently appointed as an Additional Director w.e.f 2 January 2023 to hold office upto the date of this Annual General Meeting.

Pursuant to Section 161(1) of the Companies Act, 2013 and Article 71C of the Articles of Association of the Company, the Board of Directors appointed Mr Natarajan Thiruvankadam, as Additional Director, to hold office upto the date of this General Meeting. Subsequently, the Company has received notice in writing under Section 160 of the Act from a Member signifying his intention to propose the appointment of Mr Natarajan Thiruvankadam as a Director of the Company, not liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Mr Natarajan Thiruvankadam, is in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no.4 of the notice of this meeting.

The Board recommends the resolution for the approval of the Members.

In respect of item No.5:

The Government has vide letter no. DDP-E0032/2/2022-D(BEL) dated 11 January 2023, appointed Mr Damodar Bhattad S (DIN: 09780732), as Director (Finance) on the Board of BEL till the date of his superannuation or until further orders, whichever is earlier.

Pursuant to Section 161(1) of the Companies Act, 2013 and Article 71C of the Articles of Association of the Company, the Board of Directors appointed Mr Damodar Bhattad S as an Additional Director w.e.f 11 January 2023, to hold office until the date of this General Meeting. Subsequently, the Company has received notice in writing under Section 160 of the Act from a Member signifying his intention to propose the appointment of Mr Damodar Bhattad S as a Director of the Company, not liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Mr Damodar Bhattad S, is in anyway, 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 resolution for the approval of the Members.

मद सं. 6 के संबंध में -

सरकार ने पत्र सं. डीडीपी-ई0032/3/2020-डी (बीईएल) दिनांक 31 मई 2023 के माध्यम से श्री विक्रमन एन (डीआईएन- 10185349) को उनकी सेवानिवृत्ति की तारीख तक या अगले आदेश तक, इनमें से जो भी पहले हो, बीईएल के मंडल में निदेशक (मानव संसाधन) नियुक्त किया है।

कंपनी अधिनियम, 2013 की धारा 161 (1) और कंपनी के संस्था के अंतर्नियमों के अनुच्छेद 71सी के अनुसार, निदेशक मंडल ने 01 जून 2023 से प्रभावी श्री विक्रमन एन को इस आम बैठक की तारीख तक पद ग्रहण करने के लिए अपर निदेशक नियुक्त किया है। तदुपरांत, कंपनी को एक सदस्य से अधिनियम की धारा 160 के तहत लिखित सूचना प्राप्त हुई है जिसमें कंपनी के निदेशक के रूप में श्री विक्रमन एन की नियुक्ति का प्रस्ताव दिया गया है जो चक्रानुक्रम से सेवानिवृत्त होंगे।

इस बैठक की सूचना के मद सं. 6 में दिए गए संकल्प में श्री विक्रमन एन को छोड़कर कंपनी के कोई भी निदेशक, मुख्य प्रबंधकीय कार्मिक या उनके रिश्तेदार किसी भी तरह से, वित्तीय या अन्यथा, संबंधित या इच्छुक नहीं हैं।

मंडल सदस्यों के अनुमोदनार्थ इस संकल्प की संस्तुति करता है।

मद सं. 7 के संबंध में -

सरकार ने पत्र सं. डीडीपी-ई0032/3/2022-डी (बीईएल) दिनांक 15 जून 2023 के माध्यम से श्री के वी सुरेश कुमार (डीआईएन- 10200827) को उनकी सेवानिवृत्ति की तारीख तक या अगले आदेश तक, इनमें से जो भी पहले हो, बीईएल के मंडल में निदेशक (विपणन) नियुक्त किया है।

कंपनी अधिनियम, 2013 की धारा 161 (1) और कंपनी के संस्था के अंतर्नियमों के अनुच्छेद 71सी के अनुसार, निदेशक मंडल ने 16 जून 2023 से प्रभावी श्री के वी सुरेश कुमार को इस आम बैठक की तारीख तक पद ग्रहण करने के लिए अपर निदेशक नियुक्त किया है। तदुपरांत, कंपनी को एक सदस्य से अधिनियम की धारा 160 के तहत लिखित सूचना प्राप्त हुई है जिसमें कंपनी के निदेशक के रूप में श्री के वी सुरेश कुमार की नियुक्ति का प्रस्ताव दिया गया है जो चक्रानुक्रम से सेवानिवृत्त होंगे।

इस बैठक की सूचना के मद सं. 7 में दिए गए संकल्प में श्री के वी सुरेश कुमार को छोड़कर कंपनी के कोई भी निदेशक, मुख्य प्रबंधकीय कार्मिक या उनके रिश्तेदार किसी भी तरह से, वित्तीय या अन्यथा, संबंधित या इच्छुक नहीं हैं।

मंडल सदस्यों के अनुमोदनार्थ इस संकल्प की संस्तुति करता है।

मद सं. 8 के संबंध में -

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

In respect of item No.6:

The Government has vide letter no. DDP-E0032/3/2020-D(BEL) dated 31 May 2023, appointed Mr Vikraman N (DIN: 10185349), as Director (HR) on the Board of BEL till the date of his superannuation or until further orders, whichever is earlier.

Pursuant to Section 161(1) of the Companies Act, 2013 and Article 71C of the Articles of Association of the Company, the Board of Directors appointed Mr Vikraman N as an Additional Director w.e.f 01 June 2023, to hold office until the date of this General Meeting. Subsequently, the Company has received notice in writing under Section 160 of the Act from a Member signifying his intention to propose the appointment of Mr Vikraman N as a Director of the Company, liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Mr Vikraman N, is in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no.6 of the notice of this meeting.

The Board recommends the resolution for the approval of the Members.

In respect of item No.7:

The Government has vide letter no. DDP-E0032/3/2022-D(BEL) dated 15 June 2023, appointed Mr K V Suresh Kumar (DIN: 10200827), as Director (Marketing) on the Board of BEL till the date of his superannuation or until further orders, whichever is earlier.

Pursuant to Section 161(1) of the Companies Act, 2013 and Article 71C of the Articles of Association of the Company, the Board of Directors appointed Mr K V Suresh Kumar as an Additional Director w.e.f 16 June 2023, to hold office until the date of this General Meeting. Subsequently, the Company has received notice in writing under Section 160 of the Act from a Member signifying his intention to propose the appointment of Mr K V Suresh Kumar as a Director of the Company, liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Mr K V Suresh Kumar, is in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no.7 of the notice of this meeting.

The Board recommends the resolution for the approval of the Members.

In respect of item No.8:

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.

लेखापरीक्षा समिति द्वारा की गई सिफारिश के अनुसार, बीईएल के निदेशक मंडल ने मेसर्स मूर्ति एंड कं. एलएलपी, लागत लेखाकार, बेंगलूरु (एलएलपीन-एबी-1402 और फर्म पंजीकरण सं. 000648) को इस संकल्प में दर्शित अनुसार कार्यकाल / पारिश्रमिक पर वित्तीय वर्ष 2023-24 के लिए कंपनी की लागत लेखा परीक्षा करने के लिए नियुक्त किया है। अधिनियम की धारा 148(3) जिसे कंपनी (लेखा परीक्षा और लेखा परीक्षक) नियम, 2014 के नियम 14 के साथ पढ़ा जाना है, के तहत यथा अपेक्षित, निदेशक मंडल द्वारा निर्धारित लागत लेखा परीक्षकों का पारिश्रमिक अनुसमर्थन के लिए सदस्यों के समक्ष रखा गया है।

कंपनी के कोई भी निदेशक एवं मुख्य प्रबंधकीय कार्मिक या उनके रिश्तेदार इस बैठक की सूचना की मद सं. 8 में उल्लिखित संकल्प में वित्तीय रूप से या अन्यथा, किसी भी तरह से संबंधित या इच्छुक नहीं हैं।

मंडल इस संकल्प के लिए सदस्यों के अनुमोदन के लिए प्रस्ताव 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 भानु प्रकाश श्रीवास्तव (डीआईएन-09578183)
जन्म तिथि	22 मई 1965
मंडल में प्रथम नियुक्ति की तारीख	20 अप्रैल 2022
शैक्षिक योग्यता	बी. टेक. मैकेनिकल इंजीनियरिंग एमबीए (मार्केटिंग)
विशिष्ट कार्यशील क्षेत्रों में विशेषज्ञता	श्री भानु प्रकाश श्रीवास्तव 20 अप्रैल, 2022 से बीईएल के निदेशक (अन्य यूनिटें) हैं। मंडल में पदोन्नत होने से पहले वे बीईएल के बेंगलूरु कॉम्प्लेक्स में एडवांस्ड डिफेंस सिस्टम्स-नेवी (एडीएसएन) रणनीतिक कारोबार यूनिट के महाप्रबंधक के रूप में सेवारत थे। बीईएल में विभिन्न वरिष्ठ प्रबंधन पदों पर रहते हुए अपने लंबे कार्यकाल के दौरान श्री भानु प्रकाश श्रीवास्तव ने रेडियो और डेटा उपकरण, सैन्य और दूरसंचार स्विचिंग उपकरण, नागरी और सैन्य अनुप्रयोगों के लिए सी 4 आई सिस्टम, थल सेना, वायु सेना और नौसेना के लिए रेडार, नौसेना के लिए सोनार, फायर कंट्रोल प्रणाली और संचार प्रणाली और नौसेना के जहाजों के लिए जमीन से हवा में मार करने वाली मिसाइल परियोजना के क्षेत्रों में निरंतर कारोबारी विकास और लाभप्रदता के लिए प्रमुख योगदान दिया है।

As recommended by the Audit Committee, BEL Board of Directors appointed M/s Murthy & Co. LLP, Cost Accountants, Bengaluru (LLPIN- AAB-1402 & Firm Registration No. 000648) to conduct cost audit of the Company for the financial year 2023-24 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.8 of the notice of this meeting.

The Board recommends the resolution for the approval of the Members.

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 Bhanu Prakash Srivastava (DIN: 09578183).
Date of Birth	22 May 1965.
Date of first appointment on the Board	20 April 2022.
Qualification	B.Tech in Mechanical Engineering MBA (Marketing).
Expertise in specific function area	Mr Bhanu Prakash Srivastava is Director (Other Units) of BEL since April 20, 2022. He was serving as General Manager of the Advanced Defence Systems- Navy (ADSN) Strategic Business Unit at BEL's Bangalore Complex prior to being elevated to the Board. Mr Bhanu Prakash Srivastava, during his long tenure at BEL in various senior Management positions, has made major contributions towards sustained business growth and profitability in the areas of Radio & Data equipment, Military and Telecom Switching Equipment, C4I Systems for Civil & Military applications, Radars for Army, Air Force and Navy, Sonars, Fire Control Systems & Communication systems for Navy and Surface-to-Air Missile project for Naval Ships.

	श्री भानु प्रकाश श्रीवास्तव ने आईआईटी-बीएचयू से प्रौद्योगिकी स्नातक (मैकेनिकल इंजीनियरिंग) और व्यवसाय प्रशासन (विपणन) में स्नातकोत्तर की डिग्री हासिल की है। उन्होंने अगस्त 1986 में बीईएल में कार्यग्रहण किया और 36 वर्षों के करियर के दौरान बीईएल की तीन यूनिटों (कोटद्वार, गाजियाबाद और बंगलूर) में अपनी सेवाएं दी और विनिर्माण, परियोजना प्रबंधन, गुणता प्रबंधन, सामग्री प्रबंधन, डिजाइन एवं विकास और उत्पाद समर्थन जैसे विविध कार्यों में समृद्ध अनुभव प्राप्त किया। उन्होंने बीईएल के न्यूयॉर्क क्षेत्रीय कार्यालय में 3 साल कार्य किया, जहां उन्हें अंतर्राष्ट्रीय कारोबार में अच्छा अनुभव प्राप्त हुआ।	Mr Bhanu Prakash Srivastava holds a degree in Bachelor of Technology (Mechanical Engineering) from IIT-BHU and Master of Business Administration (Marketing). He joined BEL in August 1986 and in a career spanning 36 years in three Units of BEL (Kotdwara, Ghaziabad and Bangalore), gained rich experience in diverse functions such as Manufacturing, Project Management, Quality Management, Materials Management, Design & Development and Product Support. He had a 3 year stint in BEL's New York Regional Office, where he had good exposure to international business.
पुनर्नियुक्ति के निबंधन व शर्तें	कंपनी अधिनियम, 2013 की धारा 152 (6) के संदर्भ में पुनर्नियुक्ति।	Terms and conditions of re-appointment Re-appointment in terms of section 152(6) of the Companies Act, 2013.
निदेशकों और मुख्य प्रबंधकीय कार्मिकों के साथ परस्पर संबंध का प्रकटन	कोई नहीं	Disclosure of relationship between Directors and Key Managerial Personnel, inter-se None.
अन्य पब्लिक लिमिटेड कंपनियों में धारित निदेशक के पद (सूचीबद्ध कंपनियों सहित)	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 - अध्यक्ष, नामांकन व पारिश्रमिक समिति तथा निवेश समिति, सदस्य, लेखापरीक्षा समिति	Chairman/ Membership of Committees in other Public Limited Companies BEL Optronics Devices Limited - Chairman of Nomination & Remuneration Committee and Investment Committee. Member of Audit Committee.
सूचीबद्ध संस्थाएं जिनसे निदेशक ने पिछले तीन वर्षों में निदेशक पद से इस्तीफा 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	3,789	No. of equity shares held in the Company. 3,789

हितलाभी स्वामी के रूप में कंपनी में धारित इक्विटी शेयरों की संख्या	कोई नहीं
वित्तीय वर्ष 2022-23 के दौरान आयोजित मंडल की बैठक में उपस्थिति	बीईएल में उनके कार्यकाल के दौरान आयोजित 8 बैठकों में से 8 में भाग लिया।

मद सं. 4 के संबंध में -

नियुक्ति-

नाम और डीआईएन	श्री नटराजन तिरुवेंकडम (डीआईएन-00396367)
जन्म तिथि	5 मई 1971
मंडल में प्रथम नियुक्ति की तारीख	02 जनवरी 2023
शैक्षिक योग्यता	एमबीए (वित्त) आईएएस
विशिष्ट कार्यशील क्षेत्रों में विशेषज्ञता	श्री नटराजन तिरुवेंकडम ने अन्ना विश्वविद्यालय के इंजीनियरी महाविद्यालय, गिंडी से खनन अभियांत्रिकी में स्नातक और भारतीदासन प्रबंधन संस्थान, भारतीदासन विश्वविद्यालय से वित्त में एमबीए किया है। वे गुजरात काडर से 1996 बैच के भारतीय प्रशासनिक अधिकारी हैं। श्री नटराजन तिरुवेंकडम आर्थिक मामले, वित्त, राजस्व, एचआरडी आदि से संबंधित भारत सरकार के विभिन्न प्रशासनिक पदों पर रहे हैं और कई सूचीबद्ध और गैर-सूचीबद्ध कंपनियों में निदेशक के रूप में भी कार्य किया है। वे वर्तमान में रक्षा मंत्रालय, भारत सरकार के रक्षा उत्पादन विभाग में अपर सचिव (रक्षा उत्पादन) के पद पर कार्यरत हैं।
नियुक्ति के निबंधन व शर्तें	ए.जी.एम. की सूचना की मद सं. 4 में दिए गए संकल्प के अनुसार जिसे उसके व्याख्यात्मक विवरण के साथ पढ़ा जाना है।
निदेशकों और मुख्य प्रबंधकीय कार्मिकों के साथ परस्पर संबंध का प्रकटण	कोई नहीं

No. of equity shares held in the Company as a beneficial owner.	Nil.
Attendance in the Board meetings held during the financial year 2022-23.	Attended 8 meeting out of 8 meeting held during his tenure in BEL.

In respect of item No.4:

Appointment:

Name and DIN	Mr Natarajan Thiruvenkadam (DIN: 00396367)
Date of Birth	05 May 1971.
Date of first Appointment on the Board	02 January 2023.
Qualification	MBA (Finance) IAS
Expertise in specific function area	Mr Natarajan Thiruvenkadam has completed his graduation in Mining Engineering from College of Engineering Guindy, Anna University and MBA in Finance from Bharathidesan Institute of Management, Bharathidesan University. He is 1996 batch Indian Administrative Officer from Gujarat Cadre. Mr Natarajan Thiruvenkadam held Various administrative posts in the Government of India related to Economic Affairs, Finance, Revenue, HRD, etc. and also served as director in many listed and unlisted companies. He is presently holding the post of Additional Secretary (Defence Production) in Department of Defence Production, Ministry of Defence, Govt. of India.
Terms and conditions of appointment	As per the Resolution at Item No.4 of the Notice of AGM read with explanatory statement thereto.
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. हिन्दुस्तान एरोनॉटिक्स लिमिटेड 2. गोवा शिपयार्ड लिमिटेड
अन्य पब्लिक लिमिटेड कंपनियों की समितियों की अध्यक्षता/सदस्यता	गोवा शिपयार्ड लिमिटेड - सदस्य, नामांकन एवं पारिश्रमिक सह मानव संसाधन समिति हिन्दुस्तान एरोनॉटिक्स लिमिटेड - सदस्य, नामांकन व पारिश्रमिक समिति
सूचीबद्ध संस्थाएं जिनसे निदेशक ने पिछले तीन वर्षों में निदेशक पद से इस्तीफा दे दिया है।	कोई नहीं
कंपनी में धारित इक्विटी शेयरों की संख्या	कोई नहीं
हितलाभी स्वामी के रूप में कंपनी में धारित इक्विटी शेयरों की संख्या।	कोई नहीं
वित्तीय वर्ष 2022-23 के दौरान आयोजित मंडल की बैठक में उपस्थिति	बीईएल में उनके कार्यकाल के दौरान आयोजित 3 बैठकों में से 2 बैठकों में भाग लिया।

मद सं. 5 के संबंध में -

नियुक्ति-

नाम और डीआईएन	श्री दामोदर भट्टड एस (डीआईएन-09780732)
जन्म तिथि	22 दिसंबर 1966
मंडल में प्रथम नियुक्ति की तारीख	11 जनवरी 2023
शैक्षिक योग्यता	चार्टर्ड अकाउंटेंट
विशिष्ट कार्यशील क्षेत्रों में विशेषज्ञता	श्री दामोदर भट्टड एस ने 11 जनवरी, 2023 नवरात्र रक्षा पीएसयू भारत इलेक्ट्रॉनिक्स लिमिटेड (बीईएल) के निदेशक (वित्त) के रूप में पदभार ग्रहण किया। इस पदोन्नति से पहले वे बीईएल के कॉर्पोरेट कार्यालय में महाप्रबंधक (वित्त) के पद पर कार्यरत थे।

Directorship held in other Public Limited Companies (including listed Companies)	1. Hindustan Aeronautics Limited 2. Goa Shipyard Limited
Chairman/ Membership of Committees in other Public Limited Companies	Goa Shipyard Limited – Member of Nomination & Remuneration cum Human Resource Committee. Hindustan Aeronautics Limited - Member of Nomination & Remuneration Committee.
Listed entities from which the Director has resigned from Directorship in last three years.	Nil.
No. of equity shares held in the Company.	Nil.
No. of equity shares held in the Company as a beneficial owner	Nil.
Attendance in the Board meetings held during the financial year 2022-23.	Attended 2 meetings out of 3 meetings held during his tenure in BEL.

In respect of item No.5:

Appointment:

Name and DIN	Mr Damodar Bhattad S (DIN: 09780732).
Date of Birth	22 December 1966.
Date of first Appointment on the Board	11 January 2023.
Qualification	Chartered Accountant
Expertise in specific function area	Mr Damodar Bhattad S assumed charge as the Director (Finance) of Navratna Defence PSU Bharat Electronics Limited (BEL) with effect from January 11, 2023. He was working as General Manager (Finance) at BEL's Corporate Office prior to his elevation.

श्री दामोदर भट्टड एस चार्टर्ड अकाउंटेंट हैं और जिन्होंने आईसीएआई की अंतिम परीक्षा में अखिल भारतीय रैंक हासिल किया था। मद्रास विश्वविद्यालय से बी. कॉम स्नातक करने के बाद उन्होंने 1988 में बीईएल की चेन्नै यूनिट में लेखा अधिकारी के पद पर कार्यग्रहण किया और 34 वर्षों से अधिक के करियर में उन्होंने विभिन्न भूमिकाओं और पदों में कंपनी में अपनी सेवाएं दीं।

बीईएल कार्पोरेट कार्यालय में वित्त प्रमुख के रूप में उन्होंने कंपनी की विभिन्न नीतियों और प्रक्रियाओं को तैयार करने में महत्वपूर्ण भूमिका निभाई। वित्त वर्ष 22 में ₹.15,044 करोड़ का उच्चतम कारोबार दर्ज करने और ₹.50,000 करोड़ से अधिक का ऑर्डर बुक हासिल करने में भी महत्वपूर्ण भूमिका निभाई।

निधि प्रमुख के रूप में, उन्होंने कार्यशील पूंजी का कुशलतापूर्वक प्रबंधन किया और सुनिश्चित किया कि बीईएल ऋण मुक्त रहे। उन्होंने और उनकी टीम ने पिछले दो वर्षों (वित्त वर्ष 2021 और 2022) में व्यापार प्राप्तियों के कुशल संग्रह में महत्वपूर्ण भूमिका निभाई। उन्होंने म्यूचुअल फंडों में अधिशेष निधियों के निवेश की भी पहल की, जिससे कंपनी के खजाना प्रबंधन से प्राप्ति बढ़ी।

श्री दामोदर भट्टड एस ने यह सुनिश्चित किया कि बीईएल में पर्याप्त आंतरिक वित्तीय नियंत्रण रखे गए हैं और कंपनी का जोखिम नियंत्रण मैट्रिक्स वर्तमान और अद्यतन है। वे विभिन्न प्रबंधन समितियों के सदस्य रहे हैं - प्रबंधन लेखापरीक्षा समिति, कार्पोरेट जोखिम प्रबंधन समिति, सीएसआर स्क्रीनिंग समिति और लेखापरीक्षा समिति और पूंजी निवेश समिति के आमंत्रित सदस्य रहे हैं और वित्तीय दृष्टिकोण से बीईएल प्रबंधन को बहुमूल्य सुझाव दिए हैं।

श्री दामोदर भट्टड एस एक प्रमुख परामर्शदात्री फर्म के साथ रक्षा प्रमुख द्वारा हस्ताक्षरित रणनीतिक सलाहकार सेवा के ठेके के संबंध में बीईएल की व्यवसाय-सह-विकास योजना तैयार करने के लिए प्रमुख सदस्य (वित्त) थे। वे विभिन्न विश्लेषक/निवेशक सम्मेलनों में बीईएल प्रबंधन टीम के अभिन्न अंग रहे हैं। उन्होंने बीईएल को 2021-22 में पारंपरिक वित्तीय रिपोर्टिंग से हटकर अधिक समग्र दृष्टिकोण के साथ पहली एकीकृत वार्षिक रिपोर्ट पेश करने में प्रमुख भूमिका निभाई। वे ऐसी पहल करने

Mr Damodar Bhattad S is a Chartered Accountant, who had secured All India Rank in ICAI final examination. A B.Com Graduate from the University of Madras, he joined BEL as Accounts Officer at its Chennai Unit in 1988 and in a career spanning over 34 years, served the company in various roles and capacities.

As Head of Finance at BEL Corporate Office, he played a significant role in the formulation of various company policies and procedures. He also played a pivotal role in BEL recording its highest ever turnover of ₹ 15,044 Crore in FY22 and achieving an order book of more than ₹ 50,000 Crore.

As Head of Funds, he efficiently managed Working Capital and ensured BEL remained debt free. He and his team played a key role in efficient collection of Trade Receivables, in the last two years (FY 2021 and 2022). He also initiated investment of surplus funds in Mutual Funds, which increased the company's returns from Treasury Management.

Mr Damodar Bhattad S has ensured that adequate internal financial controls are put in place in BEL and the company's Risk Control Matrix is current and updated. He has been a member of various Management Committees - Management Audit Committee, Corporate Risk Management Committee, CSR Screening Committee and Invitee of Audit Committee and Capital Investment Committee to name a few, and has been able to provide valuable insights to BEL Management from the Finance perspective.

Mr Damodar Bhattad S was Lead Member (Finance) for devising a business-cum-growth plan for BEL with respect to a strategic advisory services contract signed by the Defence major with a leading consultancy firm. He has been an integral part of the BEL Management team at various analysts/investor conferences. He has played a major role in BEL making the leap from conventional financial reporting to the

	<p>में विश्वास करते हैं जिससे उच्च लाभांश भुगतान करने और आरक्षित निधि के पूंजीकरण के संदर्भ में शेरधारकों के लिए बीईएल का मूल्य बढ़ता है।</p> <p>बीईएल के पेंशन ट्रस्ट और ग्रेच्युटी ट्रस्ट के सदस्य और वित्त प्रतिनिधि के रूप में, श्री दामोदर भट्ट एस. ने यह सुनिश्चित किया कि जोखिम को कम करने और अधिकतम प्रतिफल देने के लिए ट्रस्ट पोर्टफोलियो का उचित विविधीकरण किया जाता है। वित्त प्रमुख (संचालन) के रूप में अपने कार्यकाल के दौरान, उन्होंने ग्राहकों के साथ प्रमुख उपकरणों और प्रणालियों के ठेकों और बिक्री कीमत को अंतिम रूप देने में महत्वपूर्ण भूमिका निभाई। बीईएल की कीमत वार्ता समिति के सदस्य के रूप में, उन्होंने आपूर्तिकर्ताओं से कीमतों में उल्लेखनीय कमी प्राप्त करने में महत्वपूर्ण भूमिका निभाई। उनका मानना है कि सामाजिक रूप से जिम्मेदार कॉर्पोरेट संगठन होने के नाते बीईएल को अपने सभी हितधारकों के लिए अपने मूल्य को अधिकतम करना चाहिए।</p>	<p>more holistic approach of bringing out its first Integrated Annual Report in 2021-22. He believes and supports initiatives which increase BEL's value for shareholders, in terms of higher Dividend payout and capitalisation of reserves.</p> <p>As a member and Finance representative of BEL's Pension Trust and Gratuity Trust, Mr Damodar Bhattad has ensured that Mr Damodar Bhattad S diversified in order to minimise risk and maximise returns. Earlier, during his tenure as Head of Finance (Operations), he played a crucial role in finalising contracts and selling price of major equipment and systems with customers. As a member of BEL's Price Negotiation Committee, he was instrumental in obtaining significant price reductions from suppliers. He believes that BEL being a socially responsible corporate citizen must maximise its value for all its stakeholders.</p>
नियुक्ति के निबंधन व शर्तें	ए.जी.एम. की सूचना की मद सं. 5 में दिए गए संकल्प के अनुसार जिसे उसके व्याख्यात्मक विवरण के साथ पढ़ा जाना है।	Terms and conditions of appointment As per the Resolution at Item No.5 of the Notice of AGM read with explanatory statement thereto.
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 2. बीईएल-थालेस सिस्टम्स लिमिटेड	Directorship held in other Public Limited Companies (including listed Companies) 1. BEL Optronic Devices Limited 2. BEL-Thales Systems Limited
अन्य पब्लिक लिमिटेड कंपनियों की समितियों की अध्यक्षता/सदस्यता	बीईएल ऑप्ट्रॉनिक डिवाइसेस लिमिटेड - अध्यक्ष, लेखापरीक्षा समिति। सदस्य, नामांकन व पारिश्रमिक समिति, सीएसआर समिति और निवेश समिति बीईएल-थालेस सिस्टम्स लिमिटेड - अध्यक्ष, लेखापरीक्षा समिति, सदस्य, नामांकन व पारिश्रमिक समिति	Chairman/ Membership of Committees in other Public Limited Companies BEL Optronic Devices Limited - Chairman of Audit Committee. Member of Nomination & Remuneration Committee, CSR Committee and Investment Committee. BEL-Thales Systems Limited - Chairman of Audit Committee. Member of Nomination & Remuneration Committee.
सूचीबद्ध संस्थाएं जिनसे निदेशक ने पिछले तीन वर्षों में निदेशक पद से इस्तीफा 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	3,789
हितलाभी स्वामी के रूप में कंपनी में धारित इक्विटी शेयरों की संख्या।	कोई नहीं
वित्तीय वर्ष 2022-23 के दौरान आयोजित मंडल की बैठक में उपस्थिति	बीईएल में उनके कार्यपालक के दौरान आयोजित 3 बैठकों में से 3 में भाग लिया।

**मद सं. 6 के संबंध में -
नियुक्ति-**

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	<p>श्री विक्रमन एन ने 1 जून 2023 को बीईएल के निदेशक (मानव संसाधन) का पदभार ग्रहण किया। मंडल में पदोन्नति से पहले वे कार्यपालक निदेशक (रेडार) और बीईएल की गाजियाबाद यूनिट के यूनिट प्रमुख के रूप में सेवारत थे।</p> <p>श्री विक्रमन एन को मानव संसाधन के विभिन्न पहलुओं और रेडार और मिसाइल प्रणालियों के क्षेत्र में परीक्षण, विपणन और ग्राहक समर्थन जैसे विभिन्न कार्यों का 35 वर्षों का दीर्घ और समृद्ध अनुभव है। वे इलेक्ट्रॉनिक्स और कम्युनिकेशन में इंजीनियरिंग (ऑनर्स) की डिग्री और मानव संसाधन प्रबंधन में स्नातकोत्तर डिप्लोमा धारक हैं। 'नवाचार' के लिए उन्हें प्रतिष्ठित रक्षा मंत्री पुरस्कार प्रदान किया गया है। वे परियोजना प्रबंधन संस्थान, अमेरिका से प्रमाणित परियोजना प्रबंधन पेशेवर भी हैं।</p> <p>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 कारोबारी बैठक में 'अचीवर' का पुरस्कार प्रदान किया गया।</p>

No. of equity shares held in the Company.	3,789.
No. of equity shares held in the Company as a beneficial owner	Nil.
Attendance in the Board meetings held during the financial year 2022-23.	Attended 3 meetings out of 3 meetings held during his tenure in BEL.

In respect of item No.6:

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	<p>Mr Vikraman N took charge as the Director (HR) of Navratna Defence PSU Bharat Electronics Limited (BEL) on June 1, 2023. He was serving as Executive Director (Radar) and Unit Head of BEL's Ghaziabad Unit prior to his elevation to the Board.</p> <p>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.</p> <p>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.</p>

श्री विक्रमन एन ने बीईएल में मानव संसाधन कार्य को एक रणनीतिक बढ़त प्रदान करने में महत्वपूर्ण भूमिका निभाई है। बीईएल के कार्पोरेट कार्यालय में महाप्रबंधक (मानव संसाधन) के रूप में अपने पिछले कार्यकाल के दौरान, श्री विक्रमन एन बीईएल की कारोबारी आवश्यकताओं के अनुरूप मानव संसाधन नीतियों और रणनीतियों को स्थापित करने के लिए जिम्मेदार थे। उन्होंने जनशक्ति योजना, कार्य-निष्पादन प्रबंधन, प्रशिक्षण और विकास, क्षमता विकास, कौशल विकास आदि जैसे क्षेत्रों में नई प्रणालियां और प्रक्रियाएं स्थापित कीं। कार्य-निष्पादन मानकों का निर्देश-चिह्नन करने और करियर प्रगति के लिए अधिक समान विधि प्रदान करने की विभिन्न सक्षमताओं के लिए उन्होंने एक व्यापक व्यवस्था शुरू की। उनके नेतृत्व में, बीईएल ने पीपुल कैपेबिलिटी मैच्युरिटी मॉडल (स्तर 3) का प्रमाण-पत्र प्राप्त किया।

श्री विक्रमन एन ने बीईएल उत्कृष्टता अकादमी की स्थापना करते हुए और राष्ट्रीय और अंतर्राष्ट्रीय शिक्षा जगत दोनों के साथ साझेदारी बढ़ाते हुए कंपनी के भीतर ज्ञानार्जन का अनुकूल माहौल तैयार किया। बीईएल के मानव संसाधन के क्षेत्र में उनके कुछ अन्य प्रमुख योगदान में प्रतिभा प्रबंधन के लिए ईआरपी आधारित ज्ञानार्जन प्रबंधन प्रणाली को संस्थागत बनाना, विभिन्न कार्य भूमिकाओं के लिए आवश्यक दक्षताओं का निर्माण करने के लिए कार्यात्मक क्षमता शब्दकोश तैयार करना और लोचपूर्ण ज्ञानार्जन को बढ़ावा देने के लिए मिश्रित ई-लर्निंग प्लेटफॉर्म शुरू करना शामिल है। उन्होंने वैश्विक महामारी के दौरान कार्यबल की सुरक्षा सुनिश्चित करने के लिए प्रमुख एचआर प्रक्रियाओं में परिवर्तन किए और व्यवसाय की निरंतरता सुनिश्चित की।

बीईएल की मिसाइल सिस्टम एसबीयू में अपने पिछले कार्यकाल में, श्री विक्रमन ने सिस्टम एकीकरण परियोजनाओं पर कार्य करने के लिए अपनी टीम में बहु-विषयक सक्षमताएं विकसित कीं। उन्होंने रेडार निर्माता की भूमिका को बदलकर शस्त्र प्रणाली एकीकरणकर्ता करते हुए संगठन के लिए आवश्यक परिवर्तन की संस्कृति शुरू की। परीक्षण, विपणन और ग्राहक समर्थन प्रमुख के

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 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,

	रूप में अपने कार्यकाल के दौरान, मिसाइल सिस्टम एसबीयू ने लगातार चार वर्षों तक रु. 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 का सफलतापूर्वक उत्पादन पूरा किया।		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.
पुनर्नियुक्ति के निबंधन व शर्तें	ए.जी.एम. की सूचना की मद सं. 6 में दिए गए संकल्प के अनुसार जिसे उसके व्याख्यात्मक विवरण के साथ पढ़ा जाना है।	Terms and conditions of appointment	As per the Resolution at Item No.6 of the Notice of AGM read with explanatory statement thereto.
निदेशकों और मुख्य प्रबंधक 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	कोई नहीं	Directorship held in other Public Limited Companies (including listed Companies)	Nil.
अन्य पब्लिक लिमिटेड कंपनियों की समितियों की अध्यक्षता/सदस्यता	कोई नहीं	Chairman/ Membership of Committees in other Public Limited Companies	Nil.
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	3,789	No. of equity shares held in the Company.	3,789.
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	वित्तीय वर्ष 2022-23 के दौरान ऐसी कोई बैठक आयोजित नहीं हुई जिसमें वे भाग लेने के पात्र थे।	Attendance in the Board meetings held during the financial year 2022-23.	No meeting held during the financial year 2022-23 for which he was eligible to attend.

मद सं. 7 के संबंध में -

नियुक्ति-

नाम और डीआईएन	श्री के. वी. सुरेश कुमार (डीआईएन-10200827)
जन्म तिथि	01 जुलाई 1966
मंडल में प्रथम नियुक्ति की तारीख	16 जून 2023
शैक्षिक योग्यता	उन्नत इलेक्ट्रॉनिक्स में एम.टेक
विशिष्ट कार्यशील क्षेत्रों में विशेषज्ञता	<p>श्री के. वी. सुरेश कुमार ने 16 जून 2023 को बीईएल के निदेशक (मार्केटिंग) का पदभार ग्रहण किया। इस पदोन्नति से पहले वे बेंगलूरु में बीईएल के उत्पाद विकास एवं नवोन्मेष केंद्र (पीडी एंड आईसी) के महाप्रबंधक के रूप में सेवारत थे।</p> <p>इलेक्ट्रॉनिक्स एवं संचार इंजीनियरी में स्नातकोत्तर श्री के. वी. सुरेश कुमार ने मई 1989 में परिवीक्षाधीन इंजीनियर के रूप में बीईएल में कार्यग्रहण किया। एक कुशल अभियंता के रूप में उन्होंने बीईएल की कई यूनिटों में अनेक प्रौद्योगिकियों पर काम किया और बीईएल के मुख्य स्वदेशीकरण अधिकारी सहित प्रमुख कॉर्पोरेट पदों पर रहे। 34 वर्षों के महत्वपूर्ण करियर में, उन्होंने सभी प्रमुख ग्राहक खंडों कार्य करते हुए विविध प्रौद्योगिकी क्षेत्रों में समृद्ध अनुभव प्राप्त किया और आर एंड डी के माध्यम से कारोबारी विकास को आगे बढ़ाने में महत्वपूर्ण भूमिका निभाई।</p> <p>श्री के. वी. सुरेश कुमार प्रतिष्ठित रक्षा मंत्री का उत्कृष्टता पुरस्कार प्राप्त कर चुके हैं। उनके सक्षम संरक्षण में उनकी टीमों द्वारा कई पेटेंट/कॉपीराइट बनाए गए।</p> <p>उन्होंने उत्पाद विकास जीवन-चक्र के सभी चरणों में काम किया जिनमें उत्पाद की संकल्पना, डिज़ाइन, विकास, अर्हता, संस्थापन और कमीशनिंग, क्षेत्र परीक्षण और प्रणालियों को शामिल करना शामिल है। उन्हें अंतिम उपयोगकर्ता की जरूरतों/ आवश्यकताओं और उन्हें पूरा करने के साधनों की गहरी जानकारी और समझ है।</p> <p>महाप्रबंधक (पीडी एंड आईसी) के रूप में अपने कार्यकाल के दौरान, उन्होंने बीईएल में प्रयुक्त 16 कार्यक्षेत्रों में प्रौद्योगिकी मॉड्यूल के संस्थागत विकास के लिए 500 अभियंताओं की टीम का मार्गदर्शन</p>

In respect of item No.7:

Appointment:

Name and DIN	Mr K V Suresh Kumar (DIN: 10200827).
Date of Birth	01 July 1966.
Date of first Appointment on the Board	16 June 2023.
Qualification	M.Tech in Advanced Electronics
Expertise in specific function area	<p>Mr K V Suresh Kumar took charge as Director (Marketing) of Navratna Defence PSU Bharat Electronics Limited (BEL) on June 16, 2023. He was serving as the General Manager of BEL's Product Development & Innovation Center (PD&IC) in Bengaluru before his elevation.</p> <p>A post-graduate in Electronics & Communications engineering, Mr K V Suresh Kumar joined BEL in May 1989 as a Probationary Engineer. An accomplished engineer, he has worked on multiple technologies at multiple Units of BEL, held key corporate positions, including that of Chief Indigenisation Officer, BEL. In an eventful career spanning 34 years, he has gained rich experience in diverse technology areas dealing with all major customer segments, and played a pivotal role in driving business development through R&D.</p> <p>Mr K V Suresh Kumar is a recipient of the prestigious Raksha Mantri's Excellence Award. Under his able tutelage, many patents / copy rights have been created by his teams.</p> <p>He has worked in all phases of product development life-cycle, including conceptualisation, design, development, qualification, installation and commissioning, field trials and induction of systems. He has in-depth knowledge and understanding of the end user's needs / requirements, and the means to meet them.</p> <p>During his tenure as GM (PD&IC), he guided a team of 500 engineers for in-house development of technology modules in 16 verticals, which are</p>

किया। उन्होंने पीडी एंड आईसी में आईपी सृजन और कौशल संवर्धन की पहल भी की। इस दायित्व से पहले, श्री के वी सुरेश कुमार बीईएल के कॉर्पोरेट कार्यालय में महाप्रबंधक (प्रौद्योगिकी योजना) के पद पर थे, जहां उन्होंने कंपनी भर में सभी आर एंड डी गतिविधियों की योजना और निष्पादन का नेतृत्व किया, जिसके परिणामस्वरूप बड़ी संख्या में अनुसंधान और विकास परियोजनाएं आईं जिनका सफल वाणिज्यीकरण किया गया।

वर्ष 2017-2019 की अवधि के दौरान उनके प्रयासों और योगदान के परिणामस्वरूप भारतीय वायुसेना के लड़ाकू विमान में अत्यधिक जटिल और अत्याधुनिक एयरबोर्न ईडबल्यू सिस्टम शामिल किया गया, जिसके कारण 3,000 करोड़ रुपये का आदेश प्राप्त हुआ।

श्री के. वी. सुरेश कुमार ने बीईएल को प्राप्त एकल सबसे बड़े निर्यात आदेश ईडबल्यू सूट की आपूर्ति के लिए एयरबस से 90 मिलियन अमेरिकी डॉलर से अधिक के निर्यात आदेश को प्राप्त करने में महत्वपूर्ण भूमिका निभाई। उन्होंने नए उत्पाद भी पेश किए और लगभग 4,000 करोड़ रुपये के भावी कारोबारी अवसर पैदा किए।

2014 और 2017 के बीच, उन्होंने भारतीय सेना और अर्धसैनिक बलों में बड़ी संख्या में इलेक्ट्रो-ऑप्टिक उत्पादों/प्रणालियों के विकास और समावेशन के लिए टीमों का सफलतापूर्वक नेतृत्व किया, जिससे बीईएल को लगभग 5,000 करोड़ रुपये का व्यवसाय प्राप्त हुआ। उन्होंने आक्रामक रूप से स्वदेशीकरण के प्रयासों को भी आगे बढ़ाया और लगभग 300 करोड़ विदेशी मुद्रा की बचत की।

2014 से पहले, उन्होंने भारतीय नौसेना और भारतीय वायुसेना के हेलीकॉप्टरों और विमानों में कई ईडबल्यू प्रणालियों का विकास कर उन्हें सेना में शामिल किया। इसी अवधि के दौरान, उनके प्रयासों के परिणामस्वरूप भारत में दुनिया की सबसे व्यापक ईडबल्यू टेस्ट रेंज की स्थापना के लिए नामांकन के आधार पर भारतीय वायुसेना से लगभग 1,000 करोड़ रुपये का आदेश प्राप्त हुआ।

वर्ष 2021 से वे बीईएल के मुख्य स्वदेशीकरण अधिकारी के रूप में कार्यरत हैं और उन्होंने सरकार के 'आत्मनिर्भर भारत अभियान' में महत्वपूर्ण

used across BEL. He also drove the IP generation and skill enhancement initiative at PD&IC. Prior to this assignment, Mr K V Suresh Kumar held the position of General Manager (Technology Planning) at BEL's Corporate Office, where he spearheaded planning and execution of all R&D activities across the company, which resulted in a large number of R&D projects that have since been successfully commercialised.

His efforts and contributions, during the period 2017-2019, resulted in the induction of highly complex and state-of-the-art airborne EW Systems onto the fighter aircraft of IAF, paving the way for receipt of orders worth ₹ 3,000 Crore.

Mr K V Suresh Kumar was instrumental in realising an above 90 Mn USD export order from Airbus for the supply of EW Suite, the single largest export order received by BEL. He also introduced new products and generated future business opportunities worth about ₹ 4,000 Crore.

Between 2014 and 2017, he successfully led teams for the development and induction of a very large number of Electro-Optic products / systems into the Indian Army and Paramilitary Forces, which in turn have fetched BEL a business of about ₹ 5,000 Crore. He also aggressively pursued indigenisation efforts and saved about ₹ 300 Crore FE.

Prior to 2014, he had developed and inducted many EW systems into the helicopters and aircraft of Indian Navy and IAF. During the same period, his efforts have resulted in the receipt of about ₹ 1,000 Crore order from IAF on nomination basis for setting up the world's most comprehensive EW Test Range in India.

Since 2021, he has been serving as the Chief Indigenisation Officer of BEL and has made significant contributions to

	योगदान दिया है। बीईएल ने स्वदेशीकरण के प्रयासों के माध्यम से पिछले दो वर्षों में 1,000 करोड़ से अधिक एफई की बचत की है। कंपनी ने रक्षा मंत्रालय, भारत सरकार द्वारा घोषित सकारात्मक स्वदेशीकरण सूची में भी 100 से अधिक उत्पादों का योगदान दिया है। इनमें से अधिकांश उत्पाद मेक II मार्ग के माध्यम से विकासाधीन हैं।
पुनर्नियुक्ति के निबंधन व शर्तें	ए.जी.एम. की सूचना की मद सं. 7 में दिए गए संकल्प के अनुसार जिसे उसके व्याख्यात्मक विवरण के साथ पढ़ा जाना है।
निदेशकों और मुख्य प्रबंधक 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 दे दिया है	कोई नहीं
कंपनी में धारित इक्विटी शेयरों की संख्या	कोई नहीं
हितलाभी स्वामी के रूप में कंपनी में धारित इक्विटी शेयरों की संख्या	कोई नहीं
वित्तीय वर्ष 2022-23 के दौरान आयोजित मंडल की बैठक में उपस्थिति	वित्तीय वर्ष 2022-23 के दौरान ऐसी कोई बैठक आयोजित नहीं हुई जिसमें वे भाग लेने के पात्र थे।

मंडल के आदेशानुसार
कृते भारत इलेक्ट्रॉनिक्स लिमिटेड

बेंगलूरु
4 अगस्त, 2023

एस श्रीनिवास
कंपनी सचिव

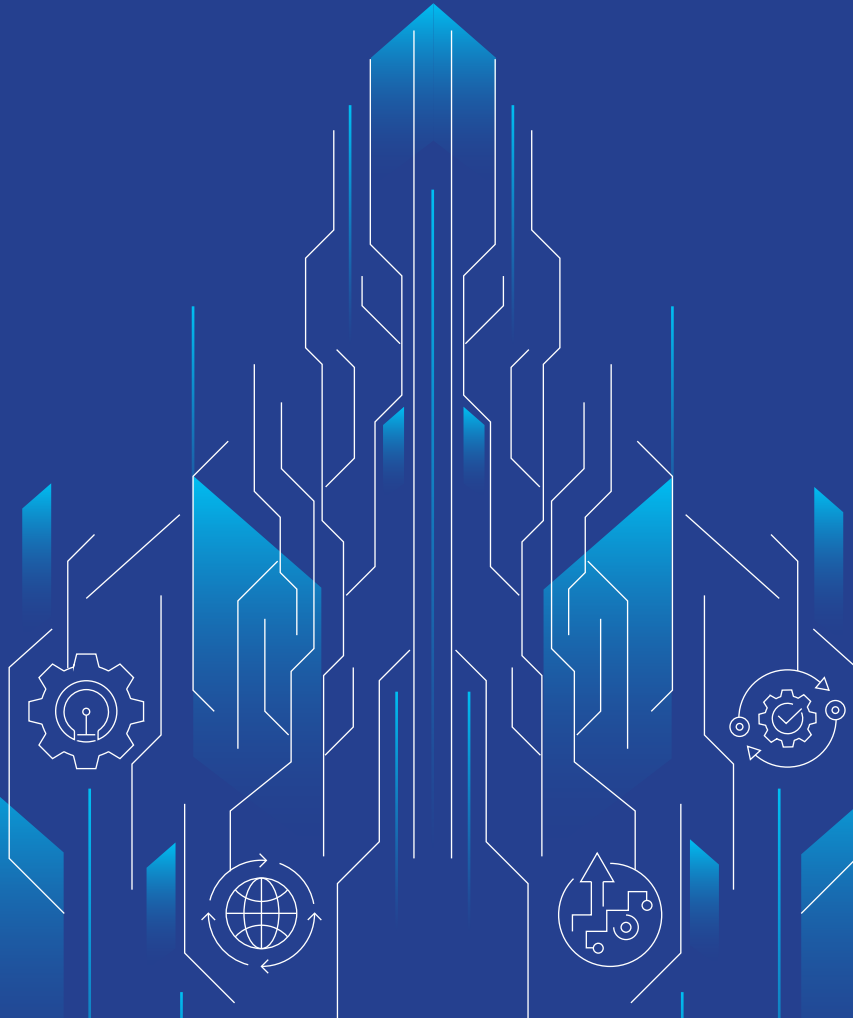
	the Government's 'Atmanirbhar Bharat Abhiyan'. BEL has saved more than ₹ 1,000 Crore FE in the last two years through indigenisation efforts. The company has also contributed over 100 products to the Positive Indigenisation lists promulgated by the Ministry of Defence, Government of India. A majority of these products are under development through the Make II route.
Terms and conditions of appointment	As per the Resolution at Item No.7 of the Notice of AGM read with explanatory statement thereto.
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.	Nil.
No. of equity shares held in the Company as a beneficial owner	Nil.
Attendance in the Board meetings held during the financial year 2022-23.	No participation in the meeting held during the financial year 2022-23 for which he was eligible to attend.

By order of the Board
For Bharat Electronics Limited

Bengaluru
4 August, 2023

S Sreenivas
Company Secretary

INTEGRATED
ANNUAL REPORT
2022-23



*Engineering
Global Solutions.*

Empowering Growth.

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FROM A HUMBLE BEGINNING WAY BACK IN 1954, BHARAT ELECTRONICS LIMITED (BEL) HAS COME A LONG WAY. WE HAVE SUCCESSFULLY ESTABLISHED OURSELVES AS INDIA'S FOREMOST DEFENCE ELECTRONICS COMPANY.

Over the last six decades, we have built competencies across diverse technologies and created a highly skilled, technically proficient and competent team, enabling us to conduct cutting-edge research and development of various sub-systems, systems and products. We have also established extensive and modern manufacturing infrastructure across nine units. Together, these factors position us as a differentiated entity with multi-product, multi-technology and multi-unit capabilities, enabling us to deliver high-end technology solutions in defence and non-defence segment(s).

Our competencies set us apart, and we are leveraging them to drive growth in key identified areas.

Defence remains our priority. We are actively involved in collaborative R&D, outsource work to Indian private industries and MSMEs, and engage in Public-Private Partnerships to execute turnkey projects. These initiatives are in alignment with the Government's vision of indigenisation and self-reliance.

Exports and offsets are also key thrust areas. We are rapidly expanding our global presence, targeting newer markets in the Indian Ocean Region (IOR) and friendly foreign countries (FFCs) to enhance exports. Additionally, we are exploring opportunities in contract manufacturing for foreign OEMs, technology transfer partnerships

and establishing long-term supply chain relationship with global players. The Government is encouraging defence exports through many policy initiatives and has set a target of ₹ 35,000 Crore by 2025, further strengthening our efforts to expand our global footprint.

In the area of offsets, we are unlocking revenue generation opportunities by enabling foreign OEMs to meet their Offset obligations in various programmes of the MoD and exploring opportunities in allied non-defence areas.

With our multi-disciplinary engineering solutions, we are poised for stronger growth in the future, both in India and abroad.

With our multi-disciplinary engineering solutions, we are poised for stronger growth in the future, both in India and abroad.



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



Scan QR code to download
our Integrated Annual Report 2022-23

About the Report

Forward-looking statements

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.

Basis of Reporting

This is Bharat Electronics Limited's (BEL) second Integrated Annual Report prepared in alignment with the guiding principles and content elements of the International Integrated Reporting Council's (IIRC) Integrated Reporting <IR> Framework, now a part of IFRS Foundation.

Through this report, we intend to go beyond the statutory requirements and voluntarily disclose information to empower investors to make informed decisions. The report covers information on our approach to value creation using six capitals – Financial, Manufactured, Human, Intellectual, Social & Relationship and Natural Capitals, and the outcomes we generate for key stakeholders. We also provide relevant information relating to our material issues, the operating environment and our strategic way forward, with highest standards of transparency.

Reporting Principle

We have prepared this Report in accordance with the: Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards. We have also followed IIRC's <IR> framework.

Boundary and Scope of Reporting

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 of 1 April 2022 to 31 March 2023. Material information, if any, until 31 July 2023 has been provided. Comparative figures, as applicable, for the last three to five years have been incorporated in this Report to provide a holistic view.



Our Capitals



Financial Capital

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

PG-30



Manufactured Capital

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

PG-32



Intellectual Capital

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

PG-34



Human Capital

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

PG-37



Social & Relationship Capital

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

PG-40



Natural Capital

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

PG-44

About Bharat Electronics Limited

Globally recognised in defence electronics and beyond

Bharat Electronics Limited, established in 1954, is a Navratna Public Sector Undertaking. We possess expertise in a spectrum of activities, encompassing the design, development, manufacturing, supply and life cycle support of strategic electronic products and systems. With our dedication to innovation, we build ingenious solutions that meet the ever-evolving needs of our esteemed clientele, adding value to their operations.

We hold a prominent position in the Indian Defence segment, and are making inroads into the civilian segments while also expanding our defence operations in the international markets. Our widespread recognition stems from our technology and quality, which sets us apart as a brand with excellence.



VISION

To be a world-class enterprise in professional electronics.



MISSION

To be a customer-focused, globally competitive company in defence electronics and in other chosen areas of professional electronics, through Quality, Technology and Innovation.

VALUES

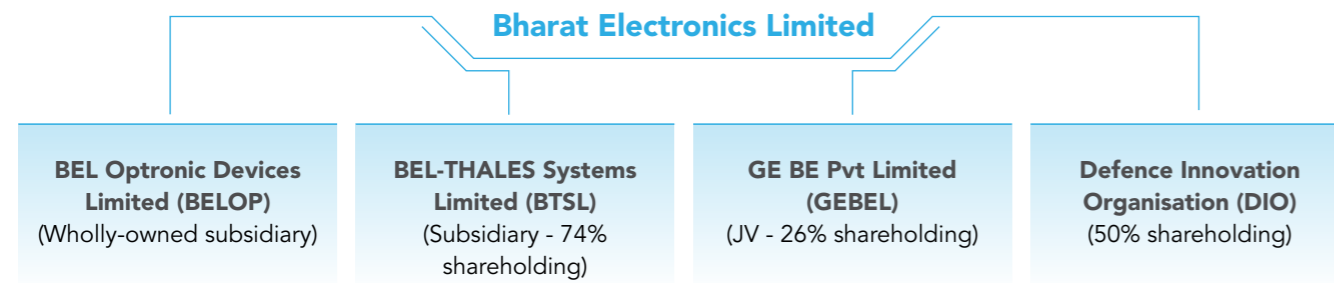
- Putting customers first.
- Working with transparency, honesty & integrity.
- Trusting & respecting individuals.
- Fostering teamwork.
- Striving to achieve high employee satisfaction.
- Encouraging flexibility and innovation.
- Endeavouring to fulfil social responsibilities.
- Proud of being a part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

OBJECTIVES

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



OPERATING STRUCTURE



EMPOWERING MAKE IN INDIA



Supporting private participation

- Increased procurements from and outsourcing to Indian entities
- Outsourcing and vendor development policy along with Nodal officers appointed



Testing services

- Providing Indian private vendors access to our 189 test facilities



Collaborative R&D

- Collaborating with companies, institutions, academia and experts/consultants to augment R&D and product design efforts and indigenise identified items



Supporting MSME / startup ecosystem

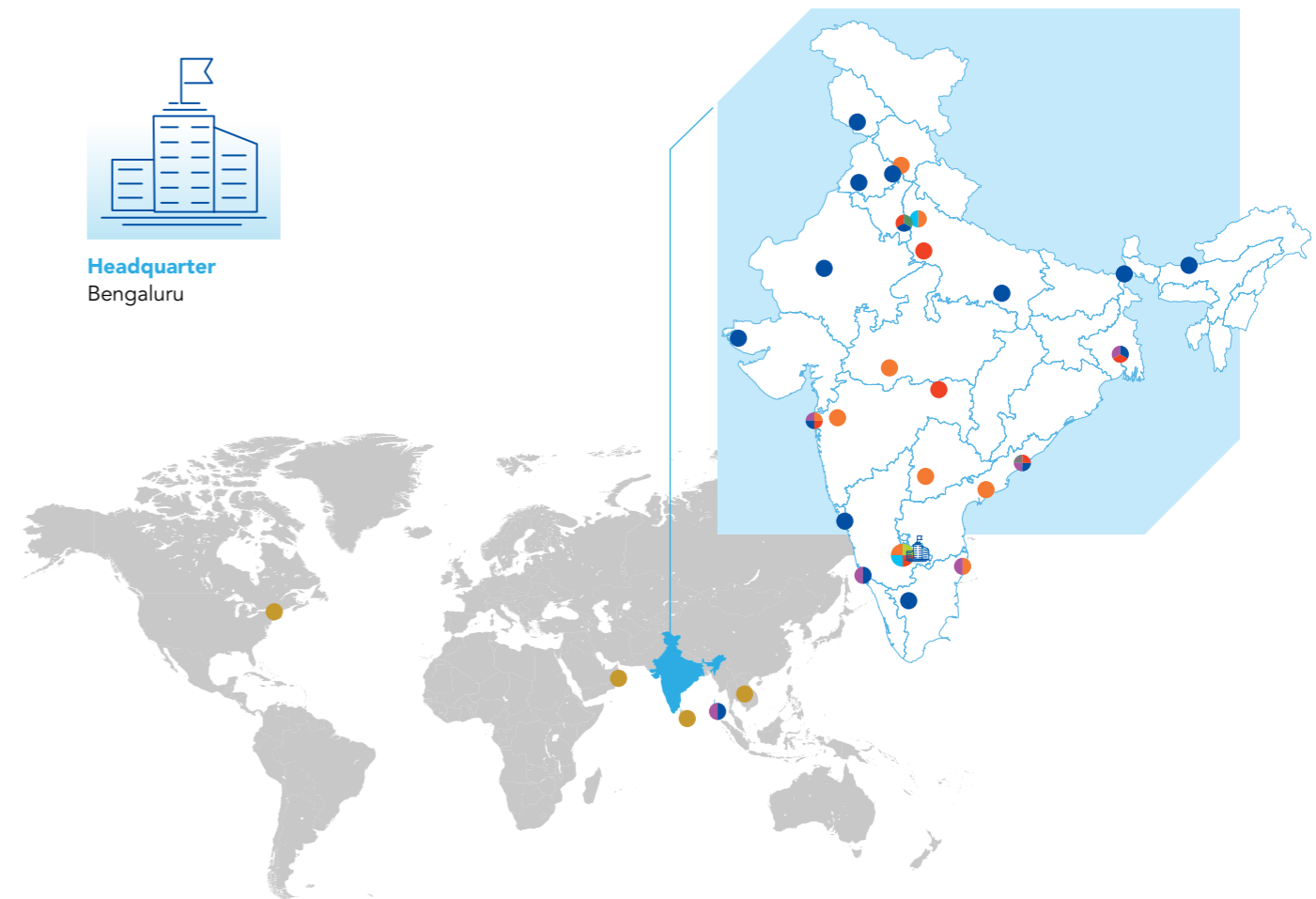
- Public Procurement Policy for MSEs with 358 items reserved for them
- 32% of total domestic procurement in FY 2022-23 from MSEs as against 25% mandated
- On-boarded on TReDS Platform, GeM, MSME Sambandh and MSME Samadhaan Portals complying with Government guidelines

Geographic Footprint

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 Marketing - New Delhi
International Marketing - New Delhi
Civilian Marketing - 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, Sulur, Bhatinda, Wadsar, Bagdogra

Central Research Laboratories (CRL)
Bengaluru, Ghaziabad

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

Product Development and Innovation Center (PD&IC)
Bengaluru

Software Development Centre (SDC)
Visakhapatnam

Business Segments

Our expanding frontiers

DEFENCE SEGMENT

We develop a wide range of electronics equipment, systems and services for the Indian defence services. These are manufactured at our nine plants having 25 strategic business units (SBUs).

Product expertise

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. We have recently diversified into Arms & Ammunitions, Seekers & Missiles, Network & Cyber Security and Unmanned Systems.



Key highlights FY 2022-23

- Received orders worth ₹ 18,052 Crore
- MoU signed with Defence Initiatives, Belarus and Defence Initiatives Aero Pvt Ltd for supply of Airborne defence Suite for the Helicopters

NON-DEFENCE SEGMENT

We develop products and solutions for the civilian markets through select SBUs. We have a dedicated SBU for Homeland Security and Smart City (HS&SC) business and a dedicated vertical for Medical Electronics and Solutions at the Bengaluru unit given high growth opportunities.

Product expertise

Electronic Voting Machine (EVM) & VVPAT, HS&SC, Software Solutions / Services, Healthcare Solutions, Civil Aviation and Solar Cells/Power Plants. We have also diversified into providing Railway / Metro / Airport Solutions, Space Electronics and Systems, Alternate Energy Solutions, Secure Communication Solutions and Software.



Key highlights FY 2022-23

- Received order worth ₹ 456 Crore towards Comprehensive Security Solution for ONGC
- BEL-developed Air Traffic Management Automation System was installed at Bhubaneswar Airport
- Indigenously developed Train Control & Supervision System, jointly developed by BEL and Delhi Metro Rail Corporation

OUR REVENUE STREAMS

Income from sale of products

Sale of products for defence and various civil applications is our primary source of revenue. We invest in modernising/creating manufacturing and R&D facilities and marketing networks to seize opportunities in existing and new areas of business diversification.

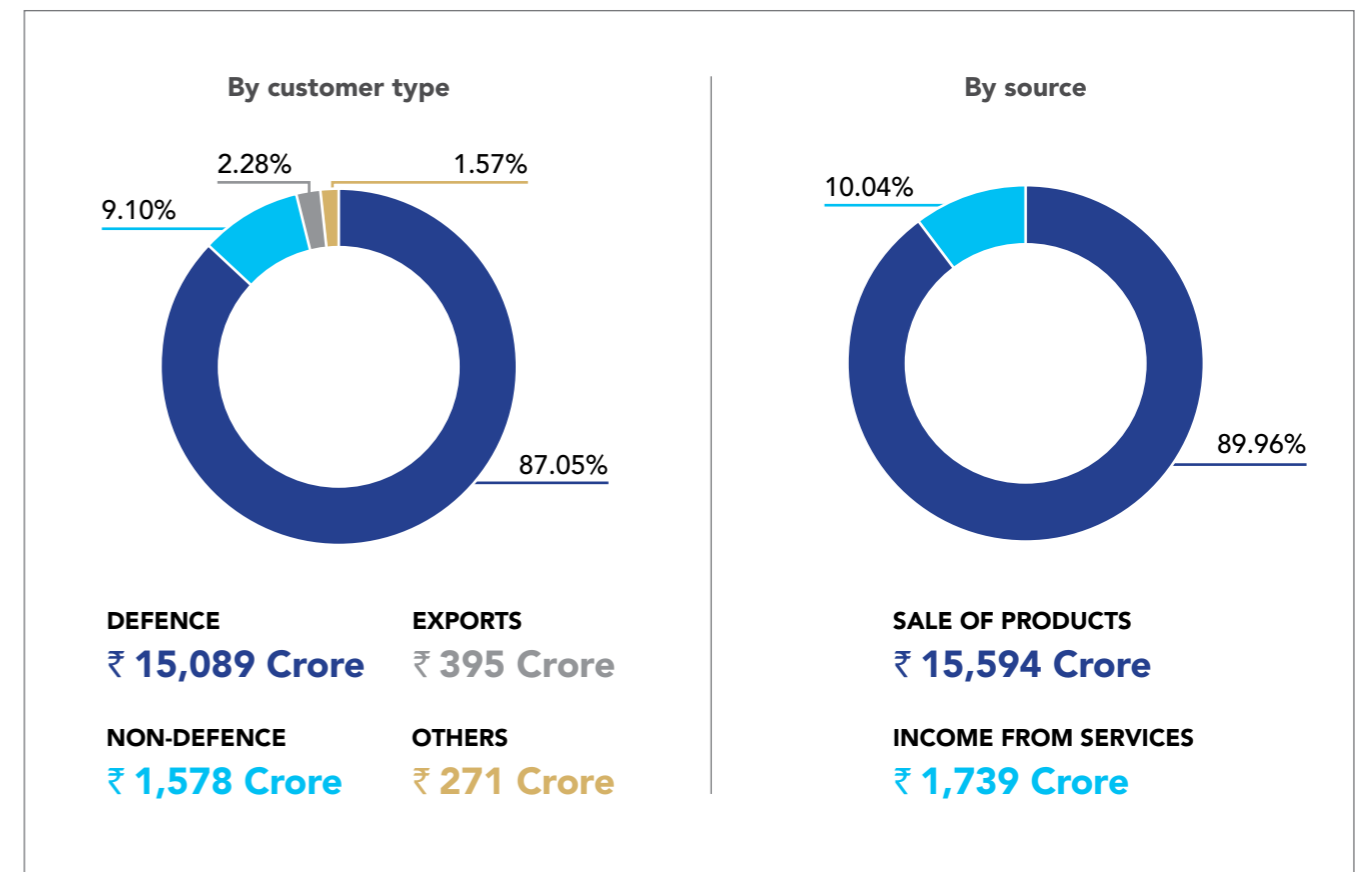
Income from services

We have a wide network of support centres (RPSCs, WFSCs and Liaisoning Offices) in proximity to our domestic and global customers supported by ~300 service engineers and robust spares support. These enable providing support and maintaining uptimes of critical defence / non-defence systems.

Exports

We export products and systems to foreign countries and global OEM with support of Ministry of External Affairs (MEA) and Ministry of Defence (MoD). Our healthy relationship with current and prospective customers creates opportunities for OEM's offset obligations. We are also exploring civil and medical equipment opportunities globally.

Turnover break-up



Highlights of the Year

Reflecting our success in FY 2022-23



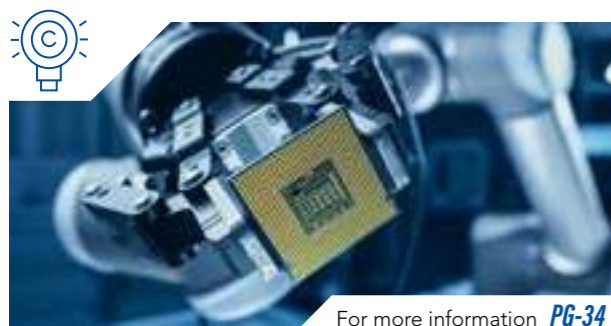
Financial Capital

₹ 17,333 Crore Turnover	₹ 4,048 Crore EBITDA
₹ 3,007 Crore PAT	₹ 13,582 Crore Networth*
*As on 31 March 2023	



Manufactured Capital

₹ 541 Crore Capex spending across nine state-of-the-art manufacturing facilities	75% Turnover from indigenously developed products
87% Turnover from defence supplies	



Intellectual Capital

₹ 1,088 Crore Investment in R&D across 12 centres	2,543 R&D team
100 Intellectual property granted	62 New products introduced



Human Capital

8,832 Employees (21.7% female)	₹ 1.96 Crore Turnover per employee
67,498 mandays Training	



Social & Relationship Capital

₹ 57.48 Crore CSR budget	12.5 Lakh CSR beneficiaries
1,679 MSMEs and start-ups supported	32% Procurements from MSEs supported



Natural Capital

19 MW Total renewable energy capacity	48.8% of overall energy consumption is green energy
25,840.55 mtCO₂ emission prevented	

Executed Critical to Customer (CTC) project

- Long-Range Surface-to-Air Missile (LRSAM) systems
- SATCOM Network
- Command & Control Systems
- Radars
- Electronic Warfare Systems
- Communication Equipment
- Sonars
- Coastal Surveillance System
- Electro-optic Systems
- Fire Control Systems
- Home Land Security Systems
- Smart City Projects
- Akash Missile Systems

₹ 20,344 Crore
orders acquired

- ₹ 18,052 Crore Defence orders
- USD 75.65 Million export orders
- ₹ 1,664 Crore Non-defence orders

AWARDS WON

- The Economic Times - Iconic Brand of India Award, 2022
- Raksha Mantri's Export Raksha Niryat Ratna Award 2021-22 among Large Companies
- ICC (Indian Chamber of Commerce) PSE Excellence Awards for the Company of the Year, Inclusivity - Contribution of Women and Differently Aabled in PSEs, and Runner Up Award for Operational Performance Excellence
- Twin honour of CII EXIM Bank Business Excellence Award (2022) and the Jury's Commendation for Role Model Organisation for BEL's Ghaziabad Unit
- Certificate of Appreciation from the Ministry of MSME for the highest procurement amongst Navratna CPSEs from women entrepreneurs under MSME category during FY 2021-22
- Quantic Technology Excellence Award 2022 for Best Security, Defence, or Law Enforcement IT Project
- Awards for Excellence in OL Implementation from TOLIC, Bengaluru
- Urban Infra Business Leadership Award 2022 for BEL's transformation of Metro and Rail commutation in India, aligned with the Government's Make in India initiative
- Most Iconic Organisation Award for BEL's Panchkula Unit by the World Manufacturing Congress
- Innovative Digital Smart City Project Award for Chandigarh Smart City to BEL's Panchkula Unit from Indian Institute of Material Management, Chandigarh
- Received Governance Now 9th PSU award for Environment & Sustainability for FY 2022-23



The Hon'ble Raksha Mantri, Shri Rajnath Singh, being briefed by BEL Management during his visit to the BEL stall at Aero India 2023.

PARTICIPATION IN FAIRS/ EXHIBITIONS

- First ever "AI in Defence" during July 2022 at Delhi
- Defence Technology Exhibition, East Tech 2022 during July 2022 at Kolkata
- Investors Outreach Program in Middle East during September 2022
- 12th edition of DefExpo-2022 during October 2022 at Gandhinagar
- 1st India-Kenya Industry seminar & Expo during November 2022
- Vietnam Defence Expo during December 2022
- Aero India during February 2023



Twin honour of CII EXIM Bank Business Excellence Award (2022) and the Jury's Commendation for Role Model Organisation for BEL's Ghaziabad Unit.

Chairman's Letter

Growth powered by technology and R&D excellence



Dear Shareholders,

It is with immense pleasure that I address you as the Chairman and Managing Director and share the Company's achievements and financial highlights during the past year.

FY 2022-23 has been an exceptional year for your Company. We grew on all fronts and emerged stronger with all your support, despite the geo-political crisis and global chip shortages. We continued 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 us creating value for all stakeholders. I am pleased to share that BEL has achieved a market capitalisation of ₹ 71,307 Crore as on 31 March 2023. This is a testament to our commitment of adequately rewarding our shareholders. Great progress was also made with regards to extending support to the communities and ensuring sustainable operations.

I take this opportunity to share with you the performance highlights during the past year and the future outlook for the company.

Setting New Benchmarks in Performance

In FY 2022-23, BEL achieved a turnover of ₹ 17,333 Crore as against ₹ 15,044 Crore in FY 2021-22, thereby registering a growth of 15.22%. The growth was driven by strong performances of both domestic and export business, across both defence and non-defence segments. Defence continued to be our mainstay, contributing to 87% of revenue in FY 2022-23 as against 90% in FY 2021-22, with the balance 13% coming from the non-defence segment.

Our export sales increased about 45% to USD 48.33 Million; we mainly exported to countries like France, USA, Spain, Israel, Germany, Mauritius, Switzerland, Vietnam, Sri Lanka, etc. The major products/systems exported include Sonar, Coastal Radar System, Radar Warning Receiver, Missile Approach Warning System, T/R Modules, Communication Equipment, Low Band Receiver LRUs, Medical Technical Parts, Cable Looms, Sonar Spares, Software for Integration of Radar, Radar Spares, EOS CoMPASS, etc.

The Profit after Tax grew by 28% to ₹ 3,007 Crore in FY 2022-23 as against ₹ 2,349 Crore in FY 2021-22. Our net worth is now stronger at ₹ 13,582 Crore as against ₹ 11,984 Crore in the previous year. Turnover per employee has increased from ₹ 1.69 Crore in FY 2021-22 to ₹ 1.96 Crore in FY 2022-23.

We continued the momentum in order acquisition by booking an inflow of ₹ 20,344 Crore during FY 2022-23. Order book position now stands at ₹ 60,690 Crore as on 01 April 2023, giving stable revenue visibility for the next few years. We anticipate good order inflow in the next couple of years.

Progressing the path of innovation

Innovation is a key differentiator for us. During the year, we continued investments in advanced technologies to deliver unique products and solutions to the customers, fulfilling our commitment to increase indigenised content and add value to our offerings. R&D investment as a percentage of turnover during the year was 6.28%, helping us to achieve 75% of our turnover from indigenous products.

Your Company has always been at the forefront in continuously developing innovative and quality products for customers. Some of the major products/systems introduced during FY 2022-23 include Coastal Surveillance System Ph.-II, SDR Variants, Combat Management System for ships, Voice Communication & Control Systems for C4I project, 4.8M Ku band Antenna, Gun Fire Control System (GFCS), Antenna System for Flight Level Radar MK-II, Navigation Complex System, 4KW GaN Transmitter, 0.4M Ku band Satcom on the Move (SoTM) System, Night Sight for 7.62mm LMG, Indigenous Goniometer, IFF MK XII(S), Super SCADA for Metro, etc.

Our unwavering dedication to R&D and strengthening of intellectual property has yielded remarkable results. In FY 2022-23, we filed 242 IPRs including 121 patent applications in domains of Communications, Artificial

Intelligence, Radars, Antennae, Embedded Systems, etc. We have been granted 22 patents, taking our total to 46. Furthermore, our scientists and R&D engineers published 79 technical papers in prestigious national and international journals, seminars and conferences.

Fortifying competencies, unleashing potential

Your Company continues to maintain a strong commitment to future readiness by investing for the future. This includes creating infrastructure and test facilities for various projects, establishing a Software Development Centre in Visakhapatnam to develop and access competencies from Tier-2 city. Additionally, we also expanded the manufacturing and storage facility of Ballot Unit & Voter-Verified Paper Audit Trail (VVPAT) for EVMs at Bengaluru.

To foster synergistic R&D efforts and propel innovation journey, we have empanelled 309 partners. This includes 39 R&D solution providers, 198 design service providers, 40 consultants and 39 production service providers.

In recognition of our commitment to quality and sustainability, we are proud to have received 19 AS-9100 D standard certifications and 22 Green Channel Certificates for our products.

Laurels and Accolades

It gives us great pleasure to inform that our persistent endeavours have been duly recognised and rewarded across various prestigious platforms. Our accolades span corporate excellence, governance, R&D, software development and sustainability domains, and are a testament to our continued excellence and improvement across all facets of operations.

Some of the noteworthy awards being:

- The Economic Times - Iconic Brand of India Award - 2022
- International Aerospace & Defence Award for Excellence in Innovation, Design, Technology or R&D
- Twin honour of CII EXIM Bank Business Excellence Award (2022) and the Jury's Commendation for Role Model Organisation for BEL's Ghaziabad Unit
- Winner of Raksha Mantri's Export Raksha Niryat Ratna Award 2021-22 among Large Companies
- ICC (Indian Chamber of Commerce) PSE Excellence Awards for the Company of the Year
- Quantic Technology Excellence Award 2022 for Best Security, Defence, or Law Enforcement IT Project
- Urban Infra Business Leadership Award 2022 for BEL's contributions to the transformation of Metro and Rail commutation in India, aligned with the Government's Make in India initiative
- Innovative CFO Award at the 2nd edition of The Business Leadership Awards for Director (Finance) & CFO
- Most Iconic Organisation Award for BEL's Panchkula Unit by the World Manufacturing Congress

- Innovative Digital Smart City Project Award for Chandigarh Smart City to BEL's Panchkula Unit from Indian Institute of Material Management, Chandigarh

These achievements inspire us and fuel our ambition to continue the pursuit of excellence and conquer new summits.

Foreseeable Future

As we look ahead, we have a lot of promising opportunities as well as challenges.

BEL being a key player in defence with multiple existing competencies and strong R&D is well-placed. We are vigorously responding to many 'Make-II' projects under Defence Acquisition Policy (DAP) 2020 and target to increase participation. We are also emphasising on progressing towards enhancing indigenous development of Sub-Systems, Systems and Services for which capabilities and competencies are being built. This includes investing in infrastructure creation and modernisation, skill development and outsourcing to Indian industries, especially MSMEs.

We will also continue to closely work with DRDO labs, research and premier academic institutions and niche technology players for developing new products and systems in emerging technologies. Further, considering increased private participation, we are increasingly interacting with the Indian defence industry towards building long-term relationships.

In our non-defence business, we seek to continue building on our existing competencies as well as diversifying into new business areas.

We are continuously pursuing opportunities to expand business by capturing new customers in the existing and new markets. To give greater thrust to exports, we have plans to further expand the network of our marketing offices. The target is to increase business opportunities in South East Asia, Europe, Middle East, Africa and North and South America through incessant engagement with customers and collaborating with other Indian companies and local partners.

Our overarching goal is to maintain strategic electronics leadership. Towards this, we have established strategies and initiated actions to rise above competition and maintain a technological edge. We intend to do this by staying abreast with latest technologies and meet the changing requirements of customers with thrust on cost-effective and innovative solutions. Roadmaps have been drawn for future products, new technology areas, creation of IPRs and acquisition of key technologies. On the employee's front, we have solidified our reputation as a preferred employer with efforts around continuous learning, innovation, and empowerment.

In FY 2023-24, we target a healthy growth of 15-17% driven by both defence and non-defence businesses. We have several prestigious orders lined up and will be focussed on executing them on time. While the opportunities are many, we also anticipate challenges due to geopolitical situations, emerging new technologies, changing policies and regulatory

landscapes, competition and evolving customer expectations. We will remain watchful and take necessary actions.

Contribution to Environmental, Social and Governance (ESG) Area

ESG and commitment to stakeholders' interests is a priority at BEL, guided by our value of 'Endeavouring to fulfil social responsibilities'. It underpins our long-term success.

We are making great strides towards reducing emissions, achieving water positivity and circular economy. A sharp focus is to reduce, reuse, recover and recycle through improvement in process and intend to build on them and create a greener future.

Our community efforts focusses on health, nutrition, education, skill development and environment sustainability. A noteworthy initiative was the launch of ProGame, self-learning coding kit, designed to equip children with programming skills and logic development, particularly targeted at those without access to computers. 42,000 students benefited from it.

Your Company takes pride in constantly adopting and maintaining the highest standards of values and principles. Your Company has received 'Nil' comments certificate from the C&AG for FY 2022-23. A detailed report on compliance of the guidelines on Corporate Governance can be read in Board's Report.

Acknowledgements

I extend my gratitude to all shareholders, esteemed customers and business associates for believing in us and partnering in our journey of value-creation. I thank my colleagues on the Board and the members of the Management Committee for their ongoing support and bringing in expertise to drive BEL's success. I am grateful to the Ministry of Defence and Defence Services for providing guidance, opportunities and having confidence in us.

Employees have been our pillars of success in every sense, helping BEL reach newer heights and enabling us to deliver on the expectation of customers and all stakeholders. We look ahead to better times and seek the sustained support of all stakeholders to unlock greater value creation.

I remain dedicated to our continued success and eagerly look forward to working with each one of you to take BEL to greater heights.

Thank you for the continuous support to Bharat Electronics Limited

With Best Wishes,

Yours Sincerely,

Mr Bhanu Prakash Srivastava

Chairman and Managing Director (Additional Charge)

Bengaluru
1 August 2023

Board of Directors

(As on 1 August 2023)

Visionaries driving our success

Functional/Whole Time Directors



Mr Bhanu Prakash Srivastava

Chairman and Managing Director
(Additional Charge)
Director (Other Units)



Mr Manoj Jain

Director (R&D)
Director (Bangalore Complex)
– Additional Charge



Mr Damodar Bhattad S

Director (Finance) & CFO



Mr Vikraman N

Director (HR)



Mr K V Suresh Kumar

Director (Marketing)



Dr Parthasarathi P V



Mr Prafulla Kumar Choudhury



Mr Mansukhbhai S Khachariya



Dr Shivnath Yadav



Dr Santhoshkumar N



Mr Gokulan Bangakandy

Part-Time Non-Official/Independent Directors

Part-Time Official Directors (Government Nominee Directors)



Mr T Natarajan

AS (DP)/DDP - MoD



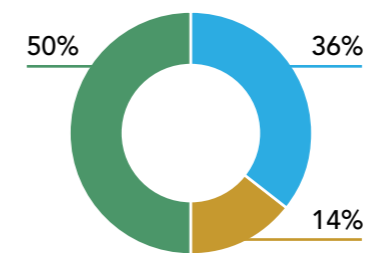
Dr Binoy Kumar Das

DG (ECS), DRDO



Mrs Shyama Singh

Board Composition



- Executive Directors 5
- Government-nominee Directors 2
- Independent Directors 7



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 2023)

Expert team that steers performance



Mr Shrikant Walgad, IAS
Chief Vigilance Officer (CVO)



Mr Manoj Kumar
ED (NM) - Delhi



Mr Sankarasubramanian R
ED (Radar) – GAD & UH



Mrs Durga G K
ED (Software) - BG



Mr Umesh K S
ED (ADSN) - BG



Mr Sekhar RL
GM (SC&US) - BG



Mr Anil Pant
GM (PS) - Delhi



Mr Pugazhenthir R
GM (HLS&SCB) - BG



Mr Loyola Pedro Vianney G
GM - CHN



Mrs Prabha Goyal
GM - PK



Mr Murali V
GM (Finance) - BG



Mr Rudhiramoorthy A
GM - NAMU



Mrs Ancy James
GM (EM) - BG



Mr Anoop Kumar Rai
CS (CRL) - GAD



Mr Naresh Kumar S
GM (PD&IC)



Mr Sampathkumar P
CTO (Comm) - CO



Mr Mohan R P
GM (HR) - BG



Mr Pahuja B P
GM (ES) - BG



Mr Ramakrishnan L
CS (CRL) - BG



Mrs Rashmi Kathuria
GM (SCCS) - GAD



Mr Suryanarayana Murthy G
GM - Pune



Mr Visweswar Putcha
GM - KOT



Mr Nandha Kumar TD
GM (NS/S&CS) - BG



Mr Srinivas K
GM - HYD



Mr Rajendra Aiwale
GM (Mil. Com.) - 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 Hari Kumar R
GM (TP) - BG



Mrs Sarala B
CTO (R&WS) - CO



Mrs Vanisree V
CTO (EW&P) - CO



Mr Prahalad P S
GM (CM) - Delhi



Mrs Manjula Devi N
GM (MS) - BG



Mrs Rama S
GM (Finance) - CO



Mr Pradeep Kumar Sethia
GM (IA) - CO



Mr Rajnish Sharma
GM (MR) - BG



Cdr. (Retd.) Kumar K
GM (NS/R&FCS) - BG



Mr Giriraja N
GM (DCCS) - GAD



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

Auditors

Statutory Auditors

M/s Guru & Jana,
Chartered Accountants,
Bengaluru

Branch Auditors

M/s V A Dudhedia & Co,
Chartered Accountants,
Pune
M/s Ashwani & Associates,
Chartered Accountants,
New Delhi
M/s P Subbarayudu & Co,
Chartered Accountants,
Vijayawada

Cost Auditors

M/s Murthy & Co. LLP,
Cost Accountants,
Bengaluru

Secretarial Auditors

M/s Thirupal Gorige &
Associates LLP,
Practicing Company
Secretaries,
Bengaluru

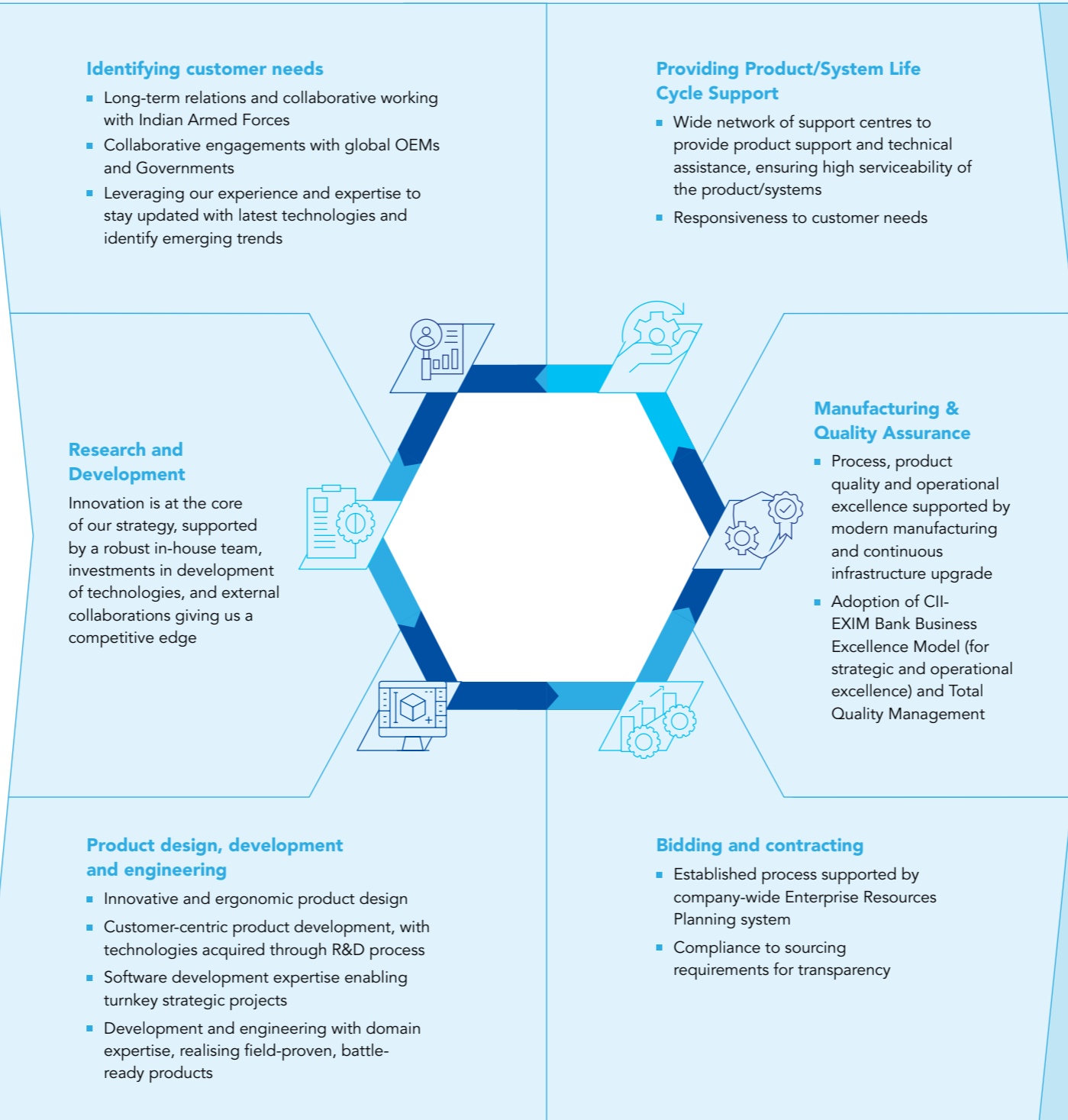
Our Business Model

A defined approach to long-term value-creation

Inputs

- Financial Capital**
 - ₹ 12,067 Crore capital employed
- 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
 - ₹ 541 Crore capex
- Intellectual Capital**
 - Robust three-tier R&D: 2 Central Research Laboratories, 1 PDIC (including CoEs), 9 D&Es
 - 2,543 R&D team
 - ₹ 1,088 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)
 - 242 IPRs filed (Patents: 121, Copyrights: 110, Industrial Designs: 6, SICLD: 4, Trademark: 1)
- Human Capital**
 - 8,832 engaged employees
 - 21.7% female employees
 - 67,498 mandays training provided
 - ₹ 8.52 Crore spent on training and development
- Social & Relationship Capital**
 - ₹ 57.48 Crore CSR budget
 - Meeting quality requirements of defence and non-defence clients
- Natural Capital**
 - ₹ 4.94 Crore invested in sustainability initiatives
 - Total 19 MW renewable energy capacity (Wind power plants: 13.9 MW and Grid connected Solar PV power plants: 5.1 MWp)
 - 1,500 saplings planted to the existing afforestation area
 - 62 new RoHS compliant components introduced. A total of 801 RoHS compliant standards are in place

Value creation process



Outcomes

- Financial Capital**
 - ₹ 17,333 Crore turnover
 - ₹ 4,048 Crore EBITDA
 - ₹ 3,640 Crore EBIT
 - ₹ 3,007 Crore PAT
 - ₹ 71,307 Crore market capitalisation
 - ₹ 1,316 Crore dividend
- Manufactured Capital**
 - 75% turnover from indigenously developed products
 - 87% of turnover from defence supplies
 - ₹ 17,731 Crore Value of production
- Intellectual Capital**
 - 62 new products introduced
 - ₹ 3,224 Crore R&D value addition
 - 100 IPR granted (Patents: 22, Copyrights: 70, Industrial Designs: 8)
- Human Capital**
 - ₹ 1.96 Crore turnover per employee
- Social & Relationship Capital**
 - 12.5 Lakh CSR beneficiaries across India
 - 1,679 MSMEs and start-ups supported during the year
 - 32% of procurements from MSEs
- Natural Capital**
 - Natural resource conservation
 - 25,840.55 MT CO₂ emission prevented
 - Increase in carbon sink and generation of oxygen
 - Minimising generation of hazardous waste
 - 48.8% of overall energy consumption is green energy




Outputs
We develop various electronic solutions for defence and non-defence segments.
Refer to page 8 for detailed information on products manufactured.

Stakeholder Engagement

Shared success with effective engagements

Sustained engagements with stakeholders are pivotal to our success, enabling us to identify and address their evolving requirements and gain insights into market evolution. This collaborative approach fosters stronger relationships, promotes innovation, and strengthens our competitive positioning, enabling us to deliver exceptional value.

Stakeholder	Relevant matters	Engagement methods	How we are addressing their concerns
 <p>Shareholders and investors</p>	<ul style="list-style-type: none"> Constant growth in revenue, profitability and EPS Returns via dividend, share price appreciation and buyback Adequate and timely information Participation in shareholder meetings and corporate governance decisions Engagement with the Board of Directors Addressing shareholders' grievances 	<ul style="list-style-type: none"> Quarterly, half yearly and annual results Analysts & investors meet Annual General Meeting (AGM) Press Releases Annual Report Company's website 	<ul style="list-style-type: none"> Delivered strong financial performance and regular dividend payments Implemented strategic measures for growth On-time submission of quarterly, half yearly and annual financial results Conducted analysts and investors meet and AGM, allowing engagement with management E-voting facility provided to shareholders alongside addressing their grievances Dissemination of requisite, adequate and timely information to Stock Exchanges and updating on website of the Company
 <p>Defence Customers</p> <p>Army, Navy, Air Force, MoD (acquisition and related departments), DPSUs, CPSEs, private companies</p>	<ul style="list-style-type: none"> Comprehensive solutions with contemporary technologies through indigenous design/development/manufacturing of state-of-the-art products and services Competitively priced Reliability of projects Timely delivery of products and services Product support / life cycle support / obsolescence management etc. Upgrade and life extension 	<ul style="list-style-type: none"> Regular engagement to understand the current and future requirements and provide innovative, indigenous solutions with contemporary technologies Periodic Institutional meetings by senior management with key decision makers and end users of customers Senior management, Marketing, D&E, Project teams regularly engage with their customer counterparts to discuss their needs, requirements and support 	<ul style="list-style-type: none"> Launch of in-house projects aligned with customer identified products, with required timelines; through in-house development/collaboration with strategic partners Co-opting Customers in joint development/project review meetings/development and end user trials Seeking expert advice for project course corrections where required through regular interactions at various levels with customer agencies Maintain contractual timeline and quality through improvements in programme management techniques, production and quality assurance processes, supply chain process improvements with priority to meet customer satisfaction Set-up and expand RPSCs to enhance onsite presence to ensure technical support on product, high service levels of supplied equipment, providing spares and services and addressing obsolescence management OMO engagement with end users and to resolve their operational/field challenges

Stakeholder	Relevant matters	Engagement methods	How we are addressing their concerns
 <p>Export Customers</p> <p>Overseas MoD, Ministries of Homeland security, other Governmental/non-Governmental agencies, OEMs, import/export agencies</p>	<ul style="list-style-type: none"> Field-proven equipment, with turnkey solution Programme funding Quality and reliability Local presence for support and maintenance 	<ul style="list-style-type: none"> One-to-One meetings, presentations, demos to understand requirements and offer satisfactory solutions Partnering local companies for marketing/liaisoning, product support services etc. 	<ul style="list-style-type: none"> Overseas marketing offices in focus markets Participation in Defence exhibitions/seminars/customer organised meets in overseas target markets Agreements with local companies for marketing and product support services
 <p>Non-Defence Customers</p> <p>ECI, MOHUA, MHA, METRO, AAI, ISRO (NSIL), State Governments and other Government Agencies</p>	<ul style="list-style-type: none"> Convert requirements into solutions Products / solutions embedded with contemporary technologies and indigenous manufacturing Competitive pricing, reliability of quality, supply and timely implementation 	<ul style="list-style-type: none"> Periodic / need based one-to-one/institutional meetings Technology/business workshops to understand requirements Communications, presentations, extensive trials and Proof of Concept demos to establish competencies Participation in exhibitions/seminars/workshops 	<ul style="list-style-type: none"> MoU/collaboration agreements with key customers for identified products/solutions Co-opting indigenous supply chain partners to develop Make in India solution Addressing concerns of delays, product support issues and pricing in liaising with concerned SBUs and corporate management
 <p>Employees</p>	<ul style="list-style-type: none"> Welfare amenities Pay and benefits Career advancement Health and safety aspects 	<ul style="list-style-type: none"> Induction and training programmes Performance management system Townhall meetings and newsletter Promotion policy and welfare amenities Medical scheme Training and development initiatives Reward & Recognition (R&R) 	<ul style="list-style-type: none"> Sponsorship for higher education like M. Tech / MBA for career advancement Mentoring to newly joined executives Increased motivation and engagement levels through R&R programmes like Excellence Awards, R&D Awards, etc. Performance improvement plan Welfare amenities such as crèche, transport, sports & recreational, township, etc. Introduction of 'United We Care' app to promote emotional wellness Death Benefit Scheme for and Scheme for Assistance to Family of Deceased Employees (BESAFE)

Stakeholder	Relevant matters	Engagement methods	How we are addressing their concerns
 <p>Suppliers / Vendors / Contractors</p>	<ul style="list-style-type: none"> Timely Payments Acceptance/rejection status Delivery status of the item Environmental Management System (EMS) compliance in supply of material and services 	<ul style="list-style-type: none"> Updation of status of item acceptance/rejection and payment Information on items due for supply EMS information through purchase order 	<ul style="list-style-type: none"> Data updation on the SRM Portal and forwarding system generated emails on the payment status System generated mails are forwarded to the vendors in case of any rejections for further follow-up and providing the correction action report Advance e-mail for items due for delivery Providing awareness training
 <p>Strategic Partners</p>	<ul style="list-style-type: none"> Market demand/identified business opportunity Collaboration (capabilities and resources) for pursuing opportunities including for exports, development, production, and technology for mutual benefits Fair distribution of risk, investments and anticipated benefits 	<ul style="list-style-type: none"> Participation in industry/customer/G-G events for enabling senior management meetings Institutional meetings with potential strategic partner to identify opportunities Joint working level committees Project teams for joint development/production 	<ul style="list-style-type: none"> Aligning own and strategic partner's business priorities with the market demand/business opportunity Identifying complementary strengths and synergy, and effective utilisation of joint capabilities and infrastructure for value creation Clearly defined roles and responsibilities with sharing of risks, investments and potential benefits Due diligence in partner selection regarding capability, experience, financial, technical and marketing strengths and technology maturity
 <p>Communities</p>	<ul style="list-style-type: none"> Land, water and air pollution Welfare and developmental interventions Environment sustainability 	<ul style="list-style-type: none"> Awareness through signboards CSR and Sustainability policies Interactions with community/local administration Impact assessment survey 	<ul style="list-style-type: none"> Compliance of related regulations CSR and Sustainability policies in place Undertook need-based assessment surveys to deliberate action plan and obtained necessary approvals from local administration Ensured regular dialogue with key community stakeholders Undertook to address feedback expressed by the beneficiaries Site inspections by CSR Committee of the Board and CSR Monitoring Committee
 <p>Government & Regulatory Bodies</p>	<ul style="list-style-type: none"> Compliance of applicable laws, regulations Community development and job creation Contribution towards national economic growth 	<ul style="list-style-type: none"> Exhibitions Regular meetings & reviews Participating in Govt. initiatives 	<ul style="list-style-type: none"> Compliance with applicable laws, regulations & policies Investment in infrastructure development, contribute towards India's economic growth Align our activities with government initiatives such as 'Make in India' and 'Aatmanirbhar Bharat'

Risk Management

Mitigating risks in our operating environment

Operating primarily in the Defence sector, our business faces challenges arising out of geopolitical diversities, interconnected supply chains, evolving technologies, and strategic trade control regulations. We navigate such risks through proactive planning and actions, supported by our robust Enterprise Risk Management (ERM) framework with well-defined policies and procedures. It enables a resilient and sustainable business model and ability to seize opportunities.

Approach to risk management

Our robust Enterprise Risk Management (ERM) framework is underpinned by the Board of Directors overseeing these initiatives, with dedicated committees like the Risk Management committee and sub-committees, each assigned specific roles and responsibilities. Their primary objective is to identify, evaluate, prioritise, and continually implement mitigation measures to manage risks.

Principal risks and mitigation actions

Technology risks	Competitive Landscape risk	Risks in Input Raw Material/ Components
<p>Technology distinguishes us in the Aerospace & Defence segments. With a wide array of technologies available, there is a need to incorporate the right one into equipment, systems, and platforms based on customer preferences. Incompatibility or misalignment of technology with customer preferences and timelines, could lead to resource loss and business impact.</p> <p>Mitigating Actions</p> <ul style="list-style-type: none"> We co-opt end users/customers during technology/product development, as well as during development and acceptance trials. Review, reassess, and incorporate necessary changes as part of the product development process. We focus on in-house or collaborative (with national R&D institutions, academia, and start-ups) development of critical technologies. It enables greater control and facilitates the integration of multiple technologies. We explore new models for the development/acquisition of requisite technologies, allowing for more efficient and effective technology acquisition processes. 	<p>There is an impetus for development of the domestic defence industrial base, with multiple policy initiatives and budgetary allocation by the Government of India aimed at encouraging private sector participation. These have resulted in increased competition within the domestic defence market, which may impact our market position in certain segments.</p> <p>Mitigating Actions</p> <ul style="list-style-type: none"> We foster strategic partnerships with domestic private defence entities for co-development, manufacturing, etc. to jointly address the opportunities emerging from the positive indigenisation lists. We emphasise on in-house development of high-value and high-technology products / strategic systems. We pursue product and market diversification strategies, including exploration of export markets to reduce sole reliance on domestic markets. 	<p>Potential delays in receipt of input material/components due to factors including supply chain discontinuities, long lead times, and vendor defaults due to increased raw material prices.</p> <p>Mitigating Actions</p> <ul style="list-style-type: none"> We are continually expanding sourcing channels for critical components, and identifying alternate vendors, and logistics and freight channels to minimise the impact. We focus on pre-ordering essential stock of long-lead-time components/raw material to ensure ready availability. We engage in advance procurements in anticipation of definitive customer orders and complete all pre-purchase order activities beforehand. This streamlines the procurement process and minimises potential delays.

Strategy

Identifying priorities for long-term growth

We, at Bharat Electronics Limited, have established a dominant position as an electronics engineering company in India's defence landscape with our wide-ranging technology and product / solution development expertise. With growing opportunities from Govt's Make in India initiative and India gaining global prominence, we have adopted a multipronged approach of following vectors of both defence and non-defence business to scale growth.

STRATEGY IN ACTION



Grow core defence business

Grow and improve the core defence business and also non-defence ones which can contribute to core business

Actions undertaken

- Investing in product / technology upgrade and new product development
- Creating new and augmenting / modernising existing infrastructure to meet futuristic requirements
- Investing in new manufacturing plants to scale up operations



Build non-defence segment

Extend the capability system to enter allied business segments and markets, adjacent to existing operations as well as to enter new businesses for diversification

Actions undertaken

- Venturing into new business models such as GOCO, OPEX model etc. aligned with the customer requirements to grow non-defence business
- Entered MoUs with AAI and Delhi metro, opening opportunities for more such civilian orders



Grow exports business

Expand geographic footprint to diversify and grow the exports business

Actions undertaken

- Leveraging multiple International Marketing offices to expand the reach of products and services to the new markets and explore offset opportunities
- Identifying opportunities for opening new marketing offices in new geographical areas
- Undertaking continuous engagements, local collaboration and participations in exhibitions to enhance market visibility



Investments in R&D

Continuous investments in R&D for technology / product development aligned to future business growth

Actions undertaken

- Multiple approaches adopted in R&D
- Continued focus on enhancing partnerships for collaborative development of solutions including with design agencies, academia, start-ups, industry (PSU/Private), global OEMs, etc.
- Investing in creating capabilities for developing futuristic technologies to meet emerging customer requirements and creating Centres of Excellence in various technology domains
- Exploiting the dual use technologies for product differentiation and market expansion providing custom solutions to customers



Building a stronger financial foundation for future

Financial Capital

At Bharat Electronics Limited, we are committed to creating value for all stakeholders as well as optimising shareholders' returns. We ensure efficient funds management and deployment in right areas to maximise surplus from business and unlock new growth opportunities.

UN SDGs

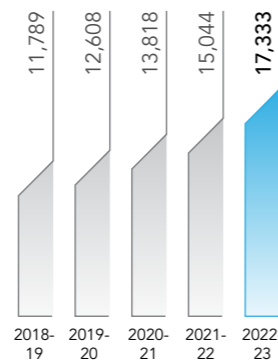


Delivering healthy financial performance

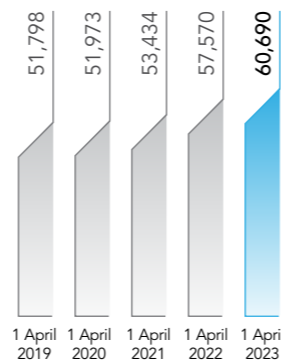
In FY 2022-23, despite various global challenges BEL delivered a resilient performance. Our turnover (Sales and Services) for the year was ₹ 17,333 Crore, a 15.22% growth over previous year and a 11.43% 5-year CAGR. Our order book position increased to ₹ 60,690 Crore, growing by 5.42% over the previous year.

With a sharp focus on cost control and better efficiencies, we also maintain healthy profitability. EBITDA increased by 22% to ₹ 4,048 Crore with a margin of 23%. PAT increased by 28% to ₹ 3,007 Crore. EPS increased to ₹ 4.11, up from ₹ 3.21 in the previous year.

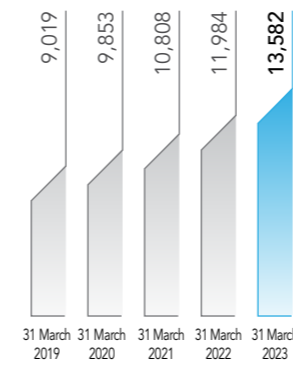
Turnover (₹ Crore)



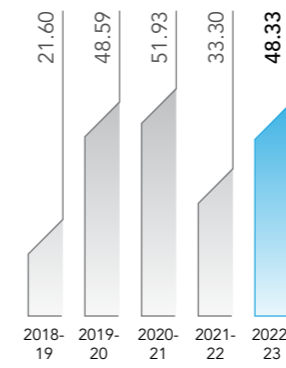
Order book (₹ Crore)



Net worth (₹ Crore)



Exports (USD Million)



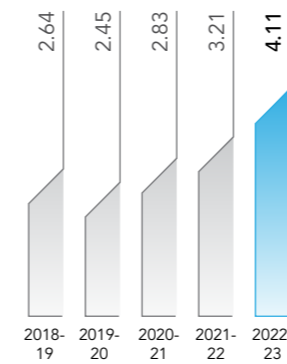
EBITDA (₹ Crore) and EBITDA margin (%)



PAT (₹ Crore) and PAT margin (%)



Earnings Per Share (₹)*



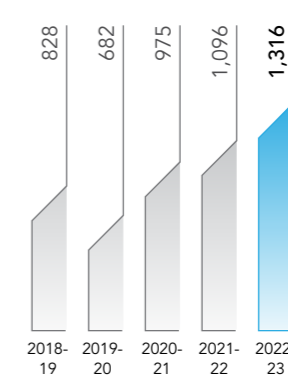
* EPS adjusted for all the previous periods consequent to issue of bonus shares in the ratio of 2:1 during FY 2022-23

Value created for shareholders

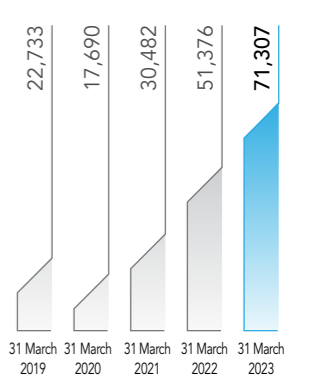
We are committed to delivering healthy returns to our shareholders, and have a track record of consistent dividend payments. With our continued efforts to grow core defence business and expand non-defence and exports business, we are setting the foundation for long-term growth.

In FY 2022-23, we became the first defence PSU to cross the landmark figure of ₹ 80,000 Crore in market capitalisation. The total dividend payout for the year stood at ₹ 1,316 Crore, a 20% increase over FY 2021-22. Besides, the Company also issued bonus shares in the ratio 2:1 (Two bonus equity shares for every One share held).

Dividend Distribution (₹ Crore)



Market Capitalisation (₹ Crore)





Scaling manufacturing excellence and capacities sustainably

Manufactured Capital At Bharat Electronics Limited, we have bolstered our competitiveness as a vital supplier to India's defence sector and global customers, led by our modern technologies, infrastructure and best processes which ensures superior operational parameters. Focussed on being at the forefront of indigenisation efforts and meeting global demand, we have undertaken key expansion and modernisation projects aligned with the latest technological and product advancements.

UN SDGs



Reinforcing our manufacturing excellence

We have state-of-the-art manufacturing facilities that support 25 SBUs. All these units follow world-class process and sustainability standards and are equipped with efficient technologies. This gives us a competitive edge in terms of quality, efficiency and cost competitiveness. Besides, our continued efforts around sustainable practices, minimising carbon footprint and contributing to a greener future resulted in Green Channel Certification.

Continuing our efforts towards excellence, in FY 2022-23, we made critical investments towards expanding capacity and enhancing operational parameters. These include:

- Capex to support existing and new technologies
- Driving operational excellence

Manufacturing excellence at BEL in FY 2022-23

07
awards received

₹ 17,731 Crore
of value of production

Capex to support existing and new technologies

Our solutions are witnessing strong traction across defence and non-defence segments globally. To meet, the growing demand and support existing and new technologies, we invested a total of ₹ 541 Crore towards various strategic capacity creation projects.

Driving operational excellence

Some of the key operational excellence and quality-related initiatives undertaken in FY 2022-23 are as follows:

- Conducted study, exploration, implementation of pilot projects on Industry 4.0 / Quality 4.0 in our upcoming plant at Machilipatnam and at the Central Quality Assurance of Bangalore Complex.
- Integrated Occupational Health and Safety Management System (OHSMS) with existing Environmental Management System (EMS).

QUALITY EXCELLENCE AT BEL

 ISO 9001:2015 and ISO 14001:2015 all Units/SBUs/Divisions Testing facilities	 ISO 13485:2016 Export Manufacturing SBU-Bengaluru	 ISO 27001:2013 13 Units/SBUs/Divisions
 ISO 45001:2018 Ghaziabad, Bengaluru and Kotdwara Unit	 ISO 20000-1 Software SBU-Bengaluru	 AS9100 AS9100D 19 Units/SBUs
 CMMi Level 5 Software SBU-Bengaluru, Hyderabad Unit & CRL-Ghaziabad	 CMMi Level 3 Chennai Unit, DCCS & NCS SBUs - Ghaziabad Unit	 Confederation of Indian Industry Ghaziabad Unit won the CII EXIM Bank Business Excellence Award in 2022 and Commendation for Role Model Organisation
 22 Green Channel Status Certificate from DGQA for supply of 65 products manufactured by 12 Units/SBUs		

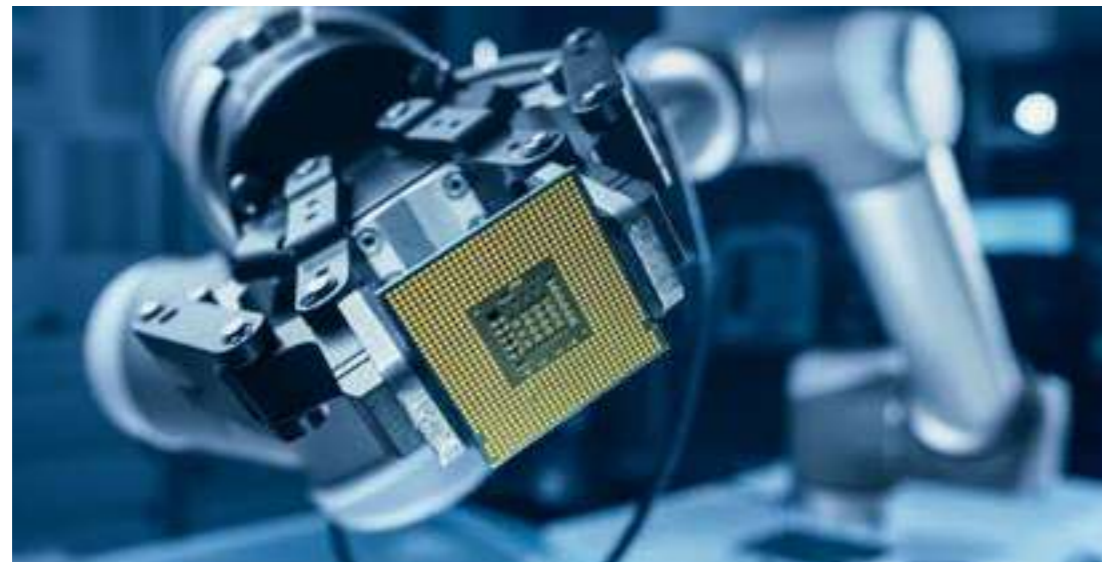


Spurring breakthrough with innovation and technology

Intellectual Capital

At Bharat Electronics Limited, we have established robust R&D competencies, backed by decades of accumulated intellectual capital. This enables breakthrough innovations and technological advancements, positioning us as a frontrunner to meet the government's vision of defence indigenisation, offsets and growing exports. We are also positioned competitively to address the requirements of customers globally.

UN SDGs



BEL R&D Centres

CRL, Bengaluru and Ghaziabad

Areas of work: Blue sky research for developing cutting-edge technologies and applied research in core technology areas

Centres of Excellence

(for Military Communication Systems, Radar & Weapon Systems, and Electronic Warfare and Photonics)

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

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. It also takes support of CRLs, PD&IC, CoEs and collaborative R&D partners to develop technology modules and subsystems, evaluations and trials, and extending technical support including obsolescence management.

R&D EXCELLENCE AT BEL

360 Cumulative IPRs granted/registered (Patents: 46, Copyrights: 301, Industrial Design: 10, SICLD: 1, Trademarks: 2)

79 papers presented and published by R&D/D&E scientists/engineers in reputed conferences, seminars and journals in FY 2022-23

242 IPR applications filed in FY 2022-23 (Patents: 121, Copyrights: 110, Industrial Design: 6, SICLD: 4, Trademarks: 1)

309 empanelled partners for collaborative R&D. The partners are categorised under R&D solution providers: 39, Design Service Providers: 198, Consultants: 40 and Protection Service Providers: 39, of which 7 partners are empanelled under two categories.

Strengthening collaborative R&D network

At BEL, strategic partnerships have been key to reinforcing our R&D capabilities and rapidly-building capabilities in emerging technologies for new products. Our network includes Defence Research Laboratories, National Laboratories, DPSUs, DIO iDEX, Academia, startups, niche technology companies, reputed global OEMs and Indian companies/agencies.

In FY 2022-23, we further strengthened R&D capabilities entering new strategic alliances. These include:

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 market
Armoured Vehicles Nigam Ltd (AVNL), Chennai	Joint development and production of Armoured Fighting Vehicles (AFV) and variants and upgrades for Indian Defence and export market
Munitions India Limited (MIL)	Cooperation for Make in India Programs for Ammunition and related products
Safran Electronics & Defense	Domestic manufacture/upgrade of sensors for naval platforms, precision guide munitions (PGMs) etc.
IAI, Israel	Domestic manufacture of Weapon Systems
Aeronautical Design Agency (ADA), Bengaluru	Joint Development of Onboard Computer (IWBC) and Other LRUs for Advanced Medium Combat Aircraft (AMCA)
Hindustan Shipyard Ltd	Joint development and manufacturing of sub systems for Naval platforms, Unmanned Underwater Systems, etc.
Mazagon Dock Shipbuilders Ltd	Joint development and manufacturing of Indigenous materials/equipment required for shipbuilding, submarine programmes and other platforms
Indian Institute of Science (IISc), Bengaluru	Co-operate and work in areas of Artificial Intelligence (AI) and Machine Learning (ML)
AAI Delhi	Joint development for Integrated Air Traffic Management (ATM) automation system and Advance Surface Movement & Guidance Control System (ASMGCS)
University of Agriculture Sciences	Develop solution for Digital farming/agriculture
Smiths Detection Systems Pvt Ltd	Domestic manufacturing and supply of high energy scanners

Reinforcing R&D competencies

R&D being our key area of differentiator, we continually undertake efforts to enhance our R&D infrastructure and processes to further enhance competencies. Some of the key initiatives undertaken during FY 2022-23 are as follows:

- Went live with Online R&D Flash and IPR process workflows and information capture on BEL ERP System, including R&D Dashboard
- Streamlined approval process and increased powers for R&D project approvals, including standardised formats for Board/R&D Committee Notes, for faster project approvals
- Restructured CRL-Ghaziabad into two verticals as Research and Development (R&D) and Research and Technology (R&T)
- Focus on enhancing collaboration with premier educational institutions and set up R&D / Innovation cells. Currently, R&D Cell at Kochi (for sonars and simulators) and at IIT Madras Research Park (for communication systems) has developed core technology modules and is operational

BEL was granted 22 patents during FY 2022-23 including for:

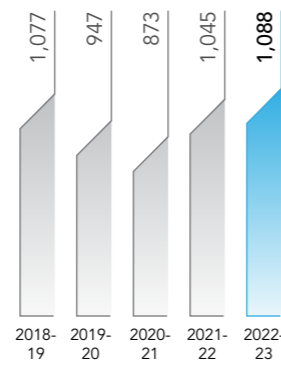
- VVPAT System
- Improved Laser Resonator
- Automatic Track Initiation using derived kinematics for TWS Radar
- Measurement of radiation pattern at bench level in reactive field of linear antenna arrays
- A method for calculating cyclic redundancy check for multi frame data words
- System and method for exporting and importing table row data using database key constraints
- A method for processing raw video for range ambiguity correction in radar
- Digitally tunable miniature filter
- A compact reconfigurable and fully scalable antenna beams steering controller

Advancing R&D efforts in FY 2022-23

In FY 2022-23, we made steady headway in R&D initiatives with the development of 83 products. These included: (i) Compact Rugged Monopole Patch Antenna for airborne data link radio communication (ii) AI-based Compact Braille Embosser (iii) Acoustic pinger with integrated transponder system and method for detection and positioning of underwater vehicles (iv) Architecture for real-time Key Distribution System (v) Spatio-Temporal Methodology for Sonar Imaging Simulator.

Significant progress was achieved on strengthening Artificial Intelligence capabilities. We established BEL-Indian Navy Incubation Cell for Artificial Intelligence (INICAI) and signed MoU with IISc Bengaluru on AI-ML for which the projects have been initiated. We are presently working on various AI-based projects including: (i) digital agriculture platform with integrated crop yield predictions (ii) AI-enabled adaptive traffic signal control solution (iii) Traffic rule enforcement analytics (iv) garbage and litter detection (v) accident/ vehicle break down detection (vi) AI-based surface target classification (vii) Satellite monitoring system (viii) Kinematics on hexapod (ix) AI-based video analytics.

R&D Investments (₹ Crore)



Human Capital

Setting new benchmarks in talent development

In today's rapidly evolving and competitive business landscape, unleashing the full potential of the workforce is the key to gaining a competitive edge. Leading the way in talent development, we foster an inclusive and performance-oriented culture that encourages learning, innovation, and empowerment. Our strong employee value proposition focusses on hiring, engaging and retaining top talent, shaping a positive employer brand and enhancing the overall employee experience.

UN SDGs



Key employee-related initiatives undertaken in FY 2022-23 including:

Learning and development

At BEL, we emphasise development of a competitive and future-ready workforce through various learning and development initiatives. Continuous learning and leadership development is at the core of our culture and is a key enabler for business growth. We focus on enhancing technical, functional, behavioural and

leadership competencies in executives across all domains and grades through programmes such as Management Development Programs, Certification Programs and Leadership Programs. These are organised both internally through subject matter experts and externally through premier institutions like IIMs, IITs and global consulting firms.

Some of our key learning and development initiatives include:

BEL Academy for Excellence (BAE)

This state-of-the-art dedicated academy offers curated programmes to develop competencies in the behavioural, functional, quality and technology domains for executives across levels. It places increased emphasis on specific focus areas and includes programmes like Advanced Leadership Program, Strategy Building & Competitive Intelligence, Leadership Acceleration Program, Coaching Essentials, PG Certification course in Management, M.Tech Program in Data Science Engineering, certification courses in various technology domains, Process Control & Quality related certifications.

Corporate HRD

It conducts flagship programmes across all units and grades, programmes for senior executives including Leadership Development, Strategy Building Workshops and Executive Coaching.

Centre for Learning & Development

It conducts training programmes for non-executives across all units and apprentice trainees of the Bengaluru unit, while also undertaking skill development initiatives.

Unit HRD

It caters to the training requirement of the respective units which are oriented towards specific business of the units / SBUs covering both executives and non-executives.

Employee engagement and well-being

Employee well-being positively impacts overall business performance. At BEL, we believe that our employees are at the core of our business growth and success, and undertake various engagement and wellbeing initiatives to drive their motivation.

Taking another step towards enhancing the employee experience, we recently launched an employee assistance mobile application "Program for Emotional Wellness and Enrichment (POWER)" in association with M/s United We Care Corporation. With this programme, we intend to enrich the lives of our employees by providing personalised support and resources for overcoming emotional challenges and concerns, enabling them to achieve holistic well-being.

This programme has been rolled out for all our permanent employees and their dependents granting them unlimited 24x7 access to a wide range of tools and interventions concerning holistic wellness. Additionally, they can seek expert advice from Life Coaches, Psychologists, Psychiatrists, Wellness Experts and Nutritionists with assurance of complete confidentiality.

Additionally, we provide several entertainment and lifestyle facilities through BEL Officers Club, significantly contributing to the employee satisfaction index. Further, several cultural events, competitions, annual celebrations, sporting events and tournaments are organised to enhance bonding among employees and ensure mental and physical well-being.

Performance management

We have a well-defined Performance Management System (PMS) that aligns employee performance with organisation's strategic objectives. Integrated with the BEL Behavioural Competency Model, it focusses on employee development and career progression. Quarterly performance reviews and feedback mechanisms help executives to align work priorities and continuously improve outcomes. The PMS is enabled through our IT platform, infusing greater transparency in the process.

Diversity and inclusion

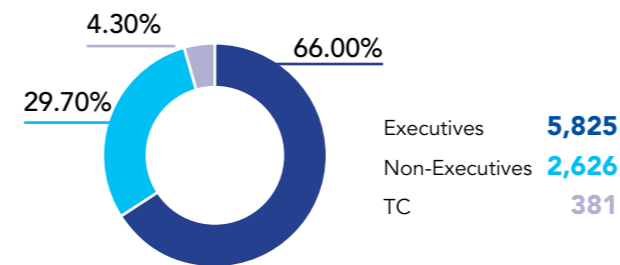
We believe in an 'inclusive work culture model', which is key to our success and significantly enhances employee engagement and productivity. Focussed on this, we have created a workforce comprising employees from different backgrounds in terms of age, religion, ethnicity, gender and culture. We ensure equal and fair opportunities in our recruitments, promotions and developmental programmes. We also strive towards fostering an environment and culture where all employees feel valued.

Succession planning

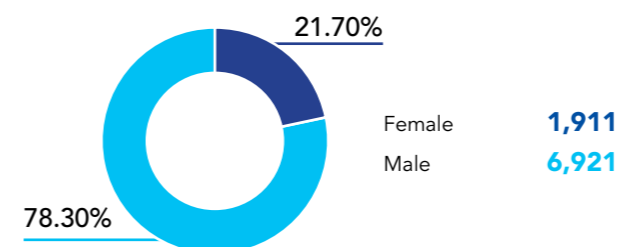
We have a robust Succession Management plan, aimed at building a successor pool for meeting the present and future leadership requirements of the Company. This mechanism ensures sustained high performance through systematic identification and development of leaders for critical/senior positions. Succession planning is an integral part of our Promotion Policy and Performance Management System. The BE Academy of Excellence – Nalanda has a dedicated Leadership wing that grooms executives with high potential for future leadership roles.

Diversity at BEL

Employees by type



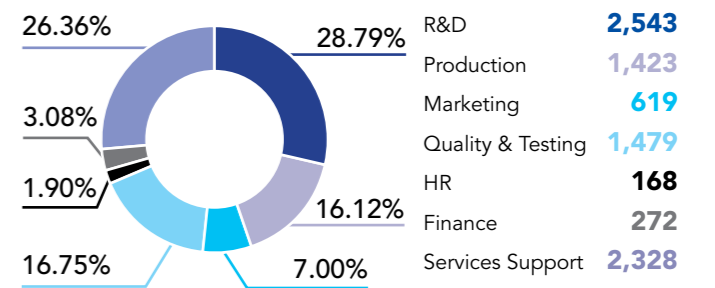
Employees by gender



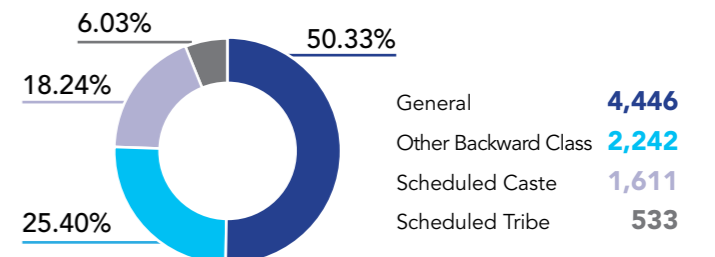
Health and safety

At BEL, we recognise that safety and health of our workers positively impacts their productivity. To ensure a safe environment without any risks, we have evolved a robust safety and health policy that encompasses financial, natural, social and legal aspects. This policy is designed to provide healthy working conditions, avoid occupational accidents by eliminating hazards and to create a safe working environment. We conduct periodic awareness programmes to educate all employees on Industrial Safety and Occupational Health. We further take appropriate measures to ensure their physical and emotional well-being, and provide comprehensive medical coverage to all employees and their dependent family members.

Employees by composition



Employees by socio-economic group





Doing well by doing good

Social and Relationship Capital

At Bharat Electronics Limited, success extends beyond the realms of profitability to the core value of 'Endeavouring to Fulfil Social Responsibilities'. Our community interventions focus on development, institution building, and sustainability-related initiatives. By implementing capacity building measures, empowering marginalised and underprivileged communities, we strive for inclusive growth and equitable societal development.

UN SDGs



Handing over of the new building, constructed by BEL as part of CSR for the Govt. Mandal Parishad Primary School in adopted village Chowdammagutta Thanda, Telangana.

CSR initiatives undertaken in FY 2022-23



Handing over of the high-end, 4K UHD Camera with Laparoscopic System, donated by BEL to Civil Hospital, Sector-6, Panchkula.

Augmenting healthcare infrastructure

We have undertaken focussed intervention to augment health infrastructure in remote Government Hospitals and Primary Health Centres across India, leveraging our principles of service to humanity and in-kind delivery of societal commitments. As a part of the initiative, a Mobile Mini Hospital, aimed at facilitating quality Healthcare to the rural population, was operationalised in Kumuram Bheem Asifabad Aspirational District, Telangana. We have also initiated steps to set-up a state-of-the-art Cardiac Cath Lab in a Government Hospital of Kumaon region, Uttarakhand. Additionally, persons with disabilities were supported with aids and appliances to facilitate their mobility.



The Apheresis machine, donated by BEL to Govt. District MMG Hospital, Ghaziabad, being handed over in the presence of General V K Singh, Minister of State for Road Transport & Highways.



Education

Create a conducive learning environment in Government schools



Rural Development

Implementing developmental interventions in nine adopted villages and facilitating skill training to youth and students

CSR FOCUS AREAS AT BHARAT ELECTRONICS LIMITED



Healthcare

Enhancing health infrastructure in Government hospitals and sanitation facilities in Government schools

CSR IMPACT IN FY 2022-23

₹ 57.48 Crore

CSR allocation

12.5 Lakh

Beneficiaries across programmes



Aids and appliances distributed by BEL to Persons with Disabilities (PWDs) in the aspirational districts of Raichur & Yadgir, Karnataka.

Creating avenues for better learning

Education is a key focus area for us. We support schools in upgrading their infrastructure towards creating a conducive environment that encourages children to learn. During the year, we also provided innovative self-learning coding kits to students in remote Government Schools to enable them learn coding / programming without Computers.

Skilling and empowering youths

We have adopted Government Industrial Training Institutes focussed on empowering youths and students, and making them employable. Towards this, we provided training on technical and employability skills and facilitated industry exposure to help them secure a better livelihood.

Sustainable Environmental Practices

We undertook rejuvenation of water body in Reserve Forest area of Malemahadeshwara (MM) hills by providing check dams and installing solar-powered borewell to augment water reserves, minimising human and animal conflict. Furthermore, we rejuvenated Doddabommasandra Lake for urban water management. Our efforts included operating and maintaining 10 MLD Sewage Treatment Plant (STP) to improve flora and fauna, groundwater recharging, and preventing disposal of sewage water in lake.



One of the 25 Smart Classrooms set up by BEL in Sainik School, Korukonda, Andhra Pradesh.

BEL encourages innovative learning in government schools



Students in remote Govt. schools of Asifabad aspirational district, Telangana, learn to "CODE WITHOUT COMPUTERS" using ProGame Kits sponsored by BEL.

Problem statement:

Kumuram Bheem Asifabad is a backward district of Telangana with predominantly tribal population, and identified as an Aspirational District by NITI Aayog. It has a low literacy rate, with most children being first generation school-goers. Behavioural change and making the education process fun and interactive was necessary to improve learning outcomes.

Towards this, district administration decided to introduce 'Coding Skills' in the Government Upper Primary and High Schools, given its significance in present times and also promoting structured and logical thinking. However, most Government schools did not have Computers.

BEL solution:

BEL introduced ProGame, a self-learning coding kit that transforms programming into a game. This patented, low-cost innovation comprises a ProGame Board, coding blocks, colourful sprites (characters), backdrops and a mobile application for android. Enabling students to learn coding / programming without conventional computers, it serves as a stepping stone towards computer programming, preparing the children for the future.

These kits were provided to Government Upper Primary and High Schools in the district alongside training to teachers to incorporate ProGame in STEM subjects and social studies. Additionally, students are being coached as Master Trainers to empower them to teach peers. Around 42,000 students of classes 6 to 10 are learning to code and develop programming logic.

Project outcome:

- ❑ Empowered teachers, and enthusiastic students with improved creative thinking and logical reasoning skills
- ❑ Learning becomes fun and interactive, fostering development of creativity and communication skills
- ❑ Students are equipped with a technology-oriented mindset, preparing them for potential IT careers
- ❑ Facilitate growth of local entrepreneurship in technology sector

10,610

'ProGame' Coding Kits provided

42,000

Student beneficiaries



BEL has signed an MoU with the District Collectorate, Asifabad aspirational district, for rolling out developmental interventions in the education sector under CSR.

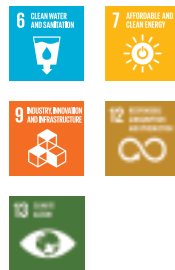


Innovating a planet-positive future

Natural Capital

We are cognisant of our responsibilities to enable sustainable development through integrated and planned efforts. Over the years, we have established in-house expertise in resource management, water and waste management, energy conservation, and non-conventional energy use. Supported by these, we are proactively undertaking various programmes to achieve economic, ecological, and social objectives. We continue to nurture our expertise to set new benchmarks in sustainability performance.

UN SDGs



Preserving the Environment

We have integrated sustainability in our operations, implementing best practices for a clean and eco-friendly environment. Our units are committed to environmentally-friendly processes, believing it drives inclusive growth. We have set goals in accordance with the Department of Public Enterprises (DPE) guidelines, and utilise cutting-edge technologies to improve environmental performance throughout the product lifecycle. Conserving natural resources and striving for environmental excellence is an ongoing commitment at all BEL units.

Sustainable manufacturing with cleaner technologies

We use clean technologies in our manufacturing including using ozone-friendly refrigerants to prevent pollution, and ensure continuous upgrades, resulting in significant reduction in pollution. Our R&D departments continually explore environmentally-friendly components and processes, while our Corporate Standards Department ensures compliance with Restriction of Certain Hazardous Substances (RoHS) guidelines that comply with European and other international directives.

ENVIRONMENT PERFORMANCE FY 2022-23

62 New RoHS-compliant components introduced

801 RoHS compliant standards are in place for areas of electronic/ electrical/ mechanical components and raw materials

25,840.55 Tonnes CO₂e avoided supported by renewable energy

277 Lakh units renewable energy generated from wind and solar power plants

50 SCM PNG daily savings in cooking from gas generated at bio-methanation plant

525 m³ of rainwater harvested to generate RO water

Green cover at Bengaluru campus including ~5,18,000 m² lawn, hedges of 23,000 metres and 1,41,000 trees

Optimising energy consumption

We have a total installed capacity of 13.9 MW wind power plant at Karnataka and 5.1 MWp Grid connected Solar Power plant across all units. These have generated 223.17 Lakh units and 54 Lakh units of energy respectively, contributing to 48.8% of our total energy consumption. We also encourage virtual meetings to prevent travel-related emissions. An additional 4 MW wind power plant and 320 kWp solar plant is planned to be set-up in the next two years. It is also planned to replace 60 Nos. Split ACs with star rating split ACs in various departments of Other Units (OUs), which anticipates for Reduction in 57 Tonnes Carbon footprint, this initiative contributes for energy saving of approx. 1,114,660 kWh/year



Additional 4 MW wind power plant and 320 kWp solar plant is planned to be set-up in the next two years

Carbon footprint management initiatives in FY 2022-23

- Energy-efficient retrofitting - LED lights, DALI (Digital Addressable Lighting Interface) lighting control system, sky light pipe for daylight harvesting, reducing carbon footprint and water footprint
- Green building concept introduced in all new buildings; future buildings will meet the GRIHA rating (Green Rating for Integrated Habitat Assessment)
- Installed 496.8 KWp of solar plant
- Installed 50 sensor-based LED lights of 36 W luminaires and 30 Nos. of timer-based LED street light and parking light
- Replaced existing 1.6 MVA transformer with an energy efficiency level 2 transformer, 250 W conventional lights with 60 Nos. of 110W LED lights, conventional lamps of electrical panels with 300 Nos. of LED lamps and 60W conventional wall fan with 275 Nos. of 32W BLDC fans
- Installed 48 natural light reflectors in hangar area
- Installed 40 numbers of 3-Star rated Inverter ACs
- 1 Car (E-Vehicle) is procured for official use

Maintaining ambient air quality

We have suitable Air Pollution Control equipment to continually monitor and control air emissions. Further, we undertake efforts like operating paint booths and plating baths with a slight vacuum (negative) pressure to extract air emissions and use wet scrubbers to treat emissions before the release of gaseous process emissions. Some process also use suction filters for plating baths to draw in solder fumes. These measures ensure that our emissions are well within the discharge standards stipulated by the Pollution Control Board (PCB).

Ensuring effective wastewater management

We undertake to separate wastewater generated in the manufacturing process and treat them appropriately to ensure effective detoxification with less chemical consumption. The treated water is recycled and reused in production and for horticultural purposes.

The Dual plumbing system is a part of the design for all new buildings, including the five-star GRIHA-rated BEL Academy for Excellence and C-type residential areas. Our Bengaluru complex has achieved water positive status by way of operating Sewage Treatment Plants (STP) of 2 nos. of cumulative capacity 2.7 MLD and an STP which treats 10 MLD sewage and rejuvenates the local Bangalore Lake. 2 MLD of treated water from 10 MLD STP is used for BEL gardening and other applications.

Also, Sewage Treatment Plant of 300 KLD capacity is commissioned recently at Kotdwara Unit and the treated water is being reused for gardening inside factory, township and STP area.



Centralised Effluent Treatment Plant at BEL's Bangalore Complex.

Focussed on circular economy

Hazardous Waste Management System

We follow the principle of reduction, reuse, recovery and recycling to handle hazardous wastes. Hazardous waste generation has been substantially reduced by usage of appropriate chemicals, procedures and cleaner technologies and also eliminating cyanide usage in galvanising and copper plating processes. All hazardous wastes are safely stored in an exclusive, well-protected area and sent for effective disposal or recycling to PCB authorised facilities. In FY 2022-23, we eliminated the usage of IPA in the HF Oxide etching process in the solar plant.

Biomedical Waste

Biomedical waste generated in the BEL hospital, colony and medical centres is collected and scientifically disposed of in accordance with regulatory requirements.

E-Waste Management

We segregate, store and hand over electronic waste generated during manufacturing to authorised agencies for scientific processing, recovery, recycling and disposal. This includes end-of-life electronic waste, including computers, electronic items. We also promote Extended Producer Responsibility for Electronic Voting Machines, provide disposal guidelines for safe handling of e-waste and aim to enhance usage of RoHS-compliant materials.

Solid Waste Management

We have invested in various technologies to effectively manage solid waste. This includes a 1.0 tonne organic waste converter to manage food and green waste generated in our colony daily and 2.0 tonne Bio-Methanation plant that converts food waste from factory canteen into biogas of approximately 50 SCM PNG per day. Three Vermi Compost Pits have been established at Kotdwara unit (two at factory and one in township) to convert dry leaves to produce manure which is used for horticulture purpose. Landfillable wastes are sent to a well-established solid waste treatment facility in the areas of operation.

Optimising fresh water consumption

We achieve water conservation through water audit and implementing various projects including usage of automation system, efficient dishwashing system, and swill water. This has resulted in a steady decrease in water consumption each year. All units have rainwater harvesting facilities; the one at Bengaluru unit has a capacity of 170 Million litres with an expected annual yield of ~234 Million litres. Rainwater recharge and innovative borewell recharging methods have improved groundwater. Further an area of 21,000 m² is covered for

rainwater harvesting by construction of 23 recharging pit in Other Units (OUs).

Ensuring on-site emergency plan and systems

We have in place emergency preparedness and response plans, supported by a multi-disciplinary task team. Periodical mock drills are conducted, involving task force, repair, fire-fighting, security, transport, and medical teams. The planning of these drills is monitored by senior management. Incident controllers coordinate with rescue teams and restore normalcy after incidents.



Clean and green environs at BEL Units.

Governance

Adopting responsible business practices

At BEL, we are dedicated to upholding responsible corporate practices by ensuring ethical conduct, transparency, and accountability in all aspects of our operations. This commitment helps safeguard the interests of all our stakeholders, and also drives our long-term success and ability to create value for all.



Transparency and ethical practices

Transparency and ethics are essential in creating a positive and trustworthy work environment at BEL. We firmly believe in conducting our affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, and ethical behaviour. Open communication is encouraged, allowing employees to freely express their thoughts and concerns.

We have well-defined policies in place regarding career advancement, Performance Management, and other areas, which are easily accessible to all employees through the SAMVAD portal. Our Performance Management System is also e-enabled, providing executives with valuable feedback on their performance to ensure transparency and continuous improvement.

To reinforce our commitment to transparency, we have implemented a Whistle-Blower Policy that safeguards employees who report any unacceptable practices or violations within the organisation.

Building a culture of transparency and ethical practices is an ongoing endeavour at BEL, and there is a shared commitment among employees at all levels to create a positive work environment that nurtures trust, loyalty, and long-term success. We firmly believe that upholding these values not only benefits our Company but also strengthens the trust and confidence of our stakeholders.



Code of Conduct

In accordance with Regulation 17(5) of the Listing Regulations and DPE Guidelines, the Company's Board of Directors has established a Code of Business Conduct and Ethics for all Board Members, Key Managerial Personnel (KMPs), and Senior Management. The Code of Business Conduct and Ethics can be found on the Company's official website, www.bel-india.in. As of 31 March 2023, all Board Members, KMPs, and Senior Management Personnel have confirmed their compliance with the Code of Business Conduct and Ethics. A declaration affirming this compliance, signed by the Chairman & Managing Director, is appended to this report.



Code for Prevention of Insider Trading and Fair Disclosure

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended), the Company has implemented a comprehensive Code of Conduct for Regulating, Monitoring, and Reporting of Trading by Insiders. Additionally, a Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information has been established by the Board of Directors. This Code applies to all designated persons, including their immediate relatives, who have access to price-sensitive information as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary holds the responsibility for ensuring the implementation of the Code.



Whistleblowing mechanism

As a responsible organisation, we have implemented a vigil mechanism and have a Whistle Blower Policy in place, enabling both directors and employees to report any concerns related to unethical behaviour, actual or suspected fraud, or violations of our Code of Business Conduct and Ethics Policy. We actively encourage employees to come forward and raise any concerns through the whistle-blowing process, and we ensure that no employees are denied access to the Audit Committee.



Human rights

At BEL, we have policies to protect human rights and strive to foster a work environment that upholds dignity, equality, and fair treatment for all employees. Our comprehensive workplace policies are designed to prevent any form of discrimination. We have established a well-defined grievance procedure that allows employees to report and resolve complaints in a structured manner.

We are committed to providing equal opportunities for career development based on merit, ensuring a level playing field for all employees. Additionally, we recognise the unique needs of persons with disabilities and provide special facilities at the workplace, including free transport, to support their inclusion and participation.

We constantly endeavour to promote and uphold the basic rights of our employees, creating an inclusive and equitable work environment where everyone feels valued and respected.

Sustainable Performance Over the Decade

(₹ in Crore)

Particulars	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Sales & Services	6,174	6,695	7,541	8,825	10,085	11,789	12,608	13,818	15,044	17,333
Value of Production	6,127	6,659	7,775	9,244	9,670	11,921	12,348	13,947	15,321	17,731
Other Income	428	478	537	471	200	170	102	126	234	360
Materials	3,584	3,745	4,061	4,832	5,104	6,080	6,846	7,957	9,179	10,206
Employee Benefits Expense	1,030	1,263	1,257	1,548	1,772	1,879	2,057	1,941	2,109	2,298
Depreciation / Amortisation	142	154	172	192	251	316	350	366	380	408
Interest / Finance Costs	3	1	5	12	1	12	3	6	5	15
Other Expenses	774	674	1,240	1,417	1,110	1,396	1,028	1,114	993	1,492
Profit Before Tax	1,175	1,467	1,732	2,029	1,948	2,703	2,479	2,935	3,158	3,985
Provision For Tax	243	299	425	482	549	776	685	869	809	978
Profit After Tax	932	1,167	1,307	1,548	1,399	1,927	1,794	2,065	2,349	3,007
Dividend (Amount)	186	234	408	503	491	828	682	975	1,096	1,316
Dividend (%)	233	292	170	225	200	340	280	400	450	180
Equity Share Capital	80	80	240	223	244	244	244	244	244	731
Other Equity	6,937	7,805	8,744	7,285	7,517	8,775	9,609	10,564	11,741	12,851
Loan Funds	-	-	-	50	67	33	8	-	-	-
Gross Block	2,227	2,485	1,147	1,617	2,220	3,013	3,795	4,118	4,534	5,083
Cumulative Depreciation / Amortisation	1,576	1,714	170	362	613	929	1,275	1,638	2,010	2,411
Inventory	3,370	3,427	4,177	4,905	4,739	4,455	3,963	4,955	5,567	6,412
Trade Receivables	4,129	3,786	3,712	4,355	5,050	5,369	6,733	6,552	6,103	7,022
Working Capital	6,077	6,910	7,373	5,305	4,366	5,376	5,817	6,812	7,625	9,394
Capital Employed	6,728	7,681	8,349	6,560	5,973	7,461	8,336	9,292	10,149	12,067
Net Worth	7,017	7,885	8,984	7,509	7,761	9,019	9,853	10,808	11,984	13,582
Earnings Per Share (in ₹)*	1.18	1.47	1.65	2.01	1.90	2.64	2.45	2.83	3.21	4.11
Book Value Per Share (in ₹)*	9.75	10.95	12.48	11.21	10.62	12.34	13.48	14.79	16.39	18.58
No. of Employees	9,952	9,703	9,848	9,716	9,726	9,612	9,279	9,172	8,853	8,832

* Adjusted for all the previous periods consequent to issue of bonus shares in the ratio of 2:1 during FY 2022-23.

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 2023 together with the reports of the Statutory Auditors and the Comptroller and Auditor General of India thereon.

Financial Results and Performance Highlights

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

(₹ in Lakhs)

Particulars	2022-23	2021-22
Value of Production	17,73,082	15,32,064
Turnover	17,33,337	15,04,367
Profit Before Depreciation, Interest and Tax	4,40,754	3,54,283
Finance Cost	1,479	485
Depreciation & Amortisation	40,787	38,018
Profit Before Tax	3,98,488	3,15,780
Provision for Tax	97,821	80,887
Profit After Tax	3,00,667	2,34,893
Other Comprehensive Income / (Loss)	(16,624)	(14,921)
Total Comprehensive Income	2,84,043	2,19,972
Dividend Paid	1,24,266	1,02,337
Tax on Dividend	-	-
Transfer to General Reserve	40,000	40,000
Other Equity (including Reserves & Surplus)	12,85,101	11,74,060
Net Worth	13,58,199	11,98,426
Earnings Per Share (in ₹)	4.11	3.21
Book Value Per Share (in ₹)	18.58	16.39

Distribution of Value of Production for 2022-23 is given below:

(₹ in Lakhs)

Particulars	Amount	Percentage
Materials	10,20,629	57.56%
Employee Cost	2,29,773	12.96%
Other Expenses (Net)	83,405	4.70%
Depreciation & Amortisation	40,787	2.30%
Provision for Tax	97,821	5.52%
Profit After Tax	3,00,667	16.96%
Total	17,73,082	100.00%

The Company's turnover for the FY 2022-23 increased to ₹ 17,33,337 Lakhs from ₹ 15,04,367 Lakhs in 2021-22, registering a growth of 15.22%. The Profit After Tax (PAT) for the FY is ₹ 3,00,667 Lakhs as compared to ₹ 2,34,893 Lakhs in the previous year. Turnover from indigenously developed products was 75%. Contribution for Defence supplies was at 87% of the turnover in 2022-23 as compared to 90% 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://www.bel-india.in/ContentPage.aspx?MId=17&CId=527&LId=1&link=527>

The Board of Directors has recommended a final dividend of ₹ 0.60/- per equity share (60%), amounting to ₹ 43,859 Lakhs for the year 2022-23. The first interim dividend of ₹ 0.60 per equity share (60%) and the second interim dividend of ₹ 0.60 per equity share (60%) have been paid to the shareholders for the financial year 2022-23. Thus, the total dividend for the year 2022-23 is ₹ 1.80/- per equity share (180%), amounting to ₹ 1,31,576 Lakhs.

Transfer to Reserves

An amount of ₹ 40,000 Lakhs has been transferred to General Reserves for the financial year 2022-23.

Share Capital

The Company's paid-up Equity Share Capital as on 31 March 2023 was ₹ 73,098 Lakhs and its Authorised Share Capital was ₹ 75,000 Lakhs. During FY 2022-23 the Authorised Share Capital of the Company has been increased from ₹ 25,000 Lakhs to ₹ 75,000 Lakhs.

During FY 2022-23, your Company issued bonus shares in the ratio of 2:1 (two fully paid-up equity shares of ₹ 1/- each for every one fully paid-up equity shares held) to all its shareholders in September 2022. As a consequence, the paid-up share capital of the Company has increased from ₹ 24,366 Lakhs to ₹ 73,098 Lakhs.

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, Coastal Surveillance Systems, Electro-optic Systems, Fire Control Systems, Home Land Security Systems, Smart City Projects etc.

Exports

Your Company has been giving an increased thrust towards harnessing the export potential of Defence electronics products and systems including Homeland Security Solutions, Border Protection Systems and state-of-the-art systems and solution and professional electronics to address the Civilian Market, which represent its core area of business.

BEL has been exporting various products and systems to foreign countries and OEM's. Having established a healthy relationship with its current and prospective customers and based on their requirements, BEL is regularly interacting with the Ministry of External Affairs (MEA) & Ministry of Defence (MoD) for enabling supply of various products and systems.

BEL is also exploring the civil equipment's and systems market in developed, developing & third-world countries with products and solutions like Artificial Intelligence-based solutions, Software development for various civilian projects like Smart Cities, Critical Infrastructure Development, Solar Power Generation Projects, Hybrid Power Solutions, etc.

BEL is focussing on the various opportunities in the area of helping OEM's to meet offset obligations in various RFPs of MoD on account of offset policy incorporated in the Defence Procurement Procedure. To this end, the Company is closely working and partnering with various major foreign Aerospace and Defence Companies. BEL is also offering proven products and systems to meet the specific requirements of customers. BEL has identified contract manufacturing (build-to-print and build-to-spec) and Transfer of Technology of the latest systems and solutions as new areas of emerging export opportunities. Further, efforts are on to establish a long-term supply chain connect with global players.

BEL, with concentrated effort, is focussing on the various 'Make in India' programmes. BEL has offered its various products and services to major Platform OEM's and their Tier-I suppliers. This has helped the Company in leveraging partnerships for co-development, co-production and similar arrangements with various OEM's to get the manufacturing of the products at BEL and utilisation of services of BEL not only for Indian programmes but also for their global requirements.

The Company has achieved an export order acquisition worth US\$ 75.66 Million during FY 2022-23, from various customers viz., USA, France, Germany, Israel, Sweden, Mauritius, Armenia, etc. Export order book position on 1 April 2023 was all-time high with US\$ 295 Million.

The Company has achieved an export sale of US\$ 48.33 Million during FY 2022-23 to various countries, viz., Spain, USA, France, Germany, Israel, Sweden, Russia, Mauritius, Vietnam, Sri Lanka and SEZ's. Major products/systems exported are Radar Warning Receiver, Missile Approach Warning Systems, T R Modules, Coastal Radar Systems, Sub Systems of Radar and EW Systems, Data Link II, Mechanical Parts, Communication Equipment, EOS, Radar & Sonar Spares, Smart Mail Box, etc.

Persistence efforts have yielded results in establishing new customers from targeted geographical locations such as USA, Israel and SEZ - India. With concentrated efforts and in conjunction with R&D, the proposal for Hybrid Power Solution, C4I, etc. was offered to global customers and Foreign Ministries.

The increase in export sales was mainly due to the concentrated efforts made by the Company and new Export initiatives taken such as continuous and focussed discussion with the Ministry of External Affairs & Ministry of Defence and Customers, proactive approach to the customers with offering new and complete systems and procedures, increase in the customer's base, taking up customised & critical projects and delivering them on time as per the requirement of customers, more directed efforts in support/services extended to customers to develop solutions based on their requirement and future threats and opportunities.

Initiatives taken to increase exports by development of new markets, for products and services during FY 2022-23.

1. Major Initiatives taken in the FY 2022-23:

- Regular interactions with DRDO for Joint offerings
- MoU for a specific program for a target country on an exclusive basis
- Working with the local Defence Industry
- MoUs with foreign companies for local production
- Readiness of technical offerings to Indian missions
- MoU with foreign shipyards
- Establishing long-term supply chain with Global OEMs
- Focus on big programs (C4I, Gun / Missile Systems, etc.)
- Proactively offering solutions to customers

2. Major leads in pipe-line for the following products and systems offered to foreign countries/customers:

- Coastal Surveillance System
- Weapon Locating Radar
- Battle Field Surveillance Radar
- Upgradation of Naval Radar and Sonars
- Contract Manufacturing
- Communication Equipment's
- Avionics
- Hybrid Power Solutions
- L-70, Schilka upgrade

3. International Customers:

- Airbus Defence and Space, Spain
- Lockheed Martin, USA
- Thales, France
- Elbit, Systems
- SAAB, Sweden
- GE Medical Systems
- GE Healthcare

MoU with the Government

Your Company has been signing a Memorandum of Understanding (MoU) every year with the Ministry of Defence, Government of India based on guidelines issued by DPE. Performance of the Company for the financial year 2021-22 has been rated as "Very Good". The MoU rating for FY 2022-23 is under review by the Government.

Order Book Position

The order book of the Company as on 1 April 2023 is around ₹ 60,690 Crore. The order book comprises major programmes like Long-Range Surface-to-Air Missile (LRSAM) Systems, Missile Systems, Electronic Warfare, Avionics, Anti-Submarine Warfare, Network Centric Systems, Communication Equipment, Radars, Fire Control Systems, Thermal Imagers, Electronic Voting Machines, Kerala Fibre Optic Network (K-FON), 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 the FY 2022-23, 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 ₹ 3,98,488 Lakhs in the FY 2022-23 from ₹ 3,15,780 Lakhs in the FY 2021-22. During the FY 2022-23, EPS (normalized) has increased to ₹ 4.11 from ₹ 3.21 in the FY 2021-22. Net worth of BEL has increased to ₹ 13,58,199 Lakhs in the FY 2022-23 from ₹ 11,98,426 Lakhs in FY 2021-22 and corresponding Book Value per Share (BVPS) has increased to ₹ 18.58 in the FY 2022-23 from ₹ 16.39 in the FY 2021-22.

In spite of increase in Turnover in the FY 2022-23 to ₹ 17,33,337 Lakhs from ₹ 15,04,367 Lakhs in the FY 2021-22, Trade Receivable as a number of Days of Turnover has remained same at 148 days in line with the previous year. Similarly, during the FY 2022-23, Inventory as number of days of Value of Production has reduced to 132 days from 133 days in Previous Year.

Our consistent performance and long-term value creation has been reflected in the quantum of Profits/Reserves distributed to Shareholders by the company. During the FY 2022-23, the Company issued 48,732 Lakhs Bonus Shares in the ratio of 2:1 to the shareholders of the Company. Further, during the FY 2022-23, BEL also has disbursed 2 Interim Dividends of 60% each amounting to ₹ 87,717 Lakhs. The Board of Directors has recommended a final Dividend of ₹0.60/- per equity share (60%), amounting to ₹ 43,859 Lakhs for the FY 2022-23. Thus, the total dividend for the FY 2022-23 is ₹ 1.80/- per equity share (180%), amounting to ₹1,31,576 Lakhs.

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 2023. 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.

R&D has been one of BEL's core strengths which is being enhanced through in-house and collaborative R&D modes.

Various divisions of BEL are involved in the development of Strategic Components, Technology Modules, Subsystems, Products, Systems and Systems of Systems.

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

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

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.

Important R&D Awards/Recognitions Received During the FY 2022-23:

1. Raksha Mantri's Awards for Excellence in Defence & Aerospace Sector for the FY 2021-22 received for:
 - a. "VHF Marine Radio Communication System for CSS" under Raksha Srijan Ratn 2021-22 by Naval Systems – Radar and Fire Control Systems SBU, Bangalore Complex
 - b. "AI-Based Gesture Identification for Integrated Perimeter Security Surveillance" under Raksha Anveshan Ratn 2021-22 by Central Research Laboratory, Bengaluru
2. SODET Awards for Technology Development and Innovation Category for the FY 2020-21 and FY 2021-22 were received for:

- a. Technology Development Gold Award (2020-21) to Central Research Laboratory, Ghaziabad
 - b. Technology Innovation Silver Award (2020-21) to Central Research Laboratory, Bengaluru
 - c. Technology Development Gold Award (2021-22) to Product Development and Innovation Centre, Bengaluru
 - d. Technology Innovation Silver Award (2021-22) to Homeland Security & Smartcity SBU, Bangalore Complex
3. SIDM Champion Award 2022 in the category of Technology & Product Innovation among Large Companies.
 4. Quantic Technology Excellence Award 2022 in the category of Best Security, Defence or Law Enforcement IT project.
 5. Governance Now PSU Award 2022 in the category of Excellence Award for Research & Innovation.
 6. International Aerospace and Defence Award 2022 for "Excellence in Innovation, Design and Technology in R&D".

BEL has met the MoU parameter w.r.t R&D expenditure on R&D/ innovations initiatives as % of PBT for FY 2022-23.

BEL R&D Cell at Kochi has realised core technology modules for Sonar applications. Emergency Pinger for AUV/ROV applications and Ultra Short Base Line (USBL) under water acoustic positioning system. BEL R&D Cell at IIT Madras Research Park has established a node for Quantum Key Distribution.

Future Plan of Action: BEL will enable the scaling of R&D for innovative Products / Services across the organisation to align with the objective of growth and transformation. All the tiers of R&D (D&Es, PD&IC/CoEs and CRLs) will continue to collaborate in identifying new areas of development and complementing each other in addressing the requirements through in-house and collaborative modes of development. BEL plans to continue investing in R&D for meeting the continuously evolving requirements of its customers as well as for diversification. While a major thrust would be given to 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 6.28% of its annual revenue every year in R&D and will continue to support R&D initiatives for enabling an Atmanirbhar Bharat, making & delivering high-quality defence & professional electronics products, systems & solutions for India and the world.

New Facilities Established

Infrastructure enhancement is one of the major objectives of the Company in order to stay upgraded for global opportunities and to be the best in business. During the year 2022-23, the Company has spent around ₹ 54,137 Lakhs as part of CAPEX investment towards modernisation of Plant & Machinery, Test instruments, R&D investments, Infrastructure up-gradation etc.

Information Technology (IT) Initiatives

BEL has adopted Virtual Desktop Infrastructure (VDI) to avoid storing of Data on all PCs and for enhancing Information Security. PCs with Windows OS are inherently vulnerable to malware, viruses, worms, data leakage and other Security vulnerabilities. Due to the Lack of central visibility and control over PCs in BEL Units and Offices, it was not practically possible to implement a uniform security policy. These issues have been overcome by the implementation of centralised VDI and replacing or converting End Point PCs to Thin Clients. The Data Centre facilities of Units have been upgraded for hosting VDI. Separate VDI has been commissioned for Intranet and Internet. All data are now stored only in Data Centres in encrypted form. Centralised security policies and Security patching are now enforced centrally for the entire infrastructure.

Primavera Project Management System has been rolled out for selected projects for planning, managing and execution of projects. The system has scheduling, risk analysis, resource management and control capabilities and is fully integrated with BEL's SAP ERP. It has several features like dashboard for Management, various graphical charts and histograms which enable Management to focus on the projects key performance indicators, and empowers senior management to take informed decisions.

Network Detection and Response (NDR) has been implemented to complement the existing signature-based Detection and Prevention systems in BEL's Security Operations Center. This solution uses Machine Learning and other analytic techniques to monitor and detect suspicious network traffic on enterprise networks. NDR gives visibility into everything happening on the network, including hackers

lateral movements, giving the opportunity to quickly respond and contain the malware before suffering an actual breach.

Face recognition based attendance system has been implemented which is directly integrated with SAP ERP to ensure contactless attendance. In future it will be integrated with the SAP log-on based on attendance and many more security features can be built on it.

Quality

Quality, Technology, 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 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 System (QMS). Nineteen Units / SBUs of the company have upgraded their QMS to Aerospace Standard, AS 9100D. All Units of the Company are committed to Environment Management System through ISO 14001 Certification. Ghaziabad and Kotdwara Units are certified for Combined Certificate of ISO14001 & ISO 45001. Bangalore Complex is certified for first time for ISO 45001 a, standard for Occupational Health and Safety management System. (OHSMS). BEL Ghaziabad Unit is been conferred with CII-EXIM Bank Business Excellence Award and also Role Model Organization Award, in this year 2022.

BEL received 22 Green Channel Certificates covering 12 Units/SBUs from DGQA for a total of 65 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. 13 Units/SBUs/ Divisions of the company are certified for Information Security Management System ISMS ISO 27001. During the year Pune Unit is certified for ISMS ISO 27001 for first time, EW&A, Components SBUs of BG CX and Pune Unit are recertified for AS9100D and HLS&SCB SBU, CSGs C-QA, CMS, ES are recertified for ISO 9001 Quality Management System Standard. BEL has a total of 19 AS9100D certificates and 8 ISO 9001 Certificates. Software SBU is certified for CMMi level 5 and also for ITSMS ISO 20000-1. NCS & DCCS SBUs of Ghaziabad, CRL – Ghaziabad, Chennai, and Hyderabad Units are certified for CMMi level 3.

The company has facilitated involvement of Non-executives in the Quality Movement through Quality Control Circles (QCC). During the year 2022-23, 717 QCC Presentations are made by various QCC Teams. Many QCC teams are nominated to

for national competitions and all are adjudged for various categories of Awards. SC & US SBU QCC Team Digma has participated in ICQCC 2022 at Jakarta, Indonesia and won the Platinum Award. Around 4,203 suggestions are awarded in the FY 2022-23. A total savings of ₹ 80 Crore was achieved through this Suggestion Scheme implementation in various process improvements during this year.

During the year, 15 senior executives from various units have been trained as "Six Sigma Black Belts" by Indian Statistical Institute, Bangalore. One senior executive is trained on "Master Black Belt" by Indian Statistical Institute, Bangalore. Total 474 Six Sigma Projects have been completed during the year 2022-23, resulting in an estimated savings of ₹ 146.72 crore to the company. 15 BEL Six Sigma teams participated in regional level competitions CCQC-2022 organized by QCFI and all 15 teams won highest award "GOLD" award. 15 BEL Six Sigma teams participated in National level competitions NCQC-2022 organized by QCFI and all 15 teams won highest award "PAR Excellence" award.

The Company is nominated D&E Engineers for Global Certification on Reliability "Certified Reliability Engineer (CRE)" certification by ASQ. During the year, 24 D&E and Testing Engineers are certified as CREs. The Company is also nominated D&E Engineers for Design for Six Sigma Green Belt (DFSS-GB) certification by Indian Statistical Institute. During the year 26 D&E Engineers are certified as "DFSS Green Belts" (DFSS-GB). During the year, 25 mid-level and senior executives are trained on "Business Analytics & Data Management" by Indian Statistical Institute, Bangalore.

The Company is nominated Software Engineers for Global Certification on "Certified Software Quality Engineer" (CSQE) conducted by ASQ, during the year 9 Software Engineers are certified as CSQEs. During the year, 30 operating level Quality Engineers are certified as "Certified Quality Engineers (CQE)" by ASQ. The Company is also nominated Executives working in supply chain fields, like Purchase, Subcontract, Production control for the Global Certification on "Certified Supplier Quality Professional (CSQP)" by ASQ, during the year 8 Executives are certified as CSQPs. Certified Manager for Quality and Organisation Excellence (CMQ&OE) by ASQ for senior level executives is also conducted during the year and 7 senior executives are certified as CMQ-OEs. In order to inculcate a culture of Project Management, training programs for Project Management Professionals (PMP) are conducted. During the year 49 PMPs are certified by Project Management Institute (PMI).

Panchkula Unit won the First Prize, Chennai Unit and EW&A SBU of BG cx and Panchkula Unit won second and third

prizes respectively in internal Quality Recognition Award (QRA) 2022.

This year also the company conducted the Integrated Customer satisfaction survey, and the Satisfaction Index is 87.60 with a net promoter score of 63.20 which very good in comparison with bench mark companies.

Human Resources

Your Company employed 8,832 people as on 31 March 2023 compared to 8,853 people as on 31 March 2022. Out of these employees, 4,839 were engineers/scientists and 1,911 were women employees. A total of 503 employees were inducted during the FY 2022-23. 87 employees belonging to the Scheduled Castes (SC), 34 employees belonging to the Scheduled Tribes (ST), 173 employees from the Other Backward Classes (OBC), 32 employees belonging to the Minority Community and 7 physically challenged employees were inducted during FY 2022-23.

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 2023 are as under:

Category of Employees	Executives		Non-Executives	
	Group 'A'	Group 'B'	Group 'C'	Group 'D'
Scheduled Caste	1,061	35	495	20
Scheduled Tribe	381	18	120	14
OBC	1,376	59	778	29
Ex-Servicemen	17	1	23	-
Physically Challenged	401	14	227	4

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 Woman at Workplace (Prevention,

Prohibition and Redressal) Act, 2013 and the rules framed thereunder, the Company has implemented the policy on prevention, prohibition and redressal of sexual harassment at the workplace, which has been uploaded on the Company's intranet portal. All women, permanent, temporary or contractual, including those of the service providers, are covered under the Policy.

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

Awards and Accolades

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

- The Economic Times - Iconic Brand of India Award – 2022.
- International Aerospace & Defence Award for Excellence in Innovation, Design, Technology or R&D.
- Winner of Raksha Mantri's Export Raksha Niryat Ratna Award 2021-22 among Large Companies.
- SIDM (Society of Indian Defence Manufacturers) Champion Award 2022 for Technology & Product Innovation among Large Companies.
- ICC (Indian Chamber of Commerce) PSE Excellence Awards for the Company of the Year, Inclusivity - Contribution of Women and Differently Aabled in PSEs, and Runner Up Award for Operational Performance Excellence.
- Twin honour of CII EXIM Bank Business Excellence Award (2022) and the Jury's Commendation for Role Model Organisation for BEL's Ghaziabad Unit.
- Governance Now 9th PSU Awards for Excellence in Research & Innovation, Environment & Sustainability, Geo-Strategic Reach and Communication Leader of the Year.
- Champion of Champions Award (First Prize) and the Vox Populi (Voice of the Audience) Award for outstanding contribution to raising manufacturing productivity, for the Export Manufacturing SBU of BEL's Bangalore Complex, presented at the National Productivity Summit organised

by the Indian Machine Tool Manufacturers' Association (IMTMA).

- IPC India Award is a recognition of BEL's long-term association with IPC for its training and certification needs.
- Certificate of Appreciation from the Ministry of Micro, Small and Medium Enterprises (MSME) for the highest procurement amongst Navratna CPSEs from women entrepreneurs under the MSME category during the financial year 2021-22. The award acknowledges the efforts taken by BEL towards the mandate of implementation of the Public Procurement Policy of the Government of India.
- Quantic Technology Excellence Award 2022 for Best Security, Defence, or Law Enforcement IT Project.
- Best Supporting Organisation – PSU Award from QCFI.
- Public Relations Council of India (PRCI) Excellence Awards including the PRCI Hall of Fame Award.
- Awards for Excellence in OL Implementation from TOLIC, Bengaluru
- Urban Infra Business Leadership Award 2022 in recognition of BEL's contributions in line with the Government's Make in India initiative, for the transformation of Metro and Rail commutation in India.
- Innovative CFO Award at the 2nd edition of The Business Leadership Awards for Director (Finance) & CFO.
- Public Sector CFO of the Year Award for CFO.
- Most Iconic Organisation Award for BEL-Panchkula by the World Manufacturing Congress.
- Innovative Digital Smart City Project Award for Chandigarh Smart City to BEL-Panchkula from Indian Institute of Material Management, Chandigarh.
- Elets Aatma Nirbhar Bharat Award for Chandigarh Smart City for BEL-Panchkula
- CII Corporate Women Leadership Award in Technology Category for Mrs Prabha Goyal, GM (PK).
- Raksha Mantri's Awards – 2nd Runner Up for AI-based gesture identification and Integrated Perimeter Security Solution for Santosh Kumar & 2nd Runner Up for Indigenisation of Coastal Radar System & VHF Marine Radio Communication System for Raghu Mallapuram.

Subsidiaries, Joint Ventures and Associates

BEL Optronic Devices Limited (BELOP) is a whollyowned subsidiary of BEL, which manufactures Image Intensifier Tubes. Your Company has made a further investment of ₹ 2,199 Lakhs (87,16,850 equity shares of ₹ 10/- each at a

premium of ₹ 15.23/- per share) during the FY 2022-23 in the equity shares of BELOP, by subscribing to the right issue offered by BELOP. BELOP achieved a turnover of ₹ 6,098 Lakhs for the year compared to ₹ 4,586 Lakhs in the previous year. The Profit After Tax (PAT) for the year was ₹ 676 Lakhs compared to ₹ 516 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 ₹ 7,815 Lakhs compared to ₹ 3,901 Lakhs in the previous year. The Profit After Tax (PAT) for the year was ₹ 700 Lakhs compared to ₹ 521 Lakhs in the previous year.

The Associate Company GE BE Private Limited [26% shareholding by BEL] continues to perform well. It manufactures CT Max and other latest version X-Ray Tubes. GE BE Pvt. Ltd. recorded a turnover of ₹ 1,57,547 Lakhs for the year compared to ₹ 1,56,267 Lakhs in the previous year. The Profit After Tax (PAT) was ₹ 17,624 Lakhs for the year compared to ₹ 17,578 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 an objective of funding innovation in the Defence sector.

In pursuant to provisions of Section 129(3) of the Companies Act, read with Rule 5 of Companies (Accounts) Rules, 2014 (as amended), a separate statement containing the salient features of the financial statement of Subsidiaries/ Associate/ Joint Ventures in Form AOC-1 is appended to the Financial Statements.

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

Consolidated Financial Statements

Consolidated Financial Statements of your Company and its Subsidiaries for the year ended 31 March 2023 have been prepared in accordance with the provisions of Section 129(3) of the Companies Act & applicable Indian Accounting Standards and forms part of this report.

Vigilance

The Company's Vigilance Organisation is headed by a Chief Vigilance Officer (CVO), an IAS Officer from Haryana Cadre (1991 batch). Permanent Vigilance Officers are posted in each of 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. Apart from this, there exists a Vigilance Committee at the Corporate, where the Chairman cum Managing Director is the Chairman of the Committee and the CVO is the Member Secretary. 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 a continual basis, conducts regular and surprise inspections and investigates instances of any suspected transactions referred to it. An employee or third parties can refer 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 on the BEL website.

During the FY 2022-23, 802 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 2022-23. Regular and Surprise Checks and Inspections have also been conducted by the field Vigilance Officers. During the year, 20 Complaints were received. A total of 12 Complaints were disposed of. Disciplinary action and System/process improvement has been recommended in some cases where lapses were observed.

During the year, 244 Executives and 106 Non-Executives were given a basic awareness programme on Vigilance. 62 Executives & 19 Non-Executives working in sensitive areas for more than 3 years have been job rotated and the percentage coverage is 96.3%.

First surveillance audit was carried-out by M/s. TUVSUD for ISO 9001/2015 Certification for the Vigilance function of BEL and recommended for continuation of certification.

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 on 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.
- On line 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.
- Many system improvement projects are implemented across the Company and some of the system improvement projects are documented in CVC newsletter/bulletin.

Vigilance setup in BEL has been continuously endeavouring to bring transparency, fairness and equity in all transactions and processes of the Company through creating a sense of awareness of the System and Procedures through awareness campaigns and training programmes. Some of the key activities that have been carried out during the year are:

- BEL has observed Vigilance Awareness Week from 31 October to 6 November 2022 with the theme: "Corruption-free India for a Developed Nation" at all its offices across the country. Vigilance Awareness Week-2022 banners were displayed at prominent places at Corporate Office and also at Units / Regional Offices / Marketing Centers / Product Service Centers.

Various awareness programmes and activities were held to keep the spirit of celebrating Vigilance Awareness Week. Lecture Programmes, Competitions at Schools and Colleges, Street Play, Gram Sabhas, Vendors Meet and other activities were held during the Week.

E-Pledge was facilitated in the BEL intranet enabling employees to take E Pledge. Certificate of appreciation and commitment, issued by CVO/BEL was in downloadable option for the employees who have taken the E-Pledge through the BEL Intranet. 8,740 employees have taken e-pledge.

Integrity pledge was administered to all employees in their respective workplaces across all the Units.

Apart from this, Employees were provided with a link to CVC Website to take the E-Pledge from the CVC website. E-mail on Vigilance Awareness was sent to all registered Indian vendors of BEL during the week.

- Various workshops and lecture programmes were conducted during the Week:
 - Guest Lecture on "Corruption-Free India for a Developed Nation" by Mr Krishna Murthy A R (Retired GM (F) / BEL) was organised by CO/VIG, through VC on 2 November 2022. All Units Vigilance Officers, Dept. Heads, SBU Heads with nominated Executives participated in the VC.
 - Guest Lecture on "Corruption-Free India for a Developed Nation" by Justice N. Kumar, Retd. Judge of Karnataka High Court was organised at Rashtrakavi Kuvempu Kalakshetra on 3 November 2022. Director (BC), SBU Heads and around 500 nominated Non-Executives and Executives attended the programme.
 - Director of Technical Education, Smt. C. Naga Rajani, IAS visited Machilipatnam Unit and Vigilance Pledge was administered to all the Trainees. Also, the Vigilance Pledge was administered at Kendriya Vidyalaya, Machilipatnam and Govt. Girls Junior College, Machilipatnam.
 - A Workshop / Sensitisation programme was conducted on "Preventive Vigilance and Awareness" by Shri. Yogesh Kumar Sethi, Sr DGM (VO), BEL-GAD, for executives and employees working in sensitive areas, contract engineers and Apprentices in HRD Hall on 28 October 2022 at Kotdwara Unit.
 - Workshop at Panchkula Unit on Vigilance/Health awareness was conducted in the HRD auditorium on 2 November 2022 in which more than 60 employees were present.
 - Conducted Vigilance Awareness Training to New Recruits and Lecture on Preventive Vigilance through VC by Mr Krishnamurthy was organised at Pune Unit on 8 November 2022.

- Vice Chancellor, Krishna University, Machilipatnam Visited and his message was delivered through media about Vigilance participation in Swachh Bharat.
 - Lecture by Shri Vijaya Vast ACP Crime Branch Navi Mumbai was given during Valedictory Function on 4 November 2022.
 - Guest Lecture by Justice Surrender Tirade, Bombay HC Retd., and presently President, State Consumer Dispute Redressal Commission, Maharashtra was delivered at Navi Mumbai on 12 November 2022.
 - Guest Lecture at Pune Unit on Preventive Vigilance by Dy. Commissioner (GST-Pune II).
- c) Two-day Induction Level Training is imparted to the newly joined Probationary Engineers in August, September and October 2022.
- d) Two-day Annual Vigilance Meet 2022-23 was held at Pune on 24 and 25 February 2023. Two guest lectures on the topic "Procurement Frauds and Case Studies" & "Cyber Crimes and Criminal Investigation" had been organised during the Meet. "Jagriti - Vigilance Bulletin", an internal Newsletter with the theme "Corruption Free India for a Developed Nation" was released by CVO.

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 Integrity Pact with all vendors/suppliers/contractors/service providers for all Orders/Contracts of value ₹ 300 Lakhs and above. The Integrity Pact essentially envisages an agreement between the prospective vendors/bidders and the principal (BEL), committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Only those vendors/bidders, who commit themselves to such a Pact with the principal, would be considered competent to participate in the bidding process. Integrity Pact, in respect of a particular contract, would be operative from the stage of invitation of bids till the final completion of the contract. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

As recommended by the CVC, the Company has appointed Dr Joginder Paul Sharma, IAS (Retd.), Mr Sanjay Kumar Srivastava, IAS (Retd.) and Mr Rajiva Ranjan Verma, IPS (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 32% of total Domestic procurement during 2022-23 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. The Company has achieved the various targets prescribed in the Annual Programme issued by the Dept. of OL, Ministry of Home Affairs (MHA), Gol to transact official work in Hindi.

OL Inspections: Committee of Parliament on Official Language conducted OL inspection of the Chennai Unit on 21 May 2022 and Navi Mumbai Unit on 14 July 2022. Corporate OL Inspection team conducted 05 OL inspections of its subordinate Units/Offices. DDP, and MoD officials conducted an OL inspection of the Hyderabad Unit on 20 September 2022. AD (Implementation), Regional Implementation Office (South), Dept. of OL, Bengaluru conducted an OL inspection of the Corporate Office on 31 March 2023.

Bilingualisation: All Units and Offices of the Company including the Corporate Office are issuing documents in bilingual as per 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 the 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). Company's website is also available in Hindi.

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

Hindi Month Celebrations: Hindi Month and Hindi Day were observed during September in all the Units and Offices of the Company. 22 officers from BEL took part in the Hindi Day Function and 2nd All India OL Conference organised by the Dept. of OL, MHA on 14 September 2022 at Surat (Gujrat).

Meetings/Workshops: Official Language Implementation Committee (OLIC) meetings, Hindi workshops and technical talks in Hindi were conducted in all Units / Offices.

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. Hindi Magazine NavaPrabha of BEL Corporate Office awarded 1st Prize among Bengaluru-based PSUs by TOLIC. CMDs OL Shield for excellence in OL implementation was awarded to the units situated in A, B and C regions.

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

New Initiatives: A dedicated section for OL has been introduced on the Company's website. Defense Electronics Glossary of BEL is being prepared in coordination with the Commission for Scientific and Technical Terminology (CSTT), Ministry of Education. The first Bharatendu Rajbhasha Kaushal Abhimukheekaran Program was initiated by Corporate Office for OL Officers/Translators of Central Government Offices/Banks/Undertakings located in Bangalore. World Hindi Day was celebrated on 10 January 2023. BEL Rajbhasha Gyan Kosh (501 Questions/Answers on OL Hindi) was published by Corporate OL. As part of the Krishna Sobti Hindi Lecture

Series, 05 lectures were organised on generic interest and technical topics.

Continuous efforts are in progress 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 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 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

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

Your Company received 450 applications (including 77 transferred by other Public Authorities to BEL) during the period from April 2022 to March 2023, and 15 RTI applications were carried forward from the FY 2021-22. A total of 422 applications were responded to including 96 applications that were rejected, out of a total of 465 applications. Your Company received 86 First Appeals during the period, out of which 85 were disposed-off. Quarterly RTI returns for all four (4) quarters have been submitted to the Central Information Commission.

Meetings of Board and Committee(s)

During the year, eight 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 2022-23 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 2022-23:

Sl. No.	Name of the Director	Designation	Date of Appointment	Date of Cessation
1	Mr Bhanu Prakash Srivastava	Director (Other Units)	20.04.2022	Not Applicable
2	Ms Manjula Jillellamudi	Govt. Nominee Director	Not Applicable	01.05.2022
3	Dr Binoy Kumar Das	Govt. Nominee Director	04.07.2022	Not Applicable
4	Mrs Anandi Ramalingam	Chairman & Managing Director – Additional Charge, Director (Marketing) & Director (HR) - Additional Charge	Not Applicable	31.08.2022
5	Mr Rajasekhar M V	Director (R&D)	Not Applicable	31.08.2022
6	Mr Manoj Jain	Director (R&D)	26.09.2022	Not Applicable
7	Mr Anurag Bajpai	Govt. Nominee Director	Not Applicable	23.12.2022
8	Mr Dinesh Kumar Batra	Chairman & Managing Director – Additional Charge, Director (Finance) & CFO, Director (Marketing) – Additional Charge & Director (HR) – Additional Charge	Not Applicable	31.10.2022
9	Mr T Natarajan	Govt. Nominee Director	02.01.2023	Not Applicable
10	Mr Damodar Bhattad S	Director (Finance)	11.01.2023	Not Applicable
11	Mr Damodar Bhattad S	CFO	28.01.2023	Not Applicable

Mr Bhanu Prakash Srivastava, Chairman & Managing Director (Additional Charge), Mr Damodar S Bhattad, Director (Finance) & Chief Financial Officer and Mr S Sreenivas, Company Secretary are the KMPs, as defined under Section 2(51) of the Companies Act, 2013.

Mr Vikraman N was appointed as Additional Director [Director (HR)] w.e.f 01.06.2023 and Mr K V Suresh Kumar was appointed as Additional Director [Director (Marketing)] w.e.f 16.06.2023.

Mr Vinay Kumar Katyal, Director (Bangalore Complex) retired from his services on 31 July 2023 on attaining the age of Superannuation.

Mr T Natarajan, Mr Damodar Bhattad S, Mr Vikraman N and Mr K V Suresh Kumar, Additional Directors are being appointed as Directors on terms as set out in the Notice of the 69th Annual General Meeting.

Mr Bhanu Prakash Srivastava, Director (Other Units), 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 2023 are given below:

Sl. No.	Name	Designation	No. of Equity Shares Held
1	Mr Bhanu Prakash Srivastava	Director (Other Units) CMD – Additional Charge Director (Marketing) – Additional Charge	3,789

Sl. No.	Name	Designation	No. of Equity Shares Held
2	Mr Vinay Kumar Katyal	Director (Bangalore Complex)	3,789
3	Mr Manoj Jain	Director (R&D)	7,590
4	Mr Damodar S Bhattad	Director (Finance) & CFO	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 2023 and of the profit of the Company for the year ended 31 March 2023;
- 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 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 2023 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 2022-23 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 transaction has been uploaded on the Company's website www.bel-india.in. Information pursuant to Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 is attached to this report as **Annexure-1**.

Corporate Social Responsibility

Your Company has formulated a Corporate Social Responsibility Policy pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications, and amendments issued by the Ministry of Corporate Affairs (MCA). The CSR Projects are taken up in line with Schedule-VII of the Companies Act, 2013, which is duly incorporated in the Corporate Social Responsibility Policy and forms the guiding principle for all our CSR programmes. The Corporate Social Responsibility Policy of BEL is posted on the Company's website, www.bel-india.in.

The objective is to contribute towards inclusive growth, sustained and equitable development in society through capacity-building measures, empowerment of the marginalised and underprivileged sections/communities. Focussed interventions are undertaken in the sectors of Healthcare, Education, Rural Development, Environmental Sustainability & Vocational Skill Development.

During the FY 2022-23, DPE guidelines for CSR Expenditure stipulate CPSEs to take up focussed 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 focussed interventions to augment health infrastructure in Government hospitals, PAN India. Encouraging innovative learning in remote Government schools, promoting Skill India – honing technical skills, providing industry exposure and imparting employability skills to youth from economically weaker sections of society, 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 the FY 2022-23 is annexed herewith as **Annexure-2**.

Statutory Auditors

Pursuant to Section 139(5) of the Companies Act 2013, for the FY 2022-23, the Comptroller and Auditor General of India (C&AG) appointed M/s Guru & Jana, Chartered Accountants, Bengaluru, as Statutory Auditors of the Company for audit of accounts of Bangalore Complex, Hyderabad unit, Chennai unit and Corporate Office. M/s V A Dudhedia & 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 the FY 2022-23 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 the FY 2022-23 for the audit of the cost records of the Company. The Company maintains cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), the Company has appointed M/s Thirupal Gorige & Associates LLP, Practicing Company Secretaries, Bengaluru for the FY 2022-23 to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed to this report as **Annexure-3**.

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 as on 31 March 2022 is available on the Company's website:
<https://www.bel-india.in/ContentPage.aspx?MId=17&CId=427&LId=1&link=427>

Risk Management

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

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

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

Vigil Mechanism / Whistle Blower Policy

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

Declaration from Independent Director(s)

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

Management Discussion and Analysis Report

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

Particulars of Loans, Guarantees & Investments

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

Particulars of Employees and Related Disclosures

The provisions of Section 197 of the Companies Act and the relevant Rules regarding particulars of employees drawing remuneration in excess of the limits specified are exempted for Government Company, 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 2023, 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 the FY 2022-23, all the recommendations made by the Audit Committee were accepted by the Board.

Corporate Governance Report

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

Business Responsibility and Sustainability Report (BR&SR)

The SEBI (LODR) Regulations, 2015 mandated the inclusion of the Business Responsibility & Sustainability Report (BR&SR) as part of the Annual Reports for the top 1,000 listed entities based on market capitalisation. In terms of Regulation 34(2)(f) of Listing Regulations, a BR&SR for the FY 2022-23 describing the initiatives taken by the Company from an Environmental, Social and Governance (ESG) perspective, in the format as specified by SEBI from time to time is attached with this report as **Annexure-6**.

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

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

Compliance with Secretarial Standards

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

Acknowledgement

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

For and on behalf of the Board

Bengaluru
1 August 2023

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Annexure-1
Form No. AOC-II

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

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

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

For and on behalf of the Board

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Bengaluru
1 August 2023

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 2022-23:

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 (appointed as Member & Chairman w.e.f 01.11.2022)	Chairman & Managing Director, Additional Charge / Chairman	4	Nil
2	Mrs Anandi Ramalingam (Ceased to be Chairman & Member w.e.f. 31.08.2022)	Chairman & Managing Director, Additional Charge / Chairman	4	2
3	Mr Dinesh Kumar Batra (Appointed as Chairman w.e.f 01.09.2022. Ceased to be Chairman & Member w.e.f 31.10.2022)	Chairman & Managing Director, Additional Charge / Chairman	4	3
4	Mr Shivnath Yadav (appointed as Member w.e.f 22.07.2022)	Independent Director / Member	4	2
5	Mr Vinay Kumar Katyal	Director (Bangalore Complex) / Member	4	4
6	Mr Sunil Kumar Kohli (Ceased to be Member w.e.f 17.07.2022)	Independent Director / Member	4	2
7	Mr Mansukhbhai Shamjibhai Khachariya	Independent Director / Member	4	4
8	Mr Manoj Jain (appointed as Member w.e.f. 01.11.2022)	Director (HR), Additional Charge / Member	4	1
9	Mr Damodar Bhattad S (appointed as Member w.e.f. 11.01.2023)	Director (Finance) & CFO / Member	4	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/ContentPage.aspx?MIId=17&CIId=531&LIId=1&link=531>
- ii. CSR Policy Web-link: <https://bel-india.in/ContentPage.aspx?MIId=17&CIId=527&LIId=1&link=527>
- iii. Approved CSR Projects Web-link: <https://bel-india.in/Documentviews.aspx?fileName=List%20of%20CSR%20Projects%20for%202022-23-29-May.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 Government Schools by BEL under CSR, through an independent agency. The Impact Assessment Report is available on the Company's website at <https://bel-india.in/Documentviews.aspx?fileName=Impact%20Assessment%20Report%202022-23-29-May.pdf>.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 28,74,26,00,000.00
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 57,48,52,000.00
- (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)]: ₹ 57,48,52,000.00

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 23,92,80,194.00
- (b) Amount spent in Administrative Overheads: ₹ 2,73,73,905.00
- (c) Amount spent on Impact Assessment, if applicable: Nil.
- (d) Total amount spent for the Financial Year[(a)+(b)+(c)]: ₹ 26,66,54,099.00
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
26,66,54,099	30,81,97,901	28-04-2023	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	2021-22	22,56,32,261.68	22,56,32,261.68	12,06,46,195.54	Nil	NA	10,49,86,066.14	NA
2	2020-21	24,09,27,914.33	20,65,01,338.55	5,53,29,169.82	Nil	NA	15,11,72,168.73	NA
3	2019-20	7,90,34,548.28	5,48,32,485.43	4,05,97,221.64	Nil	NA	1,42,35,263.79	NA
4	2018-19	7,59,00,834.24	2,25,65,518.24	2,25,65,518.24	Nil	NA	Nil	NA

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

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Bengaluru
1 August 2023

Annexure-3

Secretarial Audit Report for the Financial Year ended 31 March 2023

[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 2023, 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 2023 according to the provisions of:

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

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

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

- (j) 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.

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:

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;

Bengaluru
20 May 2023

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.

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: F006680E000341267

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 2023

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

CS Thirupal Gorige
Designated Partner
FCS No. 6680; CP No.6424
UDIN: F006680E000341267

'Annexure A'

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

In the third decade of this millennium, at least three economic shocks have hit the global economy since 2020 with the pandemic-induced contraction of the global output, followed by the war situation witnessed by the world where giant global powers appear to be stacked against each other leading to a worldwide surge in inflation, and synchronised policy rate hikes by central banks across the economies in a bid to curb inflation. Indian economy, however, appears largely unscathed by the impact of these economic shocks. The Indian economy, after manifesting initial signs of sluggishness, appears to have moved on after its encounter with the pandemic, staging a turnaround in FY 2021-22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY 2022-23.

The FY 2022-23 so far for India has reinforced the country's belief in its economic resilience. The economy has withstood the global economic challenges while maintaining its growth momentum in the process. The forecast by the National Statistical Office (NSO), growth of the Indian economy broadly lies in the range of 6.5-7.0% in FY 2022-23 which is higher than almost all the major economies and even slightly above the average growth of the Indian economy in the decade leading up to the pandemic.

Even as India's outlook remains bright, global economic prospects for the next year have been weighed down by the combination of a unique set of challenges expected. The Economic Survey 2022-23 projects a baseline GDP growth of 6.5% in real terms in FY 2023-24, which is broadly comparable to the estimates provided by other agencies such as the World Bank, IMF, RBI, etc. The actual outcome for real GDP growth will probably lie in the range of 6.0% to 6.8%, depending on the trajectory of economic and political developments globally.

Defence

Defence allocation for the FY 2023-24 has been increased to ₹ 5.94 Lakh Crore which is about a 13% increase compared to the previous year. The capital allocation, which relates to the modernisation and infrastructure development of the Armed Forces has been increased to ₹ 1,62,600 Crore in FY 2023-24 from ₹ 1,52,370 Crore in FY 2022-23, with an increase of 6.7% over the previous year.

To further foster innovation, encourage technology development and strengthen the defence industrial ecosystem, innovation (iDEX) and Defence Testing Infrastructure Scheme (DTIS) have been allocated ₹ 116 Crore and ₹ 45 Crore respectively representing an enhancement of 93% for iDEX and 95% for DTIS over 2022-23.

However, the Ordnance Factories (OFs), which the government has converted into seven corporate entities, have seen an overall decline in their shares in the Budget.

Ministry of Defence (MoD) has taken numerous steps to achieve 'Aatmanirbharta' in defence and Positive Indigenisation Lists is one of the landmark initiatives towards achieving that vision. The MoD had earlier promulgated 'First, Second and Third Positive Indigenisation Lists comprising 310 items. The 'Fourth Positive Indigenisation List' of 101 items was announced in Oct 2022, which will provide continuous impetus towards self-reliance in defence.

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, and 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, 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 the FY 2023-24, the Ministry of Home Affairs (MHA) has been allocated ₹ 1.96 Lakh Crore, with an increase of 1.1% over the revised estimate of ₹ 1.93 Lakh Crore for 2022-23. 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 2023-24 Budget, ₹ 1.27 Lakh Crore has been allocated towards police in comparison to ₹ 1.17 Lakh Crore in 2022-23. Central Reserve Police Force (CRPF) which is primarily responsible for internal security has been allotted ₹ 31,772 Crore in 2023-24 in comparison to ₹ 29,325 Crore in the previous year. Central Industrial Security Force (CISF), which protects vital installations like nuclear projects, airports and metro networks, has been given ₹ 13,215 Crore in 2023-24 in comparison to ₹ 12,202 Crore previous year.

Smart City

The Smart Cities Mission (SCM) was launched in June 2015 as a Centrally Sponsored Scheme (CSS) with the objective to provide a decent quality of life to citizens in cities, through deployment of 'smart solutions', and improvement in the core infrastructure. The Mission was originally planned till March 2022 but has been extended till June 2023.

Allocations for SCM decreased by 9% from ₹ 8,800 Crore in FY 2022-23 Revised Estimate to ₹ 8,000 Crore in FY 2023-24 budgeted estimate. Cumulatively, ₹ 45,915 Crore has been allocated for SCM till FY 2023-24, which accounts for 96% of anticipated GoI funds for the Mission. So far 64% of the projects had been completed.

Additionally, City Investment 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 2023-24.

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 the 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\$ 31.20 Billion by 2029, 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 budgetary support of ₹ 10,000 Crore for a 5 year period commencing from 1 April 2019. The scheme has supported approximately 10 Lakhs electric vehicles till end of March 2023 by way of demand Incentive amounting to about ₹ 4,500 Crore.

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 battery storage manufacturing ecosystem in India and also discourages the import of components, through increased duties etc.

BEL is addressing the energy storage system requirement of strategic applications (including defence) and included the EV segment among its focussed markets. BEL has acquired technology from DRDO for high capacity Lithium-ion cells for strategic applications and set up a production facility. BEL is also exploring the adoption of hydrogen fuel cell-based technologies for commercial manufacturing in partnership with potential 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 the FY 2023-24, the government has allocated ₹ 5331 Crore for the solar power sector including grid and off-grid projects. This is about 54% increase compared to previous years of ₹ 3,365 Crore allocations.

BEL has scaled up its operations from Cell/Module manufacturing to execution of solar power plant projects under the Engineering Procurement Construction (EPC) / Developer mode. BEL has created a new Micro SBU for a

focussed approach to address the solar business, which is likely to contribute to BEL's business on a continuous basis in the near future. BEL has set-up a solar power plant using solar modules made up of Bifacial solar cell technology as experimental basis.

During the year, BEL signed an MoU with NHPC for exploring various possibilities for jointly setting up of Solar Manufacturing unit.

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 on an average of about 18 satellites per annum from the FY 2023-24 onwards. Commensurate with the plans of ISRO, the Department of Space has been allotted a budget of ₹ 12,544 Crore for the year 2023-24, which is slashed by 8% from the FY 2022-23 Budget. Out of this, ₹ 11,699 Crore has been earmarked for projects under various heads. This clearly indicates India's commitment to the development of its space programme. In addition to this, ISRO has approval for the launch of 30 PSLVs and 10 Geo Synchronous Satellite Launch Vehicles (GSLVs) in the next three years.

BEL is one of the major players in the ground segment of satellite communication and desires to enter into space electronic, manufacture of satellites, payloads for satellites, satellite communication services and address launch vehicle segment jointly with the 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 participation in productionisation of satellites and Small Satellite Launch Vehicle (SSLV) with support from ISRO.

BEL has qualified as an industry partner of ISRO for the 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. BEL is jointly working with ISRO for the 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 ₹ 29,116.00 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 forensic, remote Voting, IoT Security etc. in collaboration with several start-ups, OEMs, Channel partners and academia.

Railways and Metro

Indian Railways has prepared a National Rail Plan for India 2030. To enable Atmanirbhar Bharat and the 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 promotion of Digital India and adoption of emerging technologies, including 5G, AI, ML and Drones.

The total capital expenditure by Railways for the FY 2023-24 is projected at ₹ 2,65,000 Crore, an increase of 9% over the revised estimates of 2022-23. Indian Railways is planning to redevelop 400 stations across 100 cities. The program has an outlay of over ₹ One Lakh Crore. Induction of 400 new Vande Bharat trains in the next 3 years. For metro, the total budget of the financial year 2023-24 is ₹ 19,518 Crore.

In this segment, 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, Mission Critical Communication System, Composite Panel, Platform Screen Doors, etc. The NCMC-compliant AFC gating system executed by BEL, will be implemented across all modes of transportation i.e. metro, trains or buses in a phased manner.

Composites

As per the reports, the global composites market size is projected to grow to US\$168.6 Billion by 2027, at a CAGR of 8.20%. The future of the Indian composites market also looks promising with opportunities in pipe and tank, aerospace and defence, wind energy, electrical and electronics, construction, transportation, marine and telecommunication. The Indian market is expected to reach an estimated US\$ 1.9 Bn by 2026 with a CAGR of 16.3%. The Composites market is growing due to the rising demand for lightweight, high-performance solutions across industries.

BEL is planning to address the composites structures requirements of shipyards, submarines, aero structures, Railways & Metros, land equipment, pressurised missile containers, high altitude enclosures etc. BEL has set up facilities for the same and has also tied up with Government labs/Academia for consultancy and development of composite structures.

Civil Aviation

As per reports, the global domestic aviation market is expected to reach US\$ 1,130.8 Billion by 2027 at a CAGR of 3.2%. The aircraft passenger traffic in India is estimated to reach 520 Million by 2037, and airline operators are projected to increase their fleet size to 1,100 aircraft by 2027. India's aviation industry is expected to witness ₹ 35,000 Crore investments in the next four years. The Indian Government is planning to invest US\$ 1.83 Billion for the development of airport infrastructure along with aviation navigation services by 2026. This includes investment in air traffic management, airport ground infrastructure, other Modernisation activities, etc. 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 Aatmanirbhar 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 the civil aviation's segment for indigenisation of systems and solutions required for modernisation of Airports and ground infrastructures.

Software

Defence Technology is transiting from Platform-centric warfare to Network-centric warfare. Amidst this transition, the software is becoming a crucial piece of weaponry in the modern Defence system. Advance software systems and embedded software technologies play a vital role in modern warfare and transforming every aspect of 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. During the year, BEL has started a Software Development Center at Vizag 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 Billion by 2030. Indian medical electronics market is expected to grow to US\$ 25 Billion by 2025 at 17% CAGR.

After successfully manufacturing 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 this 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 in-house effort or through a collaborative R&D approach. With these approaches, your Company is planning to produce Haemodialysis machines, portable remote patient health monitoring systems, patient monitoring system for ICUs, Urine Albumin detection system, C-Arm X-ray machines, Ultrasound, turbine-based ventilators, MRI, etc.

Focused 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

The UAV Market is projected to grow from US\$ 26.2 Billion in 2022 to US\$ 38.3 Billion by 2027, at a CAGR of 7.9%.

The Unmanned Underwater Vehicles (UUV) market is estimated to be US\$ 3.5 Billion in 2022 and is projected to reach US\$ 7.4 Billion by 2027, at a CAGR of 16.0%. The Unmanned Ground Vehicles (UGV) market is estimated to be US\$ 2.7 Billion in 2022 and is projected to reach US\$ 3.6 Billion by 2027, at a CAGR of 5.7% from 2022 to 2027. The Unmanned surface vehicles (USV) market is estimated to be US\$ 0.77 Billion in 2023 and is projected to reach US\$ 1.2 Billion by 2027, at a CAGR of 11.1% from 2022 to 2027.

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.

To address the unmanned systems business opportunities in a focussed manner with dedicated resources, a separate business vertical has been created at BEL Bangalore. The vertical is building its capabilities through in-house development as well as through partnerships to gain inroads into the unmanned systems business.

RF and IR Seekers

The global missile seekers market size is projected to grow to US\$ 6.8 Billion by 2026, at a CAGR of 5.2% by 2026. The main drivers for the global growth of this segment are the geo-political instabilities, change in warfare strategies, advancement in missile seeker technologies and miniaturisation, depletion of stocks, increasing defence budgets of emerging economies, etc.

The domestic demand for this segment got a major boost with issuance of a series of positive indigenisation lists by MoD, Gol wherein all strategic missile systems are included for domestic manufacturing in a phased manner. With major strides in indigenous missile systems development by DRDO, the domestic defence industry will have a major role and opportunity for absorption of technology and production in the years to come. BEL is associated with DRDO during various phases of development for technology absorption, engineering and production of RF and IR seekers. BEL is continuously investing for creation of necessary infrastructure for mass manufacture of the seekers to meet the required demand. BEL is also working with the services to explore refurbishment and life extension of armament in this segment.

Missiles, 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. Gol/MoD through major policy initiatives for Make-In-India such as indigenisation of ammunitions, positive indigenisation list, Make-II, etc., is offering huge opportunities to domestic defence manufactures including BEL.

As per the reports, the global arms and ammunition (including small arms, smart weapons) market, is projected to reach \$ 37.71 Billion by 2030.

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 investments

in creating facilities for processing/hot integration and several storage magazines with all necessary regulatory licenses 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 imports 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 the 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 (SP) model 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 are enabled through processes of making, design & development and strategic partnership. Import substitution has been facilitated through various schemes with the aim of 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 the 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. An investment plan of about ₹ 11,100 Crore and ₹ 8,700 Crore has been announced for Tamil Nadu and the UP corridors respectively by DPSUs including newly formed DPSUs and private companies.

The procedure of 'Make-I' and 'Make-II' programmes has been introduced and is 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.

Toward MoD's big push for the Atmanirbhar Bharat initiative, MoD has put an import embargo on 400 plus items from Aug 2020 and published four positive indigenisation lists of Services with timelines to boost the 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 stake holders in the Indian defence industry.

(c) SWOT Analysis

Strengths

- Leader in Defence Electronics in India
- Strong multi-layered in-house R&D, skilled work force and strong domain knowledge

- Wide product range with a strong Product Support network
- Loyal customer base / strong relationship

Weaknesses

- Gaps in some of the technology areas
- Dependence on the Defence market
- High lead Time to Market
- Excessive/multiple regulations impacting agility

Opportunities

- Growing Defence & Security needs huge modernisation/upgrade plans for defence
- Introduction of IDDM category in DPP
- Strategic partnerships with friendly countries
- Positive Lists for Indigenisation by MoD

Threats

- Increased competition – Indian Private and Global
- Changing Customer preferences
- Rapid changes in technologies
- Sourcing of few critical and denied technologies
- Policy interventions 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:

The Company 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 also 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, Long Range Missiles, 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) is formed between BEL and Thales, France. Benefitting from the confluence of work culture and technology/manufacturing support of the parent companies, the JV has imbibed the best practices of both parent organisations and is growing into a centre for development, evolution and customisation of products 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 System 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 advanced discussions with an Israel OEM for setting up a Joint Venture Company for providing product life cycle support for weapon system 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 Size, Weight and Power (SWaP) along with quality requirements always push R&D efforts to the edge. At the component level, R&D efforts are steered towards meeting newer requirements of SoCs, MMICs, highly integrated processor ICs, microwave super-components, 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 core areas of PDIC are Automation Solutions, Antenna Vertical, 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)/Units, liaison with end customers for understanding their requirements, mapping them to technical specifications and developing products/solutions incorporating the core technology modules developed through the other tiers, i.e. CRLs and PDIC.

The D&E of Software SBU, at Bangalore, addresses all requirements related to software modules either directly to the customers or through respective D&Es of SBUs/Units. Recently, a Software Development Centre has also been opened at Visakhapatnam. The Software SBU is supported ably by the CRLs 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 it 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

Following are some of the new initiatives undertaken by BEL in the areas of R&D and technology development during FY 2022-23:

- New initiatives taken include online R&D Flash and IPR information capture on BEL ERP System, Creation of a Dashboard for R&D project status/progress monitoring/review, establishment of BEL-Indian Navy Incubation Cell for Artificial Intelligence (INICAI) at BEL's R&D Collaboration and Incubation Centre, signing of MoU with IISc Bengaluru on AI-ML with projects initiated by Homeland Security, Software and CRL Bengaluru, restructuring of CRL Ghaziabad into two verticals as Research and Development (R&D) and Research and Technology (R&T), revision of Sub-delegation of Power for R&D and standardisation of Board / R&D Committee note formats.
- BEL has initiated development of several Artificial Intelligence based projects some of which are Digital agriculture platform with integrated crop yield predictions, AI-enabled adaptive traffic signal control solution, Traffic rule enforcement analytics, garbage and litter detection, accident/vehicle break down detection, AI-based surface target classification, Satellite monitoring system, Kinematics on hexapod, and AI-based video analytics.
- Efforts are on to enhance collaboration with premier educational institutions and set up R&D/Innovation cells in select institutions. BEL R&D Cell at Kochi has

realised core technology modules for sonars and simulators. BEL R&D Cell at IIT Madras Research Park has developed core technology modules for communication systems. Establishing such R&D cells at other campuses is being explored.

- BEL has been vigorously pursuing IPR related activities year after year. Concerted efforts put in have resulted in the grant of 100 IPRs including 22 patents during FY2022-23. Some of the granted patents are:

Voter Verifiable Paper Audit Trail (VVPAT) System; An Improved Laser Resonator; Automatic Track Initiation using derived kinematics for TWS Radar; Measurement of Radiation Pattern at Bench Level in Reactive Field of Linear Antenna Arrays; A Method for Calculating Cyclic Redundancy Check for Multi Frame Data Words; System and method for Exporting and importing table row data using database key constraints; A method for processing raw video for range ambiguity correction in Radar; Digitally tunable miniature filter; and a compact reconfigurable and fully scalable antenna beams steering controller.

- As on 31 March 2023, the cumulative IPRs granted/registered to BEL are 360 (Patents: 46, Copyrights: 301, Industrial Design: 10, SICLD: 1, Trade Marks: 2). In the FY 2022-23, a total of 242 new IPR applications were filed (Patents: 121, Copyrights: 110, Industrial Design: 6, SICLD: 4, Trade Mark: 1). R&D/D&E scientists/engineers have presented and published 79 papers in reputed Conferences/Seminars/Journals in the FY 2022-23.
- BEL has empanelled 9 new Collaborative R&D partners in the FY 2022-23. As of 31 March 2023, cumulative Collaborative R&D partners empanelled are 309 (including 155 MSMEs). The partners are categorised under R&D solution providers: 39, design service providers: 198, consultants: 40 and production service providers: 39, of which 7 partners are empanelled under two categories.

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

Automatic modulation classification - IIT Mandi ; Design and development of auto key distribution - IIT Madras; IOMT-based anthropomorphic robotic glove - IIT Kota; Development of ferroelectric thin film based solar cell – IISc, Bengaluru; Study and Evaluation of AJIT processor - IIT Powai; C band 25 W GaN RF device with IIT Bombay Image analysis; Activity templating and trend estimation; Game theory based interception; AI-based

multi-sensor framework; UAV own ship position; Voice-based identification; RT range enhancement.

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 FY2022-23:

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

During FY 2022-23, 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.

(e) Diversification / Expansion Plans - New Frontiers

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 Company's business is about 15-20% of total turnover. This year, the Company has about 11% of turnover from the non-defence segment. The Company aims to achieve and grow 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, Electric Vehicles (Li-ion & Fuel Cells, Charging Stations etc.), Homeland Security & Smart City Businesses, Smart Meters, a range of Medical Electronics and Health Care Solutions etc.

BEL has successfully diversified into electronic Ammunition Fuzes, Missile Seekers, light weight Composite Shelters & Masts, Homeland Security & Smart Cities, Network & Cyber Security, Rail & Metro Solutions, Energy Storage products, Solar power plants, Medical Electronics, 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 expand the geo-spatial reach through resource sharing.

(e) 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. 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. The RM policy of the Company is revised during the current financial year. The changes, among others, include the introduction of ESG risk in the identified areas of Risk.

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 a Board of Directors (BOD) through the 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 a 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, 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 implementation of mitigation measures is further reviewed by the RMC for compliance and the implementation status is reported to the Board.

Risks which may have significantly impact the operations of the Company or wherever deemed necessary, are reported to RMC. RMC reviews the risks and recommends to the Board for further deliberations and approval of mitigation measures.

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.

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 75% of the Company's turnover is generated from indigenous technology.

In line with Government's "Make in India" policy, BEL has been taking several initiatives to achieve Self-Reliance through a strong thrust on In-house R&D and Indigenisation, Increased outsourcing from Indian Private industries, Public Private Partnerships, Joint Ventures, Capacity expansion, Infrastructure Development & modernisation etc. Major initiatives taken towards achieving the goals of Indigenisation & self-reliance include:

- Continuous product development through In-house R&D efforts, Joint development by partnering with DRDO, National R&D Labs & Academia and Collaborative R&D partnership with the Indian private sector (MSMEs/Start-ups) & foreign OEMs/Design houses
- ToT-based In-depth manufacturing from foreign OEMs
- Import substitution of critical sub-systems through in-house/domestic vendor development
- Three years R&D plan for Indigenous development

- Outsourcing & Vendor Development Policy
- Test facilities for use by Indian Private entities
- Eols published for imported items under Make-II to attract capable/prospective domestic manufacturers for Indigenisation
- Details of items planned for Indigenisation uploaded on 'Srijan Portal', Indigenisation portal of MoD

The Government has taken several policy initiatives and brought reforms to encourage indigenous design, development & manufacture of defence equipment within India, with an aim to reduce dependency on imports. These initiatives, inter-alia, include (1) According priority to procurement of capital items from domestic sources under Defence Acquisition Procedure (DAP)-2020 (2) Notification of four 'Services Positive Indigenisation Lists' of total 411 items for which there would be an embargo on the import beyond the timeline indicated against them. There are as many as 133 items of BEL included in these lists.

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

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

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

While BEL's objective & initiatives provide tremendous scope for Indigenisation activities, the Company is confident of increased participation from all sectors will

lead to self-reliance and a win-win situation among its supply-chain partners.

DPSUs Positive Indigenisation List:

- DPSUs 1st Positive Indigenisation List released in Dec 2021 consists of 2 parts:
 - a) 2,500 items (already indigenised) of which 152 items pertain to BEL.
 - b) 351 items (to be indigenised) during the next 3 years, of which 18 items pertain to BEL.
- Out of 107 items in IIInd DPSU Positive Indigenisation List, 21 items of import value ₹ 1,768 Crore pertain to BEL. These 21 items have to be indigenised in the next 5 years.
- Out of 780 items in IIIrd DPSU Positive Indigenisation List, 69 items of import value ₹ 222 Crore pertain to BEL. These 69 items have to be indigenised by 2028.
- Out of 928 items in IVth DPSU PIL, 9 items of import value of ₹ 317 Crore pertain to BEL. These 9 items have to be indigenised by 2028.

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

Authorisations to users are given based on principles of Segregation of Duties and Least Privilege. Risk rules have been configured in the system in several business processes like Finance, Procure to Pay, Order to Cash, Material Management, HR and 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 (including BEL Corporate Office, CRL BG Cx, CRL Ghaziabad and PDIC during 2022-23). The Company has a 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 the Comptroller & Auditor General of India (C&AG).

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 the Audit Committee of the Board. New centre is also planned to address the increased volume of transactions in certain regions wherever required. 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 the audit to the Head of Internal Audit on a periodical basis. Head of Internal Audit submits his/her reports to Company's Management at various levels for corrective actions and finally submits a report to the Audit Committee of the 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. State-of-the-art Data Analytical Tool is also being used in Internal Audit for data analytics for identification of outliers, if any.

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. Functioning of Internal Audit as well as Internal Control systems are periodically reviewed by Board-level Audit Committee. The Audit Committee of the Board of Directors, comprising Independent Directors, regularly reviews the audit plans, 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 Internal Audit Manual, 2023 of BEL 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 the 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.

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

(C) Financial/Operational Performance:

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

2. Performance Highlights:

Particulars	₹ in Lakhs	
	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from Operations	17,64,620	15,31,376
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	4,04,752	3,30,924
EBITDA Margin (EBITSA/revenue from operations [Net])	22.94%	21.61%
Profit After Tax	3,00,667	2,34,893
No. of Days Inventory/Value of Production	132	133
No. of Days Trade Receivables/Turnover	148	148
Current Ratio	1.46	1.39
Debt Equity Ratio	-	-

3. Analysis of Financial Performance of FY 2022-23:

- Turnover registered a growth of 15.22% from ₹ 15,04,367 Lakhs in 2021-22 to ₹ 17,33,337 Lakhs in 2022-23.
- Value of Production has increased from ₹ 15,32,064 Lakhs in 2021-22 to ₹ 17,73,082 Lakhs in 2022-23. Increase of 15.73%.
- 28% increase in Profit After Tax, from ₹ 2,34,893 Lakhs in 2021-22 to ₹ 3,00,667 Lakhs in 2022-23.
- Increase of PAT to Turnover Ratio from 15.61% in 2021-22 to 17.35% in 2022-23.

- Turnover per Employee has increased from ₹ 169.93 Lakhs in 2021-22 to ₹ 196.23 Lakhs in 2022-23.
- Earnings Per Share has increased from ₹ 3.21 in 2021-22 to ₹ 4.11 in 2022-23.
- Book Value Per Share has increased from ₹ 16.39 in 2021-22 to ₹ 18.58 in 2022-23.
- Net Worth has increased from ₹ 11,98,426 Lakhs in 2021-22 to ₹ 13,58,199 Lakhs in 2022-23.
- Return on Net Worth has increased from 19.60% in 2021-22 to 22.14% in 2022-23. The main reason for increase is due to increase in Value of production by 15.73%.

(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 and CEP 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 36-days induction program enables newly joined executives to understand business operations along with Plant & customer visits to ensure smooth integration into the new work environment.	E-II grade	253 PEs attended the program
2	Building Agility for Effective Leadership (BAEL)	The program focusses on how businesses need to be agile to adapt to a changing business environment.	E-VI & above	27 Executives attended the program
3	Program on Interpersonal Effectiveness	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	59 Executives attended the program
4	Competency Enhancement Program (COMET)	COMET was conducted to enhance specific competencies after identifying gaps based on BEL Behavioural Competency Survey.	E-I to E-III grades	259 Executives attended the program
5	Intellectual Property Rights (IPR)	The program was conducted to provide basic awareness on Intellectual Property Rights covering various topics like Patents, Copyrights, Trademarks etc.	All executives	129 Executives attended the program
6	Creativity & Innovation Program (CIP)	The program was conducted to address the business case for innovation & varied aspects of creativity & lateral thinking required for progressing towards innovative behaviour culminating in effective growth.	E-II & E-III grade	26 Executives attended the program
7	Orientation Program for Executives Posted to Overseas Offices	To orient the newly posted executives on important features of various products & infrastructure, future product development plans etc. in Units/ SBUs.	Executives posted to overseas offices	10 Executives attended the program
8	Internship Program for Air Force Trainee Officers	Internship Program intended to provide practical exposure on various activities related to production/overhaul/maintenance of various systems & their components in BEL.	Air force Engineering Trainee Officers	10 Air Force Engineering Trainee Officers attended the Program
9	Awareness Program on Defence Export Policy	The programs aim to provide awareness of different aspects of the Defence Export Policy.	E-II to E-V grades in Mktg. & D&E	39 Executives attended the Program

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage
10	Post Graduate Certificate in Management - Batch 1	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 by selection	25 Executives completed the program
11	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 by selection	25 Executives are attending the program
12	Advanced Leadership Program - Batch 2	ALP was conducted based on the Group Reports gap from Assessment Centre data based on BEL Behavioral Competency Model.	E-VI & above	53 Senior Executives attended the program
13	Certificate Program in Executive Coaching	Leadership development is a critical imperative for individual & business development. The program will help develop executive coaches who will facilitate leadership capability development across various levels.	HR executives	24 Executives attended the program

During the FY 2022-23, various Technology programs were conducted to enhance the 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	60 Unique technology programs from various technology domains	Topics on DEW Systems, Intelligent Transportation Systems, GaN-based HPOC Designs, DFM&A, EMP Technologies, Communication, Signal Processing, RADAR, SONAR, MM Wave Engineering, Jamming& Anti-Jamming, Power and spectrum efficiency enhancement techniques for SDRs, Advanced GIS, Automation, Control Systems, Systems Engineering for Defence Product Technologies, Avionics & Electronic Warfare Systems, EMI/EMC, RFIC Design, Unmanned Systems, Emerging Fields in Defence Technologies, Deep Learning, Image processing with Computer Vision, Machine Learning, Cryptography, Information Security, IoT, Advanced GD&T, Advanced Cloud Computing, Programming Languages.	EII-EVIA	1281 Executives attended the programs
2	21 Certification Programs	Topics on Wireless & Cellular Communication, Block Chain - Hyper ledger Fabric for Developers, Microwave Engineering, Mechanical Vibration, Machine Learning, Cyber Security, Design of IoT, Principles and Techniques of Modern Radar Systems, Manufacturing Automation, Industry 4.0, IndAS, CDMA/MIMO/OFDM, Patent Law for Engineers & Scientists, Manufacturing Automation, Control Systems, Artificial Intelligence, Data Analytics with Python, Design of Highly Efficient PA using Doherty Technique, Digital Image Processing, Embedded OS/ Embedded Systems, Indirect Taxation - for Finance Executives/GST.	EII-EV	85 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.	EIII-EVI	18 Executives completed the program
4	M.Tech (Data Science & Engineering /AI) -BITS, Pilani	Provides mathematical foundation for data science and develop models based on AI, ML, Deep Learning and Natural Learning Processing.	EIII-EV	35 Executives completed the program
5	IITM - M.Tech (Microelectronics) - IIT Madras	Specialisation in Microelectronics with emphasis on design, simulation, modelling, fabrication and testing of microelectronic devices and systems.	EIII-EVI	20 Executives are attending the program

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage
6	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.	EIII-EVI	13 Executives are attending the program
7	M.Tech (Mechanical Design) - IIT Madras	Covers the areas of Product Design, Engineering Design Optimisation, Advanced Composites, Advanced Mechanics of Solids, Product Reliability, Computational Methods on Engineering, Advanced Dynamics, Vibrations, FEA.	EIII-EVI	16 Executives are attending the program

In the **Quality Domain**, the following Programs were conducted during the FY 2022-23:

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.	Executives in E-III to E-VIA grade	42 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, estimation, 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	Executives in E-III to E-VIA grade	37 Executives attended the program
3	Certified Manager Of Quality/ Organizational 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	Executives in E-V to E-VII grade (E-V + 4 Years' Experience)	21 Executives attended the program
4	Certified Software Quality Engineer (ASQ-CSQE)	The ASQ-CSQE Certification is a globally recognized certification for Software Quality Engineers. This is one of the most comprehensive programs to focus on software quality. It covers the whole set of software quality concepts which are imperative for any Software Engineer to build an understanding of software quality development and implementation, software inspection, testing, verification and validation, and implementation of software development and maintenance processes and methods. The ASQ-CSQE Body of Knowledge (BoK) covers the benefits of Software Quality Engineering, Team skills, Leadership skills, Software quality management, System and software engineering processes, Project management, Software metrics and analysis, Software verification and validation, and Software configuration management.	Executives in E-III to E-VIA grade	13 Executives attended the program
5	Certified Supplier Quality Professional (ASQ-CSQP)	The ASQ-CSQP Certification is a globally recognised certification for Engineers and professionals working in development and improvement of the supply chain for any business area. This is one of the most comprehensive programs on supplier quality development. The ASQ-CSQP Body of Knowledge (BoK) includes Supply chain vision/mission, Supply lifecycle management, Supply chain cost analysis, Risk management, Supplier selection and part qualification, Supplier performance monitoring and improvement, Supplier quality management, Relationship management, Business Governance, Ethics, and Compliance.	Executives in E-III to E-VIA grade	19 Executives attended the program

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage
6	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 with 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.	Executives in E-IV to E-VII grade	92 Executives attended the program
7	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.	Executives in E-III to E-VIA grade	29 Executives attended the program
8	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.	Executives in E-IV to E-VIA grade	25 Executives attended the program
9	Business Analytics & Data Management (BA&DM) (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, today's organisations must adapt business analytics. The course will dwell upon data management techniques, supervised learning for developing models using statistical learning techniques, and machine learning techniques.	Executives in E-III to E-VIA grade	25 Executives attended the program.
10	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 global environmental issues, the national and international legal and regulatory framework for environmental protection, and the requirements of the ISO 14001:2015 Standard. The program also covers the auditing requirements, and methodologies essential to conduct an effective internal audit as per ISO 19011 Guidelines. Audit case studies and open discussions are used to reinforce the learning and required skills of an internal auditor.	Executives in E-IV to E-VIA grade	53 Executives attended the program.
11	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 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.	Executives in E-IV to E-VIA grade	12 Executives attended the program.
12	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 become now 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 methods, lean concepts, principles and tools. This program will equip the participants to acquire Six Sigma Green Belt certifications, and to successfully apply the methodology for breakthrough improvement.	Executives in E-III to E-VIA grade	181 Executives attended the program

Sl. No.	Name of the Program	Brief of the Program	Target Audience	Coverage
13	New Programs	Quality Management Tools, Basic Statistics & Introduction to Six Sigma, Project Management Principles	Executives in E-II-EIII grade	100 Executives attended the programs

In addition to the above, the following employee assistance program was introduced during the financial year 2022-23

Sl. No.	Name of the Program	Brief of the Program	Coverage
1	Program for Emotional Wellness & Enrichment (POWER)	The employee assistance programme focusses on the emotional wellbeing of the employees. It has been launched in association with United We Care Corporation in the form of a mobile based application which offers all the employees unlimited 24 x 7 access to a wide range of tools and interventions concerning holistic wellness and also provides an option to seek expert advice from Life Coaches, Psychologists, Psychiatrists, Wellness experts, Nutritionists etc. with the promise of complete confidentiality.	All the employees of BEL (8844 employees + maximum of 3 dependents/family members)

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

- (i) Online Live IDEA Boot Camp on CaseWare IDEA 12 Advanced Analytics conducted by IDEA Data Analysis Software.
- (ii) IIA Annual Conference 2022 (Cyber Security and Impact of Digital Transformation) conducted by The Institute of Internal Audit.
- (iii) Interactive Workshop of Senior executives of CPSEs handling implementation of CSR in their CPSEs conducted by the Department of Public Enterprises.
- (iv) Master class on Building Better Boards by the Indian Institute of Corporate Affairs (IICA)
- (v) Training program on Preventive Vigilance at NFSU, Gandhinagar, Gujarat conducted by Central Vigilance Commission.
- (vi) 11th Strategic Electronic Summit (Defence and Aerospace) conducted by ELCINA.
- (vii) Seminar on ICDS and Tax Audit conducted by ICAI.
- (viii) Training and Capacity Building Workshop on PM GatiShakti National Master Plan for Sr. Level officers of PSUs conducted by Ministry of Commerce and Industry.
- (ix) Knowledge sharing workshop for CPSEs on marching towards gender neutrality - the way forward conducted by ONGC and NLC India Ltd.
- (x) Workshop on Applying Design Thinking for Innovation Excellence conducted by XIME, Bengaluru.
- (xi) Webinar on Procurement by CPSEs from MSEs and through GeM Portal conducted by DPE and SCOPE.
- (xii) 16th Global Communication conclave on the Theme "Custodians of Reputation-Building New Narrative" conducted by the Public Relations Council of India.
- (xiii) HR Meet of DPSUs conducted by Goa Shipyard Ltd.
- (xiv) Intensive training on LDRA Tool Suite conducted by LDRA.

For and on behalf of the Board

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Bengaluru
1 August 2023

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 2023.

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 2023, 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 the FY 2022-23, eight Board meetings were held and the maximum interval between any two meetings was not more than 120 days. The Board Meetings were held on 23 May 2022, 16 July 2022, 04 August 2022, 27 October 2022, 22 November 2022, 28 January 2023, 21 February 2023 and 17 March 2023. 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 2023 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 30 August 2022	No. of Directorship(s) held *	No. of Committee Membership across all Companies#		Directorship in other Listed Entity (Category of Directorship)
						As Member	As Chairman	
Whole-Time Functional (Executive) Directors								
1	Mrs Anandi Ramalingam (Ceased to be Director w.e.f 31.08.2022)	03	03	Yes	-	-	-	-
2	Mr Dinesh Kumar Batra (Ceased to be Director w.e.f 31.10.2022)	04	04	Yes	-	-	-	-
3	Mr Rajasekhar M V (Ceased to be Director w.e.f 31.08.2022)	03	03	Yes	-	-	-	--
4	Mr Vinay Kumar Katyal	08	08	Yes	02	01	Nil	Nil
5	Mr Bhanu Prakash Srivastava (Appointed as Director w.e.f 20.04.2022)	08	08	Yes	02	02	Nil	Nil
6	Mr Manoj Jain (Appointed as Director w.e.f 26.09.2022)	05	05	NA	03	03	01	Nil

Sl. No.	Name of Directors	Meetings held during respective tenure of Directors	No. of Meetings attended	Attendance at the last AGM held on 30 August 2022	No. of Directorship(s) held *	No. of Committee Membership across all Companies#		Directorship in other Listed Entity (Category of Directorship)
						As Member	As Chairman	
7	Mr Damodar S Bhattad (Appointed as Director w.e.f 11.01.2023)	03	03	NA	03	02	Nil	Nil
Part-time Government (Non-Executive) Director								
8	Dr Binoy Kumar Das (Appointed as Director w.e.f 04.07.2022)	07	07	No	01	Nil	Nil	Nil
9	Mr Anurag Bajpai (Ceased to be Director w.e.f 23.12.2022)	05	02	Yes	-	-	-	-
10	Mr T Natarajan (Appointed as Director w.e.f 02.01.2023)	03	02	No	03	Nil	Nil	Hindustan Aeronautics Ltd.- Nominee Director
Part-time Independent (Non-Executive) Directors								
11	Mr Sunil Kumar Kohli (Ceased to be Director w.e.f 17.07.2022)	02	02	NA	-	-	-	-
12	Dr Parthasarathi P V	08	08	Yes	01	Nil	Nil	Nil
13	Mr Mansukhbhai S Khachariya	08	06	Yes	01	01	01	Nil
14	Dr Santhoshkumar N	08	08	Yes	01	Nil	Nil	Nil
15	Mr Prafulla Kumar Choudhury	08	08	Yes	01	01	01	Nil
16	Dr Shivnath Yadav	08	08	Yes	01	01	Nil	Nil
17	Mr Gokulan B	08	08	Yes	01	01	Nil	Nil
18	Mrs Shyama Singh	08	08	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 the FY 2022-23. 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 fulfil 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/ContentPage.aspx?MId=17&CId=2505&LId=1&link=2505>

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 2023. 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 2023 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 68th Annual General Meeting of the Company held on 30 August 2022. 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 six (6) times during the FY 2022-23. All the recommendations of the Audit Committee have been accepted by the Board of Directors.

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 the FY 2022-23 and details of the Members' participation at the meetings are as under:

Name	Category	Position Held as on 31 March 2023	Attendance at the Audit Committee Meetings held on:					
			21 May 2022	15 July 2022	25 October 2022	16 December 2022	27 January 2023	20 February 2023
Mr Prafulla Kumar Choudhury (Appointed as Chairman w.e.f 22.07.2022)								
Mr Sunil K Kohli (Ceased to be Chairman & Member w.e.f 17.07.2022)		-						
Dr. Shivnath Yadav								
Mr Gokulan B (Appointed as Member w.e.f 22.07.2022)								

 Independent Director |  Chairman |  Member |  Attended |  Not Applicable

Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on 31 March 2023 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 68th Annual General Meeting of the Company held on 30 August 2022. The terms of reference of the Nomination and Remuneration Committee are as specified in Section 178 of the Companies Act, 2013, and Regulation 19 read with Schedule II Part-D of Listing Regulations (except to the extent of exemptions provided to Govt. Companies).

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 Nomination and Remuneration Committee met Five (5) times during the FY 2022-23. The Composition of the Committee during the FY 2022-23 and details of the Members' participation at the meetings of the said Committee are as under:

Name	Category	Position Held as on 31 March 2023	Attendance at the Nomination and Remuneration Committee Meeting held				
			16 May 2022	04 July 2022	05 & 06 July 2022	26 October 2022	27 January 2023
Mr Santhosh Kumar N (Appointed as Chairman w.e.f 22.07.2022)	Independent Director	Independent Director	✓	✓	✓	✓	✓
Mr Sunil Kumar Kohli (Ceased to be Chairman & Member w.e.f 17.07.2022)	Independent Director	-	✓	✓	✓	NA	NA
Mrs Anandi Ramalingam (Ceased to be Member w.e.f 31.08.2022, as CMD - Addl. Charge)	Independent Director	-	✓	✓	✓	NA	NA
Mr Dinesh Kumar Batra (Appointed as Member w.e.f 01.09.2022. Ceased to be Member w.e.f 31.10.2022, as CMD - Addl. Charge)	Independent Director	-	NA	NA	NA	✓	NA
Mrs Shyama Singh (Appointed as Member w.e.f 22.07.2022)	Independent Director	Independent Director	NA	NA	NA	✓	✓
Dr. Parthasarathi P V	Independent Director	Independent Director	✓	✓	✓	✓	✓
Mr Bhanu Prakash Srivastava (Appointed as Member w.e.f 01.11.2022, as CMD - Addl. Charge)	Independent Director	Independent Director	NA	NA	NA	NA	✓

 Independent Director
  Executive Director
  Chairman
  Member
  Attended
  Not Applicable

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 15 March 2023. 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 the FY 2022-23 is as under:

(Amount in ₹)

Name of Director	Designation	Salaries & Allowances	Performance Linked Incentive	Other Benefits and Perquisites	Total
Mrs Anandi Ramalingam (Ceased to be a Director w.e.f 31.08.2022)	CMD - Additional Charge, Director (Marketing) & Director (HR) - Additional Charge	18,10,481	15,36,627	17,87,069	51,34,177
Mr Bhanu Prakash Srivastava (Appointed as Director w.e.f 20.04.2022)	CMD - Additional Charge, Director (OU) & Director (Marketing) - Additional Charge	36,33,919	8,20,867	20,41,736	64,96,522
Mr M V Rajasekhar (Ceased to be a Director w.e.f 31.08.2022)	Director (R&D)	17,79,539	12,99,582	9,25,895	40,05,016
Mr Vinay Kumar Katyal	Director (Bangalore Complex)	40,04,653	13,69,075	22,04,260	75,77,988
Mr Dinesh Kumar Batra (Ceased to be a Director & CFO w.e.f 31.10.2022)	CMD - Additional Charge, Director (Finance) & CFO, Director (Marketing) & Director (HR) - Additional Charge	22,19,411	13,27,208	19,22,609	54,69,228
Mr Manoj Jain (Appointed as Director w.e.f 26.09.2022)	Director (R&D)	26,10,186	9,12,590	12,52,799	47,75,575
Mr Damodar Bhattad S (Appointed as Director w.e.f 11.01.2023 and CFO w.e.f 28.01.2023)	Director (Finance) & CFO	8,28,879	7,30,391	11,15,453	26,74,723

Part-time Official (Government / Non-Executive) Directors are not paid any remuneration or sitting fees for attending Board/Committee meetings. Part-time Independent (Non-Executive) Directors are paid sitting fees of ₹ 30,000 for each meeting of the Board & ₹ 25,000 for each Board Committee(s) meeting. Details of sitting fees paid to the Independent Directors for attending Board and Committee meetings during the FY 2022-23 are given below:

Name of the Independent Directors	Amount (₹)
Mr Sunil Kumar Kohli	3,10,000
Dr. Parthasarathi P V	4,15,500
Mr Mansukhbhai S Khachariya	3,05,000
Dr. Santhoshkumar N	5,15,000
Mr Prafulla Kumar Choudhury	4,40,000
Dr. Shivnath Yadav	4,65,000
Mr Gokulan B	4,40,000
Mrs Shyama Singh	3,40,000
Total	32,30,500

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 the FY 2022-23.
























Stakeholders' Relationship Committee

The composition of the Stakeholders' Relationship Committee as on 31 March 2023 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 68th Annual General Meeting of the Company held on 30 August 2022. 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.

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

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

The Composition of the Stakeholders' Relationship Committee during the FY 2022-23 and details of the Members' participation at the meetings of the said Committee are as under:

Name	Category	Position Held as on 31 March 2023	Attendance at the Stakeholder Relationship Committee Meeting held on 27 January 2023
Mr Mansukhbhai S Khachariya (Appointed as Chairman w.e.f 22.07.2022)			
Mr Sunil Kumar Kohli (Ceased to be Chairman & Member w.e.f 17.07.2022)		-	
Mrs Anandi Ramalingam (Ceased to be Member w.e.f 31.08.2022, as Director (HR) – Addl. Charge)		-	
Mr Dinesh Kumar Batra (Ceased to be Member w.e.f 31.10.2023)		-	
Mr Vinay Kumar Katyal (Appointed as Member w.e.f 01.11.2023. Ceased to be Member w.e.f 10.01.2023, as Director (Finance) – Addl. Charge)		-	
Mr Bhanu Prakash Srivastava (Appointed as Member w.e.f 20.04.2022)			
Mrs Shyama Singh (Appointed as Member w.e.f 22.07.2022)			
Mr Manoj Jain (Appointed as Member w.e.f 01.11.2022, as a Director (HR)- Addl. Charge)			
Mr Damodar Bhattad S (Appointed as Member w.e.f 11.01.2023)			

 Independent Director  Executive Director  Chairman  Member  Attended  Not Applicable

Complaints received from the shareholders are attended promptly as and when they are received. Grievances from shareholders, mainly relating to dividend payments and Annual Report were received and resolved during the year. No grievance was pending as on 31 March 2023. Following are the details of investors' complaints during 2022-23 (SEBI SCORES):

No. Complaints Received	No. Complaints Resolved	No. Complaints Pending
04	04	Nil

Compliance Officer

Mr S Sreenivas is the Company Secretary & Compliance Officer. His contact details are:

Mr S Sreenivas

Company Secretary
Bharat Electronics Limited
Regd. & Corp. Office, Outer Ring Road,
Nagavara, Bengaluru – 560045
Telephone: 080-25039266
Email: secretary@bel.co.in




















































Corporate Social Responsibility Committee

In pursuant to the provisions of Section 135 of the Companies Act, 2013, Rules made thereunder (as amended) and DPE Guidelines, Corporate Social Responsibility (CSR) Committee has been constituted. 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. 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 the FY 2022-23 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 2023	Attendance at the CSR Committee Meeting held on:			
			16 May 2022	15 July 2022	18 October 2022	20 February 2023
Mr Bhanu Prakash Srivastava (Appointed as Member & Chairman w.e.f 01.11.2022, as CMD- Addl. Charge)						
Mrs Anandi Ramalingam (Ceased to be Chairman & Member w.e.f 31.08.2022, as CMD - Addl. Charge)		-				
Mr Dinesh Kumar Batra (Appointed as Chairman w.e.f 01.09.2022, as CMD - Addl. Charge. Ceased to be Chairman & Member w.e.f 31.10.2022)		-				
Mr Shivnath Yadav (Appointed as Member w.e.f 22.07.2022)						
Mr Vinay Kumar Katyal						
Mr Sunil Kumar Kohli (Ceased to be Member w.e.f 17.07.2022)		-				
Mr Mansukhbhai S Khachariya						
Mr Manoj Jain (Appointed as Member w.e.f 01.11.2022, as Director (HR) - Addl. Charge)						
Mr Damodar Bhattad S (Appointed as Member w.e.f 11.01.2023)						

 Attended  Not Applicable  Leave of Absence  Independent Director  Executive Director  Chairman  Member

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. 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 the FY 2022-23 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 2023	Attendance at the RMC Meeting held on:	
			25 August 2022	20 February 2023
Mr Bhanu Prakash Srivastava (Appointed as Member w.e.f 20.04.2022. Appointed as Chairman w.e.f 01.11.2022 as Director (Marketing) - Addl. Charge]				
Mrs Anandi Ramalingam (Ceased to be Chairman & Member w.e.f 31.08.2022)		-		
Mr Vinay Kumar Katyal				
Mr Sunil Kumar Kohli (Ceased to be Member w.e.f 17.07.2022)		-		
Mr Rajasekhar M V (Ceased to be Member w.e.f 20.04.2022)		-		
Mr Dinesh Kumar Batra (Ceased to be Member w.e.f 31.10.2022)		-		
Mr Santhosh Kumar N (Appointed as Member w.e.f 22.07.2022)				
Mr Damodar Bhattad S (Appointed as Member w.e.f 11.01.2023)				

 Attended  Not Applicable  Leave of Absence  Independent Director  Executive Director  Chairman  Member

Independent Directors' Meeting

During the year 2022-23, one meeting of Independent Director(s) was held on 15 March 2023, 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 of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

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 Units) has been constituted to consider and approve share transfer, transmission, duplicate certificates etc.

The Company Secretary is the Secretary to all the Committees of the Board referred 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. All Board Members, the KMPs and Senior Management Personnel have affirmed compliance with the Code of Business Conduct and Ethics as on 31 March 2023. A declaration to this effect signed by the Chairman & Managing Director is attached to this Report.

Code for Prevention of Insider Trading and Fair Disclosure

In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended), the Company has put in place a Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider and Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the Code) duly approved by the Board of Directors. This Code is applicable to all the designated persons, including their immediate relatives, who are privy to price-sensitive information and any other connected as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company Secretary is responsible for the implementation of the code. The Code has been posted on the Company's website www.bel-india.in.

Subsidiary Companies

The Company does not have any material unlisted Indian Subsidiary Company as on 31 March 2023. 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://www.bel-india.in/ContentPage.aspx?MId=17&CId=527&LId=1&link=527>

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 2022-23.

Transfer to Investor Education and Protection Fund Account

Pursuant to Sections 124 and 125 of the Companies 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, is 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 the FY 2022-23, an unclaimed/ unpaid amount pertaining to the final dividend 2014-15 and the interim dividend 2015-16 was transferred to IEPF. The unclaimed/ unpaid dividend amount pertaining to the final dividend

2015-16 and the interim dividend 2016-17 is due for transfer to IEPF during 2023-24. The Company has posted on its website www.bel-india.in on a separate page titled 'Investors – Dividend' the details of unclaimed dividend and guidance information for claiming unpaid dividends. Shareholders are requested to make use of the claim form provided there to claim unpaid/unclaimed dividends. Details of shares transferred to IEPF have been uploaded on the website of IEPF as well as of the Company.

In respect of dividends/shares which have been transferred to the IEPF, shareholders can claim the same from the IEPF authority by following the procedure prescribed under IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

General Body Meetings

- (a) **Location and time, where last three AGMs were held: The details of the last three Annual General Meetings are as follows:**

Financial Year	Venue	Date & Time
2019-20	Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	30 September 2020 at 10:00 A.M
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

- (b) **Special resolutions passed in the previous three AGMs:** Special resolutions were passed in the 68th Annual General Meeting held on 30 August 2022 for alteration of the Capital Clause in the Memorandum of Association and appointment of Independent Directors viz, Dr Parthasarathi P V, Mr Mansukhbhai S Khachariya, Mr Prafulla Kumar Choudhury, Dr Shivnath Yadav, Dr Santhoshkumar N, Mr Gokulan B and Mrs Shyama Singh.
- (c) **Special Resolution passed last year through postal ballot - details of voting pattern:** No special resolution was passed through postal ballot during 2022-23.
- (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) published in the language of the region (Kannada), where the registered office of the Company is situated and also uploaded on the Company's website www.bel-india.in.

The Company discloses to the Stock Exchange, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI Regulations including material information having a bearing on the performance/ operations of the Company or other price-sensitive information. The official media releases and presentations made to institutional investors/analysts are posted on the Company's website.

In compliance with Regulation 46 of the Listing Regulations, the Company disseminates on its website information which inter-alia contains, details regarding the Board of Directors composition of various committees of the Board of Directors, code of conduct, policy dealing with RPTs, contact information of the designated officials of the Company responsible for assisting and handling investor grievances etc.

General Information for Shareholders

Annual General Meeting (AGM)

Date: 28 August 2023

Time: 10:00 a.m. (IST)

Venue: The 69th 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 the latest being 10/2022 dated 28 December 2022 and Securities Exchange Board of India (SEBI) Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5 January 2023 and as such there is no requirement to have venue for the AGM. For more details, please refer to the Notice of 69th AGM of the Company.

Financial Calendar 2023-24

Financial Year : 1 April 2023 to 31 March 2024

First quarter results : By the end of July 2023
 Second quarter results : By the end of October 2023
 Third quarter results : By the end of January 2024
 Annual Audited results : By the end of May 2024
 Annual General Meeting: By August/September 2024

Book Closure

From 18 August 2023 to 20 August 2023 (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, Laka Ghoda, Fort, Mumbai - 400 001.

(2) National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E)
Mumbai - 400 051.

The Company has paid listing fees for the financial years 2022-23 and 2023-24 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	Stock Code - 500049
National Stock Exchange of India Limited	Stock Code - BEL
ISIN	INE263A01024
CIN	L32309KA1954GOI000787

Custody Fees to Depositories

The Company has paid annual custody fees for the financial years 2022-23 & 2023-24 to both the Depositories, viz, National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

Registrar and Share Transfer Agent

Integrated Registry Management Services Pvt. Ltd., Bengaluru, a SEBI registered Category-I Registrar and Share Transfer Agent is the Company's Registrar and Share Transfer Agent (RTA) [SEBI Reg. No: INR000000544] The RTA's address is given below to forward all share transfer/ transmission/ split/ consolidation/ issue of duplicate certificates/ change of address requests/dematerialisation/ rematerialisation requests and related matters as well as all dividend related queries and complaints etc.

Address and contact details of Company's RTA:

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

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 2023, 99.99% of the total equity shares of the Company are held by the investors in dematerialised form with NSDL and CDSL. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE263A01024.

The Company's shares are very liquid and are actively traded in BSE and NSE. Relevant data of turnover for the FY 2022-23 is given below:

Particulars	BSE	NSE	Total
No. of shares traded	15,83,24,564	321,10,23,273	3,36,93,47,837
Value (₹ in Lakhs)	2,29,374	47,02,798	49,32,172

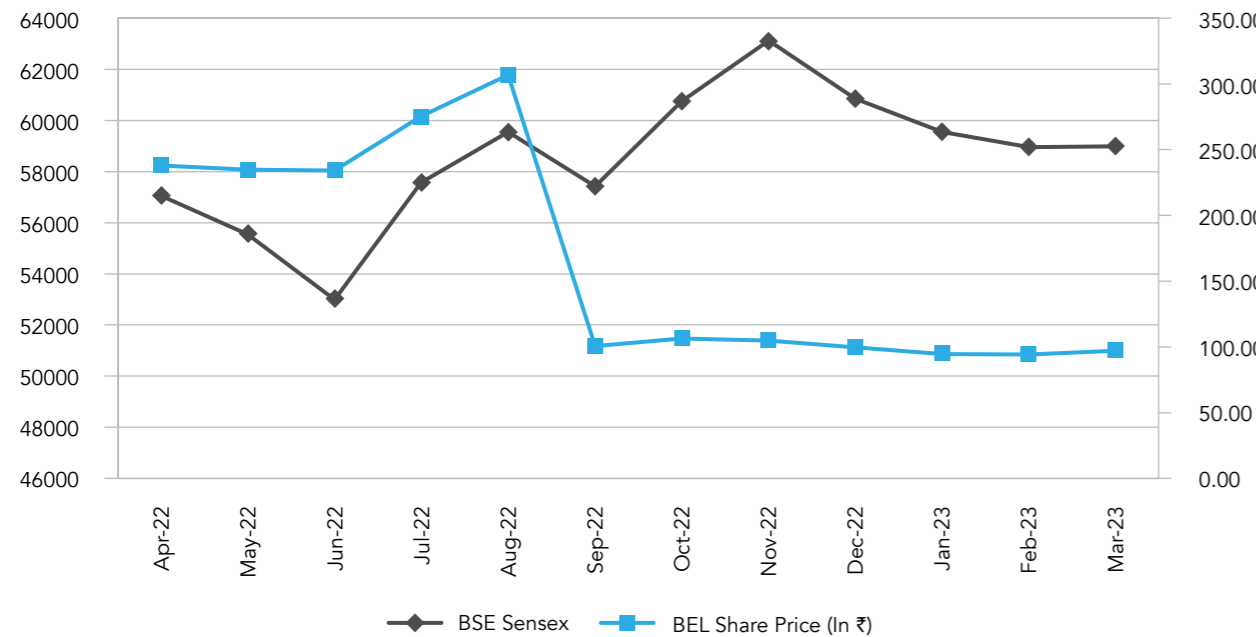
Market Price Data

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 2022 to March 2023:

Month	BSE Sensex Close	BEL Share Price			No of Shares Traded	Turnover (₹ in Lakhs)
		High (In ₹)	Low (In ₹)	Close (In ₹)		
April 2022	57,061	259.50	210.35	238.00	1,16,60,538	27,970
May 2022	55,566	240.20	215.80	234.60	82,29,930	19,064
June 2022	53,019	250.40	223.65	234.10	40,72,390	9,755
July 2022	57,570	276.95	224.25	275.05	75,70,343	19,063
August 2022	59,537	312.05	267.25	306.50	79,21,366	22,732
September 2022*	57,427	341.25	96.30	101.00	1,82,42,168	29,603
October 2022	60,747	109.20	98.00	106.80	2,57,35,337	26,749
November 2022	63,100	112.20	104.15	105.10	1,65,54,251	17,920
December 2022	60,841	108.45	94.75	99.95	1,51,36,249	15,355
January 2023	59,550	104.00	87.00	94.95	1,49,15,004	14,383
February 2023	58,962	98.65	88.30	94.65	1,48,06,507	14,058
March 2023	58,992	98.35	89.68	97.55	1,34,80,481	12,721

A comparison of the closing quotation of the Company's share price on BSE with the closing position of BSE SENSEX during the year 2022-23 is presented in the following graph:

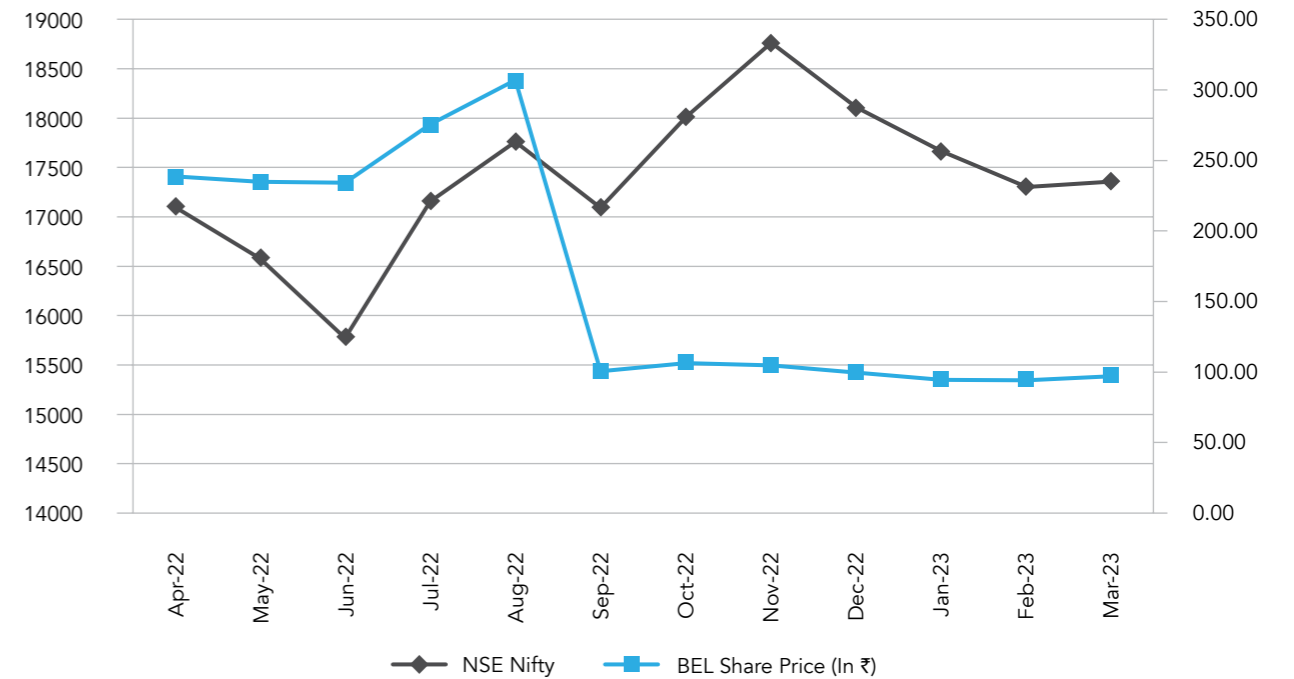


Note*: Two bonus shares for every one share were issued on September 2022. Consequently, the share price of the Company is adjusted accordingly w.e.f 15 September 2022.

BEL Share Price on NSE vis-à-vis NSE Nifty from April, 2022 to March, 2023:

Month	NSE Nifty Close	BEL Share Price			No of Shares Traded	Turnover (₹ in Lakhs)
		High (In ₹)	Low (In ₹)	Close (In ₹)		
April 2022	17,103	259.50	210.25	238.55	25,22,40,054	6,02,556
May 2022	16,585	240.20	215.75	234.75	11,48,88,383	2,63,062
June 2022	15,780	250.45	223.70	234.10	11,37,37,730	2,71,905
July 2022	17,158	276.90	224.15	275.20	17,99,87,083	4,56,182
August 2022	17,759	311.85	267.25	306.50	17,42,09,037	5,03,347
September 2022*	17,094	341.60	96.25	100.95	42,80,60,830	6,51,813
October 2022	18,012	109.20	98.10	106.85	30,17,62,899	3,16,052
November 2022	18,758	112.20	104.15	105.10	37,88,18,677	4,09,071
December 2022	18,105	108.40	94.65	99.90	32,03,60,530	3,26,785
January 2023	17,662	104.00	87.00	94.95	32,64,24,758	3,15,683
February 2023	17,304	98.65	88.30	94.60	31,19,50,771	2,95,641
March 2023	17,360	98.45	89.65	97.55	30,85,82,521	2,90,699

A comparison of the closing quotation of the Company's share price on NSE with the closing position of NSE NIFTY during the year 2022-23 is presented in the following graph:



Note*: Two bonus shares for every one share were issued on September 2022. Consequently, the share price of the Company is adjusted accordingly w.e.f 15 September 2022.

Category-wise Shareholders Pattern as on 31 March 2023

Sr.	Category	No. of Shareholders	No. of Shares	% Holding
1	Central Government	1	3,73,79,21,934	51.14
2	Mutual Funds/ UTI	239	1,46,73,82,940	20.07
3	Financial Institutions/ Banks	5	61,38,900	0.08
4	Alternative Investments Funds	22	91,45,468	0.12
5	Insurance Companies	73	30,23,99,545	4.14
6	Foreign Portfolio Investors	698	1,20,04,08,567	16.42
7	Provident Funds / Pension Funds	29	7,89,86,045	1.08
8	NBFCs Registered with RBI	7	38,690	0.00
9	Bodies Corporate	1895	3,26,31,497	0.45
10	Individuals	766102	44,84,11,706	6.14
11	Trusts	43	30,43,982	0.04
12	NRIs	10953	2,20,55,691	0.30
13	Foreign Individuals	0	0	0.00
14	Clearing Members	143	11,46,304	0.02
15	Investor Education and Protection Fund Authority, Ministry of Corporate	1	67,560	0.00
Total		7,80,211	7,30,97,78,829	100.00

Top 10 Shareholders (Other than Promoters) as on 31 March 2023 (Based on PAN)

Sr.	Name of the Shareholder	No. of Shares	% Holding
1	CPSE Exchange Traded Scheme (CPSE ETF)	31,13,54,967	4.26
2	KOTAK FLEXICAP Fund	25,41,82,339	3.48
3	HDFC Trustee Company Ltd. - A/C HDFC Mid-Cap Opportunities Fund	22,53,28,460	3.08
4	Canara ROBECO Mutual Fund A/C Canara ROBECO Emerging Equities	9,13,67,449	1.25
5	NPS Trust – A/C SBI Pension Fund Scheme- State Govt.	7,89,86,045	1.08
6	DSP FLEXI CAP Fund	7,48,22,745	1.02
7	MIRAE Asset Midcap Fund	7,26,49,544	0.99
8	MAX Life Insurance Co Ltd A/C Participating Fund	6,40,43,303	0.88
9	Fidelity Investment Trust Fidelity Series Emerging Markets Opportunities Fund	6,24,65,900	0.85
10	Bharat 22 ETF	6,14,90,902	0.84

Distribution of Shareholding as on 31 March 2023

No. of Equity Shares held	No. of Shareholders	%	No. of Shares	%
Upto 500	6,39,492	81.96	7,27,28,196	0.99
501 – 1,000	63,821	8.18	4,80,00,502	0.66
1,001 – 2,000	37,232	4.77	5,46,17,138	0.75
2,001 – 3,000	14,561	1.87	3,77,23,921	0.52
3,001 – 4,000	6,639	0.85	2,36,36,298	0.32
4,001 – 5,000	4,417	0.57	2,04,55,140	0.28
5,001 - 10,000	7,718	0.99	5,55,53,939	0.76
10,001 and Above	6,331	0.81	6,99,70,63,695	95.72
Total	7,80,211	100.00	7,30,97,78,829	100.00

Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31 March 2023, 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.
- 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

Bharat Electronics Limited
 Registered Office and Corporate Office,
 Outer Ring Road, Nagavara, Bengaluru – 560 045
 Telephone: (080) 25039300, Fax: (080) 25039233
 E-mail: secretary@bel.co.in
 Website: www.bel-india.in

Credit Rating

ICRA (Credit Rating Agency) has reaffirmed the following credit ratings of the Company:

- Long-term rating of [ICRA]AAA (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 1 March 2024.

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 and Policy for Determining Material Subsidiaries has been placed on the Company's website and can be accessed through <https://bel-india.in/ContentPage.aspx?MId=17&CId=527&LId=1&link=527>
- 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 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 / lock down 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.

(d) During the FY 2022-23, 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) Details of total fees for all 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 the FY 2022-23 are given below:

Particulars	Amount (₹ in Lakhs)
Audit Fees	37
Tax Audit Fees	6
Other Services	10
Reimbursement of Expenses	9
Total	62

(g) The details of complaints filed, disposed of and pending during the FY 2022-23 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 2.74% of the total expenses for the year 2022-23 against 2.51% 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. 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

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Bengaluru
1 August 2023

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 view Director Master Data & DIN status at the portal www.mca.gov.in) as considered necessary and to the best of our information, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31 March 2023 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 Vinay Kumar Katyal	08281078	Whole-time Director	27/11/2018
3	Mr Manoj Jain	09749046	Whole-time Director	26/09/2022
4	Mr Damodar S Bhattad	09780732	Whole-time Director	11/01/2023
5	Mr T Natarajan	00396367	Govt. Nominee Director	02/01/2023
6	Dr. Binoy Kumar Das	09660260	Govt. Nominee Director	04/07/2022
7	Dr. Venkata Parthasarathi Podala	06400408	Independent Director	28/12/2021
8	Mr Mansukhbhai S Khachariya	01423119	Independent Director	28/12/2021
9	Dr. N. Santhoshkumar	09451052	Independent Director	28/12/2021
10	Mr Prafulla Kumar Choudhury	00871919	Independent Director	28/12/2021
11	Dr. Shiv Nath Yadav	09450917	Independent Director	28/12/2021
12	Mr Gokulan Bangakandy	09473378	Independent Director	20/01/2022
13	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:F006680E000341256

Bengaluru
20 May 2023

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 2023.

For and on behalf of the Board

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Guwahati
20 May 2023

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 2023 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.

Guwahati
20 May 2023

Damodar Bhattad S
Director (Finance) & CFO

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Independent Auditor's Certificate on 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 of Bharat Electronics Limited.

We have examined the compliance of conditions of Corporate Governance by Bharat Electronics Limited ('the Company'), for the year ended 31 March 2023, as per the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises.

Management's Responsibility

Compliance with the Conditions of Corporate Governance is the responsibility of the Management of the Company. The responsibility includes the design, implementation, and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

We have carried out an examination of the relevant records of the Company, in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.

The Guidance notes require that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us by the management of the company, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Paragraphs C and D of Schedule V of the Listing Regulations and Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Central Government.

Other Matters and Restrictions on use

This report 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.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and the applicable guidelines and 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 or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **Guru & Jana**
Chartered Accountants
Firm Registration No: 006826S

M Surendra Reddy
Partner
Membership No: 215205
UDIN: 23215205BGUXCS3210

Guwahati
20 May 2023

Annexure-6

Business Responsibility & Sustainability Reporting

Section A: General Disclosures
I. Details of the listed entity:

1. Corporate Identity Number (CIN) of the Listed Entity : L32309KA1954GOI000787
2. Name of the Listed Entity : Bharat Electronics Limited
3. Year of Incorporation : 1954
4. Registered office address : Outer Ring Road, Nagavara, Bengaluru -560045.
5. Corporate address : Outer Ring Road, Nagavara, Bengaluru -560045.
6. E-mail : secretary@bel.co.in
7. Telephone : 080-25039300
8. Website : www.bel-india.in
9. Financial year for which reporting is being done : 2022-23
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
 Regd. & Corp. Office, Outer Ring Road,
 Nagavara, Bengaluru – 560045
 Telephone: 080-25039266
 E-mail: secretary@bel.co.in

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): Standalone Basis.

II. Products/services:

14. 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	89.97
2	Services	Installation, Repairs and maintenance, AMC contracts for products / systems delivered by the Company	10.03

15. 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 2022-23 contributed to 87% of turnover
2	Communication Systems	2630	
3	Electronic Warfare Systems	2008	

III. Operations:

16. 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

17. 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?

2.28%

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

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
Employees						
1.	Permanent (D)	8,832	6,921	78.3	1,911	21.7
2.	Other than Permanent (E)	6,604	5,140	77.8	1,464	22.2
3.	Total employees (D + E)	15,436	12,061	78.1	3,375	21.9
Workers						
4.	Permanent (F)	2,626	1,953	74.3	673	25.7
5.	Other than Permanent (G)	4,600	3,670	79.8	930	20.2
6.	Total workers (F + G)	7,226	5,623	77.9	1,603	22.1

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
Differently abled Employees						
1.	Permanent (D)	111	96	86.48	15	13.52
2.	Other than Permanent (E)	72	59	81.94	13	18.06
3.	Total differently abled employees (D+E)	183	155	84.70	28	15.30
Differently abled Workers						
4.	Permanent (F)	94	76	80.85	18	19.15
5.	Other than Permanent (G)	59	50	84.75	9	15.25
6.	Total differently abled workers (F+G)	153	126	82.35	27	17.65

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	13	1	7.69
Key Management Personnel	3	Nil	Nil

20. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.36	4.11	3.51	2.12	3.99	2.50	1.16	1.14	1.16
Permanent Workers	0.35	0.29	0.34	0.76	0.28	0.64	0.21	0.13	0.19

V. Holding, Subsidiary and Associate Companies (including joint ventures):
21. (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 Devices Limited	Subsidiary	100	No
2	BEL-THALES Systems Limited	Subsidiary	74	No
3	GE BE Private Limited	Associate	26	No
4	Defence Innovation Organisation	Associate	50	No

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

(ii) Turnover (in ₹): ₹ 17,33,337 Lakhs

(iii) Net worth (in ₹): ₹ 13,58,199 Lakhs

VII. Transparency and Disclosures Compliances:
23. 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 2022-23			FY 2021-22		
		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	Centralised Public Grievance Redress and Monitoring System (CPGRAMS) under the Ministry of Personnel, Public Grievances & Pensions, the department of Administrative Reforms & Public Grievances	78	Nil	-	69	Nil	-
Investors (other than shareholders)	NA	Nil	Nil	-	Nil	Nil	-
Shareholders (SEBI Scores)	Yes*	4	Nil	-	5	Nil	-
Employees and workers	Yes	00	Nil	-	06	Nil	-
Customers	Yes	12,969	1,207	-	12,930	1,225	-
Value Chain Partners	Yes, through CPGRAMS Portal	20	Nil	-	13	Nil	-
Other (please specify)	-	Nil	Nil	-	Nil	Nil	-

*The Company has Stakeholder Relationship Committee to redress the complaints received from the shareholders as per SEBI Listing Regulations. Hence, there is no weblink

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Carbon Footprint	Opportunity	With growing concern for Green House Gas (GHG) emissions, BEL is shifting towards tapping "Clean & Renewable" Energy sources for meeting the power requirements.	Not applicable	Positive: Achieving "Carbon Neutral Status" through renewable energy resources and energy conservation measures
2	Environmental Risk	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

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)
3	Community and Social Impact	Risk	Any adversarial relationship with communities can hurt the company's ability to create longer term value	Focused interventions are undertaken in the sectors of school education, Healthcare, Rural Development, Environmental Sustainability & Vocational Skill Development. BEL contribute towards inclusive growth, sustained and equitable development in society through Capacity building measures, empowerment of the marginalised and underprivileged sections/communities	Negative: Impacts the brand reputation in the industry
		Opportunity	BEL has undertaken various CSR programmes/ initiatives/ projects as per the Company's CSR Policy, which is in-line with Section 135 & Schedule VII of the Companies Act, 2013. BEL integrates its CSR planning with its business plans and strategies. Our company's objective is to support meaningful socio-economic sustainable development and enable a larger number of people to participate and benefit in country's economic progress	Not applicable	Positive: Supporting the CSR activities helps us to create a meaningful impact for the communities we interact with.
4	Cyber Security	Risk	Privacy and Data Security is becoming a major risk due to increasing digitisation	Information Security Management Policy and Cyber Security and Cyber Resilience Policy are in place for protecting the Organisation's cyberspace against cyber-attacks, threats and vulnerabilities	Negative: Breach of Privacy and Data Security
5	Disaster recovery	Risk	1. Business interruption due to fire hazard	1. Emergency preparedness and response plan is in place at dept./unit level 2. Mock drills are being conducted regularly for the same.	Negative: Disruption to business operations leads to negative financial implication
6	Training and education	Opportunity	Skilled employees and workers form an asset to the Company. The highly trained employees and worker perform their tasks more efficiently, in less time and with less chances of injury	1. Providing a needs-based and innovative range of training courses 2. Providing programmes that are specifically designed for roles which require upgraded skills	Positive: Consistent efforts would lead to positive impact due to improvement in productivity, reduction in defects, etc
7	Maintenance	Risk	Risk of sub-optimal maintenance schedule/plan resulting in un-economical maintenance costs	Operational performance & maintenance (PM & breakdown) are being monitored regularly.	Negative: Business continuity gets impacted leading to financial loss
8	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)
9	Health, safety and environment	Risk	1. Non-compliance with safety measures by employees 2. Non-awareness of hazardous nature of material 3. Not following COVID-19 safety measures	1. Strict adherence to BBS (behaviour-based safety system) 2. Focus on reducing the generation of effluent and arresting at the source and following MSDS for hazardous material handling 3. Detailed SOP for COVID-19, employee training & adherence followed strictly 4. Medical check-up, vaccination drive as per Govt. Regulations	Negative: Incidents impact employee morale and business reputation leading to negative financial implication
10	Data protection	Risk	1. Risk of confidential data leakage via USB drives/flash drives 2. Exposure of Company data because of work from home and access to respective data	1. All privileged system access are reviewed periodically & data leakage prevention system are implemented at these equipment 2. Restricted data access control & data encryption to monitor work from home activities	Impacts the brand reputation in the industry thereby leading to financial loss

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://bel-india.in/ContentPage.aspx?Mid=17&CId=527&LId=1&link=527								
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.	ISO 45001:2018 (OHSAS), ISO 13485:2016 (Medical Device Safety), ISO 14001:2015 (Environment Management System)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Continuous upgrade and timely renewal of certifications are ensured wherever applicable.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable as we ensure timely and continuous upgrade of systems and certifications wherever applicable.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Company is actively promoting socioeconomic rejuvenation through targeted CSR activities such as healthcare including combating against COVID-19, Skill Development for Employment Enhancement & Self Employment, Education, Sanitation, Drinking Water, Environment Sustainability and Sports Development etc.								
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	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? P1 P2 P3 P4 P5 P6 P7 P8 P9

	No								
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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 categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Master Class for Building Better Boards for the new incumbent on the Board conducted by IICA & DPE	15.38%
Key Managerial Personnel	-	-	-
Employees other than BoD and KMPs	150	(i) Training /Awareness programs pertaining to wellness of the employees, CDA, safety, environment & sustainability, etc.	34.23%
Workers		(ii) These Training / Awareness Programs will enable the employees to acquire the knowledge / skills for enhancement of their capabilities	32.19%

Note: % of persons (Employee & 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	-	-	-	-	
Settlement	-	-	-	-	
Compounding fee	-	-	-	-	
Non-Monetary					
NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

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.

Yes. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has adopted the Code of Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Accordingly, Whistle Blower Policy has been formulated in the Company with a view to provide a mechanism for employees of the Company for any potential violation of the code, to approach the Chairman of the Audit Committee.

Web link of the policy is available at - <https://www.bel-india.in/ContentPage.aspx?MIId=17&CIId=527&LIId=1&link=527>

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 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2022-23		FY 2021-22	
	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.

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

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Not tracked	Not tracked	-
Capex	Not tracked	Not tracked	-

2. a. Does the entity have procedures in place for sustainable sourcing?

No.

- b. If yes, what percentage of inputs were sourced sustainably?

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company does not recycle products because most of the products are used for strategic/national security applications. Products delivered to customers are not returned to the company. In few cases products itself comes back for upgradation which will be upgraded and made reusable product. For such product which does not come back to us, guidelines have been provided to customers for handling and disposal of their End of life products. However, services have been provided to customers who are willing to return products for scientific disposal. End-of-life products are scientifically processed and recycled through agency approved by the Pollution Control Board. The company has a structured mechanism to deliver waste from the manufacturing process of its products/equipment through authorized recyclers approved by the Pollution Control Board. Metal waste, waste oil, solvents and copper containing rejects are sent (100%) to authorized recyclers for recycling and recovery. Paper and plastic are handed over to recyclers. In addition, the food waste is used for biogas generation in the Bio-Methanation plant, which in turn is used for light cooking purposes or organic matter are converted to manure in organic waste converter.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities. If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable. Majority of the products are for Indian defence and other strategic application, product supplied do not come back to us. Other organisations to whom product supplied are the bulk consumers as per the rule, guidelines have been provided to them for handling and disposal after End of life products. However, BEL has taken initiative to dispose Electronic voting machine scientifically after the End of Life of product as per the request of Election commission of India.

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

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	6,921	6,921	100%	6,921	100%	NA	NA	6,921	100%	NA	NA
Female	1,911	1,911	100%	1,911	100%	1,911	100%	NA	NA	1,911	100%
Total	8,832	8,832	100%	8,832	100%	1,911	21.64%	6,921	78.36%	1,911	21.64%
Other than Permanent employees											
Male	5,140	5,140	100%	5,140	100%	NA	NA	-	-	NA	NA
Female	1,464	1,464	100%	1,464	100%	1,464	100%	NA	NA	-	-
Total	6,604	6,604	100%	6,604	100%	1,464	22.17%	-	-	-	-

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	1,953	1,953	100%	1,953	100%	NA	NA	1,953	100%	NA	NA
Female	673	673	100%	673	100%	673	100%	NA	NA	673	100%
Total	2,626	2,626	100%	2,626	100%	673	25.36%	1,953	74.37%	673	25.36%
Other than Permanent workers											
Male	3,680	3,680	100%	3,680	100%	NA	NA	3,680	100%	NA	NA
Female	920	920	100%	920	100%	920	100%	NA	NA	-	-
Total	4,600	4,600	100%	4,600	100%	920	20%	3,680	80%	-	-

The above manpower data is as on 31.03.2023. 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 specialized treatment, Employees / workers can avail treatment in empanelled hospitals.

In case of Other than Permanent Employees / workers i.e., Trainee / Project Engineers Health Insurance premium is borne by the Management. In case of contract workmen, they are covered under ESI Act. However in case of Emergency treatment, they can avail medical facilities in Medical center of the Unit.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY Current Financial Year			FY Previous Financial Year		
	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

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.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. Employee Grievance Redressal and Monitoring System (e-GRAMS) exists in BEL which covers all Employees. Employees can register their Grievance online pertaining to payment of wages, leave, transfer, promotions, seniority, work assignment, designation, non-extension of any welfare amenity provided for under law, or benefit due under the rules, etc. affecting an individual employee. Timelines have been clearly defined at each level for prompt redressal of grievances.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees (Ex, TC, Nx)	8,832	8,015	90.75	8,853	8,146	92.01%
- Male	6,921	6,280	90.74	6,926	6,345	91.61
- Female	1,911	1,735	90.79	1,927	1,801	93.46
Total Permanent Workers (Non-Executives)	2,626	2,432	92.61	2,784	2,576	92.53
- Male	1,953	1,810	92.68	2,083	1,927	92.51
- Female	673	622	92.42	701	649	92.58

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	6,921	2,212	31.96	6,457	93.30	6,927	2,080	30.03	6,391	92.26
Female	1,911	640	33.49	1,757	91.94	1,926	615	31.93	1,785	92.68
Total	8,832	2,852	32.29	8,214	93.00	8,853	2,695	30.44	8,176	92.35
Workers										
Male	1,953	622	31.85	1,817	93.04	2,083	590	28.32	1,870	89.77
Female	673	220	32.69	620	92.12	701	215	30.67	670	95.58
Total	2,626	842	32.06	2,437	92.80	2,784	805	28.92	2,540	91.24

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	6,921	1,045	15	6,926	1,344	19.4
Female	1,911	246	12.8	1,927	417	21.65
Total	8,832	1,291	14.6	8,853	1,761	19.9
Workers						
Male	1,953	150	7.6	2,083	474	22.8
Female	673	55	8.17	701	178	25.4
Total	2,626	205	7.8	2,784	652	23.4

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?

The following process is used to identify Work-related Hazards & Assess Risks on a routine and non-routine basis by the Company:

- Hazard Identification and Risk Assessment (HIRA)
- Aspect & Impact Register

- Plant Level Safety Committee meetings with worker’s representatives are conducted regularly
 - Periodic Safety Inspections / Observations
 - Internal Audits at periodic intervals
- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.
Yes
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?
Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

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 workplace;
- Provisions of Drinking Water, Rest Rooms and establishment of First Aid Center;
- 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

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	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	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

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	55.5
Working Conditions	

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.

The following corrective action has been taken or is underway to address safety-related incidents:

- SoP's are being displayed in the workplace for creating awareness among the employees;
- Safety training programs are being Organised to create the awareness on safety;
- Employees have been advised to wear the PPE's in the workplace;
- Work instructions & Safe Work Practices are made readily available.
- Safety Inspection and Accident Investigations are being carried out on regular basis;
- Safety Committee Meetings, Safety Inspections & Audits are used for hazard identification;
- Safety Audits are conducted as recommended by Govt. Authorities

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has robust system for identification of key stakeholders. Stakeholder engagement is an ongoing process and 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 feedbacks 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 as key stakeholder 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 in the website

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
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 performance of the company and other related information for the concerned communities

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 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	8,832	300	1.94%	8,853	85	0.57%
Other than permanent	6,604			6,133		
Total Employees	15,436	300	1.94%	14,986	85	0.57%
Workers						
Permanent	2,626	112	1.55%	2,784	39	0.54%
Other than permanent	4,600			4,400		
Total Workers	7,226	112	1.55%	7,184	39	0.54%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	8,832	-	-	8,832	100	8,853	-	-	8,853	100
Male	6,921	-	-	6,921	100	6,926	-	-	6,926	100
Female	1,911	-	-	1,911	100	1,927	-	-	1,927	100
Other than Permanent	6,604	-	-	6,604	100	6,133	-	-	6,133	100
Male	5,140	-	-	5,140	100	4,805	-	-	4,805	100
Female	1,464	-	-	1,464	100	1,328	-	-	1,328	100
Workers										
Permanent	2,626	-	-	2,626	100	2,784	-	-	2,784	100
Male	1,953	-	-	1,953	100	2,083	-	-	2,083	100
Female	673	-	-	673	100	701	-	-	701	100
Other than Permanent	4,600	-	-	4,600	100	4,400	-	-	4,400	100
Male	3,670	-	-	3,670	100	3,520	-	-	3,520	100
Female	930	-	-	930	100	880	-	-	880	100

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category (In Rs.)	No.	Median remuneration/ salary/ wages of respective category (In Rs.)
Board of Directors (BoD)	6	51,22,402	1	51,34,177
Key Managerial Personnel	1	36,11,872	-	-
Employees other than BoD and KMP	7,653	15,89,090	2,039	15,69,394
Workers	-	-	-	-

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.

No separate mechanism exists in the Company for Redressal of Human Rights Issues. However, there exists Grievance Redressal Procedure for resolving employee's grievances on service related matters.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	02	01	ICC Report awaited	1	0	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

It is ensured that no work related adverse consequences are meted out to the Complainant by placing the Complainant & Respondent in different work places, in case both were in the same work place. Moreover, the Complainant can report any such incidences to the higher authorities for appropriate action.

8. Do human rights requirements form part of your business agreements and contracts?

No.

9. 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

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. – Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	1,07,347.828 Giga Joules	1,00,119.207 Giga Joules
Total fuel consumption (B)	3,767.554 Giga Joules	5,808.115 Giga Joules
Energy consumption through other sources (C)	95,592.173 Giga Joules	90,278.128 Giga Joules
Total energy consumption (A+B+C)	2,06,707.57 Giga Joules	1,96,205.462 Giga Joules
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	2,06,707.57 GJ / 17,287.84 Crore = 11.956 GJ/Crore	1,96,205.462 GJ / 15,044 Crore = 13.042 GJ/Crore

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? 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? 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 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	9,17,581	8,81,435
(iii) Third party water	5,21,259	5,57,392
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	39,086	26,493
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	14,77,926	14,65,320
Total volume of water consumption (in kilolitres)	14,77,926	14,65,320
Water intensity per rupee of turnover (Water consumed / turnover)	= 14,77,926 KL/ 17,287.84 Crore = 85.489 KL/Crore	= 14,65,320 KL/ 15,044 Crore = 97.402 KL/Crore

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. No.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Wastewater generated during the manufacturing process is separated at source and 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.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23*	FY 2021-22*
NOx	mg/Nm3	73.39	67.74
SOx	mg/Nm3	16.93	18.34
Particulate matter (PM)	mg/Nm3	38.1	41.2
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	mg/Nm3	3.2	3.2
Hazardous air pollutants (HAP)	-	-	-
Others – (Pb, Acid Fumes, Acid mist, Solvent vapour)	mg/Nm3	15.1	14.5

*The figures indicated are the maximum emission levels as tested by MoEFCC accredited laboratories.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. No.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,696.40	7,782.23
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	20,871.03	20,256.69
Total Scope 1 and Scope 2 emissions per rupee of turnover		=23,567.43 MT / 17,287.84 Crore = 1.36 MT/Crore	= 28,038.93 MT/ 15,044 Crore = 1.86 MT/Crore

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. 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 harvesting 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, 2.3 MWp Grid Connect Solar PV Power Plants were installed in Bengaluru Unit. 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.

BEL had installed 1774KWp roof top solar power plant and additional 395 KWp roof top solar plant has been planned to install in FY 2022-23 in Ghaziabad Unit.

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 CO₂ emissions to the environment.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	78.94	52.8
E-waste (B)	76.99	41.28
Bio-medical waste (C)	0.67	13.74
Construction and demolition waste (D)	-	-
Battery waste (E)	14.72	24.82
Radioactive waste (F)	-	-

Parameter	FY 2022-23	FY 2021-22
Other Hazardous waste. Please specify, if any. (G)		
i. Used oil & coolant oil	10.43	16.87
ii. Plating metal sludge /Paint sludge / ETP sludge	33.83	22.82
iii. Spent etching chemicals and solvents	5.70	10.57
iv. Others	88.39	65.11
Sub Total (G)	138.35	115.37
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	292.69	267.36
ii. Non-metal scrap	461.06	420.78
iii. Other scraps	147.2	68.51
Subtotal (H)	900.95	756.65
Total (A+B + C + D + E + F + G+ H)	1,210.62	1,004.66
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste (Plastic waste)		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	65.65	63.58
Total	65.65	63.58
Category of waste (E-waste)		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	29.97	29.53
Total	29.97	29.53
Category of waste (Bio-medical waste)		
(i) Incineration	0.67	13.73
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0.67	13.73
Category of waste (Battery waste)		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	5	19.99
Total	5	19.99
Category of waste (Other Hazardous waste)		
(i) Incineration	22.05	38.172
(ii) Landfilling	34.55	20.13
(iii) Other disposal operations	53.13	45.51
Total	109.73	103.812
Category of waste (Other Non-hazardous waste)		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	623.89	745.98
Total	623.89	745.98

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency. No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Hazardous Waste Management: When handling with hazardous waste, the principle of reduction, reuse, recovery and recycling is practiced. The production of hazardous waste has been reduced at the process level by introducing appropriate chemicals and procedures that produce less hazardous sludge in the wastewater detoxification process, in addition to the use of cleaner technologies. The use of sodium hypochlorite, and sodium metabisulfite in place of lime, bleach powder and iron sulphate help reduce the amount of hazardous sludge. In addition, the introduction of cyanide-free galvanizing and copper plating processes have helped reduce the production of hazardous waste. In the previous year, BEL achieved continual improvement by the elimination of IPA use in HF Oxide etching process in the solar plant. These initiatives resulted in generation of less hazardous waste. Bharat Electronics has set up a system for the safe handling of hazardous waste by creating an exclusive, well-protected place for the safe storage of hazardous waste. BEL has tied up with the State Pollution Control Board's Treatment, Storage & Disposal Facility operators to dispose of solid hazardous waste that can be land filled. Recyclable waste is handed over to authorised facilities of the Pollution Control Board for scientific processing and recycling. This system effectively prevents pollution from hazardous waste.

E-Waste Management: Electronic waste that is generated during the manufacturing of products is segregated, stored and handed over to authorised agencies of the Pollution Control Board for scientific processing, recovery and recycling. End of Life electronic waste such as computers and other electronic items are also handed over to authorised agencies of the Pollution Control Board for scientific processing, recovery and recycling. End of Life e-waste products such as electronic voting machines are received back under Extended Producer responsibility initiative and are disposed scientifically. Users of electronic products receive handling and disposal guidelines for the safe disposal of electronic waste after expiry. Efforts are being made to reduce the hazardous component in electronic products by introducing as many RoHS-compliant components as possible.

Solid Waste Management: BEL has put in place a source segregation system for proper handling of waste. Biodegradable waste such as food waste and green waste of colony is composted through the 1.0 tonne organic waste converter with an average of 0.45 to 0.6 Tons per day, wherein manure is generated. The manure so generated is used for horticulture application in the BEL Estate area. The green waste generated in BEL is subjected to natural composting. Leaf shredding machine is available for reduction of the size of green waste. In addition, the food waste generated in the factory canteen is transported to Bio-Methanation plant on daily basis. The anaerobic biogas plant is based on UASB technology with a capacity of 2.0 tonnes and leads to a saving of about 50 SCM PNG per day in cooking. Land fillable waste is sent to a well-established solid waste treatment facility for processing.

10. 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? If no, the reasons thereof and corrective action taken, if any.
	BEL does not have any operations/offices in/around ecologically sensitive areas.		

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable. There are no projects undertaken for EIA assessments during the FY 2022-23					

12. 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 thereunder. 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
Not Applicable.				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations: Four (4).
- 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.	

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 2022-23 (In ₹)
Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Describe the mechanisms to receive and redress grievances of the community.

Complain and grievances can be received through Public Grievance Portal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	31.65%	31.06%
Sourced directly from within the district and neighbouring districts	NA	NA

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
BEL has provided the Customer Care no. 18004250433 for registering or interact with Production /Supply/Service Unit of BEL in case of Customer /Consumer complaints. BEL also has Product Support/Customer Support departments functioning in all the SBUs / Units (25 nos.) of BEL across the Country to take of Customer/Consumer Complaints.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	The main products of the company are being supplied to defence / non-defence customers for strategic/national security applications. Hence, not applicable
Safe and responsible usage	100
Recycling and/or safe disposal	The main products of the company are being supplied to defence / non-defence customers for strategic/national security applications. Once the products are sold, the items are not received back to Company. Hence, not applicable

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	12,969	1,207	Balance complaints are under resolution	12,930	1,225	Balance complaints are resolved during 2022-23

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? If available, provide a web-link of the policy.

Yes. The policy is confidential in nature and hence not hosted in the public domain.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The main customers related to Company are Defence Forces and hence the information is confidential.

For and on behalf of the Board

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Bengaluru
1 August 2023

Independent Auditor's Report

To The Members of Bharat Electronics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **BHARAT ELECTRONICS LIMITED** (the "Company") which comprise the Balance Sheet as at 31 March 2023, 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 significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements"), in which are included the Returns for the year ended on that date audited by the branch auditors of the Company's branches located at Ghaziabad, Panchkula, Kotdwara, Pune, Navi Mumbai and Machilipatnam.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India:

- a. In case of Balance Sheet, of the state of affairs of the Company as at 31 March 2023;
- b. In case of Statement of Profit and Loss, of the Profit and total comprehensive income for the year ended on that date ;

- c. In case of Statement of changes in equity, changes in equity for the year ended on that date and
- d. In case of Statement of cash flows, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's response
1	<p>Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from Contracts with Customer.</p> <p>The application of this standards involves the assessment towards identification of the distinct performance obligations, determination of the transaction price for each of the identified performance obligation, the judgements used for determining the satisfaction of those performance obligations over time or at a point in time.</p> <p>Additionally, the application of the standard also involves judgement used in identifying the amount of cost incurred to obtain or fulfil a contract and the disclosure of the periods over which performance obligations are satisfied over time subsequently to the reporting date.</p> <p>The Company's Revenue from Contracts mainly includes supply of defence electronics equipment's and systems.</p> <p>(Refer Note No. 23 to the standalone financial statements and S.No. 5 to the Accounting policies)</p>	<p>Principal Audit procedure</p> <p>Our Audit procedure involve identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out the substantive testing of the transactions.</p> <ul style="list-style-type: none"> a. We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian accounting standards. b. Selected the samples of continuing contracts as well as new contracts and identified the performance obligations and compared the same with performance obligation identified by the Company. c. Verified the basis of allocation of the transaction price to the identified performance obligation if not specifically mentioned in the contract. d. Identified the basis to be considered to determine the satisfaction of the performance obligation and compared the same with the judgments used by the company in determining the satisfaction of performance obligation over the time or at a point in time. e. Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services. f. In respect of the contracts where the satisfaction of performance obligation over time, we have verified the method identified by the company for recognising the revenue and ensured that those methods are appropriate considering the nature of the performance obligation. g. Verified the judgements used by the company to identify those costs that are incurred to obtain or fulfil the contract and period over which those costs will be amortised. h. Review of the plan available with the company towards satisfaction of remaining performance obligation identified based on the delivery terms defined in the Customer order to prepare the disclosure relating to periods over which remaining unsatisfied or partially satisfied performance obligation will be satisfied subsequent to the reporting date. i. Verified the judgements used by the company to identify the performance obligation under unconditional appropriation in case of Bill and Hold arrangements.
2	<p>Critical estimates in respect of Onerous Contracts –</p> <p>Estimation of unavoidable costs for meeting or satisfaction of performance obligation in respect of contract that have become onerous is critical. The unavoidable costs to complete the performance obligations, being an accounting estimate, is subjected to estimation certainty.</p> <p>(Refer Note No. 21 to the standalone financial statements and S.No. 23 to the Accounting policies)</p>	<p>Principal Audit procedure –</p> <p>We have enquired with the Management regarding the internal controls available towards identification of onerous contracts and cost to fulfil those contracts.</p> <ul style="list-style-type: none"> a. Selected the sample of the continuing as well as new contracts and tested the effectiveness of the controls towards recognition of costs incurred for a particular contract and estimation of costs necessary to fulfil the unsatisfied/ partially satisfied performance obligations in it. b. Carried out test of controls and substantive procedures in determining the estimates for unavoidable costs towards onerous contracts. c. Verified the purchase/Service Orders issued towards satisfying the performance obligation and costs incurred thereunder. d. Verified the internal controls towards identification of costs incurred towards the concerned contracts and ensured that only the costs related to the contract is recorded. e. Verified the possible reductions in the contract price towards the balance performance obligations in respect of penalties, contract modifications.

Sl. No.	Key Audit Matter	Auditor's response
3	<p>Critical estimates made in respect of expected cost to complete the contract i.e., satisfaction of performance obligation over time. The estimate has inherent limitation of certainty towards estimating the cost to satisfy the performance obligation.</p> <p>(Refer Note No. 23 to the standalone financial statements and S.No. 5 to the Accounting policies)</p>	<p>Principal Audit procedure –</p> <p>We have enquired with the Management regarding the internal controls available towards the identification of contract where the performance obligation are satisfied over the period of time –</p> <ol style="list-style-type: none"> Selected the sample of the continuing as well as new contracts and tested the effectiveness of the controls towards recognition of costs incurred for a particular contract and estimation of costs necessary to fulfil the unsatisfied/ partially satisfied performance obligations in it. Carried out test of controls and substantive procedures in determining the estimates for cost necessary to fulfil the contract. Verified the purchase/Service Orders issued towards satisfying the performance obligation and costs incurred thereunder. Verified the internal controls towards identification of costs incurred towards the concerned contracts and ensured that only the costs related to the contract is recorded. Verified the possible reductions in the contract price towards the balance performance obligations in respect of penalties, contract modifications. Discussed with the Management and analysed that the cost estimated is towards the work that are pending to be carried out for completion and satisfaction of the performance obligation.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including its annexures, Corporate Governance and Shareholders information but does not include the standalone financial statements and our auditor's report thereon.

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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

Responsibilities of Management and Those charged with the Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,

2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India. The Management of the Company are responsible for 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 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 of the Company are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company, has adequate internal financial controls with reference to standalone financial statements system 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 the 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 company 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance 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, 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.

We have considered the audit report of six branches audited by Branch Auditor of the Company in forming our opinion on the standalone financial statements.

Other Matters

- We did not audit the financial statements of six branches included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 7,54,532 Lakhs as at 31 March 2023 and total revenues of ₹ 6,01,569 Lakhs for the year ended on that date (as per the respective unit's Audited Financial Statement), as considered in the standalone financial statements. The financial statements of these branches

have been audited by the Branch Auditors appointed by 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 is not modified in respect of the above matter.

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 Companies Act, 2013, we give in the **Annexure 'A'**, a statement of matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 purpose of our audit of the aforesaid standalone financial statements.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books. The audit of the accounts of units (Bangalore complex, Hyderabad and Chennai) and Corporate Office was carried out by us, whilst the audit of Ghaziabad, Panchkula, Kotdwara, Pune, Navi Mumbai and Machilipatnam units were audited by the respective Branch Auditors. The report of the Branch Auditors has been considered by us while preparing our report. 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 branch auditors (in respect of Ghaziabad, Panchkula, Kotdwara, Pune, Navi Mumbai and Machilipatnam units) 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts maintained by Company and with the returns received from the offices not audited by us.

- e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- f) The Company being a Government Company, the provisions of Section 164(2) of the Companies Act, 2013 in respect of disqualification of Directors are not applicable.
- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"** which is based on the auditor's report of the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Companies Act, 2013 as amended:

In our opinion and to the best of information since the company being Government Company, the provisions in relation to the payment of managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013 is not applicable.

- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as at 31 March 2023. Refer Note 30(8) to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts - Refer Note No.21 to the standalone financial statements. The Company do not have any derivative contracts - Refer Note No 30(15) to the standalone financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its 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 Company 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, 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;

- b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
- c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Note 30(18) to the standalone financial statements
 - a) The final dividend proposed in the previous year, declared and paid by the Company

during the year is in accordance with Section 123 of the Act, as applicable.

- b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.
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 standalone financial statements of the company in **"Annexure C"**.

For **Guru and Jana**
Chartered Accountants
Firm Registration No.: 006826S

M Surendra Reddy
Partner
Membership No.: 215205
UDIN: 23215205BGUXCT1418

Guwahati
20 May 2023

"Annexure A" to the independent auditor's report of even date

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharat Electronics Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a. A. The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has generally maintained proper records showing full particulars of Intangibles assets.

b. The Property, Plant and Equipment have been physically verified by the Company during the year and no material discrepancies were observed in such verification.

c. The title deeds of Immovable properties are held in the name of the Company other than the property which is mentioned in Note No. 1 (xiv) of the standalone financial statements.

d. The Company has not revalued its Property, Plant and Equipment, Right of Use assets, and Intangible Assets during the year.

iii. The company has not made investments, 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 Employees and Advances in nature of Loans to Employees.

a. During the year, the company has not granted loans, advances in nature of loans, or stood guarantees or security to any other entity except for Loans & Advances in nature of Loans to employees:

(₹ in Lakhs)

Particulars	(₹ in Lakhs)			
	Guarantees	Security	Loans	Advances in nature of Loans
Aggregate of amounts granted/ provided during the year to Employees	Nil	Nil	87.37	325.97
Balance outstanding as at the balance sheet date in respect of above	Nil	Nil	602.31	164.31

e. No proceedings have been initiated during the year or pending against the Company as at 31 March 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a. The Company has conducted the physical verification of inventory at reasonable intervals, in our opinion, the coverage and procedure of such verification by the company is appropriate; Further there were no discrepancies of 10% or more in the aggregate for each class of inventory and hence we are not commenting on the same.

In respect of the materials with sub-contractors, few of the confirmations have been received and reconciled with the books of accounts. In case of such items for which confirmations have not been received, which are not significant, the company has dealt with the same by making necessary provision in the books of accounts.

b. The company has been granted on the working capital limits in excess of five crore rupees in aggregate from banks on the basis of security of Current assets. No working capital limits taken from any financial institutions. The Quarterly returns or statements filed by the company with such banks are in agreement with books of accounts of the company.

b. In case of Loans granted and Advances in nature of loans are not prejudicial to the interest of the company's interest.

c. In case of Loans granted and Advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and repayments/receipts are regular.

d. There are no overdue amounts for more than 90 days, in respect of the loan granted and advances in nature of loans except for amounts disclosed below.

(₹ in Lakhs)

No of cases	Principle Overdue	Interest Overdue	Total Overdue	Remarks (if any)
1	0.51	-	0.51	

Further, reasonable steps taken by the company to recover the overdue amount is adequate.

e. No loan/advance in nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f. The Company has not granted any loans or advances in nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. The Company being a Government company, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security, are not applicable.

v. The Company has not accepted any deposit from public in the current year as per the directives issued by the Reserve Bank of India and the provisions of Sections 73

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2023 on account of disputes are given below –

Nature of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which amount relates to	Forum where it was pending
The Income Tax Act, 1961	Disallowances as per Assessment orders	4,586.37	2008-09, 2009-10, 2011-12 to 2013-14, 2015-16 to 2017-18, 2019-20, 2020-21	Commissioner of Income Tax (Appeals)
Chapter V of Finance Act, 1994	Service Tax	206.75	2011-12	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Central Excise Act, 1944	MODVAT credit	23.65	1991-92	Commissioner Appeals

to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. We were informed that no order has been passed by 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 the balance of ₹ 0.45 Lakhs though matured is unpaid due to legal issues.

vi. We have broadly reviewed the books of accounts relating to the materials, labour and other items of cost maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government for the maintenance of cost records under Section 148(1) (d) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not carried out any detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

a. According to information and explanations given to us and on the basis of our examination of the books of accounts, and records, the company has been generally regular in depositing undisputed statutory dues including Goods and Service 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 statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of the above in arrears as at 31 March 2023 for a period of more than six months from the date when they became payable.

Nature of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which amount relates to	Forum where it was pending
Central Excise Act, 1944	Interest on Excise Duty	243.87	2011-12 & 2012-13	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs Duty	25.45	2012-13	Commissioner (Appeals) of Customs
Central Excise Act, 1944	Excise Duty	6.04	1991-92	Commissioner Appeals
Sales Tax Act, Bihar	Disputed Tax under Bihar Sales Tax	66.44	1995-96 to 1997-98	Commissioner of Commercial Taxes (Appeals), Chirkunda, Bihar
Andhra Pradesh State VAT Act	Sales Tax	21.66	2009-10	Commercial Tax officer, Nampally, Hyderabad
Chapter V of Finance Act, 1994	Service Tax	713.31	2014-15 & 2015-16	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs Duty	427.80	2015-16	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Commercial Tax	Commercial Tax	31.83	2011-12 & 2013-14	CTO, Rajasthan Government
Central Sales Tax Act, 1956	Central Sales Tax	2,728.91	2016-17	Joint Commissioner of Commercial Tax Appeals
Karnataka Value Added Tax, 2003	Karnataka Value Added Tax	291.93	2016-17	Joint Commissioner of Commercial Tax Appeals
Madhya Pradesh Value Added Tax, 2002	Value Added Tax and Entry Tax	48.37	2010-11	MP Commercial Tax Appellate Board
Customs Act, 1962	Customs Duty	1,540.46	2020-21	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Customs Act, 1962	Customs Duty	0.20	2020-21	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
The Income Tax Act, 1961	Tax deducted at source	40.13	2007-08 to 2017-18	TDS circle, LTU
Central Sales Tax Act, 1956	Central Sales Tax	162.87	2020-21	Deputy Commissioner of Commercial Taxes (DCCT)
Employees State Insurance Act, 1948	Employee State Insurance Dues	45.73	2006-11	Appeal pending to be file
Customs Act, 1962	Customs Duty	68.98	2021-22	Additional Commissioner of Customs
Chapter V of the Finance Act, 1994	Service Tax	10.58	2007-08	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	48.00	2007-08 to 2009-10	Sales Tax Tribunal
Chapter V of the Finance Act, 1994	Service Tax	515.90	2010-11 to 2015-16	CESTAT, Chennai
Chapter V of the Finance Act, 1994	Service Tax	30.93	2016-17 to 2017-18	CESTAT, Chennai
Tamil Nadu General Sales Tax Act	Sales Tax	106.64	2015-16	Sales Tax Tribunal
Tamil Nadu General Sales Tax Act	Sales Tax	30.97	2016-17	Sales Tax Tribunal
Goods and Service Tax Act	Goods and Service Tax	4.50	2022-23	Joint Commissioner (GST)
Chapter V of the Finance Act, 1994	Service Tax	211.57	2005-06 to 2008-09	Customs, Excise, and Service Tax Appellate Tribunal (CESTAT), Bangalore
Uttar Pradesh Value Added Tax Act, 2008	Value Added Tax	22.54	2014-15	Additional Commissioner Act, 2008 Gr-2 (Appeal) - IV, Ghaziabad
Chapter V of the Finance Act, 1994	Service Tax	60.93	Till 30 June 2017	Superintendent, 2017 Range 34, Division VII, Ghaziabad

Nature of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which amount relates to	Forum where it was pending
Employees State Insurance Act, 1948	Interest & Damages towards late deposit	3.52	2000-01	Punjab & Haryana High Court, Chandigarh
Chapter V of the Finance Act, 1994	Service Tax	6.18	2005-06 to 2008-09	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Bangalore
Uttarakhand Value Added Tax Act, 2005	Trade Tax & Interest	220.08	2001-02	Uttarakhand High Court, Act, Nainital
Chapter V of the Finance Act, 1994	Service Tax	1.01	2005-06 to 2008-09	Customs, Excise and Service Tax Appellate Tribunal (CESTAT), Bangalore
Employees State Insurance Act, 1948	ESI Contribution	10.17	1992-93	Andhra Pradesh High Court
Employees State Insurance Act, 1948	Interest & Cost of recovery	20.26	1998-99 to 2000-01	Andhra Pradesh High Court
Rajasthan Sales Tax Act, 1994	Sales Tax	58.85	2008-09	The case is pending with Rajasthan Tax Board
Local Body Tax	Local Body Tax	41.43	2016-17	Assistant Commissioner of Panvel Municipal Corporation
Local Body Tax	Local Body Tax	16.80	2017-18	Assistant Commissioner of Panvel Municipal Corporation

- viii. There were no transactions relating to previously unrecorded income that 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. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. The company is not declared as wilful defaulter by any bank or financial institution or government or any government authority.
- c. The company has not taken any term loans hence reporting under clause 3(ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,

hence reporting under clause 3(ix)(f) of the Order is not applicable.

- x. a. The reporting requirements on the moneys raised by way of initial public offer or further public offer (including debt instruments) during the year will not be applicable as there are no such transactions during the year.
- b. The company has not made any preferential allotment or private placement of shares or convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. Based upon the audit procedures performed, we report that no material fraud by the company or on the company has been noticed or reported during the course of our audit.
- b. 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 upto the date of this report.
- c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, all the transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. a. The Company has an Internal audit system which commensurate with the size and nature of its Business.
- b. We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion,
- a. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- b. The company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.
- c. The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.
- d. The group in which the company is a part of, does not have any Core Investment Company. Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the current financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors of the Company during the year.

- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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. In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the current financial year and previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of Section 135(6) of the Act.

For **Guru and Jana**
Chartered Accountants
Firm Registration No.: 006826S

M Surendra Reddy
Partner
Membership No.: 215205
UDIN: 23215205BGUXCT1418

Guwahati
20 May 2023

"Annexure B" to the independent auditor's report of even date

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharat Electronics Limited of 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 standalone financial statements of Bharat Electronics Limited ("the Company") as of 31 March 2023 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 Management of the company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the 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 the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls with reference to 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 issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 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 standalone financial statements reporting and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to 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 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 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 financial statements

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 control with reference to 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, to the best of our information and according to the explanations given to us, the company was able to provide us with sufficient appropriate audit evidence on the system of internal financial controls with reference to standalone financial statements based on criteria considering the essential components of internal control as stated in the Guidance Note on Audit of Internal Financial Controls over

Financial Reporting issued by the Institute of Chartered Accountants of India.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of the company, which comprise the Balance Sheet as at 31 March 2023 and the related Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information, and our report even dated expressed an unqualified opinion thereon.

For **Guru and Jana**
Chartered Accountants
Firm Registration No.: 006826S

M Surendra Reddy
Partner
Membership No.: 215205
UDIN: 23215205BGUXCT1418

Guwahati
20 May 2023

"Annexure C" to the independent auditor's report of even date

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharat Electronics Limited of even date)

Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of **Bharat Electronics Limited, for the year 2022-23** issued by the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013.

Sl. No.	Directions / Sub-Directions	Action taken	Impact on Standalone Financial Statements
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 process all the accounting transaction on a day-to-day basis 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 explanation provided to us and based on the verification of records, the company has not obtained any loans from banks or financial institutions and hence this clause is not applicable to the company.	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.	Yes, according to the information and explanations provided to us and based on the verification of records, the funds received towards the specific schemes from central / state agencies have been appropriately accounted and utilised for the purpose for which it is received.	Nil

For **Guru and Jana**
Chartered Accountants
Firm Registration No.: 006826S

M Surendra Reddy
Partner
Membership No.: 215205
UDIN: 23215205BGUXCT1418

Guwahati
20 May 2023



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सं./No.

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा एवं फंडेन महसूब
लेखापरीक्षा बोर्ड का कार्यालय, बेंगलूर - 560 001.
OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT and ex-Officio MEMBER, AUDIT BOARD,
BENGALURU - 560 001.

दिनांक/ DATE: 14.07.2023

To
Shri Bhanu Prakash Srivastava,
Chairman and Managing Director,
Bharat Electronics Limited,
PO Nagavara, Outer Ring Road,
Bengaluru - 560 045.

Madam,

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 2023.

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 2023.

It may please be ensured that the comments are:

- Printed in toto without any editing;
- Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index; and
- Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully,


(J N Perumal)
Director (Admin)

Encl: As above.

भारतीय लेखापरीक्षा तथा लेखा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT
प्रथम तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूर - 560 001.
1st Floor, Basava Bhavan, Sri Basaveswara Road, Bengaluru - 560 001.

दूर.सं./Phone : 2226 7646 / 2226 1168
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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 2023

The preparation of financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 May 2023.

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 2023 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 raise to any comment upon or supplement to the statutory auditors' 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: 14 July 2023

Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2023	As at 31 March 2022
ASSETS				
(1) Non-current assets				
(a)	Property, plant and equipment	1	2,59,630	2,45,451
(b)	Capital work-in-progress	2	36,157	39,855
(c)	Investment property	3	6	7
(d)	Other intangible assets	4	7,583	6,905
(e)	Intangible assets under development	5	47,970	46,045
(f)	Financial assets			
(i)	Investments	6	66,440	1,55,424
(ii)	Trade receivables	7	-	-
(iii)	Loans	8	656	728
(iv)	Other financial assets	9	1,917	2,275
(g)	Deferred tax assets (net)	10	50,339	62,070
(h)	Inventories	11	587	2,734
(i)	Other non-current assets	12	43,835	67,784
			5,15,120	6,29,278
(2) Current assets				
(a)	Inventories	11	6,40,618	5,53,956
(b)	Financial assets			
(i)	Trade receivables	7	7,02,201	6,10,339
(ii)	Cash & cash equivalents	13	3,86,418	1,23,904
(iii)	Bank balances [other than (ii) above]	14	4,14,482	6,26,010
(iv)	Loans	8	172	148
(v)	Other financial assets	9	22,392	10,231
(c)	Current tax assets (net)	15	40,156	14,325
(d)	Other current assets	12	7,83,889	7,76,803
			29,90,328	27,15,716
			35,05,448	33,44,994
TOTAL ASSETS				
EQUITY AND LIABILITIES				
EQUITY				
(a)	Equity share capital	16	73,098	24,366
(b)	Other equity		12,85,101	11,74,060
			13,58,199	11,98,426
LIABILITIES				
(1) Non-current liabilities				
(a)	Deferred income	17	6,019	6,152
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		5,942	5,151

Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2023	As at 31 March 2022
(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	34
(iii)	Other financial liabilities	20	473	2,022
(c)	Provisions	21	83,897	1,80,006
(d)	Other non-current liabilities	22	-	-
			96,368	1,93,365
(2) Current liabilities				
(a)	Deferred income	17	336	339
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		192	119
(ii)	Trade payables	19		
-	total outstanding dues of micro enterprises & small enterprises; and		20,713	24,795
-	total outstanding dues of creditors other than micro enterprises & small enterprises		3,11,253	3,11,801
(iii)	Other financial liabilities	20	1,27,006	95,736
(c)	Other current liabilities	22	15,29,066	14,78,850
(d)	Provisions	21	62,315	41,563
(e)	Current tax liabilities (net)	15	-	-
			20,50,881	19,53,203
			35,05,448	33,44,994
TOTAL EQUITY AND LIABILITIES				

Significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

Guwahati
20 May 2023

Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2023	For the year ended 31 March 2022
I	Revenue from operations	23	17,64,620	15,31,376
II	Other income	24	36,002	23,359
III	Total income (I + II)		18,00,622	15,54,735
IV	EXPENSES			
a	Cost of material consumed		9,34,270	8,09,634
b	Cost of stores & spares consumed		3,574	2,964
c	Consumption of stock in trade		82,785	1,05,349
d	Changes in inventories of finished goods, work in progress & scrap	25	(39,745)	(27,697)
e	Employee benefits expense	26	2,29,773	2,10,939
f	Finance costs	27	1,479	485
g	Depreciation and amortisation expense	28	40,787	38,018
h	Other expenses	29	1,49,211	99,263
	TOTAL EXPENSES [a to h]		14,02,134	12,38,955
V	Profit before exceptional items & tax (III - IV)		3,98,488	3,15,780
VI	Exceptional items		-	-
VII	Profit before tax (V - VI)		3,98,488	3,15,780
VIII	Tax expense	10		
	- Current tax		87,446	91,052
	- Earlier years tax		(2,001)	-
	- Deferred tax		12,376	(10,165)
	Total provision for taxation		97,821	80,887
IX	Profit for the year (VII - VIII)		3,00,667	2,34,893
X	Other comprehensive income/(loss)			
	Items that will not be reclassified subsequently to profit or loss			
	- Remeasurement of the net defined benefit liability/asset		(22,217)	(19,940)
	- Equity instruments through other comprehensive income		2	1
	- Income tax relating to these items		5,591	5,018
	Total other comprehensive income/(loss) (net of tax)		(16,624)	(14,921)
XI	Total comprehensive income for the year (IX + X) [comprising profit and other comprehensive income for the year]		2,84,043	2,19,972
XII	Earnings per equity share (face value of INR 1/- each):	30(i)		
	(1) Basic [in INR]		4.11	3.21
	(2) Diluted [in INR]		4.11	3.21

Significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

 For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
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M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

 Guwahati
20 May 2023

Statement of Changes in Equity

(₹ in Lakhs)

A. Equity share capital

Particulars	Note no.	Amount
Balance as at 1 April 2022		24,366
Changes in equity share capital during the year		
- Issue of bonus shares	16	48,732
- Buyback of shares		-
Balance as at 31 March 2023		73,098

Particulars	Note no.	Amount
Balance as at 1 April 2021		24,366
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
Balance as at 31 March 2022		24,366

B. Other equity

Particulars	Note no.	Reserves & surplus				Other reserve		Total other equity
		Capital reserve *	Capital redemption reserve *	General reserve	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *	
Balance as at 1 April 2022		4,669	1,868	4,39,546	7,70,718	9	(42,750)	11,74,060
Profit for the year		-	-	-	3,00,667	-	-	3,00,667
Addition during the year		-	-	-	-	2	(16,626)	(16,624)
Total		4,669	1,868	4,39,546	10,71,385	11	(59,376)	14,58,103
Amount transfer to general reserve		-	-	40,000	(40,000)	-	-	-
Transaction with owners in their capacity as owner								
Dividends	16	-	-	-	(1,24,270)	-	-	(1,24,270)
Issue of bonus shares	16	-	-	(48,732)	-	-	-	(48,732)
Buyback of shares	16	-	-	-	-	-	-	-
Balance as at 31 March 2023		4,669	1,868	4,30,814	9,07,115	11	(59,376)	12,85,101

Statement of Changes in Equity

(₹ in Lakhs)

Particulars	Note no.	Reserves & surplus				Other reserve		Total other equity
		Capital reserve *	Capital redemption reserve *	General reserve	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *	
Balance as at 1 April 2021		4,669	1,868	3,99,546	6,78,160	8	(27,828)	10,56,423
Profit for the year		-	-	-	2,34,893	-	-	2,34,893
Addition during the year		-	-	-	-	1	(14,922)	(14,921)
Total		4,669	1,868	3,99,546	9,13,053	9	(42,750)	12,76,395
Amount transfer to general reserve		-	-	40,000	(40,000)	-	-	-
Transaction with owners in their capacity as owner								
Dividends	16	-	-	-	(1,02,335)	-	-	(1,02,335)
Issue of bonus shares	16	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-
Balance as at 31 March 2022		4,669	1,868	4,39,546	7,70,718	9	(42,750)	11,74,060

* Refer Note 16 (b).

Significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

 For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

 Guwahati
20 May 2023

Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	3,98,488	3,15,780
Adjustments for:		
Depreciation and amortisation expense	40,787	38,018
Provision for intangible assets under development	544	-
Intangible assets under development charged off	1,950	-
Provision Others - Contract costs	4,180	-
Corporate social responsibility	5,749	5,329
Transfer from government grants	(350)	(398)
Interest income	(25,741)	(17,377)
Dividend income	(8,122)	(407)
Interest on lease liability	370	306
Finance costs	1,109	179
Profit on sale of property, plant & equipment	(152)	(45)
Operating Profit Before Working Capital Changes	4,18,812	3,41,385
Increase / (Decrease) due to:		
Trade receivables	(91,862)	44,815
Loans	48	392
Other financial assets	(11,630)	(3,540)
Other assets	12,683	(1,14,859)
Inventories	(84,515)	(61,223)
Trade payables	(4,627)	6,947
Other financial liabilities	30,296	6,133
Other liabilities	50,216	2,62,353
Provisions	(97,572)	26,640
Current tax assets	(14,830)	(12,683)
Cash Generated from Operations	2,07,019	4,96,360
Income taxes paid (net)	(91,500)	(80,244)
Cash Flow Before Exceptional Items	1,15,519	4,16,116
Exceptional items	-	-
Net Cash from / (used in) Operating Activities	1,15,519	4,16,116
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipment and other intangible assets	(56,382)	(55,348)
Receipt of grant	214	-
Proceeds from sale of property, plant & equipment	170	740
Increase / (Decrease) from term deposits & other bank balances	2,11,355	(4,26,927)
Investments in others	88,984	(22,305)
Interest received	25,741	17,377
Dividend received	8,122	407
Net Cash from / (used in) Investing Activities	2,78,204	(4,86,056)

Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Corporate Social Responsibility (CSR) expenditure	(5,058)	(4,738)
Dividend paid	(1,24,239)	(1,02,331)
Repayment of lease liabilities	(433)	(167)
Interest on lease liability	(370)	(306)
Finance costs	(1,109)	(179)
Net Cash from / (used in) Financing Activities	(1,31,209)	(1,07,721)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	2,62,514	(1,77,661)
Cash and Cash Equivalents at the beginning of the year	1,23,904	3,01,565
Cash and Cash Equivalents at the end of the year	3,86,418	1,23,904

Non-cash changes recognised in respect of liabilities on account of financing activities is Nil (Nil).

Significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

Guwahati
20 May 2023

Notes to Accounts

(₹ in Lakhs)

Note 1 - Property, plant and equipment

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
Owned Asset										
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
Equipments 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 equipments	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	-	-
Right of Use Asset										
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
Total	4,43,530	53,049	771	4,95,808	1,98,079	38,852	753	2,36,178	2,59,630	2,45,451

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2021	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2022	Accumulated depreciation / amortisation as at 1 April 2021	Depreciation / amortisation for the year	Deductions / adjustments during the year	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Owned Asset										
Freehold land	13,711	606	-	14,317	-	-	-	-	14,317	13,711
Roads and culverts	2,216	55	-	2,271	396	117	-	513	1,758	1,820
Buildings	82,337	5,718	-	88,055	11,981	3,370	-	15,351	72,704	70,356
Installations	4,717	275	2	4,990	2,366	436	2	2,800	2,190	2,351
Plant and machinery	1,51,093	14,885	146	1,65,832	65,935	14,981	146	80,770	85,062	85,158
Electronic equipment	59,822	5,169	511	64,480	37,612	7,158	363	44,407	20,073	22,210
Equipments for R & D lab	46,958	5,567	34	52,491	30,260	7,241	34	37,467	15,024	16,698
Vehicles	875	271	50	1,096	540	136	32	644	452	335
Office equipments	12,132	1,869	51	13,950	7,743	1,736	51	9,428	4,522	4,389
Furniture, fixtures & equipments	9,348	799	63	10,084	4,972	931	62	5,841	4,243	4,376
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
Right of Use Asset										
Lease of other assets	440	4,459	37	4,862	198	280	37	441	4,421	242
Leasehold land	20,821	757	541	21,037	202	163	13	352	20,685	20,619
Total	4,04,535	40,430	1,435	4,43,530	1,62,270	36,549	740	1,98,079	2,45,451	2,42,265

Notes to Accounts

(₹ in Lakhs)

- i. Freehold land consists of 2,081.80 acres (2,081.80 acres) and Leasehold land consists of 989.28 acres (989.28 acres).
- 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. ₹ 2,440 (₹ 995) in respect of the assets of Central Research Laboratories / Product Development and Innovation Centre accounted under natural code heads.
 - B. ₹ 205 (Nil) in respect of the assets of Navi Mumbai Unit accounted under natural code heads.
- iv. Electronic Equipment value includes POS machines valuing Nil (₹ 886) which are under the control of Haryana Government (operating lease).
- v. **Site Restoration Obligation**
Refer Note 21 for Site Restoration Obligation in respect of Wind Mill & Solar Power Plants.
Gross Block Value of Plant & Machinery includes Site Restoration Obligation of ₹ 2,355 (₹ 2,318) in respect of Wind Mill & Solar Power Plants.
- vi. **Contractual Commitments**
Refer Note 30 (6) for outstanding Contractual Commitments.
- vii. **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.
- viii. **Estimation of Useful Life of Assets**
The management has estimated the useful life of the various categories of tangible assets (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 Tangible Assets is as follows:

Asset Class	Years
Buildings	20 - 40
Roads and Culverts	20 - 40
Installations	10
Plant and 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

Notes to Accounts

(₹ in Lakhs)

- 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 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).
- xi. **Impairment of Assets**
Refer Note 30 (4).
- 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.,**
 - 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 to 122.82 Acres (122.82 Acres) at Ibrahipatnam allotted by APIIC/TSIIC possession is given, for which sale deed is pending.
 - d. A demand of ₹ 256 (₹ 256) being 50% of the compensation amount decreed by City Civil Court, Hyderabad has been received towards additional compensation from TSIIC dated 31.01.2015 for land of 22.375 acres (22.375 acres) which is part of the Freehold Land mentioned above. The demand is under dispute and hence, no provision in respect of the same has been made in the books of accounts.
 - e. Free hold Land to the extent of 1.22 acres (1.22 acres) which was allotted by Government Authorities in Bengaluru in return for handing over of Land measuring 1.24 acres (1.24 acres) is under litigation.
 - f. The Company has installed Windmill Generator at three locations. Out of which: Windmill Generator-I capitalised in the year 2006-07 on Lease Land. 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.
 - g. The title deed in respect of land in Panchkula measuring 0.566 acres (0.30 acres) is under litigation. Three cases are pending in the Civil Court Ambala, SDM Cum. Assistant Collector, UT, Chandigarh and District Court Panchkula.

Notes to Accounts

(₹ in Lakhs)

- h. Sale deed is pending for finalisation of the land admeasuring to 913.99 acres (913.99 acres) at Palasamudram (Defence System Integration Complex - DSIC), Ananthapur Dist. AP.
- i. Leasehold land admeasuring 8.93 acres (8.93 acres) has been converted into freehold land in Pathankot and registered in May 2022.
- j. A land measuring 12.52 acres (12.52 acres) at Sohna (Haryana), mutuaion is pending with concerned Tehsildar (Ghaziabad).
- xv. 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.
- xvi. Prepaid rent paid for 3 MW Hassan & 8.4 MW Davangere windmill plants capitalised as Right of Use on transition to Ind AS 116.
- xvii. Land admeasuring to 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.
- xviii. Short term lease amount expended during the year is Nil (Nil).
- xix. Leasehold land includes 9.62 acres (9.62 acres) leased to Government Organisation for use during construction and is in their possession of NCRTC as at the year end.(Ghaziabad)
- xx. Lease agreement has been entered with Tamil Nadu Industrial Explosives Ltd (TEL). Chennai, towards lease of 50 acres for 29 years and capitalised during FY 2021-22 as an ROU asset for total value of ₹ 5,166. Interest expense on lease liability is ₹ 339. Discounting Rate considered is 6.95% (i.e. applicable incremental borrowing rate) as per Ind AS 116. Total cash outflow for TEL lease is ₹ 13,685.
- xxi. Equipments belong to "Electronics Computer system" whose Gross block is ₹ 3 (₹ 3) and accumulated depreciation of ₹ 3 (₹ 3), and Equipments belongs to "Miscellaneous Maintainance Equipment" whose Gross block is ₹ 2 (₹ 2) and accumulated depreciation of ₹ 1 (₹ 1) are lying at Naval Dockyard, Vizag.
- xxii. 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).
- xxiii. Repayment of Lease during the year amounting to ₹ 433 (₹ 167).
- xxiv. Borrowing cost of Nil (₹ 974) (Net off interest income) towards Employee quarters is capitalised. The capitalisation rate is Nil (6.47%) p.a.
- xxv. Lease agreement has been entered 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 as ROU asset for total value of ₹ 780. Interest expenses on lease liability is ₹ 205. Rate used for discounting for arriving expenses is 7.66% p.a. as per Ind AS 116. Total cashflow for SDC-Vizag lease is ₹ 986.

Notes to Accounts

(₹ in Lakhs)

Note 2 - Capital work-in-progress

Particulars	As at 31 March 2023	As at 31 March 2022
Civil Construction	25,429	20,849
Plant & Machinery	5,048	16,918
Others	5,505	1,643
Capital Items in Transit	299	569
	36,281	39,979
Less: Provision for impairment	(124)	(124)
	36,157	39,855

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	7,538	8,161	3,291	2,370	21,358
Others	13,460	889	242	208	14,799
Projects temporarily suspended	-	-	-	124	124
Provision for impairment	-	-	-	(124)	(124)
Total	20,998	9,049	3,533	2,577	36,157

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-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
Automatic Humisealing	-	17	-	-	17
Total	3,341	595	26	274	4,235

Completion schedule - Suspended projects 2022-23

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Production Building	-	124	-	-	124
Total	-	124	-	-	124

Notes to Accounts

(₹ in Lakhs)

Capital Work in Progress 2021-22

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	22,423	7,240	2,744	1,747	34,154
Others	4,817	489	178	217	5,701
Projects temporarily suspended	-	-	-	124	124
Provision for impairment	-	-	-	(124)	(124)
Total	27,240	7,729	2,922	1,964	39,855

Completion schedule - Time and Cost overrun 2021-22

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
LRSAM	18,023	-	-	-	18,023
DSIC Palasamudram	565	-	-	274	839
Production building	124	-	-	-	124
TEL Factory	104	-	-	-	104
MWC Building	11	-	-	87	98
Project-Ibrahimpattam	47	-	-	-	47
MCG CADDs Building	-	-	-	38	38
Flap Barrier	-	26	-	-	26
Total	18,874	26	-	399	19,299

Completion schedule - Suspended projects 2021-22

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Production Building	124	-	-	-	124
Total	124	-	-	-	124

i. Civil construction mainly comprises of Production related building, R&D building and Employee Quarters.

ii. Refer Note 30(6) in respect of contractual commitments.

iii. Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, plant & equipment.

iv. 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. An amount of ₹ 124 was impaired in the financial year 2018- 19. Refer Note 30(4).

Notes to Accounts

(₹ in Lakhs)

Note 3 - Investment property

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
Total	14	-	-	14	7	1	-	8	6	7

* Freehold land includes INR 3,830 (INR 3,830) [represents absolute figure] which is rounded off.

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	As at 1 April 2021	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2022	As at 1 April 2021	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Freehold land*	-	-	-	-	-	-	-	-	-	-
Buildings	14	-	-	14	6	1	-	7	7	8
Total	14	-	-	14	6	1	-	7	7	8

* 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 2023	For the year ended 31 March 2022
a. Rental Income	242	191
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)	(1)
e. Profit from Investment Property	241	190

ii. Refer Note 30(6) for Contractual Commitments.

iii. Fair Value of the investment properties

Particulars	As at 31 March 2023	As at 31 March 2022
Land	2,896	2,896
Building	844	839

iv. Land comprises of Freehold Land of 1.48 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.

Notes to Accounts

(₹ in Lakhs)

vi. Estimation of Useful Life of Assets

The management has estimated the useful life of the various categories of tangible assets (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 Company 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 realisability of Investment Property

The land is allotted by Government of India.

xi. Related Party Transactions

Investment Property includes Building and land measuring 0.31 acres (0.31 acres) given under cancellable operating lease to Subsidiary Company BEL Thales Systems Ltd. Also Refer Note 31.

xii. Details of Registration, Pending Litigation etc.

A. Nil (Nil).

xiii. **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.

Note 4 - Other intangible assets

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
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
Total	9,853	2,612	-	12,465	2,948	1,934	-	4,882	7,583	6,905

* Includes funding to development agencies.

Notes to Accounts

(₹ in Lakhs)

PARTICULARS	GROSS CARRYING AMOUNT				AMORTISATION			NET CARRYING AMOUNT		
	As at 1 April 2021	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2022	Accumulated amortisation as at 1 April 2021	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Software licenses/ implementation enterprise resource planning (ERP)	291	2,323	-	2,614	286	394	-	680	1,934	5
Others (development cost)*	6,919	320	-	7,239	1,194	1,074	-	2,268	4,971	5,725
Total	7,210	2,643	-	9,853	1,480	1,468	-	2,948	6,905	5,730

* 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.

Notes to Accounts

(₹ in Lakhs)

Note 5 - Intangible assets under development

Particulars	As at 31 March 2023	As at 31 March 2022
Internally developed *	55,728	53,258
Less: Provision for impairment	(7,758)	(7,213)
	47,970	46,045

* Includes funding to other development agencies.

Intangible assets under development 2022-23

Particulars	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)
Total	4,471	19,594	1,526	22,379	47,970

Completion schedule - Time and cost over run 2022-23

Particulars	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
Total	15,829	18,417	-	-	34,246

Completion schedule - Suspended projects 2022-23

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

Notes to Accounts

(₹ in Lakhs)

Intangible assets under development 2021-22

Particulars	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	6,672	1,526	2,576	34,415	45,189
Others	856	-	277	6,936	8,069
Provision for impairment	-	-	(277)	(6,936)	(7,213)
Total	7,528	1,526	2,576	34,415	46,045

Completion schedule - Time and cost over run 2021-22

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
QRSAM	17,105	-	-	-	17,105
ATULYA	8,416	-	-	-	8,416
QT model for Sarang	478	-	-	-	478
Design and development of AFC gate	242	-	-	-	242
Development work for Nikash system	173	-	-	-	173
Porpoise Upgradation Project	118	-	-	-	118
Development work for Sarvadhari System	104	-	-	-	104
Development for Samudrika Project	97	-	-	-	97
QT model for Sarakshi	36	-	-	-	36
UET model for Tushar	15	-	-	-	15
Total	26,784	-	-	-	26,784

Completion schedule - Suspended projects 2021-22

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

i. Refer Note 30 (6) for Contractual Commitments.

ii. Impairment of Assets:-

An amount ₹ 545 (Nil) 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 (Refer Note 30(4)).

iii. An amount of ₹ 1,950 (Nil) is charged off to Statement of Profit & Loss during the year.

Notes to Accounts

(₹ in Lakhs)

Note 6 - Investments

Particulars	As at 31 March 2023	As at 31 March 2022
Fair Valuation of loan given to Subsidiary		
BEL Optronics Devices Ltd., Pune	227	227
(I) Investment in Equity Instruments (Unquoted)		
(a) Subsidiary (at Cost)		
BEL Optronics Devices Ltd., Pune 8,45,06,970 (8,45,06,970) equity shares of INR 10 each fully paid	16,763	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) Associate (at Cost)		
GE-BE Private Ltd., Bengaluru 26,00,000 (26,00,000) equity shares of INR 10 each fully paid	260	260
(c) Others (at FVOCI) (refer note v below)		
Mana Effluent Treatment Plant Ltd., Hyderabad 500 (500) equity shares of INR 1,000 each fully paid	15	13
Defence Innovation Organisation, Bengaluru 50 (50) equity shares of INR 1,000 each fully paid	1	1
(II) Other investments (Unquoted)		
(a) Investment in Co-operative Societies (at Cost)*		
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) Others (at FVTPL)		
Life Insurance Corporation Of India – (Refer Note ii)	44,910	1,33,896
	66,440	1,55,424

* 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.

Particulars	2022-23	2021-22
Aggregate value of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	66,440	1,55,424
Aggregate amount of impairment in value of investments	-	-

- ii. a. The company has invested its leave Encashment liabilities in LIC's New Group Leave Encashment Plan.
- b. During the year 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.

Notes to Accounts

(₹ in Lakhs)

- 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 Bengaluru.

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.

- v. 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 2023	Dividend income recognised during 2022-23	Fair value as at 31 March 2022	Dividend income recognised during 2021-22
Mana Effluent Treatment Plant Ltd., Hyderabad	15	-	13	-
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 2022-23, and there were no transfers of any cumulative gain or loss within equity relating to these investments.
- vi. Related party disclosure
For Related Party Disclosures refer Note 31.

Note 7 - Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Non current		
Unsecured, considered doubtful		
Trade Receivables	1,83,839	1,59,043
Less: Provisions*	(1,83,839)	(1,59,043)
Sub Total (A)	-	-
Current		
Secured, considered good	934	785
Unsecured, considered good	7,01,267	6,09,554
Sub Total (B)	7,02,201	6,10,339
Total (A+B)	7,02,201	6,10,339

* Includes ₹ 339 (₹ 339) in respect of receivables which are credit impaired.

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: Provisions	(1,899)	(36)	(17,435)	(15,059)	(19,118)	(13,033)	(1,17,260)	(1,83,839)
Total	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-
Total	89,818	2,916	3,36,506	1,10,435	88,154	32,399	41,973	7,02,201

Non Current Trade Receivable 2021-22

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	8,582	59	10,507	7,287	14,348	15,291	86,192	1,42,266
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: Provisions	(8,582)	(59)	(10,507)	(7,287)	(14,348)	(15,291)	(1,02,969)	(1,59,043)
Total	-	-	-	-	-	-	-	-

Notes to Accounts

(₹ in Lakhs)

Current Trade Receivable 2021-22

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	82,465	3,362	3,11,367	68,204	71,810	45,315	27,015	6,09,538
Undisputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	801	801
Disputed Trade Receivables – significant credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	82,465	3,362	3,11,367	68,204	71,810	45,315	27,816	6,10,339

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. 30 of the company.

iv. Related party disclosure

For Related Party Disclosures refer Note 31.

v. Security, Hypothecation etc.

Refer Note 35.

Notes to Accounts

(₹ in Lakhs)

Note 8 - Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Unsecured, Considered Good		
Loans to employees	656	728
	656	728
Others		
Loans to employees	1	1
Less: Provisions	(1)	(1)
Loans to others	132	132
Less: Provisions*	(132)	(132)
Sub Total (A)	656	728
Current		
Unsecured, considered good		
Loans to related parties**	-	-
Others		
Loans to employees	172	148
Sub Total (B)	172	148
Total (A+B)	828	876

*Includes ₹ 132 (₹ 132) in respect of loans which are credit impaired

**Maximum amount outstanding at any time during the year is Nil (₹ 380), which includes interest.

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. 30 of the company.

iii. Related Party Disclosure

For Related Party Disclosures refer Note 31.

iv. Security, Hypothecation etc

Refer Note 35.

Notes to Accounts

(₹ in Lakhs)

Note 9 - Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Unsecured, considered good		
Security deposits	1,744	2,076
Bank deposits with more than 12 months maturity**	173	173
Other assets	-	26
	1,917	2,275
Unsecured, considered doubtful		
Security deposits	83	80
Less: Provisions	(83)	(80)
	-	-
Advance to others	14	14
Less: Provisions	(14)	(14)
	-	-
Receivables other than trade receivables	971	969
Less: Provisions*	(971)	(969)
	-	-
Other assets	107	74
Less: Provisions	(107)	(74)
	-	-
Sub Total (A)	1,917	2,275
Current		
Unsecured, Considered Good		
Security deposits	2,128	1,881
Advance to employees	166	168
Advance to others	3	3
Interest accrued but not due on term deposits	1,969	3,775
Receivables other than trade receivables	1,795	2,540
Securities application money***	2,199	-
Other assets	14,132	1,864
Sub Total (B)	22,392	10,231
Total (A+B)	24,309	12,506

*Refer Note 30 (23).

** 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. Refer Note 31 for Related Party Disclosure.

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. 30 of the company.

iii. Related Party Disclosure

For related party disclosures refer Note 31.

iv. Net carrying amount of Nil (Nil) has been added in other assets with respect to Property, Plant and Equipment not in active use and pending for disposal.

v. Security, Hypothecation etc

Refer Note 35.

Notes to Accounts

(₹ in Lakhs)

Note 10 - Deferred tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets	71,159	83,519
Deferred tax liabilities	(20,820)	(21,449)
	50,339	62,070

i. Income Tax recognised in Statement of Profit and Loss

Sl. No.	Particulars	As at 31 March 2023	As at 31 March 2022
1	Income Tax Expenses:		
	- Current period	87,446	91,052
	- Changes in estimates related to earlier years	(2,001)	-
2	Deferred tax:		
	- Origination and reversal of temporary differences	12,376	(10,165)
3	Total deferred tax expense/(benefit)	12,376	(10,165)
4	Income tax expenses	97,821	80,887

ii. Income Tax recognised in other comprehensive income

Sl. No.	Particulars	As at 31.03.2023			As at 31.03.2022		
		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)	(22,217)	5,592	(16,625)	(19,940)	5,019	(14,921)
2	Equity instruments through other comprehensive income	2	(1)	1	1	(1)	-
	Total	(22,215)	5,591	(16,624)	(19,939)	5,018	(14,921)

iii. Income Tax recognised directly in Equity

There are no income tax recognised directly in equity for the year ended 31 March 2023 & 31 March 2022.

iv. Reconciliation of Effective Tax Rates

Particulars	As at 31.03.2023		As at 31.03.2022	
	Rate	Amount	Rate	Amount
Profit Before Tax		3,98,488		3,15,780
Tax using the company's Domestic Tax Rate	25.17%	1,00,291	25.17%	79,476
Effect of				
Additional deduction on Research & Development Expenses	-	-	-	-
Exempt Income	-	-	-	-
Tax Incentives	-0.50%	(2,001)	-	-
Changes in estimates related to previous years	0.42%	1,676	0.42%	1,338
Non-deductible Expenses	-	-	-	-
Impact on change in tax rate	-	-	-	-
Others	-0.54%	(2,145)	0.02%	73
Effective Tax rate	24.55%	97,821	25.61%	80,887

Notes to Accounts

(₹ in Lakhs)

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	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
1.	Trade Receivables	(12,372)	(10,985)	-	-	(12,372)	(10,985)
2.	Inventory	(15,380)	(11,784)	-	-	(15,380)	(11,784)
3.	Provision others	(20,160)	(17,707)	-	-	(20,160)	(17,707)
4.	Employee Benefits	(18,321)	(39,387)	-	-	(18,321)	(39,387)
5.	Other Intangible Assets	-	-	409	487	409	487
6.	Deferred Revenue	(261)	(261)	-	-	(261)	(261)
7.	Other Assets	-	-	-	-	-	-
8.	Property, Plant and Equipment	-	-	15,938	16,488	15,938	16,488
9.	ICDS Adjustment	-	-	-	-	-	-
10.	Equity Investments	-	-	2	2	2	2
11.	Other Financial Liabilities	-	-	8	8	8	8
12.	Provision for Impairment	(4,665)	(3,394)	-	-	(4,665)	(3,394)
13.	Intangible Assets under development	-	-	4,463	4,463	4,463	4,463
14.	Total	(71,159)	(83,518)	20,820	21,448	(50,339)	(62,070)
15.	Set off of (Asset)/Liability	20,820	21,448	(20,820)	(21,448)	-	-
	Net Deferred Tax (Asset)/ Liability	(50,339)	(62,070)	-	-	(50,339)	(62,070)

vi. 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	(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
	Total	(62,070)	12,376	(645)	(50,339)

Notes to Accounts

(₹ in Lakhs)

Movement of Deferred Tax Assets & Liabilities

Sl. No	Particulars	Balance as on 01.04.2021	Recognised in P&L during 2021-22	Recognised in OCI during 2021-22	Balance as on 31.03.2022
1.	Trade Receivables	(10,154)	(831)	-	(10,985)
2.	Inventory	(11,039)	(745)	-	(11,784)
3.	Provision others	(14,687)	(3,020)	-	(17,707)
4.	Employee Benefits	(30,429)	(3,391)	(5,567)	(39,387)
5.	Other Intangible Assets	442	45	-	487
6.	Deferred Revenue	(268)	7	-	(261)
7.	Other Assets	1	(1)	-	-
8.	Property, Plant and Equipment	18,010	(1,522)	-	16,488
9.	ICDS Adjustment	-	-	-	-
10.	Equity Investments	3	(1)	-	2
11.	Other Financial Liabilities	7	1	-	8
12.	Provision for Impairment	(2,687)	(707)	-	(3,394)
13.	Intangible Assets under development	4,463	-	-	4,463
	Total	(46,339)	(10,165)	(5,567)	(62,070)

vii. Unrecognised Deferred Tax (Assets) / Liabilities:

There are no temporary differences on which deferred tax (Assets) /Liability have not been recognised for the year ended 31 March 2023 & 31 March 2022.

viii. Tax Losses carried forward:

There are no Tax Losses on which Deferred Tax Asset has been recognised for the year ended 31 March 2023 & 31 March 2022.

ix. 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. Company from FY 2020-21 has opted for lower tax rate under section 115 BAA of Income Tax Act, 1961 inserted vide Taxation law (Amendment) Act, 2019.

Notes to Accounts

(₹ in Lakhs)

Note 11 - Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Non current		
Raw Materials & Components	61,317	49,002
Add: Raw Materials & Components in Transit	67	64
Less: Provisions	(60,806)	(46,419)
	578	2,647
Stock in Trade	49	88
Less: Provisions	(49)	(88)
	-	-
Stores & Spares	202	275
Less: Provisions	(197)	(246)
	5	29
Loose Tools	62	127
Less: Provisions	(58)	(69)
	4	58
Sub Total (A)	587	2,734
Current		
Raw Materials & Components	3,83,157	3,35,495
Add: Raw Materials & Components in Transit	21,557	21,517
	4,04,714	3,57,012
Work in Progress	1,93,943	1,67,272
Finished Goods	11,067	14,536
Add: Finished Goods in Transit	25,940	9,712
	37,007	24,248
Stock in Trade	1,225	1,647
Add: Stock in Trade in Transit	-	5
	1,225	1,652
Stores & Spares	2,237	2,722
Add: Stores & Spares in transit	25	-
	2,262	2,722
Loose Tools	916	814
	916	814
Disposal Scrap	551	236
	551	236
Sub Total (B)	6,40,618	5,53,956
Total (A+B)	6,41,205	5,56,690

i. Raw Materials and Components include ₹ 27,843 (₹ 14,707) being materials with sub-contractors, out of which ₹ 179 (₹ 386) of materials is subject to confirmation and reconciliation. Against ₹ 179 (₹ 386) an amount of ₹ 163 (₹ 386) has been provided for.

ii. Stock verification discrepancies for the year are as follows:

Shortages of ₹ 713 (₹ 705) and surplus of ₹ 240 (₹ 389). Pending reconciliation, an amount of ₹ 447 (₹ 316) has been provided for.

iii. Valuation of Inventories has been made as per Company's Accounting Policy No. 18.

Notes to Accounts

(₹ in Lakhs)

iv. **A.** The United Nations Climate Change Secretariat has granted 15,856 (15,856) TON CO₂EQ carbon credit for the 2.5 MW BEL Grid Connected Wind Power Project Davangere District, Karnataka for the verification period from 05.11.2007 to 31.03.2012. 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:

SI No.	Particulars	2022-23	2021-22
i.	Depreciation	295	287
ii.	Operation Cost of Emission Reduction Equipments	210	201
	Total	505	488

v. **Security, Hypothecation etc**

Refer Note 35.

vi. **Amount recognised in Statement of Profit and Loss**

Write-down of inventories to net realisable value amounted to ₹ 945 (₹ 1,575) has been recognised in the statement of profit and loss.

vii. Reversal of write down of inventories of ₹ 885 (₹ 539) has been made during the year, which were recognised as an expenses in the previous year.

viii. **Impairment of Assets**

Provisions for inventory has been made in line with Accounting Policy No. 18 of the Company.

ix. Materials amounting to ₹ 4,157 (₹ 4,350) 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 2023	As at 31 March 2022
Non current		
Capital advances	2,280	2,576
	2,280	2,576
Advances other than capital advances		
Advances for purchase	2,754	2,742
Less: Provisions	(2,754)	(2,742)
	-	-
Contract asset	21,870	15,282
Less: Provisions	(21,870)	(15,282)
	-	-
Others		
Balances with customs, port trust and other government authorities	458	497
Less: Provisions	(384)	(424)
	74	73
Prepaid expenses	220	504

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Claims receivable purchases	1,152	1,102
Less: Provisions	(1,152)	(1,102)
	-	-
Contract costs	45,441	64,631
Less: Provisions	(4,180)	-
	41,261	64,631
Others - assets	19	19
Less: Provisions	(19)	(19)
	-	-
Sub Total (A)	43,835	67,784
Current		
Advances other than capital advances		
Advances to employees	677	781
Advances for purchase	1,02,783	1,41,295
Contract asset	6,09,644	5,67,036
Others		
Balances with customs, port trust and other government authorities*	33,241	35,826
Prepaid expenses	1,073	5,348
Prepaid taxes	10,346	6,178
Claims receivable purchases	3,287	2,370
Contract costs	19,777	16,760
Others - assets	3,061	1,209
Sub Total (B)	7,83,889	7,76,803
Total (A+B)	8,27,724	8,44,587

* Balance with customs, port trust and other government authorities:- Two decisions came 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 the year.

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. **Impairment of a contract asset**

Impairment of a contract asset is ₹ 4,952 (₹ 881).

iv. **Fair value Measurement**

	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Contract Asset	-	-	6,09,644	-	-	5,67,036

v Closing balance of contract costs represents, cost to obtain the contract from customer ₹ 318 (₹ 7,970) & cost to fulfill contract is ₹ 60,720 (₹ 73,421).

Notes to Accounts

(₹ in Lakhs)

vi. Amortisation and Impairment of Contract Costs

Amortisation of contract costs determined based on the period of benefit expected from the contract cost is ₹ 24,176 (₹ 11,717). Impairment of contract costs recognised is ₹ 4,180 (Nil).

vii. Security, Hypothecation etc

Refer Note 35.

Note 13 - Cash & cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balance with banks	83,717	38,403
Cash on hand	1	1
Term deposits	3,02,700	85,500
	3,86,418	1,23,904

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).

- Refer Note 33 for classification of financial instruments.
- There are no repatriation restrictions with regard to cash and cash equivalents.
- Balance with banks include:- Pursuant to the stay order received from Honorable High Court of Karnataka, bank authorities have held Nil (₹ 46) based on the Garnishee order issued by the recovery Officer - ESI Corporation. This Garnishee order was settled on 23.08.2022.

iv. Security, Hypothecation etc

Refer Note 35.

Note 14 - Bank balances [other than (ii) above]

Particulars	As at 31 March 2023	As at 31 March 2022
Term deposits *	4,12,509	6,24,300
Unpaid dividend account **	1,973	1,710
	4,14,482	6,26,010

* Includes a deposit of ₹ 1,209 held on behalf of Enforcement Directorate (ED) as per attachment order dt 14.03.2023 of Adjudicating Authority (Under the prevention of Money Laundering Act, 2002) The said amount relates to ABG Ship Yard Ltd. Subsequently Enforcement Directorate (ED) has encashed this amount on 17.04.2023.

** Includes ₹ 1,727 (₹ 1,495) of tax withheld on distribution of dividend.

- Refer Note 33 for classification of financial instruments.
- There are no repatriation restrictions with regard to bank balances.
- Security, Hypothecation etc**
Refer Note 35.

Notes to Accounts

(₹ in Lakhs)

Note 15 - Current tax assets / liability

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax assets (net)		
Advance payment of income tax	40,156	14,325
	40,156	14,325
Current tax liability (net)		
Provision for taxation	-	-
	-	-

Note 16

a. Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
i. Authorised capital		
7,50,00,00,000 (2,50,00,00,000) Equity Shares of INR 1 (INR 1) each	75,000	25,000
ii. Issued, subscribed & fully paid-up capital		
7,30,97,78,829 (2,43,65,92,943) Equity Shares of INR 1 (INR 1) each	73,098	24,366

iii. Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the reporting period	2,43,65,92,943	24,366	2,43,65,92,943	24,366
Add: Shares issued during the year	4,87,31,85,886	48,732	-	-
Less: Shares Bought Back during the year	-	-	-	-
Shares outstanding at the end of the reporting period	7,30,97,78,829	73,098	2,43,65,92,943	24,366

iv. Shares in the company held by each shareholder holding more than 5%

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% of Share holding	No. of Shares	% of Share holding
Government of India	3,73,79,21,934	51.14%	1,24,59,73,978	51.14%
HDFC Trustee Company Ltd - A/C HDFC MID CAP OPPORTUNITIES FUND	-	-	12,65,04,722	5.19%

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	2018-19	2019-20	2020-21	2021-22	2022-23
No. of shares	-	-	-	-	4,87,31,85,886

vi. Aggregate number and class of shares bought back during the previous 5 years.

Equity shares bought back

Year	2018-19	2019-20	2020-21	2021-22	2022-23
No. of shares	-	-	-	-	-

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
vii. Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.	-	-
viii. The aggregate value of calls unpaid (including Directors and Officers of Company)	-	-
ix. Shares forfeited	-	-

x. Terms, Rights, preferences and restrictions attaching to each class of shares

- A. The Company has only one class of shares viz, Equity Shares.
- B. Each holder of Equity Shares is entitled to one vote on show of hands and in poll in proportion to the Number of shares held.
- C. Each Shareholder has a right to receive the dividend declared by the Company.
- D. On winding up of the Company, the equity shareholders will be entitled to get the realised value of the remaining assets of the Company, if any, after distribution of all preferential amounts as per law. The distribution will be in proportion to the number of equity shares held by the shareholders.

xi. a) Interim Dividend and Final Dividend

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Final dividend for FY 2021-22 and FY 2020-21 respectively	36,549	29,239
Interim dividend for FY 2022-23 and FY 2021-22 respectively	87,717	73,098

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 31.03.2023. No. of Equity Shares held as on Balance Sheet date is 3,73,79,21,934 (1,24,59,73,978), increase is due to bonus issue.

xiii. 4,87,31,85,886 Bonus shares were issued during the year for consideration other than cash.

Notes to Accounts

(₹ in Lakhs)

Note 17 - Deferred income

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Government grants - deferred	6,019	6,152
Sub Total (A)	6,019	6,152
Current		
Government grants - deferred	336	339
Sub Total (B)	336	339
Total (A+B)	6,355	6,491

i. Refer Accounting Policy No. 16 for method of presentation.

Particulars	As at 31 March 2023	As at 31 March 2022
ii. Nature of utilisation of government grant		
a) Revenue Expenditure	-	-
b) Capital Expenditure		
- Property, Plant and Equipment	6,355	6,491
iii. Other forms of government assistance that has directly benefited the company	-	-
iv. Details of unfulfilled conditions attached to government grant	-	-
v. Contingencies attached to government grant	-	-
vi. The above grants received represents viability gap funding towards Solar Power Plants, assistance towards roof top solar systems and Modified Special Incentive Package Scheme (M-sips) subsidy for Zns Project.		

Note 18 - Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Secured		
Term loan from banks	-	-
Sub Total	-	-
Current		
Secured		
Term Loan from banks	-	-
Sub Total (B)	-	-
Total (A+B)	-	-

Notes to Accounts

(₹ in Lakhs)

Note 19 - Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
- Others	37	34
Sub Total (A)	37	34
Current		
- Dues to micro & small enterprises	20,713	24,795
- Others	3,11,253	3,11,801
Sub Total (B)	3,31,966	3,36,596
Total (A+B)	3,32,003	3,36,630

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	-	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	37	37

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	4,031	11	6	-	20,556
(ii) Others	9,192	2,26,745	64,339	3,022	1,621	6,053	3,10,973
(iii) Disputed dues - MSME	-	158	-	-	-	-	158
(iii) Disputed dues - Others	-	227	-	-	-	52	280
Total	10,869	2,41,962	68,370	3,033	1,627	6,105	3,31,966

Non Current Trade Payable 2021-22

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	-	-	-	-	-	34	34
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	34	34

Notes to Accounts

(₹ in Lakhs)

Current Trade Payable 2021-22

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	4,125	12,188	8,317	6	-	1	24,637
(ii) Others	25,425	1,90,432	75,918	12,263	2,262	5,201	3,11,501
(iii) Disputed dues - MSME	-	158	-	-	-	-	158
(iii) Disputed dues - Others	-	217	-	-	11	72	300
Total	29,550	2,02,995	84,235	12,269	2,274	5,274	3,36,596

- 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 2023 is furnished below:

Particulars	As at 31 March 2023	As at 31 March 2022
a. The principal and the interest due thereon remaining unpaid as at 31 March:		
Principal *	21,344	25,132
Interest	3	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	8	4
c. The interest reversed by the company during the year ended 31 March	4	-
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	5	14
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.	3	12

* Includes amount shown under Note 20.

** Includes Nil (INR 8,470) [represents absolute figure] which is rounded off.

- 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 33 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 34.

Notes to Accounts

(₹ in Lakhs)

Note 20 - Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Security deposits	473	2,022
Sub Total (A)	473	2,022
Current		
Security deposits	38,972	28,476
Interest accrued and due on trade payables*	5	14
Other trade Payables	14,697	8,745
Unpaid matured deposits	37	37
Unpaid dividend	246	215
Non trade payables dues to micro and small enterprises	631	337
Outstanding expenses	70,953	56,912
Other liabilities	1,465	1,000
Sub Total (B)	1,27,006	95,736
Total (A+B)	1,27,479	97,758
Amount to be transferred to the Investor Education & Protection Fund as at Balance Sheet date	Nil	Nil

*Refer note 19.

i. Financial Instruments

Refer Note 33 for classification of financial instruments.

Note 21 - Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non current		
Employee benefits		
Long - term compensated absences	40,955	37,444
BEL retired employees' contributory health scheme (BERECHS)	-	1,06,186
Provident fund Interest obligation	2,563	-
Others		
Provision for onerous contracts	614	628
Provision for performance warranty	37,357	33,377
Provision for Site restoration obligation	2,408	2,371
Sub Total (A)	83,897	1,80,006
Current		
Employee benefits		
Gratuity*	274	(2,210)
Long - term compensated absences	5,487	3,972
BEL retired employees' contributory health scheme (BERECHS)	25,381	10,308
Provident fund Interest obligation	258	-

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Others		
Provision for performance warranty	25,883	26,320
Provision for onerous contracts	5,032	3,173
Sub Total (B)	62,315	41,563
Total (A+B)	1,46,212	2,21,569

* (₹ 2,210) Represents excess of plan asset over obligation.

i. 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 (Refer note v below)	-	-	-
Amount reversed during the year	20,215	438	-
As at 31 March	63,240	5,646	2,408

Movement of provisions for the year ended 2021-22

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	50,191	1,821	2,158
Additional provision recognised during the year	33,149	2,527	213
Amount used during the year (Refer note v below)	-	-	-
Unused amount reversed during the year	23,643	547	-
As at 31 March	59,697	3,801	2,371

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.

Notes to Accounts

(₹ in Lakhs)

- v. Amount debited to opening provision.
- vi. An amount of ₹ 6,937 (₹ 7,555) 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.
- vii. 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 are as follows:

Particulars	2022-23	2021-22
i) Change in Present Value of Obligations:		
Present Value of Obligation as at the beginning of the year	68,101	70,202
Current Service Cost	1,335	1,574
Interest Cost	4,762	4,661
Past Service Cost	-	-
Benefits paid	(6,442)	(6,471)
Actuarial (gains) / Losses recognised in other comprehensive income		
Changes in financial assumptions on planned liability - loss / (gains)	1,793	(2,217)
Experience adjustments on planned liability - loss / (gains)	(238)	352
Present Value of Obligation as at the end of the period	69,311	68,101
ii) Change in Fair Value of plan assets:		
Fair value of plan assets at the beginning of the year	70,375	71,703
Expected return on plan assets	4,930	4,765
Contributions	-	-
Benefits paid	(6,442)	(6,471)
Actuarial gain / (loss) on Plan Assets recognised in other comprehensive income	174	378
Fair value of plan assets as at the end of the period	69,037	70,375
Defined benefit (Asset) / liability	274	(2,274)
Effects of asset ceiling - As at the beginning of the year	64	-
Effects of asset ceiling - As at the end of the year	(64)	64
Net defined benefit (asset) / liability	274	(2,210)

Notes to Accounts

(₹ in Lakhs)

Particulars	2022-23	2021-22
iii) Expenses Recognised in the Statement of Profit & Loss:		
Current Service cost	1,335	1,574
Net Interest on Net Defined Benefit Obligations	(167)	(104)
Past service cost	-	-
Expenses recognised in the statement of profit and loss	1,168	1,470
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements):		
Actuarial (gain)/loss on Plan Obligations	1,554	(1,865)
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(174)	(378)
Effect of Balance Sheet Asset limit	(64)	64
Amounts recognised in the statement of Other Comprehensive Income	1,316	(2,179)
v) Amounts recognised in Balance Sheet:		
Present Value of Obligation as at the end of the period	69,311	68,101
Fair Value of Plan Assets at the end of the period	69,037	70,375
Funded Status [(Surplus) / Deficit]	274	(2,274)
Effects of asset ceiling - As at the beginning of the year	64	-
Effects of asset ceiling - As at the end of the year	(64)	64
Liability / (Asset) for the year as on 31 March as per Balance Sheet	274	(2,210)
vi) Plan Assets		
Categories of Plan Assets are as follows:		
State Govt. Securities	-	0.11%
Govt. of India Securities	0.50%	1.21%
High Quality Corporate Bonds	-	-
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Investment with Insurer	99.49%	98.67%
Others (Bank balance)	0.01%	0.01%
vii) Actuarial Assumptions:		
Discount Rate	7.21%	7.34%
Rate of increase in compensation level	7.00%	7.00%
Expected rate of Return on Plan Assets	7.21%	7.34%
Estimated Average Future working life	14.40	15.10
viii) Best Estimate of Contribution to be paid:		
The best estimate of contribution to be paid towards Gratuity during the annual period beginning after the Balance Sheet is ₹ 274 (Nil).		
ix) Sensitivity Analysis:		
Discount Rate (0.50% movement) increase	7.71%	7.84%
Increase/(decrease) in defined benefit Obligation as at the end of the period	(2,647)	(2,722)
Discount Rate (0.50% movement) decrease	6.71%	6.84%
Increase/(decrease) defined benefit Obligation as at the end of the period	2,858	2,945
Salary Escalation Rate (0.50% movement) increase	7.50%	7.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	655	741
Salary Escalation Rate (0.50% movement) decrease	6.50%	6.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	(738)	(820)

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 Gratuity defined benefit obligation is given below:

Year	As at 31 March 2023	As at 31 March 2022
Year 1	4,744	4,134
Year 2	12,000	10,010
Year 3	8,398	8,441
Year 4	7,856	8,085
Year 5	7,102	7,399
Next 5 years	25,367	27,642

ii) BEL RETIRED EMPLOYEES CONTRIBUTORY HEALTH SCHEME (BREM):

During the year BEL has formed a 'Bharat Electronics Limited Retired Employees Medical Trust (BREM)' ['Trust'] for running a medical fund for its retired employees. 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 members 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 are as follows:

Particulars	2022-23
i) Change in Present Value of Obligations:	
Present Value of Obligation (PVO) as at the beginning of the year	1,16,494
Current Service Cost	6,139
Interest Cost	8,551
Past service cost	-
Benefits paid*	-
Actuarial (gains) / Losses recognised in other comprehensive income	
Changes in financial assumptions on plan liability - loss / (gains)	3,466
Experience adjustments on plan liability - loss / (gains)	13,492
Impact on Change in Demographic assumption on Plan liabilities - loss / (gains)	-
Present Value of Obligation as at the end of the period	1,48,142
ii) Change in Fair Value of plan assets:	
Fair value of plan assets at the beginning of the year	-
Expected return on plan assets	7,647
Direct Contributions to meet direct benefit payment	-

Notes to Accounts

(₹ in Lakhs)

Particulars	2022-23
Benefit paid*	-
Actuarial gain / (loss) on plan Assets recognised in other comprehensive income	(1,379)
Contribution to plan assets	1,16,493
Fair value of plan assets at the end of the period	1,22,761
Defined benefit (Asset) / liability	25,381
Effects of asset ceiling - As at the beginning of the year	-
Effects of asset ceiling - As at the end of the year	-
Net defined benefit (asset) / liability	25,381
iii) Expenses Recognised in the Statement of Profit & Loss:	
Current Service cost	6,139
Interest on Defined benefit obligation	904
Past service cost	-
Net Expenses Recognised in the Statement of Profit & Loss	7,043
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements):	
Actuarial (gain)/loss on plan Obligations	16,958
Actuarial (gain)/loss on plan Assets	1,379
Amounts recognised in the statement of Other Comprehensive Income	18,337
v) Amounts recognised in Balance Sheet:	
Present Value of Obligation as at the end of the period	1,48,142
Fair Value of Plan Assets at the end of the period	1,22,761
Funded Status [(Surplus) / Deficit]	25,381
Effects of asset ceiling - As at the beginning of the year	-
Effects of asset ceiling - As at the end of the year	-
Liability / (Asset) for the year as on 31 March as per Balance Sheet	25,381
vi) Plan Assets	
Categories of Plan Assets are as follows:	
Government of India Securities	-
State Government Securities	-
High Quality Corporate Bonds	-
Equity shares of listed companies	-
Property	-
Special Deposit Scheme	-
Funds managed by Insurer	99.99%
Others (Bank balance)	0.01%
vii) Actuarial Assumptions:	
Discount Rate	7.21%
Medical inflation rate	7.00%
Attrition Rate	1.50%
viii) Best Estimate of Contribution to be paid:	
The best estimate of contribution to be paid towards BERECHS during the annual period beginning after the Balance Sheet is ₹ 25,381 (NA).	

Notes to Accounts

(₹ in Lakhs)

Particulars	2022-23
ix) Effect of a one percentage point increase in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	1,862
Effect on the defined benefit obligation	14,925
Effect of a one percentage point decrease in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	(1,606)
Effect on the defined benefit obligation	(12,872)
x) Sensitivity Analysis:	
Discount Rate (0.50% movement) increase	7.71%
Increase/(decrease) Defined benefit Obligation as at the end of the period	(7,748)
Discount Rate (0.50% movement) decrease	6.71%
Increase/(decrease) Defined benefit Obligation as at the end of the period	8,574
Medical Inflation Rate (0.50% movement) increase	7.50%
Increase/(decrease) Defined benefit Obligation as at the end of the period	7,183
Medical Inflation Rate (0.50% movement) decrease	6.50%
Increase/(decrease) Defined benefit Obligation as at the end of the period	(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.
- Maturity profile of the BERECHS defined benefit obligation is given below:

Year	As at 31 March 2023
Year 1	6,892
Year 2	7,207
Year 3	7,520
Year 4	7,990
Year 5	8,430
Next 5 years	49,557

Note:

* Sum of ₹ 6,564 paid towards BERECHS expenditure is due from BREMT and the same is included in PVO.

(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 non-funded scheme. 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 members and their spouses only.

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 are as follows:

Particulars	2021-22
i) Change in Present Value of Obligations:	
Present Value of Obligation (PVO) as at the beginning of the year	82,507
Current Service Cost	4,348
Interest Cost	5,775
Past Service cost	1,727
Benefits paid	920
Actuarial (gains) / Losses recognised in other comprehensive income	
Changes in financial assumptions on plan liability - loss / (gain)	(2,312)
Experience adjustments on plan liability - loss / (gain)	23,529
Impact on change in demographic assumption on plan liabilities loss / (gain)	-
Present Value of Obligation as at the end of the period	1,16,494
ii) Change in Fair Value of non-plan assets (Reimbursement rights):	
Fair value of non-plan assets at the beginning of the year	72,230
Expected return on non-plan assets	5,549
Direct Contributions to meet direct benefit payment	4,629
Benefit paid	(4,629)
Actuarial gain / (loss) on non-plan Assets recognised in other comprehensive income	(902)
Contribution to non-plan assets	15,000
Fair value of non-plan assets at the end of the period	91,877
iii) Expenses Recognised in the Statement of Profit & Loss:	
Opening Net Liability	-
Current Service cost	4,348
Interest on Defined benefit obligation	5,775
Past Service cost	1,727
Net Expenses Recognised in the Statement of Profit & Loss [Expenses: Nil (₹ 389), Provisions: ₹ 11,850 (₹ 6,846)]	11,850
iv) Amounts recognised in the Statement of Other Comprehensive Income (Re-measurements):	
Actuarial (gain)/loss on plan Obligations	21,217
Actuarial (gain)/loss on non - plan Assets	902
Amounts recognised in the Statement of Other Comprehensive Income	22,119
v) Amounts recognised in Balance Sheet:	
Present Value of Obligation as at the end of the period	1,16,494
Fair Value of Plan Assets at the end of the period	-
Funded Status	(1,16,494)
Liability recognised in Balance Sheet (as per actuarial valuation)	1,16,494
Expected to be payable within next twelve months	10,308
Expected to be payable beyond next twelve months	1,06,186
vi) Actuarial Assumptions:	
Discount Rate	7.34%
Medical inflation rate	6.50%
Attrition Rate	1.00%

Notes to Accounts

(₹ in Lakhs)

Particulars	2021-22
vii) Effect of a one percentage point increase in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	1,511
Effect on the defined benefit obligation	11,987
Effect of a one percentage point decrease in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	(1,306)
Effect on the defined benefit obligation	(10,365)
viii) Sensitivity Analysis:	
Discount Rate (0.50% movement) increase	7.84%
Increase/(decrease) Defined benefit obligation as at the end of the period	(6,306)
Discount Rate (0.50% movement) decrease	6.84%
Increase/(decrease) Defined benefit obligation as at the end of the period	6,975
Medical Inflation Rate (0.50% movement) increase	7.00%
Increase/(decrease) Defined benefit obligation as at the end of the period	5,772
Medical Inflation Rate (0.50% movement) decrease	6.00%
Increase/(decrease) Defined benefit obligation as at the end of the period	(5,368)

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 2022
Year 1	6,446
Year 2	6,834
Year 3	7,241
Year 4	7,672
Year 5	8,089
Next 5 years	46,160

(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.

Notes to Accounts

(₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
i) Change in Present Value of Benefit Obligations:		
Present Value of Obligation as at the beginning of the year	3,62,025	3,34,350
Current Service Cost	12,092	11,723
Interest Cost	26,203	23,058
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Actuarial (gain) / Loss	12,561	9,944
Benefits paid/payable	(75,564)	(70,067)
Contributions	53,875	53,017
Present Value of Obligation as at the end of the period	3,91,192	3,62,025
ii) Change in Fair Value of plan assets:		
Fair value of plan assets at the beginning of the year	3,70,216	3,40,609
Expected return on plan assets	26,804	23,494
Contributions*	65,495	63,958
Benefit paid	(75,564)	(70,067)
Actuarial gain / (loss) on Plan Assets	1,678	12,222
Fair value of plan assets at the end of the period	3,88,629	3,70,216
iii) Expenses Recognised in the Statement of Profit & Loss:		
Opening Net Liability	-	-
Current Service cost	12,092	11,723
Interest Cost	26,203	23,058
Expected return on Plan Assets	(26,804)	(23,494)
Net Actuarial (gain) / loss recognised in the period	-	-
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Expenses Recognised in the Statement of Profit & Loss	11,491	11,287
iv) Amounts recognised in Balance Sheet:		
Present Value of Obligation as at the end of the period	3,91,192	3,62,025
Fair Value of Plan Assets at the end of the period	3,88,629	3,70,216
Effect of Balance Sheet asset limit	-	8,191
Difference	2,563	-
Unrecognised Actuarial (gains) / losses	-	-
Liability recognised in Balance Sheet	2,563	-
v) Amount for the Current Period:		
Present Value of Obligation	3,91,192	3,62,025
Plan Assets	3,88,629	3,70,216
Effect of Balance Sheet asset limit	-	8,191
Surplus/ (Deficit)	(2,563)	-
Experience Adjustments on Plan liabilities - (Loss)/ Gain	(13,287)	(9,991)
Change in Present Value of Benefit obligation	1,678	12,222
vi) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements):		
Actuarial (gain)/loss on Plan Obligations	12,561	9,944
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(1,678)	(12,222)
Effect of Balance Sheet asset limit	(8,320)	2,278
Amounts recognised in the statement of Other Comprehensive Income	2,563	-

Notes to Accounts

(₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
vii) Category of Assets as at March 31:		
Government of India Securities & State Government Securities	53.60%/57.64%	54.49%/61.35%
High Quality Corporate Bonds	33.10%/26.14%	32.88%/24.69%
Mutual Funds	2.70%/2.49%	2.71%/1.59%
Others	7.68%/9.10%	8.55%/8.55%
Recoverable from Enterprise **	2.92%/4.63%	1.37%/3.82%
Total	100%/100%	100%/100%
vii) Actuarial Assumptions:		
Discount Rate	7.21%	7.34%
Salary escalation rate	7.00%	7.00%
Expected rate of Return on Plan Assets	7.96%/8.16%	8.07%/8.30%

* Note- include ₹ 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 ₹ 13,601 (₹ 8,551) 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.

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	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss:		
Net Expenses Recognised in the Statement of Profit & Loss [2022-23 Leave Encashed: ₹ 1,925, Provisions: ₹ 5,027] [2021-22 Leave Encashed: ₹ 1,890, Provisions: ₹ 1,602]	6,952	3,492
ii) Amounts to be recognised in Balance Sheet:		
Liability recognised in Balance Sheet [As per Actuarial Valuation]	46,443	41,416
iii) Actuarial Assumptions:		
Discount Rate	7.21%	7.34%
Rate of increase in compensation level	7.00%	7.00%
iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/ beyond 12 months.		
Current leave obligations expected to be settled within the next 12 months	5,488	3,972
Leave obligations expected to be settled beyond 12 months	40,955	37,444
Total	46,443	41,416

Notes to Accounts

(₹ in Lakhs)

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. 99.49% (98.67%) of the plan assets backing this plan are insurer managed assets and 0.50% (1.32%) 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% (NA) 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 2023	As at 31 March 2022
Non Current		
- Others	-	-
Sub Total (A)	-	-
Current		
Contract liability		
Deferred revenue	14,672	7,173
Customer advance received	14,81,740	14,48,782
Statutory liabilities	26,772	17,625
Others	5,882	5,270
Sub Total (B)	15,29,066	14,78,850
Total (A+B)	15,29,066	14,78,850

Notes to Accounts

(₹ in Lakhs)

i. Related Party Disclosure

For Related Party Disclosures refer Note 31.

- ii. Revenue recognised during the period is ₹ 5,68,898 (₹ 4,82,793) 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 2023	For the year ended 31 March 2022
Sale of products	15,59,423	13,57,069
Income from services	1,73,914	1,47,298
	17,33,337	15,04,367
Other operating revenue		
Sale of scrap	500	879
Transport receipts	312	360
Rent receipts	658	643
Canteen receipts	1,469	1,202
Electricity charges collected	238	246
Water charges collected	54	47
Provisions withdrawn		
- Doubtful debts, liquidated damages	8,794	8,264
- Inventory	2,867	2,957
- Loans & advances	360	108
	12,021	11,329
Government Grants including duty drawback	860	622
Customer grants	-	112
Miscellaneous	15,171	11,569
	17,64,620	15,31,376

(i) Disaggregation of revenue recognised against contracts with customers (2022-23)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Product	13,73,842	1,24,039	26,493	35,049	15,59,423
Income from Services	1,35,056	33,815	637	4,406	1,73,914
Total	15,08,898	1,57,854	27,130	39,455	17,33,337

Disaggregation of revenue recognised against contracts with customers (2021-22)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Product	12,34,899	75,585	24,758	21,827	13,57,069
Income from Services	1,15,464	29,703	359	1,772	1,47,298
Total	13,50,363	1,05,288	25,117	23,599	15,04,367

Notes to Accounts

(₹ in Lakhs)

(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price.

Particulars	2022-23	2021-22
Revenue as per Statement of Profit and Loss		
Sale of Products	15,59,423	13,57,069
Income from Services	1,73,914	1,47,298
Total (a)	17,33,337	15,04,367
Add / (Less) adjustment to contract price		
Foreign Exchange variation claim	(42,001)	(28,596)
Price revision	(5,842)	-
Discount and rebate offered	39	1,026
Others	(5,492)	(2,501)
Total adjustment (b)	(53,296)	(30,071)
Contract price (a + b)	16,80,041	14,74,296

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.
- 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/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.
- The company's 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 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,

Notes to Accounts

(₹ in Lakhs)

networking of equipment and system etc. Due to this it is not possible to quantify in physical terms the quantum of work done (i.e. output) reliably. Whereas, under input method, the cost incurred in respect of these varied activities can be captured and compared to the total estimated cost to be incurred (which can be estimated reliably), for arriving at the percentage of completion. In case of AMC contracts, output method is used to recognise revenue where passage of time is the criteria for satisfaction of performance obligation.

- J.** For revenue recognition in respect of performance obligation satisfied at a "point in time" the following criteria is used for determining whether customer has obtained "Control on asset"
- Transfer of significant risk and rewards
 - Customer has legal title to the asset
 - The entity has transferred physical possession of the asset
 - Customer has accepted the asset
 - Entity has the present right to payment for the asset
- K.** Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.
- L.** No non-cash considerations are received/given during the current/previous year.

An amount of Nil (₹ 247) (net) has been recognised as revenue during the year out of performance obligation satisfied in previous periods.

Note 24 - Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income from staff/IT refund/others*	244	292
Income from long term investments (Dividend)**	8,122	407
Interest income on term deposits	25,741	17,377
Profit on sale of PPE	152	45
Rental income - Investment property	242	191
Foreign exchange gain/loss	773	4,190
Gain / (loss) on mutual funds	587	587
Miscellaneous (Net of expenses)	141	270
	36,002	23,359

*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.

Notes to Accounts

(₹ in Lakhs)

Note 25 - Changes in inventories of finished goods, work in progress & scrap

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Work-in-progress:		
Closing inventory	1,93,943	1,67,272
Opening inventory	1,67,272	1,36,061
	(26,671)	(31,211)
Finished goods:		
Closing inventory	37,007	24,248
Opening inventory	24,248	27,675
	(12,759)	3,427
Scrap:		
Closing inventory	551	236
Opening inventory	236	323
	(315)	87
	(39,745)	(27,697)

Note 26 - Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, Wages and Bonus/Ex-gratia	1,84,994	1,64,123
Retirement benefit expenses		
Gratuity	1,168	1,460
Contribution to Provident and Pension Funds	12,668	11,798
Management Contribution to BEL Superannuation (Pension) Scheme	6,040	6,063
Provision for BEL Retired Employees Contributory Health Scheme	7,043	11,868
	26,919	31,189
Welfare Expenses	17,860	15,627
	2,29,773	2,10,939

Welfare expenses includes salaries ₹ 1,134 (₹ 1,107), PF contribution ₹ 116 (₹ 117).

- i.** Refer Note 21 (A) (iii), accordingly a provision of ₹ 5,050 (₹ 2,811) is made.
- ii.** Refer Note 31 for remuneration of Key Managerial Personnel.

Note 27 - Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expenses		
Interest on dues to Micro & Small Enterprises	(1)	13
Interest on income tax	1	-
Interest expense on lease liability	370	306
Other interest expenses	1,088	144
	1,458	463
Other borrowing cost		
Loan processing charges	21	22
	1,479	485

Notes to Accounts

(₹ in Lakhs)

Note 28 - Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation/amortisation on property, plant & equipment	38,338	36,106
Depreciation on investment property	1	1
Amortisation on other intangible assets	1,934	1,468
Depreciation on right of use assets	514	443
	40,787	38,018

Note 29 - Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel*	4,014	3,711
Water charges	396	419
Royalty & technical assistance	551	1,346
Rent	1,680	1,713
Rates & taxes	813	530
Insurance	2,733	2,413
Auditors remuneration		
Audit Fees	34	34
Tax audit fees	5	5
Other services (Certification fees)	10	9
Reimbursement of expenses	9	12
	58	60
Cost audit fee	4	4
Repairs & maintenance		
Buildings	2,519	2,602
Plant & machinery	1,680	1,120
Others	10,243	11,364
	14,442	15,086
Bank charges	366	342
Printing & stationery	352	277
Advertisement & publicity	1,768	289
Travelling expenses	12,914	7,823
Hiring charges for van/taxis	1,489	1,124
Packing & forwarding	2,541	2,845
Bad debts & advances written off	5,855	1,307
Less: charged to provisions	(5,855)	(1,307)
	-	-
Provision for obsolete / redundant materials	20,591	6,840
Provision for doubtful debts, LD, customers' claims & disallowances	46,327	26,963

Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Provision for doubtful advances, claims	165	219
Provision for performance warranty (net)**	3,542	9,507
Provision for onerous contracts	1,844	1,980
Write off of raw materials, stores & components due to obsolescence & redundancy	3,519	936
Less: charged to provisions	(3,436)	(920)
	83	16
Provision others	4,180	-
Provision for intangible assets under development	544	-
Write off of intangible assets under development	1,950	-
Corporate social responsibility	5,475	5,075
Others		
Other Misc. Direct Expenditure	14,546	7,585
After Sales Service	462	316
Telephones	1,088	766
Expenditure on Seminars & Courses	759	685
Other Selling Expenses	127	1,250
Miscellaneous	6,167	5,040
	23,149	15,642
Less: Expenditure allocated to capital jobs	(2,760)	(4,961)
	1,49,211	99,263

* Power expenditure incurred during the FY is after netting off Wind Energy Generating of ₹ 1,737 (₹ 1,627).

** Refer note 21.

Note - 30 General Notes to Accounts

1 Earnings per equity Share

Particulars	2022-23	2021-22
a From continuing operations		
Basic earnings per share [INR]	4.11	3.21
Diluted earnings per share [INR]	4.11	3.21
b Amounts used as the numerators in calculating basic and diluted earnings per share	3,00,667	2,34,893
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 Rule 3 of 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.

Notes to Accounts

(₹ in Lakhs)

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 ₹ 7,882 (₹ 7,337) is provided as provision for impairment as on Balance Sheet date. During the year an amount of ₹ 545 (Nil) has been provided as impairment of asset.

5 Short Term Borrowings

- The Company has been sanctioned working capital limit of ₹ 5,00,000 (₹ 4,00,000) 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 (₹ 3,50,000).
- The interest rate payable on fund based limit is linked to SBI 3 Months (1 Year) MCLR Rate. [Interest rate payable as on 31.03.2023 is 8.10 % p.a. (6.65%)].
- The amount utilised is repayable on demand. Utilisation as on 31.03.2023 is Nil (Nil).
- The above sanction limit is secured by hypothecation of Current Assets of the Company (Refer Note 35).

6 Contractual Commitments

Particulars	As at 31 March 2023	As at 31 March 2022
A. Estimated amount of contracts remaining to be executed on capital account and not provided as on 31 March		
Property, plant & equipment	71,286	43,332
Investment property	-	-
Other intangible assets	5,481	4,473
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 2023	For the year Ended 31 March 2022
Expenditure		
Materials	24,045	23,708
Employees Remuneration & Benefits	55,841	52,987
Depreciation	9,161	9,021
Others	18,517	21,222
Gross Expenditure	1,07,564	1,06,938

Note: The above expenditure includes ₹ 2,466 (₹ 3,647) which has not been charged off.

Notes to Accounts

(₹ in Lakhs)

8 Contingent Liabilities:

Particulars	As at 31 March 2023	As at 31 March 2022
Claims not acknowledged as debts	1,02,532	1,00,509
Outstanding Letters of Credit	62,865	72,997
Others	26,336	3,486
Provisional Liquidated Damages up to 31 March on unexecuted customer orders where the delivery date has expired	46,236	35,986

In respect of certain 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 2023	As at 31 March 2022
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 Labour Disputes

In respect of Labour matters, as the matters are yet to be adjudicated, the liability, if any, is not ascertainable. However, such liability is not expected to be material.

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:

- The future minimum Lease Rent Receivable

Particulars	As at 31 March 2023	As at 31 March 2022
Not later than one year	62	53
Later than one year and not later than five years	316	241
Later than five years.	2,715	2,785

- The company has Leased out Point of Sales machines to Government of Haryana for period of five years from 2016-17 to 2021-22.
- 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.

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 Retention Sales

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 ₹ 76,411 (₹ 80,880).

Out of the above the Value of Ex-works Sales is ₹ 10,008 (Nil).

15 Foreign Exchange Exposure

The disclosure of "Foreign Exchange Exposure", the major currency-wise exposure as on 31 March 2023 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	734	60,914	234	19,029	480	39,895
	(626)	(47,968)	(134)	(10,007)	(576)	(44,175)
EURO	158	14,373	16	1,409	125	11,368
	(203)	(17,446)	-	(22)	(172)	(14,822)
GBP	20	2,039	-	-	12	1,212
	(10)	(966)	-	-	(10)	(1,050)

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
JYEN	93	59	-	-	-	-
	(11)	(7)	-	-	-	-
CHF	30	2,710	-	-	29	2,690
	(10)	(849)	-	-	(1)	(94)
OTHERS	3	157	-	-	-	-
	(9)	(532)	-	-	(15)	(125)
Total (₹)		80,252		20,438		55,165
		(67,768)		(10,029)		(60,265)
Amount covered by Exchange Rate variation clause from Customers out of the above		18,168		-		23,506
		(17,830)		-		(27,997)

* includes exposures relating to outstanding Letters of Credit and Capital Commitments.

During the FY 2022-23, 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 31.03.2023.

16 Disclosure relating to CSR Expenditure

a Gross amount required to be spent by the Company during the FY 2022-23 is ₹ 5,749 (₹ 5,329).

b Amount spent during the FY 2022-23:

Sl No.	Particulars	In Cash	Yet to be paid in Cash	Total	Appropriation / Provision * for unspent amount	CSR Grand Total
i)	Construction / Acquisition on any asset	-	-	-	-	-
		-	-	-	-	-
ii)	Purposes other than (i) above	2,652	15	2,667	3,082	5,749
		(2,958)	(115)	(3,073)	(2,256)	(5,329)

* ₹ 3,082 (₹ 2,409) 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 ₹ 274 (₹ 254) which is grouped under Employee benefits expense.

c. Movement of CSR Provision

Sl No.	Particulars	2022-23	2021-22
i	As at 1 April	5,095	4,504
ii	Additional provision / appropriation recognised during the year *	3,082	2,256
iii	Less: Amount used during the year	2,391	1,665
iv	Less: Amount reversed during the year	-	-
v	As at 31 March	5,786	5,095

* Includes provision towards interest earned from CSR funds Nil (Nil).

Notes to Accounts

(₹ in Lakhs)

Sl No.	Particulars	2022-23	2021-22
1	Amount required to be spent by the Company during the year	5,749	5,329
2	Amount of Expenditure incurred	2,667	3,073
3	Shortfall at the end of the year	3,082	2,256
4	Total of previous years shortfall	2,704	2,839
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

17 COVID - 19 Impact

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the financial statements including the recoverability of carrying amount of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of pandemic, the company has used its available internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the financial statements may differ from the estimate as at the date of approval of the financial statements.

18 Dividend not recognised at the end of the reporting period

The directors have recommended a final dividend of INR 0.60 (INR 1.50) 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 ₹ 43,859 (₹ 36,549).

19 An amount of ₹ 26 (Nil) 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.

20 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 Year	1-2 Years	2-3 Years	More than 3 Years
Unexecuted order value	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.

Notes to Accounts

(₹ in Lakhs)

21 Financial Ratios as per Revised Schedule III Requirements:-

Sl. No.	Particulars	2022-23	2021-22	%age change	Remarks
Numerator	Current Assets	29,90,328	27,15,716		
Denominator	Current Liabilities	20,50,881	19,53,203		
(a)	Current Ratio (in times)	1.46	1.39	5.04	
Numerator	Total Debt	-	-		
Denominator	Shareholder's Equity / Net Worth	13,58,199	11,98,426		
(b)	Debt-Equity Ratio (in times)	-	-		
Numerator	Earnings available for debt service (PAT + Interest Cost + Depreciation / Amortisation)	3,42,933	2,73,396		
Denominator	Debt Service (Interest + Lease Payments + Principal Repayments)	1,479	485		
(c)	Debt Service Coverage Ratio (in times)	231.87	563.70	(58.87)	Due to increase in finance costs by ₹ 994 during the current year.
Numerator	Profit After Tax (PAT)	3,00,667	2,34,893		
Denominator	Average Shareholder's Equity / Net Worth	12,78,313	11,39,608		
(d)	Return on Equity Ratio (in %age)	23.52	20.61	14.12	
Numerator	Sales & Services	17,33,337	15,04,367		
Denominator	Average Inventory	5,98,948	5,26,079		
(e)	Inventory Turnover Ratio (in times)	2.89	2.86	1.05	
Numerator	Sales & Services	17,33,337	15,04,367		
Denominator	Average Trade Receivables	6,56,270	6,32,747		
(f)	Trade Receivables Turnover Ratio (in times)	2.64	2.38	10.92	
Numerator	Purchases	11,05,144	9,79,170		
Denominator	Average Trade Payables	3,34,317	3,33,157		
(g)	Trade Payables Turnover Ratio (in times)	3.31	2.94	12.59	
Numerator	Sales & Services	17,33,337	15,04,367		
Denominator	Working Capital	9,39,447	7,62,513		
(h)	Net Capital Turnover Ratio (in times)	1.85	1.97	(6.09)	
Numerator	Profit After Tax (PAT)	3,00,667	2,34,893		
Denominator	Sales & Services	17,33,337	15,04,367		
(i)	Net Profit Ratio (in %age)	17.35	15.61	11.15	
Numerator	Earnings Before Interest and Tax (EBIT)	3,99,967	3,16,265		
Denominator	Capital Employed	12,06,666	10,14,876		
(j)	Return on Capital Employed (in %age)	33.15	31.16	6.39	

Notes to Accounts

(₹ in Lakhs)

Sl. No.	Particulars	2022-23	2021-22	%age change	Remarks
Numerator	Income from long term investments (Dividend)	8,124	408		
Denominator	Investments in Equity Instruments	21,303	21,301		
(k)	Return on Investment (in %age)	38.14	1.92	1,886.46	Due to increase in Dividend income by ₹ 7,715 received from Subsidiaries and Associate Company during the current year.

22 Other Disclosure required as per the amendments in Schedule III.

a The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b Struck off Companies

₹ In INR (Represents absolute figure)

Name of the Struck off Company	Nature of Transactions with struck off company	Relationship with the struck off company, if any to be disclosed	As at 31 March 2023	As at 31 March 2022
Muskan Enterprises Private Limited	Advance received	-	-	3,012
Raju Enterprises Private Limited	Advance received	-	-	1,67,649
Hema Enterprises Private Limited	Advance received	-	-	16,815
Sharp Products Private Limited	Advance received	-	28,932	28,932
M S Enterprise Private Limited	Advance received	-	399	53,640
H.M. BROS. Ltd.	Trade payable	-	38,586	-
Ravi Thermal Engineers Pvt Ltd	Trade payable	-	6,480	-
S P Enterprises Private Limited	Advance received	-	1,908	1,908
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	-	-	3,07,390
Bigtech Software Private Limited	Trade payable	-	1,34,436	68,759
Chawla Health Care Private Limited	Trade payable	-	90,473	1,57,976
Chawla Health Care Private Limited	Security Deposit received	-	4,87,435	4,87,435
Compu lease Networks Private Limited	Trade payable	-	13,44,917	12,86,926
El Camino Technologies Private Limited	Trade payable	-	19,500	19,500
Embedded Software Development Private Limited	Trade payable	-	-	8,13,920
Exigent Solutions Private Limited	Advance paid	-	19,50,934	19,50,934
Exigent Solutions Private Limited	Trade payable	-	72,632	72,632
Innowire Technologies Private Limited	Trade payable	-	4,98,550	4,98,550
Integra Micro Systems Private Limited	Trade payable	-	-	1,95,216
Kaptron Private Limited	Trade payable	-	1,26,000	1,26,000
Road Carrier Of India Private Limited	Security Deposit received	-	25,000	25,000
S.B.S. Technocarts & Engineers Private Limited	Security Deposit received	-	-	2,23,054
S.B.S. Technocarts & Engineers Private Limited	Trade payable	-	-	3,74,973
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
Sumitron Exports Private Limited	Trade payable	-	-	41,681

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 2023	As at 31 March 2022
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
Tangmarg Investment and Trading Pvt Ltd	Shareholders	-	7,540	-
Satidham Industries Private Limited	Shareholders	-	-	12,000
Garg Capital & Stock Private Limited	Shareholders	-	9,900	3,300
D R Shares Private Limited	Shareholders	-	9,900	3,300
Salasar Securites Private Limited	Shareholders	-	-	1,200
Astral Auto Parts Private Limited	Shareholders	-	-	1,100
Arvind Securities Private Limited	Shareholders	-	-	198

c The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (RoC) beyond the statutory period.

d The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

e The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 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.

g 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).

23 During the year 2019-20, a fraud on the company by the employees 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.

24 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.

25 Figure in brackets relate to previous years.

26 All figures in financial statements are rounded off to nearest lakhs unless otherwise mentioned.

27 The standalone Ind AS financial statements were approved for issue on 20 May 2023 by the Board of Directors.

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 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
		BEL Optronic 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.

Mr Vinay Kumar Katyal, Director [BG Complex], Additional charge as Director [Finance] from 01.11.2022 to 10.01.2023.

Mr Manoj Jain, Director [Research & Development] from 26.09.2022 and Additional Charge as Director [Human Resources] from 01.11.2022.

Mr Damodar Bhattad S, Director (Finance) & CFO from 11.01.2023

Mr Dinesh Kumar Batra, Director [Finance] & CFO upto 31.10.2022, Additional Charge as Chairman & Managing Director, 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 [R&D] upto 31.08.2022

Mr M V Gowtama, Chairman & Managing Director upto 30.06.2021

Mrs Shikha Gupta, Director [Other Units] upto 08.05.2021

Mr Shivakumaran K M, Director [HR] upto 31.08.2021

Mr S Sreenivas, Company Secretary

ii. Compensation to Key Management Personnels

Particulars	For the year Ended 31 March 2023	For the year Ended 31 March 2022
Short term employee benefits	314	301
Post employment benefits	10	11
Long term employee benefits	74	62
Termination benefits	-	-
Share based payment	-	-
Total	398	374

Notes to Accounts

(₹ in Lakhs)

c. Post Employment Benefit Plans.

Particulars	Contribution by the company	
	For the year Ended 31 March 2023	For the year Ended 31 March 2022
BEL Provident Fund Trust	11,598	10,922
BEL Gratuity Trust Fund	-	-
Bharat Electronics Limited Superannuation (Pension) Trust	6,040	6,063
Bharat Electronics Limited Retired Employees Medical Trust (BREMT)*	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 Optronic Devices Ltd (BELOP)	BEL-THALES Systems Ltd	GE BE Private Ltd	Defence Innovation Organisation	
Purchase of Goods	904	4,359	-	-	5,263
	(1,268)	-	-	-	(1,268)
Sale of Goods	-	723	2,240	-	2,963
	-	(2,543)	(2,365)	-	(4,908)
Services Received	118	587	-	-	705
	(57)	(432)	-	-	(489)
Services rendered	1	34	-	-	35
	-	(7)	-	-	(7)
Rent Received (Lease)	-	48	-	-	48
	-	(45)	-	-	(45)
Interest Income	-	-	-	-	-
	(3)	-	-	-	(3)
Dividend Income on Investments	206	116	7,800	-	8,122
	(147)	-	(260)	-	(407)
Loan disbursed	-	-	-	-	-
	-	-	-	-	-
Trade Payables Outstanding as on 31.03.2023	69	647	-	-	716
	(36)	(440)	-	-	(476)
Trade Receivables Outstanding as on 31.03.2023	1	1	515	-	517
	(1)	(330)	(606)	-	(937)
Investment in Equity as on 31.03.2023	16,990	4,264	260	1	21,515
	(16,990)	(4,264)	(260)	(1)	(21,515)
Rights Issues during 2022-23 *	2,199	-	-	-	2,199
	-	-	-	-	-
Contribution Outstanding as on 31.03.2023	-	-	-	4,000	4,000
	-	-	-	(4,000)	(4,000)

* 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.

Notes to Accounts

(₹ in Lakhs)

Directors sitting fees:

The sitting fees paid to non executive Directors is ₹ 32 during the Financial Year 2022-23 and ₹ 18 during the Financial Year 2021-22.

All transactions dealt with related parties are on arm's length basis. In respect of loan to subsidiary (BELOP) refer note "g" below.

- e. 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.
- f. The Company has entered into an Agreement with BELOP in April, 2013 to temporarily fund the amount of ₹ 10,416 [₹ 26,040 less ₹ 15,624] for enabling BELOP to make payment towards ToT for XD-4 II Tubes, pending receipt of balance amount from MoD. As on 31.03.2023, an amount of ₹ 9,851 (₹ 9,851) has been paid to BELOP, out of which an amount of ₹ 9,851 (₹ 9,851) has been received from MoD.

As per the Agreement, an amount of Nil (Nil) has been recovered during the financial year from BELOP towards the cost of funds.

g. Loans to Related Parties

1. The Company has entered into an agreement with BELOP in August 2016 to fund a Term Loan of ₹ 4,600 out of which ₹ 2,935 has been disbursed as on 31.03.2023 and an amount of Nil (Nil) is outstanding as on 31.03.2023.

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: -

2,49,19,47,956 (Nil) number of Bonus Shares were Issued in FY 2022-23.

An amount of ₹ 63,546 (₹ 52,331) was paid as Dividend during the FY 2022-23.

In addition to the above, around 96% (97%) of the Company's Turnover, around 97% (99%) of Trade Receivables and around 99% (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 situated in BEL's premises in Bengaluru.

Notes to Accounts

(₹ in Lakhs)

Note 32 Interest in Associate

A	Name of the Entity	GE BE Private Limited	
	Place of Business/Place of Incorporation	India	
	% of ownership interest	26%	
	Relationship	Associate	
	Carrying Amount	2022-23	20,083
		2021-22	(23,299)

Fair Value of the investment in Associate is not disclosed as the equity of GE BE Private Limited is unquoted.

GE BE Private Ltd is a manufacturer of medical instruments and its products complement the business segment of Components SBU of BEL Bangalore Complex and BEL Pune unit.

Carrying amount of the Company's interest in GE BE Private Ltd. (Audited)

Summarised Balance Sheet	As at 31 March 2023	As at 31 March 2022
Non - Current assets	25,567	24,378
Current assets		
Cash and Cash equivalents	17,669	1,344
Other assets	57,294	92,831
Total current assets	74,963	94,175
Total assets	1,00,530	1,18,553
Non - current liabilities		
Financial liabilities other than trade payables	31	18
Provisions and Other liabilities	1,024	439
Total non - current liabilities	1,055	457
Current liabilities		
Financial liabilities other than trade payables	872	771
Other liabilities	21,362	27,714
Total current liabilities	22,234	28,485
Total liabilities	23,289	28,942
Net assets	77,241	89,611
Company's share of Net assets	20,083	23,299

Summarised Statement of Profit & Loss	For the year Ended 31 March 2023	For the year Ended 31 March 2022
Revenue	1,57,910	1,56,672
Interest Income	1,082	1,682
Depreciation and amortisation	3,707	3,598
Interest expense	44	16
Income tax expense	6,040	6,041
Profit for the year	17,624	17,578
Other comprehensive income	6	(24)
Total comprehensive income	17,630	17,554
Company's share of Profit	4,582	4,570
Company's share of OCI	2	(6)
Company's share of total comprehensive income	4,584	4,564

The Company has received Dividend of ₹ 7,800 (₹ 260).

Notes to Accounts

(₹ in Lakhs)

Reconciliation of carrying amounts

Summarised Statement of Profit & Loss	For the year Ended 31 March 2023	For the year Ended 31 March 2022
Opening net assets	23,299	18,995
Profit for the year	4,582	4,570
Other comprehensive income	2	(6)
Dividend paid	7,800	260
Closing net assets	20,083	23,299

Commitments and Contingent Liabilities in respect of Associate: -

Particulars	GE BE Private Ltd.	
	As at 31 March 2023	As at 31 March 2022
Capital Commitments	210	180
Other Commitments	-	-
Other Contingent Liabilities	117	831

B Name of the Entity	Defence Innovation Organisation
Place of Business / Place of Incorporation	India
% of ownership interest	50%
Relationship	Associate
Carrying Amount	
	2022-23
	2021-22

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 2023			As at 31 March 2022		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets measured at fair value						
I Investments						
i Equity Instruments – Mana Effluent treatment Pvt Ltd	-	15	-	-	13	-
ii Equity instruments - Defence Innovation Organisation	-	1	-	-	1	-
iii Other Investments	-	-	-	-	-	-
a. Investment in Life Insurance Corporation (LIC) of India (towards Leave encashment & BERECHS)	44,910	-	-	1,33,896	-	-
Sub Total	44,910	16	-	1,33,896	14	-

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets not measured at fair value						
II Trade Receivables	-	-	7,02,201	-	-	6,10,339
III Loans						
a Loans to Related Parties	-	-	-	-	-	-
b Loans to Employees	-	-	828	-	-	876
c Loans to Others	-	-	-	-	-	-
IV Cash and cash equivalents	-	-	3,86,418	-	-	1,23,904
V Other Bank Balances	-	-	4,14,482	-	-	6,26,010
VI Other Financial Assets						
a Security deposits	-	-	3,872	-	-	3,957
b Advance to Employees	-	-	166	-	-	168
c Advance to Others	-	-	3	-	-	3
d Receivables (other than Trade Receivables)	-	-	1,795	-	-	2,540
e Bank deposits with more than 12 months maturity	-	-	173	-	-	173
f Interest accrued but not due on term deposits	-	-	1,969	-	-	3,775
g Other financial Assets	-	-	14,132	-	-	1,890
Other Investments						
a Investment in Co-operative societies, Housing Societies etc.*	-	-	-	-	-	-
b Investment in Subsidiaries	-	-	21,254	-	-	21,254
c Investment in Associate	-	-	260	-	-	260
Sub Total	-	-	15,49,752	-	-	13,95,149
Total	44,910	16	15,49,752	1,33,896	14	13,95,149

* INR 4,750 (INR 4,750) [represents absolute figure] which is rounded off.

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Liabilities measured at fair value						
Total	-	-	-	-	-	-
Financial Liabilities not measured at fair value						
I Borrowings	-	-	-	-	-	-
II Trade Payables	-	-	3,32,003	-	-	3,36,630
III Other Financial Liabilities						
a Security Deposits	-	-	39,445	-	-	30,498
b Interest accrued and due on term loan	-	-	-	-	-	-
c Interest Accrued and due on Trade Payables	-	-	5	-	-	14
d Other Trade payables	-	-	14,697	-	-	8,745
e Unpaid Matured Deposits	-	-	37	-	-	37
f Unpaid Dividend	-	-	246	-	-	215
g Non Trade Payables Dues to Micro and Small Enterprises	-	-	631	-	-	337
h Outstanding Expenses	-	-	70,953	-	-	56,912
i Other Lease liability	-	-	6,134	-	-	5,270
j Other Liabilities	-	-	1,465	-	-	1,000
Total	-	-	4,65,616	-	-	4,39,658

Notes to Accounts

(₹ in Lakhs)

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 2023			As at 31 March 2022		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
I Financial Assets and Liabilities measured at Fair value – recurring fair value measurements							
A Financial Assets							
i Financial Investments at FVPL	6	-	44,910	-	-	1,33,896	-
ii Financial Investments at FVOCI - Unquoted	6	-	-	16	-	-	14
II Financial Assets and Liabilities which are measured at Amortised Cost		No separate Fair value is disclosed as the Carrying value of these Assets and Liabilities represents their Fair Value.					

Level 1: Level 1 hierarchy includes Financial instruments measured using quoted prices.

Level 2: The fair value of Financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case of unlisted equity shares.

3 Valuation technique used to determine Fair Value

a. LIC Investment - (Level 2)

Based on valuation report of the Scheme provided by LIC.

b. Mana Effluent Treatment Plant Ltd - (Level 3)

BEL has invested in equity securities of Mana Effluent Treatment Plant Ltd. which is an unlisted company. The Company's cost of investment in Mana Effluent Treatment Plant Ltd is only ₹ 5 (out of issued Share Capital of ₹ 163). The company has opted for Net Asset Value method for fair valuation.

c. Defence Innovation Organisation (DIO) - (Level 3)

BEL has contributed to equity capital of M/s Defence Innovation Organisation (DIO), a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an objective of funding innovation in defence sector. The company has opted for Net Asset Value method for fair valuation.

Note 34 - Financial risk management

i) Risk Management framework and policies

The Company is broadly exposed to credit risk, liquidity risk and market risk (fluctuations in exchange rates, interest rates and price risk) as a result of financial instruments.

Board of Directors have the overall responsibility for the establishment, monitoring and supervision of the Company's Risk Management framework. The Board has set up a Risk Management Committee, for this purpose, which is responsible for developing and monitoring the risk management policies. The Company has an established Risk Management Policy that outlines risk management structure and provides a comprehensive frame work for identification, evaluation, prioritisation, treatment of various risks associated with different areas of finance and operations.

Notes to Accounts

(₹ in Lakhs)

The company has a centralised Treasury function which is responsible to undertake appropriate measures to mitigate financial risk in accordance with the policies and procedures formulated by the Board. Hedging transactions are undertaken by a team with appropriate skills and experience in consultation with an external expert. The Company does not trade in derivatives for speculation.

ii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk).

iii) Currency Risk

BEL is exposed to foreign exchange risk arising from foreign currency transactions primarily relating to purchases and sales made in foreign currencies such as US Dollar, Euro, Great Britain Pound, Swiss Franc and Japanese Yen. Foreign exchange risk arises from existing and future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

The Company has a Board approved currency risk management policy implemented by a Risk Management Committee that reviews the Company's exposure to this risk on a regular basis. The Risk Management Policy recommends hedging upto 50% of the open foreign currency exposure. However the decision to enter into a hedging arrangement is made by the Risk Management Committee based on the relevant data inputs and the advice of the external specialist consultant retained for this purpose.

The Company's export proceeds are realised mostly by remittance into an Export Earners Foreign Currency account (EEFC) which is then utilised for payments to be made in foreign currency, thereby mitigating the currency risk on exports. Imports to the extent of around 12% (8%) 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 2023, there are no outstanding forward contracts.

The company's exposure to foreign currency risk in respect of major currencies is given below:

Particulars	As at 31 March 2023					As at 31 March 2022				
	USD	EURO	GBP	CHF	J Yen	USD	EURO	GBP	CHF	J Yen
Trade Payable	734	158	20	30	93	626	203	10	10	11
Trade Receivable / Contract asset	234	16	-	-	-	134	-	-	-	-
Net Exposure	500	142	20	30	93	492	203	10	10	11

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.

Notes to Accounts

(₹ in Lakhs)

Particular	Impact on Profit	
	As at 31 March 2023	As at 31 March 2022
USD – Increase by 5%	2,076	1,885
USD – Decrease by 5%	(2,076)	(1,885)
EURO – Increase by 5%	648	874
EURO – Decrease by 5%	(648)	(874)
GBP – Increase by 5%	104	51
GBP – Decrease by 5%	(104)	(51)
CHF – Increase by 5%	137	42
CHF – Decrease by 5%	(137)	(42)

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 (₹ 4,00,000). The sanctioned limit includes fund based limit of ₹ 50,000 (₹ 50,000) and non fund based limit of ₹ 4,50,000 (₹ 3,50,000). The fund based limit of ₹ 50,000 has not been utilised during the year [Outstanding as on 31 March 2023 is Nil (31 March 2022 is Nil)]. The outstanding balance as on 31.03.2023 with respect to non fund based limit is ₹ 2,37,600 (₹ 2,69,500). The interest is payable based on SBI's 3 months (1 Year) 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 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.

Notes to Accounts

(₹ in Lakhs)

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

As at 31 March 2022

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	3,10,782	11,751	14,063	-	34	-	3,36,630
Interest accrued and due on Trade Payables	14	-	-	-	-	-	14
Lease Liability	275	36	46	245	676	3,992	5,270
Other Financial Liabilities	72,295	2,894	20,232	2,266	59	-	97,744

The company does not have any outstanding derivatives as on 31 March 2023.

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.

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.

Notes to Accounts

(₹ in Lakhs)

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 2023	As at 31 March 2022
Net Debt	-	-
Total Equity	13,58,199	11,98,426
Net Debt to Equity Ratio	-	-

Note 35 - Assets pledged as security

The carrying amounts of assets pledged as security for Term Loan and Working Capital borrowings are:

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Inventories	6,40,618	5,53,956
(ii) Trade Receivables	7,02,201	6,10,339
(iii) Cash & Cash Equivalents	3,86,417	1,23,857
(iv) Bank Balances [Other than (iii) above]	4,11,300	6,24,300
(v) Loans	172	148
(vi) Other Financial Assets	22,392	10,231
(vii) Other Current Assets	7,52,693	7,48,517
Total assets pledged as security	29,15,793	26,71,348

Refer Note 18 for the details of borrowings.

Note 36 - 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.

Notes to Accounts

(₹ in Lakhs)

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 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.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Significant 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.

Significant 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.
 - 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

Significant Accounting Policies on Ind AS Standalone Financial Statements

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

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 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.

- 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

Significant Accounting Policies on Ind AS Standalone Financial Statements

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.

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

Significant Accounting Policies on Ind AS Standalone Financial Statements

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 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

Significant Accounting Policies on Ind AS Standalone Financial Statements

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.

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

Significant Accounting Policies on Ind AS Standalone Financial Statements

of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating Lease:

The company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

15. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. General borrowing costs are capitalised to qualifying assets by applying a capitalisation rate to the expenditure on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

16. Government Grants

Grants from Government are measured at fair value and initially recognised as Deferred Income.

The amount lying in Deferred Income on account of acquisition of Fixed Asset is transferred to the credit of Statement of Profit and Loss in proportion to the depreciation charged on the respective assets to the extent attributable to Government Grants utilised for the acquisition.

The amount lying in Deferred Income on account of Revenue Expenses is transferred to the credit of Statement of Profit and Loss to the extent of expenditure incurred in the ratio of the funding to the total sanctioned cost, limited to the government grant received.

17. 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

Significant Accounting Policies on Ind AS Standalone Financial Statements

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.

- (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.
- (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

Significant Accounting Policies on Ind AS Standalone Financial Statements

at a fixed percentage of employees' pay. These contributions are recorded in the statement of profit and loss. The Company's liability is limited to the extent of contributions made to these funds.

23. Provisions

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

B. Contingent Liabilities/Assets

Contingent Liabilities/Assets to the extent the Management is aware, are disclosed by way of notes to the financial statements.

24. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7 - Statement of Cash Flows.

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).

Significant Accounting Policies on Ind AS Standalone Financial Statements

(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.

- Time barred dues from the government / government departments / government companies are generally not considered as increase in credit risk of such financial asset.
- Where dues are disputed in legal proceedings, provision is made if any decision is given against

the Company even if the same is taken up on appeal to higher authorities / courts.

- Dues outstanding for significant period of time are reviewed and provision is made on a case to case basis.

Impairment loss allowance (or reversal) is recognised as expense / income in the statement of profit and loss.

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.

Significant Accounting Policies on Ind AS Standalone Financial Statements

(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.

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 **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

M Surendra Reddy
Partner
Membership No. 215205

Guwahati
20 May 2023

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

S Sreenivas
Company Secretary

Independent Auditor's 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** (the "Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") and its Associate, which comprise the Consolidated Balance Sheet as at 31 March 2023, 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 Consolidated financial statements, including a summary of significant 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, 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:

- In case of Consolidated Balance Sheet, of the state of affairs of the Group and its associate as at 31 March 2023;
- In case of Consolidated Statement of Profit and Loss, of the Profit and total comprehensive income for the year ended on that date;
- In case of Consolidated Statement of Changes in Equity, of the changes in equity for the year ended on that date and

- In case of Consolidated Statement of Cash Flows, of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's response
1	<p>Accuracy of recognition, measurement, presentation and disclosure of revenue and related balances towards Ind AS 115- Revenue from Contracts with Customer.</p> <p>The application of this standards involves the assessment towards identification of the distinct performance obligations, determination of the transaction price for each of the identified performance obligation, the judgements used for determining the satisfaction of those performance obligations over time or at a point in time.</p> <p>Additionally, the application of the standard also involves judgement used in identifying the amount of cost incurred to obtain or fulfil a contract and the disclosure of the periods over which performance obligations are satisfied over time subsequently to the reporting date.</p> <p>The holding company's Revenue from Contracts mainly includes supply of defence electronics equipment's and systems.</p> <p>(Refer Note No. 23 to the consolidated financial statements and S.No. 5 to the Accounting policies)</p>	<p>Principal Audit procedure –</p> <p>Our Audit procedure involve identification of internal controls and their operating effectiveness towards application of this standard. We have also carried out the substantive testing of the transactions.</p> <ol style="list-style-type: none"> We have assessed the appropriateness of the revenue recognition policies by comparing with the applicable Indian accounting standards. Selected the samples of continuing contracts as well as new contracts and identified the performance obligations and compared the same with performance obligation identified by the holding company. Verified the basis of allocation of the transaction price to the identified performance obligation if not specifically mentioned in the contract. Identified the basis to be considered to determine the satisfaction of the performance obligation and compared the same with the judgments used by the holding company in determining the satisfaction of performance obligation over the time or at a point in time. Verified the appropriate evidence considered for determining the satisfaction of performance obligation towards transfer of promised goods or services. In respect of the contracts where the satisfaction of performance obligation over time, we have verified the method identified by the holding company for recognising the revenue and ensured that those methods are appropriate considering the nature of the performance obligation. Verified the judgements used by the holding company to identify those costs that are incurred to obtain or fulfil the contract and period over which those costs will be amortised. Review of the plan available with the holding company towards satisfaction of remaining performance obligation identified based on the delivery terms defined in the Customer order to prepare the disclosure relating to periods over which remaining unsatisfied or partially satisfied performance obligation will be satisfied subsequent to the reporting date. Verified the judgements used by the holding company to identify the performance obligation under unconditional appropriation in case of Bill and Hold arrangements.
2	<p>Critical estimates in respect of Onerous Contracts –</p> <p>Estimation of unavoidable costs for meeting or satisfaction of performance obligation in respect of contract that have become onerous is critical. The unavoidable costs to complete the performance obligations, being an accounting estimate, is subjected to estimation certainty.</p> <p>(Refer Note No. 21 to the consolidated financial statements and S.No. 22 to the Accounting policies)</p>	<p>Principal Audit procedure –</p> <p>We have enquired with the Management of the Holding Company regarding the internal controls available towards identification of onerous contracts and cost to fulfil those contracts.</p> <ol style="list-style-type: none"> Selected the sample of the continuing as well as new contracts and tested the effectiveness of the controls towards recognition of costs incurred for a particular contract and estimation of costs necessary to fulfil the unsatisfied/ partially satisfied performance obligations in it. Carried out test of controls and substantive procedures in determining the estimates for unavoidable costs towards onerous contracts. Verified the purchase/Service Orders issued towards satisfying the performance obligation and costs incurred thereunder. Verified the internal controls towards identification of costs incurred towards the concerned contracts and ensured that only the costs related to the contract is recorded. Verified the possible reductions in the contract price towards the balance performance obligations in respect of penalties, contract modifications.

Sl. No.	Key Audit Matter	Auditor's response
3	<p>Critical estimates made in respect of expected cost to complete the contract i.e., satisfaction of performance obligation over time. The estimate has inherent limitation of certainty towards estimating the cost to satisfy the performance obligation.</p> <p>(Refer Note No. 23 to the consolidated financial statements and S.No. 5 to the Accounting policies)</p>	<p>Principal Audit procedure –</p> <p>We have enquired with the Management of Holding Company regarding the internal controls available towards the identification of contract where the performance obligation are satisfied over the period of time –</p> <ol style="list-style-type: none"> Selected the sample of the continuing as well as new contracts and tested the effectiveness of the controls towards recognition of costs incurred for a particular contract and estimation of costs necessary to fulfil the unsatisfied/ partially satisfied performance obligations in it. Carried out test of controls and substantive procedures in determining the estimates for cost necessary to fulfil the contract. Verified the purchase/Service Orders issued towards satisfying the performance obligation and costs incurred thereunder. Verified the internal controls towards identification of costs incurred towards the concerned contracts and ensured that only the costs related to the contract is recorded. Verified the possible reductions in the contract price towards the balance performance obligations in respect of penalties, contract modifications. Discussed with the Management and analysed that the cost estimated is towards the work that are pending to be carried out for completion and satisfaction of the performance obligation.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including its annexures, Corporate Governance and Shareholders information but does not include the consolidated financial statements and our auditor's report thereon.

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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

Responsibilities of Management and Those charged with the Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act,

2013 with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated 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 accounting standards specified under Section 133 of the Act. 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 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 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 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 of 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 the Management either intends to liquidate the group 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 also responsible for overseeing the financial reporting process of the group and of 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the group and its associate, has adequate internal financial controls with reference to consolidated financial statements system 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 the 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 of 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are 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, 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 whose financial statements reflect total assets of ₹ 48,646 Lakhs as at 31 March 2023 and total revenues of ₹ 15,656 Lakhs and net cash flows amounting to ₹ 1,968 Lakhs for the year ended on that date, as considered in the Consolidated financial statements. The Consolidated financial statements also include Subsidiaries' share of net profit (including Other Comprehensive Income) of ₹ 1,396 Lakhs for the year ended 31 March 2023, whose financial statements have not been audited by us.

The Consolidated financial statements reflect Group's share of net assets of ₹ 20,083 Lakhs and net profit (including other comprehensive income) of ₹ 4,584 Lakhs in the Associate whose financial statements have not been audited by us.

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 and Associate and our report in terms of Sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries and Associate, is based solely on the reports of the other auditors.

Our opinion on the Consolidated financial statements and our report on the Other Legal and Regulatory Requirements below is not modified in respect of the above matters based on our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. 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 reports issued by us for the Holding Company and its Subsidiaries included in the Consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

2. As required by Section 143(3) of the Act, based on our audit 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 purpose of our audit of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of accounts 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 reports of the other auditors.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts 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.

- e) The Holding Company and its Subsidiaries being Government Companies, the provisions of Section 164(2) of the Companies Act, 2013 in respect of disqualification of Directors are not applicable.

On the basis of the report of statutory auditor of the Associate Company incorporated in India, none of the Directors of the Associate Company are disqualified as on 31 March 2023, from being appointed as a Director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and of its associate and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's report of the Holding company and its Subsidiary companies.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Companies Act, 2013 as amended:

The Holding company and its Subsidiaries being Government companies and its associate, being Private company, the provisions in relation to the payment of managerial remuneration as mandated by section 197 read with Schedule V to the Companies Act, 2013 is not applicable.

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated financials statements disclosed the impact of pending litigations on its financial position of the Group and its Associate - Refer Note 30(10) to the consolidated financial statements.

- ii. The Group and its Associate has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts - Refer Note No.21 to the consolidated financial statements. The Group and its associate do not have any derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associate.

- iv. a) The respective Management of the Company and its subsidiaries which are Companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its 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 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, whether, 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 such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the holding company or any 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 such subsidiaries 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;

- c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its Subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. As stated in Note 30(16) to the consolidated financial statements

- a) The final dividend proposed in the previous year, declared and paid by the group during the year is in accordance with Section 123 of the Act, as applicable.

- b) The interim dividend declared and paid by the group during the year and until the date of this report is in compliance with Section 123 of the Act.

- c) The Board of Directors of the Holding Company 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.

For **Guru and Jana**
Chartered Accountants
Firm Registration No.: 006826S

M Surendra Reddy
Partner
Membership No.: 215205
UDIN: 23215205BGUXCU1342

Guwahati
20 May 2023

"Annexure A" to the independent auditor's report of even date

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Bharat Electronics Limited** of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (j) 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 2023, we have audited the internal financial controls with reference to consolidated financial statements of **Bharat Electronics Limited ("the Holding Company")** and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board Of Directors of the Holding company and its Subsidiary companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements, criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI"). 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 the 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiaries 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, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 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 consolidated financial statements reporting and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding company and its subsidiaries.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial controls with reference to Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated 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 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to 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, to the best of our information and according to the explanations given to us, the holding company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control as 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 consolidated financial statements in so far as it relates to two subsidiary companies and one Associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the consolidated financial statements of the holding company, which comprise the Consolidated Balance Sheet as at 31 March 2023 and the related consolidated Statement of Profit and Loss, the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report even dated expressed an unqualified opinion thereon.

For **Guru and Jana**
Chartered Accountants
Firm Registration No.: 006826S

M Surendra Reddy
Partner
Membership No.: 215205
UDIN: 23215205BGUXCU1342

Guwahati
20 May 2023



सोचविचारमं सत्यमेव जयते
Dedicated to Truth in Public Interest

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Insp-1/BEL Accs 22-23/2023-24/

सं./No.

प्रधान निदेशक वाणिज्यिक लेखापरीक्षा एवं फंडेन महस्य
लेखापरीक्षा बोर्ड का कार्यालय, बेंगलूर - 560 001.
OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT and ex-Officio MEMBER, AUDIT BOARD,
BENGALURU - 560 001.

दिनांक/ DATE: 14.07.2023

To
Shri Bhanu Prakash Srivastava,
Chairman and Managing Director,
Bharat Electronics Limited,
PO Nagavara, Outer Ring Road,
Bengaluru - 560 045.

Madam,

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 2023.

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 2023.

It may please be ensured that the comments are:

- Printed in toto without any editing;
- Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index; and
- Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully,


(J N Perumal)
Director (Admin)

Encl: As above.

भारतीय लेखापरीक्षा तथा लेखा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT
प्रथम तल, बसव भवन, श्री बसवेश्वर रोड, बेंगलूर - 560 001.
1st Floor, Basava Bhavan, Sri Basaveswara Road, Bengaluru - 560 001.

दूर.सं./Phone : 2226 7646 / 2226 1168
Email : mabbangalore@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 2023

The preparation of consolidated financial statements of **Bharat Electronics Limited, Bengaluru** for the year ended 31 March 2023 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 auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 May 2023.

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 2023 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 auditors 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 raise to any comment upon or supplement to the statutory auditors' 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: 14 July 2023

Consolidated Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2023	As at 31 March 2022
ASSETS				
(1) Non-current assets				
(a)	Property, plant and equipment	1	2,69,431	2,50,937
(b)	Capital work-in-progress	2	36,123	44,593
(c)	Investment property	3	6	7
(d)	Other intangible assets	4	26,849	16,582
(e)	Intangible assets under development	5	49,371	56,011
(f)	Investment in associate		20,073	23,292
(g)	Financial assets			
(i)	Investments	6	44,926	1,33,910
(ii)	Trade receivables	7	-	-
(iii)	Loans	8	656	728
(iv)	Other financial assets	9	2,045	2,417
(h)	Deferred tax assets (net)	10	50,372	62,094
(i)	Inventories	11	587	2,734
(j)	Other non current assets	12	43,904	68,382
			5,44,343	6,61,687
(2) Current assets				
(a)	Inventories	11	6,44,804	5,59,190
(b)	Financial assets			
(i)	Trade receivables	7	7,03,348	6,10,809
(ii)	Cash & cash equivalents	13	3,94,569	1,30,086
(iii)	Bank balances [other than (ii) above]	14	4,16,589	6,26,288
(iv)	Loans	8	172	148
(v)	Other financial assets	9	20,342	10,254
(c)	Current tax assets (net)	15	40,314	14,474
(d)	Other current assets	12	7,84,636	7,78,122
			30,04,774	27,29,371
			35,49,117	33,91,058
TOTAL ASSETS				
EQUITY AND LIABILITIES				
EQUITY				
(a)	Equity share capital	16	73,098	24,366
(b)	Other equity		13,13,065	12,04,227
	Total equity attributable to the owners of the company		13,86,163	12,28,593
	Non controlling interest		1,775	1,634
	Total equity		13,87,938	12,30,227

Consolidated Balance Sheet

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	As at 31 March 2023	As at 31 March 2022
LIABILITIES				
(1) Non-current liabilities				
(a)	Deferred income	17	13,395	14,843
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		5,942	5,151
(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	34
(iii)	Other financial liabilities	20	473	2,022
(c)	Provisions	21	84,465	1,80,532
(d)	Deferred tax liabilities (net)	10	289	145
(e)	Other non-current liabilities	22	-	-
			1,04,601	2,02,727
(2) Current liabilities				
(a)	Deferred income	17	1,665	1,654
(b)	Financial liabilities			
(i)	Borrowings	18	-	-
(ia)	Lease liabilities		192	119
(i)	Trade payables	19		
	- total outstanding dues of micro enterprises & small enterprises; and		20,754	24,844
	- total outstanding dues of creditors other than micro enterprises & small enterprises		3,12,284	3,12,086
(ii)	Other financial liabilities	20	1,29,023	96,043
(c)	Other current liabilities	22	15,29,906	14,80,907
(d)	Provisions	21	62,754	42,382
(e)	Current tax liabilities (net)	15	-	69
			20,56,578	19,58,104
			35,49,117	33,91,058
TOTAL EQUITY AND LIABILITIES				

Significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

Guwahati
20 May 2023

Consolidated Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2023	For the year ended 31 March 2022
I	Revenue from operations	23	17,73,444	15,36,818
II	Other income	24	28,080	23,154
III	Total income (I+II)		18,01,524	15,59,972
IV	EXPENSES			
a	Cost of material consumed		9,35,601	8,09,336
b	Cost of stores & spares consumed		3,698	3,059
c	Consumption of stock in trade		82,785	1,05,349
d	Changes in inventories of finished goods, work in progress & scrap	25	(39,328)	(28,028)
e	Employee benefits expense	26	2,31,734	2,12,801
f	Finance costs	27	1,495	505
g	Depreciation and amortisation expense	28	42,882	40,113
h	Other expenses	29	1,50,366	1,00,213
	TOTAL EXPENSES (a to h)		14,09,233	12,43,348
V	Profit before exceptional items, share of net profit of associate accounted under equity method & tax (III - IV)		3,92,291	3,16,624
VI	Exceptional items		-	-
VII	Profit before share of net profit of associate accounted under equity method & tax (V - VI)		3,92,291	3,16,624
VIII	Tax Expense	10		
-	Current tax		87,747	91,431
-	Earlier years tax		(2,001)	6
-	Deferred tax		12,510	(10,259)
	Total provision for taxation		98,256	81,178
IX	Profit before share of net profit of associate accounted under equity method (VII - VIII)		2,94,035	2,35,446
X	Share of net profit of associate accounted under equity method		4,589	4,576
XI	Profit for the year (IX+X)		2,98,624	2,40,022
XII	Other comprehensive income / (loss)			
	Items that will not be reclassified subsequently to profit or loss			
-	Remeasurement of the net defined benefit liability/asset		(22,189)	(19,926)
-	Equity instruments through other comprehensive income		2	1
-	Share of other comprehensive income of associate accounted under equity method (net of tax)		2	(6)
-	Income tax relating to these items		5,583	5,014
	Total other comprehensive income / (loss) (net of tax)		(16,602)	(14,917)
XIII	Total comprehensive income for the year (XI + XII) [comprising profit and other comprehensive income for the year]		2,82,022	2,25,105

Consolidated Statement of Profit and Loss

(₹ in Lakhs)

Sl. No.	Particulars	Note no.	For the year ended 31 March 2023	For the year ended 31 March 2022
XIV	Net profit / (loss) attributable to			
a)	Owners of the company		2,98,442	2,39,887
b)	Non controlling interest		182	135
	Other comprehensive income attributable to			
a)	Owners of the company		(16,602)	(14,917)
b)	Non controlling interest		-	-
	Total comprehensive income attributable to			
a)	Owners of the company		2,81,840	2,24,970
b)	Non controlling interest		182	135
XV	Earnings per equity share (face value of INR 1/- each):	30(1)		
(1)	Basic [in INR]		4.09	3.28
(2)	Diluted [in INR]		4.09	3.28

Significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

Guwahati
20 May 2023

Consolidated Statement of Changes in Equity

(₹ in Lakhs)

A. Equity share capital

Particulars	Note no.	Amount
Balance as at 1 April 2022		24,366
Changes in equity share capital during the year		
- Issue of bonus shares	16	48,732
- Buyback of shares		-
Balance as at 31 March 2023		73,098

Particulars	Note no.	Amount
Balance as at 1 April 2021		24,366
Changes in equity share capital during the year		
- Issue of bonus shares	16	-
- Buyback of shares		-
Balance as at 31 March 2022		24,366

B. Other equity

Particulars	Note no.	Reserves & surplus					Other reserve		Non controlling interest	Total other equity
		Capital reserve *	Capital reserve on consolidation of subsidiary *	Capital redemption reserve *	General reserves	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *		
Balance as at 1 April 2022		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	-	-	182	2,98,806
Consolidation adjustments		-	-	-	-	(182)	-	-	-	(182)
Addition during the year		-	-	-	-	-	2	(16,604)	-	(16,602)
Total		4,669	362	1,868	4,39,546	10,99,449	11	(59,838)	1,816	14,87,883
Amount transfer to general reserve		-	-	-	40,000	(40,000)	-	-	-	-
Amount transfer to capital reserve		-	-	-	-	-	-	-	-	-
Transaction with owners in their capacity as owner										
Dividends	16	-	-	-	-	(1,24,270)	-	-	(41)	(1,24,311)
Issue of bonus shares	16	-	-	-	(48,732)	-	-	-	-	(48,732)
Buyback of shares	16	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023		4,669	362	1,868	4,30,814	9,35,179	11	(59,838)	1,775	13,14,840

Consolidated Statement of Changes in Equity

(₹ in Lakhs)

Particulars	Note no.	Reserves & surplus					Other reserve		Non controlling interest	Total other equity
		Capital reserve *	Capital reserve on consolidation of subsidiary *	Capital redemption reserve *	General reserves	Retained earnings	Equity instruments through other comprehensive income *	Other comprehensive income *		
Balance as at 1 April 2021		4,669	362	1,868	3,99,546	7,03,455	8	(28,316)	1,499	10,83,091
Profit for the year		-	-	-	-	2,40,022	-	-	135	2,40,157
Consolidation adjustments		-	-	-	-	(135)	-	-	-	(135)
Addition during the year		-	-	-	-	-	1	(14,918)	-	(14,917)
Total		4,669	362	1,868	3,99,546	9,43,342	9	(43,234)	1,634	13,08,196
Amount transfer to general reserve		-	-	-	40,000	(40,000)	-	-	-	-
Amount transfer to capital reserve		-	-	-	-	-	-	-	-	-
Transaction with owners in their capacity as owner										
Dividends	16	-	-	-	-	(1,02,335)	-	-	-	(1,02,335)
Issue of bonus shares	16	-	-	-	-	-	-	-	-	-
Buyback of shares	16	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2022		4,669	362	1,868	4,39,546	8,01,007	9	(43,234)	1,634	12,05,861

* Refer Note 16 (b).

Significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

 For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

 Guwahati
20 May 2023

Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit after share of associate but before exceptional items and tax	3,96,880	3,21,200
Adjustments for:		
Depreciation and amortisation expense	42,882	40,113
Provision for intangible assets under development	544	-
Intangible assets under development charged off	1,950	-
Provision Others - Contract costs	4,180	-
Corporate social responsibility	5,770	5,348
Transfer from government grants	(1,665)	(1,713)
Interest income	(26,088)	(17,645)
Interest on lease liability	370	306
Finance costs	1,125	199
Profit on sale of property, plant & equipment	(152)	(45)
Operating Profit Before Working Capital Changes	4,25,796	3,47,763
Increase / (Decrease) due to:		
Trade receivables	(92,539)	45,390
Loans	48	12
Other financial assets	(9,456)	(3,456)
Other assets	13,784	(1,15,459)
Inventories	(83,467)	(61,188)
Trade payables	(3,889)	7,045
Other financial liabilities	32,025	6,093
Provisions	(97,882)	26,755
Other liabilities	48,999	2,60,611
Current tax assets	(15,411)	(12,415)
Cash Generated from Operations	2,18,008	5,01,151
Income taxes paid (net)	(91,322)	(80,429)
Cash Flow Before Exceptional Items	1,26,686	4,20,722
Exceptional items	-	-
Net Cash from / (used in) Operating Activities	1,26,686	4,20,722
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipments and other intangible assets	(59,045)	(55,456)
Receipt of grant	228	-
Proceeds from sale of property, plant & equipment	170	740
Increase / (Decrease) in term deposits & other bank balances	2,09,439	(4,23,480)
Other investments	92,204	(26,615)
Interest received	26,088	17,645
Net Cash from / (used in) Investing Activities	2,69,084	(4,87,166)

Consolidated Cash Flow Statement

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Corporate Social Responsibility (CSR) expenditure	(5,079)	(4,757)
Dividend paid	(1,24,280)	(1,02,331)
Repayment of lease liabilities	(433)	(167)
Interest on lease liability	(370)	(306)
Finance costs	(1,125)	(199)
Net Cash from / (used in) Financing Activities	(1,31,287)	(1,07,760)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	2,64,483	(1,74,204)
Cash and Cash Equivalents at the beginning of the year	1,30,086	3,04,290
Cash and Cash Equivalents at the end of the year	3,94,569	1,30,086

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. The significant accounting policies and accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

M Surendra Reddy
Partner
Membership No. 215205

S Sreenivas
Company Secretary

Guwahati
20 May 2023

Notes to Accounts

(₹ in Lakhs)

Note 1 - Property, plant and equipment

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
Owned Asset										
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	-	-
Right Of Use Asset										
Leasehold land	21,055	-	-	21,055	353	161	-	514	20,541	20,702
Lease of other assets	4,862	1,468	205	6,125	441	353	205	589	5,536	4,421
Total	4,54,938	58,207	771	5,12,374	2,04,001	39,695	753	2,42,943	2,69,431	2,50,937

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION / AMORTISATION			NET CARRYING AMOUNT			
	As at 1 April 2021	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2022	Accumulated depreciation / amortisation as at 1 April 2021	Depreciation / amortisation for the year	Deductions / adjustments during the year	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Owned Asset										
Freehold land	13,711	606	-	14,317	-	-	-	-	14,317	13,711
Roads and culverts	2,216	55	-	2,271	396	117	-	513	1,758	1,820
Buildings	82,826	5,718	-	88,544	12,158	3,400	-	15,558	72,986	70,668
Installations	4,847	275	2	5,120	2,432	450	2	2,880	2,240	2,415
Plant and machinery	1,61,274	14,915	146	1,76,043	70,442	15,697	146	85,993	90,050	90,832
Electronic equipment	60,147	5,169	511	64,805	37,802	7,220	363	44,659	20,146	22,345
Equipment for R & D lab	46,958	5,567	34	52,491	30,260	7,241	34	37,467	15,024	16,698
Vehicles	875	271	50	1,096	540	136	32	644	452	335
Office equipment	12,260	1,882	51	14,091	7,837	1,750	51	9,536	4,555	4,423
Furniture, fixtures and equipments	9,439	802	63	10,178	5,014	940	62	5,892	4,286	4,425
Assets acquired for sponsored research	65	-	-	65	65	-	-	65	-	-
Right Of Use Asset										
Leasehold land	20,839	757	541	21,055	203	163	13	353	20,702	20,636
Lease of other assets	440	4,459	37	4,862	198	280	37	441	4,421	242
Total	4,15,897	40,476	1,435	4,54,938	1,67,347	37,394	740	2,04,001	2,50,937	2,48,550

Notes to Accounts

(₹ in Lakhs)

- Freehold Land consists of 2,081.80 acres (2,081.80 acres) and Leasehold Land consists of 992.66 acres (992.66 acres).
- 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 Government Organisation for use during construction and is in their possession of NCRTC as at the year end.
- The subsidiary company [BELOP] has acquired 3.38 acres (3.38 acres) of land on lease from MIDC for 95 years at a cost of ₹ 21 (₹ 21) on 25.11.1991 with renewable option of further 95 years on new terms and conditions.
- Additions to R&D assets of Parent company includes, ₹ 2,440 (₹ 995) and ₹ 205 (Nil) in respect of the assets of Central Research Laboratories / Product Development and Innovative Centre, Navi Mumbai Unit, accounted under natural code heads.
- Electronic Equipment value includes POS machines of the parent company valuing Nil (₹ 886) which are under the control of Haryana Government (operating lease).
- 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 ₹ 2,355 (₹ 2,318) 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 tangible assets (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 tangible assets 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

Notes to Accounts

(₹ in Lakhs)

In respect of subsidiaries and associate, estimated useful lives as per Schedule II to the Companies Act, 2013 has been adopted except for the following cases:

Asset Class	Years
BELOP	
Plant & Machinery - Continuous Process Plant	15
BEL Thales	
Plant & Machinery	5 - 15
Electronic Equipments	5
Computer Systems	5

xi. 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.

xii. 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).

xiii. Impairment of Assets

Refer Note 30 (7).

xiv. Refer Note 12 in respect of Unadjusted Capital Advance paid towards Property, Plant & Equipment.

xv. Land acquired free of cost from the Government in some units has been accounted in line with provisions of Ind AS 101.

xvi. 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 to 122.82 acres (122.82 acres) at Ibrahimpatnam allotted by APIIC / TSIIC possession is given for which sale deed is pending.
- A demand of ₹ 256 (₹ 256) being 50% of the compensation amount decreed by City Civil Court, Hyderabad has been received towards additional compensation from TSIIC dated 31.01.2015 for Land of 22.375 acres (22.375 acres) which is part of free hold land mentioned above. The demand is under dispute and hence, no provision in respect of the same has been made in the books of accounts.
- 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.

Notes to Accounts

(₹ in Lakhs)

- The 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 (0.30 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 to 913.99 acres (913.99 acres) at Palasamudram (Defence System Integration Complex - DSIC), Ananthapur Dist. AP.
- Leasehold land admeasuring 8.93 acres (8.93 acres) has been converted into freehold land in Pathankot and registered in May 2022.
- A 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 Ishapore by paying a nominal value of INR 1 [Represents absolute figure] as Annual lease rent for every plant.
- Parent company has paid prepaid rent for 3 MW Hassan & 8.4 MW Davangere windmill plants capitalised as Right of Use on transition to Ind AS 116.
- Parent company has land admeasuring to 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.
- Borrowing cost of Nil (₹ 974) (net of interest income) towards Employee quarters is capitalised. Capitalisation rate is Nil (6.47% p.a.)
- Short term lease amount expended during the year is Nil (Nil).
- Lease agreement has been entered with Tamil Nadu Industrial Explosives Ltd. (TEL) Chennai, towards lease of 50 acres for 29 years and capitalised during FY 2021-22 as an ROU asset for total value of ₹ 5,166. Interest expense on lease liability is ₹ 339. Discounting Rate considered is 6.95% (i.e. applicable incremental borrowing rate) as per Ind AS 116. Total cashoutflow for TEL lease is ₹ 13,685.
- Equipments belong to "Electronics Computer system" whose Gross block is ₹ 3 (₹ 3) and accumulated depreciation of ₹ 3 (₹ 3), and Equipments belongs to "Miscellaneous Maintainance Equipment" whose Gross block is ₹ 2 (₹ 2) and accumulated depreciation of ₹ 1 (₹ 1) are lying at Naval Dockyard, Vizag.
- 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 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 as ROU asset for total value of ₹ 780.
Interest expenses on lease liability is ₹ 205. Rate used for discounting for arriving expenses is 7.66% p.a. as per Ind AS 116. Total cashflow for SDC-Vizag lease is ₹ 986.
- Repayment of Lease during the year amounting to ₹ 433 (₹ 167).

Notes to Accounts

(₹ in Lakhs)

Note 2 - Capital work-in-progress

Particulars	As at 31 March 2023	As at 31 March 2022
Civil Construction	25,740	20,913
Plant & Machinery	4,676	21,592
Others	5,532	1,643
Capital Items in Transit	299	569
	36,247	44,717
Less: Provision for impairment	(124)	(124)
	36,123	44,593

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)
Total	20,895	9,114	3,533	2,581	36,123

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-Ibrahimpattam	-	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
Total	3,342	594	26	274	4,235

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Production Building	-	124	-	-	124
Total	-	124	-	-	124

Notes to Accounts

(₹ in Lakhs)

Capital Work in Progress 2021-22

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	22,073	7,245	2,821	6,629	38,768
Others	4,817	489	178	341	5,825
Projects temporarily suspended	-	-	-	124	124
Provision for impairment	-	-	-	(124)	(124)
Total	26,890	7,734	2,999	6,970	44,593

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	18,023	-	-	-	18,023
DSIC Palasamudram	565	-	-	274	839
Production building	124	-	-	-	124
Tel Factory	104	-	-	-	104
MWC Building	11	-	-	87	98
Project-Ibrahimpattam	47	-	-	-	47
MCG CADDs Building	-	-	-	38	38
Flap Barrier	-	26	-	-	26
Total	18,874	26	-	399	19,299

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Production Building	-	-	124	-	124
Total	-	-	124	-	124

- Civil construction mainly comprises of Production related building, R&D building & Employee Quarters.
- 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. An amount of ₹ 124 was impaired in the financial year 2018- 19. Refer note 30 (7).

Notes to Accounts

(₹ in Lakhs)

Note 3 - Investment property

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 2022	As at 31 March 2022
Freehold land *	-	-	-	-	-	-	-	-	-	-
Buildings	14	-	-	14	7	1	-	8	6	7
Total	14	-	-	14	7	1	-	8	6	7

* Freehold land of Parent company includes INR 3,830 (INR 3,830) [represents absolute figure] which is rounded off.

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT			
	As at 1 April 2021	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2022	As at 1 April 2021	Depreciation for the year	Deductions / adjustments during the year	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
Freehold land *	-	-	-	-	-	-	-	-	-	-
Buildings	14	-	-	14	6	1	-	7	7	8
Total	14	-	-	14	6	1	-	7	7	8

* 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 2023	For the year ended 31 March 2022
a. Rental Income	194	145
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	1
e. Profit from Investment property	193	144

ii. Refer Note 30(9) for Contractual Commitments.

iii. Fair Value of the investment properties

Particulars	As at 31 March 2023	As at 31 March 2022
Land	2,896	2,896
Building	844	839

iv. Land comprises of Freehold Land of 1.48 acres (1.48 acres) of parent company.

v. 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.

Notes to Accounts

(₹ in Lakhs)

vi. Deemed Cost

On transition to Ind AS (01.04.2015), the parent 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.

vii. Estimation of Useful Life of Assets

The parent company has estimated the useful life of the various categories of tangible assets (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

viii. 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.

ix. 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.

x. Impairment of Assets

As the fair value of the Investment Property is higher than its carrying value, there is no indication of impairment.

xi. Restrictions on the releasability of Investment Property

The land is allotted by Government of India.

xii. Details of Registration, pending Litigation etc.,

Nil (Nil).

Note 4 - Other intangible assets

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 2022	As at 31 March 2022
Intangible assets - others										
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	2,614	438	-	3,052	680	899	-	1,579	1,473	1,934
Enterprise resource planning (ERP)										
Others (Development Cost)**	7,239	2,174	-	9,413	2,267	1,035	-	3,302	6,111	4,972
Total	28,280	13,454	-	41,734	11,698	3,187	-	14,885	26,849	16,582

* Amortisation for the year includes INR 25,311 (INR 25,311) [represents absolute figure] which is rounded off.

** Includes funding to other development agencies.

Notes to Accounts

(₹ in Lakhs)

PARTICULARS	GROSS CARRYING AMOUNT			AMORTISATION			NET CARRYING AMOUNT			
	As at 1 April 2021	Additions / adjustments during the year	Deductions / adjustments during the year	As at 31 March 2022	Accumulated amortisation as at 1 April 2021	Amortisation for the year	Deductions / adjustments during the year	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Intangible assets - others										
Computer operating system*	2	1	-	3	1	-	-	1	2	1
Licencing fee	18,424	-	-	18,424	7,500	1,250	-	8,750	9,674	10,924
Software licenses / implementation	291	2,323	-	2,614	286	394	-	680	1,934	5
Enterprise resource planning (ERP)										
Others (Development Cost)**	6,919	320	-	7,239	1,193	1,074	-	2,267	4,972	5,726
Total	25,636	2,644	-	28,280	8,980	2,718	-	11,698	16,582	16,656

* Amortisation for the year includes INR 25,311 (INR 18,863) [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 expenses 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.

Notes to Accounts

(₹ in Lakhs)

Note 5 - Intangible assets under development

Particulars	As at 31 March 2023	As at 31 March 2022
Internally developed *	57,129	63,224
Less: Provision for impairment	(7,758)	(7,213)
	49,371	56,011

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)
Total	4,470	19,594	1,656	23,651	49,371

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
Total	15,829	18,417	-	-	34,246

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

Notes to Accounts

(₹ in Lakhs)

Intangible assets under development 2021-22

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	6,673	1,707	4,371	42,404	55,155
Others	856	-	277	6,936	8,069
Provision for Impairment	-	-	(277)	(6,936)	(7,213)
Total	7,529	1,707	4,371	42,404	56,011

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	17,105	-	-	-	17,105
ATULYA	8,416	-	-	-	8,416
QT Model for Sarang	478	-	-	-	478
Design and development of AFC gate	242	-	-	-	242
Development work for Nikash system	173	-	-	-	173
Porpoise Upgradation Project	118	-	-	-	118
Development work for Sarvadhari System	104	-	-	-	104
Development for Samudrika Project	97	-	-	-	97
QT Model for Sarakshi	36	-	-	-	36
UET model for Tushar	15	-	-	-	15
Total	26,784	-	-	-	26,784

Completion schedule - Suspended projects

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
	-	-	-	-	-
Total	-	-	-	-	-

* Includes funding to other development agencies.

i. Refer Note 30 (9) for Contractual Commitments.

ii. Impairment of Assets [Parent company]

An amount ₹ 545 (Nil) 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 (Refer Note 30(7)).

An amount ₹ 1,950 (Nil) is charged off to Statement of Profit & Loss during the year.

Notes to Accounts

(₹ in Lakhs)

Note 6 - Investments

Particulars	As at 31 March 2023	As at 31 March 2022
(I) Investment in Equity Instruments (Unquoted)		
(a) Others (at FVOCI) (Refer Note v below)		
Mana Effluent Treatment Plant Ltd, Hyderabad		
500 (500) equity shares of INR 1,000 each fully paid	15	13
Defence Innovation Organisation, Bengaluru		
50 (50) equity shares of INR 1,000 each fully paid	1	1
(II) Other Investments (Unquoted)		
a) Investments in Co-operative societies (at cost)*		
Cuffe Parade Persopolis Premises Co-operative Society, Mumbai		
40 (40) Equity shares of INR 50 each fully paid	-	-
Sukh Sagar Premises Co-op. Society, Mumbai		
10 (10) Equity shares of INR 50 each fully paid	-	-
Shri. Sapta Ratna Co-op. Society Ltd., Mumbai		
10 (10) Equity shares of INR 50 each fully paid	-	-
Dalamal Park Co-op. Society Ltd., Mumbai		
5 (5) Equity shares of INR 50 each fully paid	-	-
Chandralok Co-op. Housing Society Ltd., Pune		
30 (30) Equity shares of INR 50 each fully paid	-	-
b) Others (at FVTPL)		
Life Insurance Corporation of India (Refer Note ii)	44,910	1,33,896
	44,926	1,33,910

* 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	2022-23	2021-22
Aggregate value of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	44,926	1,33,910
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 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.

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 2023	Dividend income recognised during 2022-23	Fair value as at 31 March 2022	Dividend income recognised during 2021-22
Investment in Mana Effluent Treatment Plant Ltd.	15	-	13	-
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 2022-23, 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 2023	As at 31 March 2022
Non Current		
Unsecured, Considered Doubtful		
Trade receivables	1,83,839	1,59,043
Less: Provisions*	(1,83,839)	(1,59,043)
Sub Total (A)	-	-
Current		
Secured, considered good	934	785
Unsecured, considered good	7,02,414	6,10,024
Sub Total (B)	7,03,348	6,10,809
Total (A+B)	7,03,348	6,10,809

* Includes ₹ 339 (₹ 339) [Parent company] in respect of receivables which are credit impaired.

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: Provisions	(1,897)	(36)	(17,579)	(15,061)	(19,118)	(13,033)	(1,17,116)	(1,83,839)
Sub Total (A)	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-
Sub Total (B)	89,818	2,916	3,37,652	1,10,435	88,154	32,399	41,973	7,03,348

Non Current Trade Receivable 2021-22

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	8,582	59	10,507	7,287	14,348	15,291	86,192	1,42,266
(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: Provisions	(8,582)	(59)	(10,507)	(7,287)	(14,348)	(15,291)	(1,02,969)	(1,59,043)
Sub Total (A)	-	-	-	-	-	-	-	-

Notes to Accounts

(₹ in Lakhs)

Current Trade Receivable 2021-22

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	82,466	3,362	3,11,755	68,267	71,828	45,315	27,015	6,10,008
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	801	801
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Sub Total (B)	82,466	3,362	3,11,755	68,267	71,828	45,315	27,816	6,10,809

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.

Notes to Accounts

(₹ in Lakhs)

Note 8 - Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Unsecured, Considered Good		
Loans to employees	656	728
	656	728
Unsecured, Considered Doubtful		
Others		
Loans to employees	1	1
Less: Provisions	(1)	(1)
	-	-
Loans to others	132	132
Less: Provisions*	(132)	(132)
	-	-
Sub Total (A)	656	728
Current		
Unsecured, Considered Good		
Others		
Loans to employees	172	148
Sub Total (B)	172	148
Total (A+B)	828	876

* 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.

Notes to Accounts

(₹ in Lakhs)

Note 9 - Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Unsecured, Considered Good		
Security deposits	1,780	2,112
Interest accrued on term deposits	5	1
Bank deposits with more than 12 months maturity **	260	278
Other assets	-	26
	2,045	2,417
Unsecured, Considered Doubtful		
Security deposits	83	80
Less: Provisions	(83)	(80)
	-	-
Advance to others	14	14
Less: Provisions	(14)	(14)
	-	-
Receivables other than trade receivables	971	969
Less: Provisions *	(971)	(969)
	-	-
Other assets	107	74
Less: Provisions	(107)	(74)
	-	-
Sub Total (A)	2,045	2,417
Current		
Unsecured, Considered Good		
Security deposits	2,128	1,881
Advance to employees	166	168
Advance to others	3	3
Interest accrued but not due on term deposits	2,114	3,795
Receivables other than trade receivables	1,795	2,540
Other assets	14,136	1,867
Sub Total (B)	20,342	10,254
Total (A+B)	22,387	12,671

* Refer Note 30(20).

** Represents balances held as margin money against bank guarantee.

i. Financial Instruments

Refer Note 33 for classification of financial instruments.

ii. Impairment of Financial Assets

Provisions for impairment has been made in line with Accounting Policy No. 29 of the group.

iii.

 Net carrying amount of Nil (Nil) has been added in other assets with respect to Property, Plant and Equipment not in active use.

iv. Security, Hypothecation etc

Refer Note 35.

Notes to Accounts

(₹ in Lakhs)

Note 10 - Deferred tax assets / liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets (net)		
Deferred tax assets	71,192	83,543
Deferred tax liabilities	(20,820)	(21,449)
	50,372	62,094
Deferred tax liabilities (net)		
Deferred tax liabilities	1,312	809
Deferred tax assets	(1,023)	(664)
	289	145

i. Income Tax recognised in Statement of Profit or Loss

Sl. No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Income Tax Expenses:		
	- Current period	87,747	91,431
	- Changes in estimates related to prior years	(2,001)	6
2	Deferred tax:		
	- Origination and reversal of temporary differences	12,510	(10,259)
3	Total deferred tax expense/(benefit)	12,510	(10,259)
4	Income tax expenses	98,256	81,178

ii. Income Tax recognised in other comprehensive income

Sl. No	Particulars	As at 31.03.2023			As at 31.03.2022		
		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)	(22,189)	5,584	(16,605)	(19,925)	5,015	(14,910)
2	Equity instruments through other comprehensive income	2	(1)	1	1	(1)	-
	Total	(22,187)	5,583	(16,604)	(19,924)	5,014	(14,910)

iii. Income Tax recognised directly in Equity

There are no income tax recognised directly in equity for the year ended 31 March 2023 & 31 March 2022.

iv. Reconciliation of Effective Tax Rates

Particulars	As at 31.03.2023		As at 31.03.2022	
	Rate	Amount	Rate	Amount
Profit Before Tax		3,92,291		3,16,624
Tax using the company's Domestic Tax Rate	25.17%	98,732	25.17%	79,688
Effect of				
Additional deduction on Research & Development Expenses	-	-	-	-
Exempt Income	-	-	-	-
Tax Incentives	-	-	-	-

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Rate	Amount	Rate	Amount
Changes in estimates related to previous years	-0.51%	(2,001)	-	-
Non-deductible Expenses	0.43%	1,692	0.41%	1,309
Accelerated Depreciation for Tax Purpose	-0.01%	(32)	-	-
Impact on change in Tax Rate	-	-	-	-
Others	-0.03%	(135)	0.06%	181
Effective Tax rate	25.05%	98,256	25.64%	81,178

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	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
1	Trade Receivables	(12,411)	(11,026)	-	-	(12,411)	(11,026)
2	Inventory	(15,392)	(11,797)	-	-	(15,392)	(11,797)
3	Provision others	(20,220)	(17,867)	-	-	(20,220)	(17,867)
4	Employee Benefits	(18,482)	(39,541)	-	-	(18,482)	(39,541)
5	Other Intangible Assets	-	-	1,262	1,037	1,262	1,037
6	Deferred Revenue	(261)	(261)	-	-	(261)	(261)
7	Other Assets	-	-	-	-	-	-
8	Property, Plant and Equipment	(30)	(19)	16,397	16,747	16,367	16,728
9	ICDS Adjustment	-	-	-	-	-	-
10	Equity Investments	-	-	2	2	2	2
11	Other Financial Liabilities	-	-	8	8	8	8
12	Provision for Impairment	(4,665)	(3,394)	-	-	(4,665)	(3,394)
13	Intangible Assets under development	-	-	4,463	4,463	4,463	4,463
14	Trade Payables	(6)	(6)	-	-	(6)	(6)
15	Tax loss	(375)	-	-	-	(375)	-
16	Bonus	-	(1)	-	-	-	(1)
17	Superannuation	-	(22)	-	-	-	(22)
18	MAT Credit	(374)	(272)	-	-	(374)	(272)
19	Total	(72,216)	(84,206)	22,132	22,257	(50,084)	(61,949)
20	Set off of (Asset)/Liability	21,843	22,112	(21,843)	(22,112)	-	-
	Net Deferred Tax (Asset)/ Liability	(50,373)	(62,094)	289	145	(50,084)	(61,949)

Notes to Accounts

(₹ in Lakhs)

vi. 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	Tax Loss	-	(375)	-	(375)
16	Bonus	(1)	1	-	-
17	Superannuation	(22)	22	-	-
18	MAT Credit	(272)	(102)	-	(374)
	Total	(61,950)	12,510	(645)	(50,084)

Note: In respect of subsidiary BELOP, MAT Credit availed during the year is (Nil) ₹ 187 related to earlier year.

vii. Movement of Deferred Tax Assets & Liabilities

Sl. No	Particulars	Balance as on 01.04.2021	Recognised in P&L during 2021-22	Recognised in OCI during 2021-22	Balance as on 31.03.2022
1	Trade Receivables	(10,198)	(828)	-	(11,026)
2	Inventory	(11,039)	(758)	-	(11,797)
3	Provision others	(14,830)	(3,037)	-	(17,867)
4	Employee Benefits	(30,561)	(3,413)	(5,567)	(39,541)
5	Other Intangible Assets	1,002	35	-	1,037
6	Deferred Revenue	(268)	7	-	(261)
7	Other Assets	1	(1)	-	-
8	Property, Plant and Equipment	18,280	(1,552)	-	16,728
9	ICDS Adjustment	-	-	-	-
10	Equity Investments	3	(1)	-	2
11	Other Financial Liabilities	7	1	-	8
12	Provision for Impairment	(2,687)	(707)	-	(3,394)
13	Provision for Impairment	4,463	-	-	4,463
14	Trade Payables	(6)	-	-	(6)
15	Tax Loss	-	-	-	-
16	Bonus	(1)	-	-	(1)
17	Bonus	(17)	(5)	-	(22)
18	Superannuation	(458)	-	-	(272)
	Total	(46,310)	(10,259)	(5,567)	(61,949)

Notes to Accounts

(₹ in Lakhs)

viii. Unrecognised Deferred Tax (Assets) / Liabilities

Deferred Tax asset has not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the deductible temporary difference can be utilised.

Particulars	Entity	As on 31.03.2023	As on 31.03.2022
Tax Losses	Holding Company	There are no temporary differences on which Deferred Tax (Assets)/Liability have not been recognised	
	BELOP		
	BEL-Thales Systems		
		0	118

ix. Tax Losses carried forward

Particulars	Entity	As on 31.03.2023		As on 31.03.2022	
		Amount	Expiry Date	Amount	Expiry Date
Expire	Holding Company	There are no Tax Losses on which Deferred Tax Asset has been recognised			
Never Expire					
Expire	BELOP	-	-	-	-
Never Expire					
Expire	BEL-Thales Systems	-	-	74	2023-27
Never Expire		-	-	44	-

- x. 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 2023	As at 31 March 2022
Non Current		
Raw Materials & Components	61,358	49,046
Add: Raw Materials & Components in Transit	67	64
Less: Provisions	(60,847)	(46,463)
	578	2,647
Stock in Trade	49	88
Less: Provisions	(49)	(88)
	-	-
Stores & Spares	202	275
Less: Provisions	(197)	(246)
	5	29
Loose Tools	62	127
Less: Provisions	(58)	(69)
	4	58
Sub Total (A)	587	2,734
Current		
Raw Materials & Components	3,84,381	3,37,602
Add: Raw Materials & Components in Transit	21,786	21,517
	4,06,167	3,59,119

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Work In Progress	1,96,287	1,70,163
Finished Goods	11,067	14,536
Add: Finished Goods in Transit	25,940	9,712
	37,007	24,248
Stock in Trade	1,225	1,647
Add: Stock in Trade in Transit	-	5
	1,225	1,652
Stores & Spares	2,797	3,259
Add: Stores & Spares in Transit	25	-
	2,822	3,259
Loose Tools	916	814
Disposable Scrap	551	236
	6,44,975	5,59,491
Unrealised profit on unsold inventory	(171)	(301)
Sub Total (B)	6,44,804	5,59,190
Total (A+B)	6,45,391	5,61,924

- i. Raw Materials and Components include ₹ 27,876 (₹ 14,722) being materials with sub-contractors, out of which ₹ 179 (₹ 386) of materials is subject to confirmation and reconciliation. Against ₹ 179 (₹ 386), an amount of ₹ 163 (₹ 386) has been provided for.

ii. Stock verification discrepancies for the year are as follows:

Shortages of ₹ 714 (₹ 705) and surplus of ₹ 240 (₹ 389). Pending reconciliation, an amount of ₹ 447 (₹ 316) has been provided for.

- iii. Valuation of Inventories has been made as per Group's Accounting Policy No. 17.

- iv. a. The United Nations Climate Change Secretariat has granted 15,856 (15,856) TON CO2EQ carbon credit for the 2.5 MW BEL Grid Connected Wind Power Project Davangere District, Karnataka for the verification period from 05.11.2007 to 31.03.2012. 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	2022-23	2021-22
i.	Depreciation	295	287
ii.	Operation Cost of Emission Reduction Equipments	210	201
	Total	505	488

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 ₹ 945 (₹ 1,575) has been recognised in the statement of profit and loss.

Notes to Accounts

(₹ in Lakhs)

vii. Reversal of write down of inventories of ₹ 885 (₹ 539) has been made during the year, which were recognised as an expenses in the previous year.

viii. Impairment of Assets

Provisions for inventory has been made in line with Accounting Policy No. 17 of the Group.

ix. Materials amounting to ₹ 4,157 (₹ 4,350) 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 2023	As at 31 March 2022
Non Current		
Capital advances	2,282	3,025
Advances other than Capital advances		
Advances for purchase	2,776	2,764
Less: Provisions	(2,776)	(2,764)
	-	-
Contract asset	21,870	15,282
Less: Provisions	(21,870)	(15,282)
	-	-
Others		
Balances with customs, port trust and other government authorities	515	554
Less: Provisions	(384)	(424)
	131	130
Prepaid expenses	230	516
Claims receivable purchases	1,152	1,102
Less: Provisions	(1,152)	(1,102)
	-	-
Contract costs	45,441	64,631
Less: Provisions	(4,180)	-
	41,261	64,631
Others - Assets	19	99
Less: Provisions	(19)	(19)
	-	80
Sub Total (A)	43,904	68,382
Current		
Advances other than Capital advances		
Advances to employees	678	781
Advances for purchase	1,02,800	1,41,390
Contract asset	6,09,838	5,67,139

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Others		
Balances with customs, port trust and other government authorities*	33,756	36,912
Prepaid expenses	1,093	5,368
Prepaid taxes	10,346	6,178
Claims receivable purchases	3,287	2,370
Contract costs	19,777	16,760
Others - Assets	3,061	1,224
Sub Total (B)	7,84,636	7,78,122
Total (A+B)	8,28,540	8,46,504

* Two decisions came 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 the year.

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 is ₹ 4,952 (₹ 881).

iii. Amortisation and impairment of contract costs

Amortisation of contract costs determined based on the period of benefit expected from the contract cost is ₹ 24,176 (₹ 11,717). Impairment of contract costs recognised is ₹ 4,180 (Nil).

iv. Fair value Measurement

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Contract Asset	-	-	6,09,838	-	-	5,67,139

v. Closing balance of contract costs represents, cost to obtain the contract from customer ₹ 318 (₹ 7,970) and cost to fulfill the contract is ₹ 60,720 (₹ 73,421).

vi. Security, Hypothecation etc

Refer Note 35.

Note 13 - Cash & cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balance with banks	84,173	41,182
Cash on hand	1	1
Term deposits	3,10,395	88,903
	3,94,569	1,30,086

Notes to Accounts

(₹ in Lakhs)

- 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. **Balance with banks include [Parent Company]**
- a. Pursuant to the stay order received from Honorable High Court of Karnataka, bank authorities have held Nil (₹ 46) based on the Garnishee order issued by the recovery Officer - ESI Corporation. This Garnishee order was settled on 23.08.2022.
- iv. There are no repatriation restriction with regard to Cash and cash equivalents.
- v. **Security, Hypothecation etc**
Refer Note 35.

Note 14 - Bank balances [other than (ii) above]

Particulars	As at	
	31 March 2023	31 March 2022
Term deposits *	4,14,616	6,24,578
Unpaid dividend account **	1,973	1,710
	4,16,589	6,26,288

* Includes a deposit of ₹ 1,209 held on behalf of Enforcement Directorate (ED) as per attachment order dt 14.03.2023 of Adjudicating Authority (Under the prevention of Money Laundering Act, 2002) The said amount relates to ABG Ship Yard. Subsequently Enforcement Directorate (ED) has encashed this amount on 17.04.2023.

** Includes ₹ 1,727 (₹ 1,495) 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.

Note 15 - Current tax assets / liability

Particulars	As at	
	31 March 2023	31 March 2022
Current tax assets (net)		
Advance payment of income tax	40,314	14,474
	40,314	14,474
Current tax liability (net)		
Provision for taxation	-	69
	-	69

Notes to Accounts

(₹ in Lakhs)

Note 16

a. Equity share capital

Particulars	As at	
	31 March 2023	31 March 2022
i. Authorised capital		
750,00,00,000 (250,00,00,000) Equity Shares of INR 1 (INR 1) each	75,000	25,000
ii. Issued, subscribed & fully paid-up capital		
730,97,78,829 (243,65,92,943) Equity Shares of INR 1 (INR 1) each	73,098	24,366

iii. Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the reporting period	2,43,65,92,943	24,366	2,43,65,92,943	24,366
Add: Shares issued during the year	4,87,31,85,886	48,732	-	-
Less: Shares Bought Back during the year	-	-	-	-
Shares outstanding at the end of the reporting period	7,30,97,78,829	73,098	2,43,65,92,943	24,366

iv. Shares in the company held by each shareholder holding more than 5%

Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% of Share holding	No. of Shares	% of Share holding
Government of India	3,73,79,21,934	51.14%	1,24,59,73,978	51.14%
HDFC Trustee Company Ltd - A/C HDFC MID CAP OPPORTUNITIES FUND	-	-	12,65,04,722	5.19%

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	2018-19	2019-20	2020-21	2021-22	2022-23
No. of shares	-	-	-	-	4,87,31,85,886

vi. Aggregate number and class of shares bought back during the previous 5 years.

Equity shares bought back

Year	2018-19	2019-20	2020-21	2021-22	2022-23
No. of shares	-	-	-	-	-

Particulars	As at	
	31 March 2023	31 March 2022
vii. Shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.	Nil	Nil
viii. The aggregate value of calls unpaid (including Directors and Officers of Company)	Nil	Nil
ix. Shares forfeited	Nil	Nil

x. Terms, Rights, preferences and restrictions attaching to each class of shares

- a. The parent company has only one class of shares viz, Equity Shares.
- b. Each holder of Equity Shares is entitled to one vote on show of hands and in poll in proportion to the Number of shares held.

Notes to Accounts

(₹ in Lakhs)

- c Each Shareholder has a right to receive the dividend declared by the company.
- d On winding up of the parent 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. a) Interim Dividend and Final Dividend

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Final dividend for FY 2021-22 and FY 2020-21 respectively.	36,549	29,239
Interim dividend for FY 2022-23 and FY 2021-22 respectively.	87,717	73,098

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 parent company has elected to recognise changes in fair value of certain equity investments in other comprehensive income. The change in fair value is accumulated in this reserve. If and when the investment is derecognised the accumulated amount will be transferred to Retained earnings.

iv. Other Comprehensive Income (OCI)

Other comprehensive income are those gains or losses which are not yet realised and excluded from the statement of profit and loss. It mainly consists of remeasurement of the net defined benefit liability / asset (net of tax).

- xii. Government of India being the Promoter holding 51.14% (51.14%) of Shares as on 31.03.2023. No. of Equity Shares held as on Balance Sheet date is 373,79,21,934 (124,59,73,978), increase is due to bonus issue.

- xiii. 487,31,85,886 Bonus shares were issues for consideration other than cash.

Note 17 - Deferred income

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Government grants - deferred	13,395	14,843
Sub Total (A)	13,395	14,843
Current		
Government grants - deferred	1,665	1,654
Sub Total (B)	1,665	1,654
Total (A+B)	15,060	16,497

Notes to Accounts

(₹ in Lakhs)

- i. Refer Accounting Policy No. 16 for method of presentation.

Particulars	As at 31 March 2023	As at 31 March 2022
ii. Nature of utilisation of government grant		
a) Revenue Expenditure	-	-
b) Capital Expenditure		
- Property, Plant and Equipment	15,060	16,497
iii. Other forms of government assistance that has directly benefited the company	-	-
iv. Details of unfulfilled conditions attached to government grant	-	-
v. Contingencies attached to government grant	-	-

- vi. The above grants received represents viability gap funding towards solar power plants, assistance towards roof top solar 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.

Note 18 - Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Secured		
Term loan from banks	-	-
Sub Total (A)	-	-
Current		
Secured		
Term Loan from banks	-	-
Sub Total (B)	-	-
Total (A+B)	-	-

i. Nature of security:

Refer Note 35.

Note 19 - Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
- Others	37	34
Sub Total (A)	37	34
Current		
- Dues to micro & small enterprises	20,754	24,844
- Others	3,12,284	3,12,086
Sub Total (B)	3,33,038	3,36,930
Total (A+B)	3,33,075	3,36,964

Notes to Accounts

(₹ in Lakhs)

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	-	-	-	-	-	-	-
Total	-	-	-	-	-	37	37

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	280
Total	10,869	2,41,962	69,425	3,046	1,627	6,110	3,33,038

Non Current Trade Payable 2021-22

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	-	-	-	-	-	34	34
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	34	34

Current Trade Payable 2021-22

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	4,125	12,188	8,365	6	1	1	24,686
(ii) Others	25,424	1,90,432	75,906	12,439	2,289	5,296	3,11,786
(iii) Disputed dues - MSME	-	158	-	-	-	-	158
(iv) Disputed dues - Others	-	217	-	-	11	72	300
Total	29,549	2,02,995	84,271	12,445	2,301	5,369	3,36,930

Notes to Accounts

(₹ in Lakhs)

- 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 2023 is furnished below:

Particulars	2022-23	2021-22
a. The principal and the interest due thereon remaining unpaid as at 31 March:		
Principal *	21,385	25,181
Interest	3	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	8	4
c. The interest reversed by the company during the year ended 31 March	4	-
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.	5	14
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.	3	12

* Includes amount shown under Note 20.

** Includes Nil (INR 8,470) [represents absolute figure] which is rounded off. (Parent company). Also includes Interest due and payable for principals already paid Nil (Nil) and INR 22,111 (INR 22,111) [represents absolute figure] as on 31.03.2023 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 parent company 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 2023	As at 31 March 2022
Non Current		
Security deposits	473	2,022
Sub Total (A)	473	2,022
Current		
Security deposits	39,019	28,517
Interest accrued and due on trade payables ¹	5	14
Other trade payables	16,296	8,749
Unpaid matured deposits	37	37
Unpaid dividend	246	215
Non trade payables dues to micro & small enterprises ¹	631	337
Outstanding expenses	71,007	57,012
Other liabilities	1,782	1,162
Sub Total (B)	1,29,023	96,043
Total (A+B)	1,29,496	98,065
Amount to be transferred to the Investor Education & Protection Fund as at Balance Sheet date.	Nil	Nil

¹ Refer Note (19).

i. Financial instruments

Refer Note 33 for classification of financial instruments.

Notes to Accounts

(₹ in Lakhs)

Note 21 - Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Employee Benefits		
Gratuity	4	3
Long-term compensated absences	41,519	37,967
BEL retired employees' contributory health scheme (BERECHS)	-	1,06,186
Provident fund interest obligation	2,563	-
Others		
Provision for onerous contracts	614	628
Provision for performance warranty	37,357	33,377
Provision for Site restoration obligation	2,408	2,371
Sub Total (A)	84,465	1,80,532
Current		
Employee Benefits		
Gratuity *	297	(2,172)
Long-term compensated absences	5,503	3,983
BEL retired employees' contributory health scheme (BERECHS)	25,381	10,308
Provident fund interest obligation	258	-
Management Contribution to Superannuation (Pension) scheme	20	80
Annual incentive	169	143
Others		
Provision for onerous contracts	5,032	3,173
Provision for performance warranty	26,094	26,867
Sub Total (B)	62,754	42,382
Total (A+B)	1,47,219	2,22,914

* (₹ 2,210) in respect of Parent company represent excess of plan asset over obligation.

i. 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	-
As at 31 March	63,451	5,646	2,408

Movement of provisions for the year ended 2021-22

Particulars	Performance Warranty	Onerous Contract	Site Restoration Obligation
As at 1 April	50,710	1,821	2,158
Additional provision recognised during the year	33,188	2,527	213
Amount used during the year (refer note vi below)	9	-	-
Unused amount reversed during the year	23,645	547	-
As at 31 March	60,244	3,801	2,371

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. Amount debited to opening provision.

vii. An amount of ₹ 6,937 (₹ 7,555) 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.

viii. Performance warranty with respect to ventilator project is based on the best estimate of the Parent company as the trend cannot be established in normal course.

(A) POST EMPLOYMENT BENEFIT OBLIGATION

(i) GRATUITY: (In respect of parent company)

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 are as follows:

Particulars	2022-23	2021-22
i) Change in Present Value of Obligations:		
Present Value of Obligation as at the beginning of the year	68,101	70,202
Current Service Cost	1,335	1,574
Interest Cost	4,762	4,661
Past Service Cost	-	-

Notes to Accounts

(₹ in Lakhs)

Particulars	2022-23	2021-22
Benefits paid	(6,442)	(6,471)
Actuarial (gains) / Losses recognised in other comprehensive income		
Changes in financial assumptions on planned liability - loss / (gains)	1,793	(2,217)
Experience adjustments on planned liability - loss / (gains)	(238)	352
Present Value of Obligation as at the end of the period	69,311	68,101
ii) Change in Fair Value of plan assets:		
Fair value of plan assets at the beginning of the year	70,375	71,703
Expected return on plan assets	4,930	4,765
Contributions	-	-
Benefits paid	(6,442)	(6,471)
Actuarial gain / (loss) on Plan Assets recognised in other comprehensive income	174	378
Fair value of plan assets as at the end of the period	69,037	70,375
Defined benefit (Asset) / liability	274	(2,274)
Effects of asset ceiling - As at the beginning of the year	64	-
Effects of asset ceiling - As at the end of the year	(64)	64
Net defined benefit (asset) / liability	274	(2,210)
iii) Expenses Recognised in the Statement of Profit & Loss:		
Current Service cost	1,335	1,574
Net Interest on Net Defined Benefit Obligations	(167)	(104)
Past service cost	-	-
Expenses recognised in the statement of profit and loss	1,168	1,470
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements):		
Actuarial (gain)/loss on Plan Obligations	1,554	(1,865)
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(174)	(378)
Effect of Balance Sheet Asset limit	(64)	64
Amounts recognised in the statement of Other Comprehensive Income	1,316	(2,179)
v) Amounts recognised in Balance Sheet:		
Present Value of Obligation as at the end of the period	69,311	68,101
Fair Value of Plan Assets at the end of the period	69,037	70,375
Funded Status [(Surplus) / Deficit]	274	(2,274)
Effects of asset ceiling - As at the beginning of the year	64	-
Effects of asset ceiling - As at the end of the year	(64)	64
Liability / (Asset) for the year as on 31 March as per Balance Sheet	274	(2,210)
vi) Plan Assets		
Categories of Plan Assets are as follows:		
State Govt. Securities	-	0.11%
Govt. of India Securities	0.50%	1.21%
High Quality Corporate Bonds	-	-

Notes to Accounts

(₹ in Lakhs)

Particulars	2022-23	2021-22
Equity shares of listed companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Investment with Insurer	99.49%	98.67%
Others (Bank balance)	0.01%	0.01%
vii) Actuarial Assumptions:		
Discount Rate	7.21%	7.34%
Rate of increase in compensation level	7.00%	7.00%
Expected rate of Return on Plan Assets	7.21%	7.34%
Estimated Average Future working life	14.40	15.10
viii) Best Estimate of Contribution to be paid:		
The best estimate of contribution to be paid towards Gratuity during the annual period beginning after the Balance Sheet is ₹ 274 (Nil).		
ix) Sensitivity Analysis:		
Discount Rate (0.50% movement) increase	7.71%	7.84%
Increase/(decrease) in defined benefit Obligation as at the end of the period	(2,647)	(2,722)
Discount Rate (0.50% movement) decrease	6.71%	6.84%
Increase/(decrease) defined benefit Obligation as at the end of the period	2,858	2,945
Salary Escalation Rate (0.50% movement) increase	7.50%	7.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	655	741
Salary Escalation Rate (0.50% movement) decrease	6.50%	6.50%
Increase/(decrease) defined benefit Obligation as at the end of the period	(738)	(820)

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 2023	As at 31 March 2022
Year 1	4,744	4,134
Year 2	12,000	10,010
Year 3	8,398	8,441
Year 4	7,856	8,085
Year 5	7,102	7,399
Next 5 years	25,367	27,642

Notes to Accounts

(₹ in Lakhs)

(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 ₹ 50 (Previous Year ₹ 53)
- Actuarial gains and losses in respect of defined benefit plans recognised in the Statement of Other Comprehensive Income is (₹ 28) (Previous Year ₹ 15)
- Gratuity is a benefit to an employee based on 15 days last drawn salary for each completed year of service.
- Gratuity plan is funded.

Particulars	As at 31 March 2023	As at 31 March 2022
A Change in Present Value of defined obligation representing reconciliation of opening and closing balances thereof are as follows:		
1 Present Value of Defined Benefit Obligation at the Beginning of the period	1,099	1,004
2 Interest Cost	77	69
3 Current Service Cost	47	44
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)	(6)	(12)
11 The Effect of Changes in Foreign Exchange Rates	-	-
12 Actuarial (gains) / losses on obligations - Due to Change in Demographic Assumptions	-	1
13 Actuarial (gains) / losses on obligations - Due to Change in Financial Assumptions	(38)	(10)
14 Actuarial (gains) / losses on obligations - Due to Experience	4	3
15 Present value of Defined Benefit Obligation as on Balance Sheet date	1,183	1,099
B Change in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:		
1 Fair value of Plan assets at the Beginning of the period	1,060	879
2 Interest Income	74	60
3 Actual contributions by Employers	38	126
4 Expected contributions by Employees	-	-
5 Assets Transferred In / Acquisitions	-	-
6 (Assets Transferred Out / Divestment)	-	-
7 (Benefit Paid From the Fund)	(6)	(12)
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	(6)	8
12 Fair value of Plan assets at the End of the Period	1,160	1,061

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
C Amount Recognised in the Balance Sheet		
1 Present Value of Defined Benefit Obligation at the end of the period	(1,183)	(1,099)
2 Fair value of Plan Assets at the end of the period	1,160	1,061
3 Funded status (Surplus / Deficit)	(23)	(38)
4 Net Asset / (Liability) recognised in Balance Sheet	(23)	(38)
D Reconciliation of present value of defined benefit obligation and fair value of plan assets showing amount recognised in the Balance Sheet:		
1 Present Value of Defined Benefit Obligation at the end of the period	(1,183)	(1,099)
2 Fair value of Plan Assets at the end of the period	1,160	1,061
3 Funded status [Surplus / (Deficit)]	(23)	(38)
4 Unrecognised Past Service Costs	-	-
5 Net Asset / (Liability) recognised in Balance Sheet	(23)	(38)
E Expenses Recognised in the Statement of Profit & Loss for Current Period		
1 Current Service cost	47	45
2 Interest cost	3	8
3 Past service cost	-	-
4 (Expected contribution by the Employees)	-	-
5 Losses / (Gain) on Curtailments & Settlements	-	-
6 Net effect of changes in Foreign Exchange Rates	-	-
7 Total expenses recognised in the Statement of Profit & Loss under contribution to Gratuity Fund	50	53
F Expenses Recognised in the Statement of Other Comprehensive Income (OCI)		
1 Actuarial (Gains) / Losses in the Obligation for the period	(34)	(7)
2 Return Plan Assets, Excluding Interest Income	6	(8)
3 Change in Asset Ceiling	-	-
4 Net (Income) / Expenses for the period Recognised in OCI	(28)	(15)

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 2023	As at 31 March 2022
1 Discount Rate (%)	7.44%	6.98%
2 Expected Return on plan assets (%)	7.44%	6.98%
3 Salary Escalation (%)	10.50%	10.50%
4 Rate of Employee Turnover	2.00%	2.00%

- 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.
- 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.
- Salary Escalation Rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Notes to Accounts

(₹ in Lakhs)

I Sensitivity Analysis

Year	As at 31 March 2023	As at 31 March 2022
Projected Benefit Obligation on Current Assumptions	1,183	1,099
1 Delta Effect +1% Change in Rate of Discounting	(77)	(80)
2 Delta Effect -1% Change in Rate of Discounting	85	89
3 Delta Effect +1% Change in Rate of salary increase	82	86
4 Delta Effect -1% Change in Rate of salary increase	(75)	(78)
5 Delta Effect +1% Change in Rate of Employee Turnover	(12)	(15)
6 Delta Effect -1% Change in Rate of Employee Turnover	13	17

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 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.

The Company has a defined benefit gratuity plan (unfunded) for employees of BEL - Thales Systems Limited.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contribution to Provident Fund included under contribution to provident and other funds.	33.59	29.19
TOTAL	33.59	29.19

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, 2021 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.

Notes to Accounts

(₹ in Lakhs)

Interest rate risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
Liquidity risk	This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

Actuarial Valuation Method:

The valuation has been carried out using the Projected Unit Credit Method as per Ind AS 19 to determine the Present Value of Defined Benefit Obligations and the related Current Service Cost and, where applicable, Past Service Cost.

Particulars	Gratuity As at 31 March 2023
Net Employee benefit expense recognised in the employee cost in statement of profit & loss account	
Current service cost	1.10
Interest cost on benefit obligation	0.20
Past Service Cost	-
Expected return on plan assets	-
Sub Total	1.30
Recognised in Other Comprehensive Income	
Net actuarial (gain)/loss recognised in the year on plan obligations	(0.42)
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	-
Effect of Balance Sheet asset limit	-
Sub Total	(0.42)
Net benefit expense	0.88
Balance Sheet	
Benefit asset / liability	
Present value of defined benefit obligation	3.82
Fair value of plan assets	-
Assets / (Liability) recognised in the balance sheet	3.82
Change in the present value of the defined benefit obligation	
Opening defined benefit obligation	2.95
Benefit transferred in	-
Benefit transferred Out	-
Benefits paid	-
Acquisition Adjustments	-
Expenses Recognised in Statement of Profit and Loss Account	
Current service cost	1.10
Interest cost on benefit obligation	0.20
Past Service Cost	-
Recognised in other comprehensive income Actuarial (gain)/loss on obligation	(0.42)
Closing defined benefit obligation	3.83

Notes to Accounts

(₹ in Lakhs)

Particulars	Gratuity As at 31 March 2023
Bifurcation of Present Value of Obligation at the end of the year	
Current Liability (Short term)	0.22
Non-Current Liability (Long term)	3.61
Present Value of Obligation	3.83
Change in the fair value of plan assets	
Opening fair value of plan assets	-
Contributions by employer	-
Investment Income	-
Benefits paid	-
Return on plan assets, excluding amount recognised in net interest expenses	-
Closing fair value of plan assets	-
Assumptions	
Discount Rate (% p.a)	7.27%
Expected rate of salary increase (%)	6.00%
Mortality rate	(% of IALM 2012-14)
Normal retirement age	60 years
Attrition / Withdrawal rates per annum	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, 2023	3.82	(3.82)	0.31	0.12	-

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	7.77%	6.77%	6.50%	50.00%
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 2023
Compensated absences	
Charge in the Statement of Profit and Loss	12.85
Liability as at the year end	1.80
Actuarial assumptions	
Discount rate	7.27%
Salary escalation	6.00%
Retirement age	60 Years
Attrition rate	28.54%

Notes to Accounts

(₹ in Lakhs)

ii) Bharat Electronics Limited Retired Employees Medical Trust (BREM):

During the year BEL has formed a 'Bharat Electronics Limited Retired Employees Medical Trust (BREM)' ['Trust'] for running a medical fund for its retired employees. 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 members 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 are as follows:

Particulars	2022-23
i) Change in Present Value of Obligations:	
Present Value of Obligation (PVO) as at the beginning of the year	1,16,494
Current Service Cost	6,139
Interest Cost	8,551
Past service cost	-
Benefits paid*	-
Actuarial (gains) / Losses recognised in other comprehensive income	
Changes in financial assumptions on plan liability - loss / (gains)	3,466
Experience adjustments on plan liability - loss / (gains)	13,492
Impact on Change in Demographic assumption on Plan liabilities - loss / (gains)	-
Present Value of Obligation as at the end of the period	1,48,142
ii) Change in Fair Value of plan assets:	
Fair value of plan assets at the beginning of the year	-
Expected return on plan assets	7,647
Direct Contributions to meet direct benefit payment	-
Benefit paid*	-
Actuarial gain / (loss) on plan Assets recognised in other comprehensive income	(1,379)
Contribution to plan assets	1,16,493
Fair value of plan assets at the end of the period	1,22,761
Defined benefit (Asset) / liability	
Effects of asset ceiling - As at the beginning of the year	
Effects of asset ceiling - As at the end of the year	
Net defined benefit (asset) / liability	25,381
iii) Expenses Recognised in the Statement of Profit & Loss:	
Current Service cost	6,139
Interest on Defined benefit obligation	904
Past service cost	-
Net Expenses Recognised in the Statement of Profit & Loss	7,043
iv) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements):	
Actuarial (gain)/loss on plan Obligations	16,958
Actuarial (gain)/loss on plan Assets	1,379
Amounts recognised in the statement of Other Comprehensive Income	18,337

Notes to Accounts

(₹ in Lakhs)

Particulars	2022-23
v) Amounts recognised in Balance Sheet:	
Present Value of Obligation as at the end of the period	1,48,142
Fair Value of Plan Assets at the end of the period	1,22,761
Funded Status [(Surplus) / Deficit]	25,381
Effects of asset ceiling - As at the beginning of the year	-
Effects of asset ceiling - As at the end of the year	-
Liability / (Asset) for the year as on 31 March as per Balance Sheet	25,381
vi) Plan Assets	
Categories of Plan Assets are as follows:	
Government of India Securities	-
State Government Securities	-
High Quality Corporate Bonds	-
Equity shares of listed companies	-
Property	-
Special Deposit Scheme	-
Funds managed by Insurer	99.99%
Others (Bank balance)	0.01%
vii) Actuarial Assumptions:	
Discount Rate	7.21%
Medical inflation rate	7.00%
Attrition Rate	1.50%
viii) Best Estimate of Contribution to be paid:	
The best estimate of contribution to be paid towards BERECHS during the annual period beginning after the Balance Sheet is ₹ 25,381 (NA).	
ix) Effect of a one percentage point increase in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	1,862
Effect on the defined benefit obligation	14,925
Effect of a one percentage point decrease in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	(1,606)
Effect on the defined benefit obligation	(12,872)
x) Sensitivity Analysis:	
Discount Rate (0.50% movement) increase	7.71%
Increase/(decrease) Defined benefit Obligation as at the end of the period	(7,748)
Discount Rate (0.50% movement) decrease	6.71%
Increase/(decrease) Defined benefit Obligation as at the end of the period	8,574
Medical Inflation Rate (0.50% movement) increase	7.50%
Increase/(decrease) Defined benefit Obligation as at the end of the period	7,183
Medical Inflation Rate (0.50% movement) decrease	6.50%
Increase/(decrease) Defined benefit Obligation as at the end of the period	(6,670)

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 2023
Year 1	6,892
Year 2	7,207
Year 3	7,520
Year 4	7,990
Year 5	8,430
Next 5 years	49,557

Note:

* Sum of ₹ 6,564 paid towards BERECHS expenditure is due from BREM Trust and the same is included in PVO.

(ii) BEL RETIRED EMPLOYEES CONTRIBUTORY HEALTH SCHEME (BERECHS): (In respect to parent company)

The Company has a contributory health scheme for its retired employees "BEL Retired Employees' Contributory Health Scheme" (BERECHS), which is a non-funded scheme. 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 members 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 are as follows:

Particulars	2021-22
i) Change in Present Value of Obligations:	
Present Value of Obligation (PVO) as at the beginning of the year	82,507
Current Service Cost	4,348
Interest Cost	5,775
Past Service cost	1,727
Benefits paid	920
Actuarial (gains) / Losses recognised in other comprehensive income	
Changes in financial assumptions on plan liability - loss / (gain)	(2,312)
Experience adjustments on plan liability - loss / (gain)	23,529
Impact on change in demographic assumption on plan liabilities loss / (gain)	-
Present Value of Obligation as at the end of the period	1,16,494
ii) Change in Fair Value of non-plan assets (Reimbursement rights):	
Fair value of non-plan assets at the beginning of the year	72,230
Expected return on non-plan assets	5,549
Direct Contributions to meet direct benefit payment	4,629
Benefit paid	(4,629)

Notes to Accounts

(₹ in Lakhs)

Particulars	2021-22
Actuarial gain / (loss) on non-plan Assets recognised in other comprehensive income	(902)
Contribution to non-plan assets	15,000
Fair value of non-plan assets at the end of the period	91,877
iii) Expenses Recognised in the Statement of Profit & Loss:	
Opening Net Liability	-
Current Service cost	4,348
Interest on Defined benefit obligation	5,775
Past Service cost	1,727
Net Expenses Recognised in the Statement of Profit & Loss [Expenses: Nil (₹ 389), Provisions: ₹ 11,850 (₹ 6,846)]	11,850
iv) Amounts recognised in the Statement of Other Comprehensive Income (Re-measurements):	
Actuarial (gain)/loss on non - plan Obligations	21,217
Actuarial (gain)/loss on non - plan Assets	902
Amounts recognised in the Statement of Other Comprehensive Income	22,119
v) Amounts recognised in Balance Sheet:	
Present Value of Obligation as at the end of the period	1,16,494
Fair Value of Plan Assets at the end of the period	-
Funded Status	(1,16,494)
Liability recognised in Balance Sheet (as per actuarial valuation)	1,16,494
Expected to be payable within next twelve months	10,308
Expected to be payable beyond next twelve months	1,06,186
vi) Actuarial Assumptions:	
Discount Rate	7.34%
Medical inflation rate	6.50%
Attrition Rate	1.00%
vii) Effect of a one percentage point increase in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	1,511
Effect on the defined benefit obligation	11,987
Effect of a one percentage point decrease in assumed health care cost trend rates on the aggregate of the service cost and interest cost and defined benefit obligation:	
Effect on the aggregate of the service cost and interest cost	(1,306)
Effect on the defined benefit obligation	(10,365)
viii) Sensitivity Analysis:	
Discount Rate (0.50% movement) increase	7.84%
Increase/(decrease) Defined benefit obligation as at the end of the period	(6,306)
Discount Rate (0.50% movement) decrease	6.84%
Increase/(decrease) Defined benefit obligation as at the end of the period	6,975
Medical Inflation Rate (0.50% movement) increase	7.00%
Increase/(decrease) Defined benefit obligation as at the end of the period	5,772
Medical Inflation Rate (0.50% movement) decrease	6.00%
Increase/(decrease) Defined benefit obligation as at the end of the period	(5,368)

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 2022
Year 1	6,446
Year 2	6,834
Year 3	7,241
Year 4	7,672
Year 5	8,089
Next 5 years	46,160

(iii) EMPLOYEES PROVIDENT FUND [INTEREST SHORTFALL]: (in respect of parent company)

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	Year ended 31 March 2023	Year ended 31 March 2022
i) Change in Present Value of Benefit Obligations:		
Present Value of Obligation as at the beginning of the year	3,62,025	3,34,350
Current Service Cost	12,092	11,723
Interest Cost	26,203	23,058
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Actuarial (gain) / Loss	12,561	9,944
Benefits paid/payable	(75,564)	(70,067)
Contributions	53,875	53,017
Present Value of Obligation as at the end of the period	3,91,192	3,62,025
ii) Change in Fair Value of plan assets:		
Fair value of plan assets at the beginning of the year	3,70,216	3,40,609
Expected return on plan assets	26,804	23,494
Contributions	65,495	63,958
Benefit paid	(75,564)	(70,067)
Actuarial gain / (loss) on Plan Assets	1,678	12,222
Fair value of plan assets at the end of the period	3,88,629	3,70,216

Notes to Accounts

(₹ in Lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
iii) Expenses Recognised in the Statement of Profit & Loss:		
Opening Net Liability	-	-
Current Service cost	12,092	11,723
Interest Cost	26,203	23,058
Expected return on Plan Assets	(26,804)	(23,494)
Net Actuarial (gain) / loss recognised in the period	-	-
Past Service Cost (Non vested Benefits)	-	-
Past Service Cost (vested Benefits)	-	-
Expenses Recognised in the Statement of Profit & Loss	11,491	11,287
iv) Amounts recognised in Balance Sheet:		
Present Value of Obligation as at the end of the period	3,91,192	3,62,025
Fair Value of Plan Assets at the end of the period	3,88,629	3,70,216
Effect of Balance Sheet asset limit	-	8,191
Difference	2,563	-
Unrecognised Actuarial (gains) / losses	-	-
Liability recognised in Balance Sheet	2,563	-
v) Amount for the Current Period:		
Present Value of Obligation	3,91,192	3,62,025
Plan Assets	3,88,629	3,70,216
Effect of Balance Sheet asset limit	-	8,191
Surplus/ (Deficit)	(2,563)	-
Experience Adjustments on Plan liabilities - (Loss)/ Gain	(13,287)	(9,991)
Experience Adjustments on Plan Assets - (Loss)/ Gain	1,678	12,222
vi) Amounts recognised in the statement of Other Comprehensive Income (Re-measurements):		
Actuarial (gain)/loss on Plan Obligations	12,561	9,944
Difference between Actual Return and Interest Income on Plan Assets - (gain)/loss	(1,678)	(12,222)
Effect of Balance Sheet asset limit	(8,320)	2,278
Amounts recognised in the statement of Other Comprehensive Income	2,563	-
vii) Category of Assets as at March 31:		
Government of India Securities & State Government Securities	53.60%/57.64%	54.49%/61.35%
High Quality Corporate Bonds	33.10%/26.14%	32.88%/24.69%
Mutual Funds	2.70%/2.49%	2.71%/1.59%
Others	7.68%/9.16%	8.55%/8.55%
Recoverable from Enterprise **	2.92%/4.57%	1.37%/3.82%
Total	100%/100%	100%/100%
viii) Actuarial Assumptions:		
Discount Rate	7.21%	7.34%
Salary escalation rate	7.00%	7.00%
Expected rate of Return on Plan Assets	7.96%/8.16%	8.07%/8.30%

* Note- include ₹ 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 ₹ 13,601 (₹ 8,551) 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.

Notes to Accounts

(₹ in Lakhs)

B. Long Term Compensated Absence: (In respect of parent company)

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	2022-23	2021-22
i) Expenses Recognised in the Statement of Profit & Loss:		
Net Expenses Recognised in the Statement of Profit & Loss [2022-23 Leave Encashed: ₹ 1,925, Provisions: ₹ 5,027] [2021-22 Leave Encashed: ₹ 1,890, Provisions: ₹ 1,602]	6,952	3,492
ii) Amounts to be recognised in Balance Sheet:		
Liability recognised in Balance Sheet [As per Actuarial Valuation]	46,443	41,416
iii) Actuarial Assumptions:		
Discount Rate	7.21%	7.34%
Rate of increase in compensation level	7.00%	7.00%
iv) Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months/beyond 12 months.		
Current leave obligations expected to be settled within the next 12 months	5,488	3,972
Leave obligations expected to be settled beyond 12 months	40,955	37,444
Total	46,443	41,416

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 as on 31.03.2023 is ₹ 578/- as on 31.03.2023 (Previous Year - ₹ 531/-). The actuarial valuation has been done using PUC method.

Particulars	2022-23	2021-22
Retirement Age	58 years	58 years
Attrition Rate	2%	2%
Future Salary Rise	10.50%	10.50%
Rate of Discounting	6.98%	6.98%
Mortality Table	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

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	2022-23	2021-22
Current Liability	15	10
Non Current Liability	563	521
Total	578	531

C. Pension Scheme: [In respect of Parent company]

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 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.

The post retirement medical plan of the company is an unfunded plan. Hence asset-liability matching strategies are not relevant for this plan.

iii) A description of the funding arrangements and funding policy.

The Gratuity plan of the company is a funded plan. 98.67% (98.70%) of the plan assets backing this plan are insurer managed assets and 1.32% (1.29%) 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 post-retirement medical plan [BERECHS] is an unfunded plan.

Notes to Accounts

(₹ in Lakhs)

Note 22 - Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current		
Deferred revenue - customer grants	-	-
Sub Total (A)	-	-
Current		
Contract liability		
- Customer advance received	14,82,298	14,50,765
- Deferred revenue	14,672	7,173
Statutory liabilities	27,054	17,699
Others	5,882	5,270
Sub Total (B)	15,29,906	14,80,907
Total (A+B)	15,29,906	14,80,907

i. Contract Liability

Revenue recognised during the period is ₹ 5,70,510 (₹ 4,84,774) 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 2023	For the year ended 31 March 2022
Sale of products	15,66,295	13,60,863
Income from services	1,74,123	1,47,611
	17,40,418	15,08,474
Other operating revenue		
Sale of scrap	500	882
Transport receipts	312	360
Rent receipts	658	643
Canteen receipts	1,469	1,202
Electricity charges collected	238	246
Water charges collected	54	47
Provisions withdrawn		
- Performance warranty	357	-
- Doubtful debts, Liquidated Damages	8,794	8,280
- Inventory	2,873	2,957
- Loans & advances	425	108
- Others	-	1
	12,449	11,346
Government grants including duty drawback	2,175	1,937
Customer grants	-	112
Miscellaneous	15,171	11,569
	17,73,444	15,36,818

Notes to Accounts

(₹ in Lakhs)

(i) 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
Total	15,11,140	1,57,144	28,261	43,872	17,40,418

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).

Disaggregation of revenue recognised against contracts with customers (2021-22)

Particulars	Domestic			Exports	Total
	Government of India		Others		
	Defence	Non-Defence			
Sale of Product	12,37,975	73,050	28,011	21,827	13,60,863
Income from Services	1,15,531	29,863	445	1,772	1,47,611
Total	13,53,506	1,02,913	28,456	23,599	15,08,474

Out of above Group's Export sales, ₹ 23,599 pertains to Parent company. In addition to this GE-BE Pvt Ltd has exports of ₹ 1,40,547 (value not included above).

(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with contract Price.

Particulars	2022-23	2021-22
Revenue as per Statement of Profit and Loss Account		
Sale of Product	15,66,295	13,60,863
Income from Services	1,74,123	1,47,611
Total (a)	17,40,418	15,08,474
Add / (Less) adjustment to contract price		
Foreign exchange variation claim	(42,001)	(28,596)
Price revision	-	-
Discount, rebate offered	39	1,026
Others	(5,492)	(2,501)
Total adjustment (b)	(47,452)	(30,071)
Contract price (a+b)	16,92,966	14,78,403

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.

Notes to Accounts

(₹ in Lakhs)

- 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 / reimburseable against foreign exchange variation clause. The amount of revenue recognised in respect of the same is determined based on the methodology specified in the contract. The amount is recognised as revenue on admittance/accrual of claim by customer.
- e. The Group turnover mainly includes supply of defence electronics 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".
 - Transfer of significant risk and rewards
 - Customer has legal title to the asset
 - The entity has transferred physical possession of the asset
 - Customer has accepted the asset
 - Entity has the present right to payment for the asset
- k. Transaction price is typically determined based on contract entered into with customer. Allocation of transaction price in respect to multiple obligation is based on relative standalone selling price.
- l. No non-cash consideration are received / given during the current / previous year.

(iii) An amount of Nil (₹ 247) (net) has been recognised as revenue during the year out of performance obligation satisfied in previous periods.

Notes to Accounts

(₹ in Lakhs)

Note 24 - Other Income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on term deposits	26,088	17,645
Interest income from staff / IT refund / others	250	310
Profit on sale of property, plant & equipments	152	45
Foreign exchange differential gain	637	4,148
Rental income - Investment property	194	146
Gain / (loss) on mutual funds	587	587
Miscellaneous (Net of expenses)	172	273
	28,080	23,154

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 2023	For the year ended 31 March 2022
Work-in-progress:		
Closing Inventory	1,96,287	1,70,163
Opening Inventory	1,70,163	1,38,550
	(26,124)	(31,613)
Finished goods:		
Closing Inventory	37,007	24,248
Opening Inventory	24,248	27,675
	(12,759)	3,427
Scrap:		
Closing Inventory	551	236
Opening Inventory	236	323
	(315)	87
	(39,198)	(28,099)
Less: Unrealised Profit on Stock	130	(71)
	(39,328)	(28,028)

Notes to Accounts

(₹ in Lakhs)

Note 26 - Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus / ex-gratia	1,86,704	1,65,753
Retirement benefit expenses		
Gratuity	1,218	1,513
Contribution to provident and pension funds	12,798	11,917
Management contribution to BEL superannuation (Pension) scheme	6,069	6,088
Provision for BEL retired employees' contributory health scheme	7,043	11,868
	27,128	31,386
Welfare expenses* [including salaries ₹ 1,134 (₹ 1,107) PF contribution ₹ 116 (₹ 117)]	17,902	15,662
	2,31,734	2,12,801

Refer Note 31 for Remuneration to Key Managerial Personnel.

* Refer Note 21 (A) (iii), accordingly a provision of ₹ 5,050 (₹ 2,811) is made.

Note 27 - Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expenses		
Interest on dues to Micro & Small Enterprises	(1)	13
Interest on income tax	1	-
Interest expense on lease liability	370	306
Other interest expenses	1,088	147
	1,458	466
Other borrowing cost		
Loan processing charges	37	39
	1,495	505

Note 28 - Depreciation / amortisation

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation / amortisation on property, plant & equipment	39,180	36,951
Depreciation on investment property	1	1
Amortisation on other intangible assets	3,187	2,718
Depreciation / amortisation on right of use assets	514	443
	42,882	40,113

Notes to Accounts

(₹ in Lakhs)

Note 29 - Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel *	4,281	3,891
Water charges	400	422
Royalty & technical assistance	964	1,346
Rent	1,683	1,713
Rates & taxes	843	550
Insurance	2,770	2,454
Auditors remuneration		
Audit fees	37	37
Tax audit fees	6	6
Other services (Certification fees)	10	9
Reimbursement of expenses	9	12
	62	64
Cost audit fee	4	4
Repairs & maintenance		
Buildings	2,521	2,603
Plant & machinery	1,759	1,166
Others	10,428	11,542
	14,708	15,311
Bank charges	388	350
Printing and stationery	358	283
Advertisement & publicity	1,768	289
Travelling expenses	12,962	7,859
Hiring charges for van & taxis	1,489	1,124
Packing & forwarding	2,541	2,845
Bad debts & advances written off	5,855	1,307
Less: Charged to provisions	(5,855)	(1,307)
	-	-
Provision for obsolete / redundant materials	20,594	6,878
Provisions for doubtful debts, liquidated damages, customers' claims and disallowances	46,330	26,963
Provision for doubtful advances, claims	165	219
Provision for performance warranty (net) **	3,572	9,544
Provision - Onerous Contract (net)	1,844	1,980
Write off of raw materials, stores & components due to obsolescence and redundancy	3,519	936
Less: Charged to provisions	(3,436)	(920)
	83	16
Provision others	4,180	-
Provision for Intangible asset under development	544	-
Intangible asset Under Development charged off	1,950	-

Notes to Accounts

(₹ in Lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Corporate social responsibility	5,496	5,094
Others		
Other Misc Direct Expenditure	14,458	7,856
After Sales Service	462	316
Telephones	1,094	773
Expenditure on Seminars & Courses	759	685
Other Selling Expenses	127	1,250
Miscellaneous	6,247	5,095
	23,147	15,975
	1,53,126	1,05,174
Less: Expenditure allocated to capital jobs	(2,760)	(4,961)
	1,50,366	1,00,213

* Power expenditure incurred during the year is after netting off Wind Energy Generation of ₹ 1,737 (₹ 1,627).

** Refer note 21.

Note 30 - General Notes to Accounts

1 Earnings per Equity Share

Particulars	2022-23	2021-22
a From continuing operations		
Basic earnings per share (INR)	4.09	3.28
Diluted earnings per share (INR)	4.09	3.28
b Amounts used as the numerators in calculating basic and diluted earnings per share	2,98,624	2,40,022
c Number of Shares used in computing earnings per share	7,30,97,78,829	7,30,97,78,829

2 Consolidation Procedure

The Consolidated Financial Statements ("CFS") have been prepared on the basis of audited financial statements of the Parent Company viz., Bharat Electronics Limited (BEL), its subsidiaries viz., BEL Optronics Limited, Pune (Share Holding 100%) and BEL-THALES Systems Limited, Bangalore (Share Holding 74%), and 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 unrealised profit / loss. Deferred tax assets and deferred tax liability have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liability and where the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same taxation authority.

In respect of 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.

Notes to Accounts

(₹ in Lakhs)

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 Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provision of the Act.

The Company's consolidated 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.

7 Impairment of Assets

The parent 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 amount of ₹ 7,882 (₹ 7,337) is provided as provision for impairment as on Balance Sheet date. During the year an amount of ₹ 545 (Nil) has been provided as impairment of asset. The subsidiaries (BEL Optronics Devices Limited and BEL-THALES Systems Limited) and Associate (GE BE Private Ltd.) have also analysed indications of impairment of assets and found no indication of impairment of assets and hence no provision for the same is considered necessary.

8 Short Term Borrowings

- The parent company has been sanctioned working capital limit of ₹ 5,00,000 (₹ 4,00,000) 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 (₹ 3,50,000).
- The interest rate payable on fund based limit is linked to SBI 3 months (1 year) MCLR Rate. [Interest rate payable as on 31.03.2023 is 8.10% p.a. (6.65% p.a.)].
- The amount utilised is repayable on demand. Utilisation as on 31.03.2023 is Nil (Nil).
- 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 7.10% (7.10%) p.a.[SBI].

Notes to Accounts

(₹ in Lakhs)

9 Contractual Commitments

Particulars	As at 31 March 2023	As at 31 March 2022
A. Estimated amount of contracts remaining to be executed on Capital Account and not provided as on 31 March		
Property, Plant & Equipments	71,359	43,333
Investment Property	-	-
Other Intangible Assets	5,481	4,473
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 2023	As at 31 March 2022
Claims not acknowledged as debts	1,02,793	1,00,769
Outstanding Letters of Credit	63,409	73,031
Others	26,336	3,486
Provisional Liquidated Damages upto 31 March on unexecuted customer orders where the delivery date has expired	46,242	35,986

In respect of certain 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 2023	As at 31 March 2022
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 2022	As at 31 March 2021
Not later than one year	62	53
Later than one year and not later than five years	316	241
Later than five years.	2,715	2,785

The company has Leased out Point of Sales machines to Government of Haryana for period of five years from 2016-17 to 2021-22.

Notes to Accounts

(₹ in Lakhs)

The company has Leased out few portions of Land to different organisations under non-cancellable operating Lease. Lease period is spread over from the year 1967 to 2077. The leases have various terms, escalation clause, lease renewal rights etc. On renewal, the terms of the lease are renegotiated.

The company has not recognised any income as contingent rent.

b) As a Lessee:

The 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 COVID - 19 Impact

The group has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the consolidated financial statements including the recoverability of carrying amount of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of pandemic, the group has used its available internal and external sources of information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of COVID-19 on the consolidated financial statements may differ from the estimate as at the date of approval of the consolidated financial statements.

16 Dividend not recognised at the end of the reporting period [parent company]

The directors have recommended a final dividend of INR 0.60 (INR 1.50) [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 ₹ 43,859 (₹ 36,549).

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 Year	1-2 Years	2-3 Years	More than 3 Years
Unexecuted order value	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 During the previous year, BEL-THALES Systems Limited (Subsidiary) has reclassified FY 2020-21 balances based on the Assurance given to C&AG during Certification Audit for FY 2020-21. The said reclassifications have been considered while preparing the Consolidated Financial Statements for FY 2021-22.

19 Other Disclosure as 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 (Parent Company)

₹ 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 2023	As at 31 March 2022
Muskan Enterprises Private Limited	Advance received	-	-	3,012
Raju Enterprises Private Limited	Advance received	-	-	1,67,649
Hema Enterprises Private Limited	Advance received	-	-	16,815
Sharp Products Private Limited	Advance received	-	28,932	28,932
M S Enterprise Private Limited	Advance received	-	399	53,640
H.M. BROS. Ltd.	Trade payable	-	38,586	-
Ravi Thermal Engineers Pvt Ltd	Trade payable	-	6,480	-
S P Enterprises Private Limited	Advance received	-	1,908	1,908
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	-	-	3,07,390
Bigtech Software Private Limited	Trade payable	-	1,34,436	68,759
Chawla Health Care Private Limited	Trade payable	-	90,473	1,57,976
Chawla Health Care Private Limited	Security Deposit received	-	4,87,435	4,87,435
Compu lease Networks Private Limited	Trade payable	-	13,44,917	12,86,926
El Camino Technologies Private Limited	Trade payable	-	19,500	19,500
Embedded Software Development Private Limited	Trade payable	-	-	8,13,920
Exigent Solutions Private Limited	Advance paid	-	19,50,934	19,50,934
Exigent Solutions Private Limited	Trade payable	-	72,632	72,632
Innowire Technologies Private Limited	Trade payable	-	4,98,550	4,98,550

Notes to Accounts

(₹ in Lakhs)

Name of the Struck off Company	Nature of Transactions with struck off company	Relationship with the struck off company, if any to be disclosed	₹ In INR (Represents absolute figure)	
			As at 31 March 2023	As at 31 March 2022
Integra Micro Systems Private Limited	Trade payable	-	-	1,95,216
Kaptron Private Limited	Trade payable	-	1,26,000	1,26,000
Road Carrier of India Private Limited	Security Deposit received	-	25,000	25,000
S.B.S. Technocarts & Engineers Private Limited	Security Deposit received	-	-	2,23,054
S.B.S. Technocarts & Engineers Private Limited	Trade payable	-	-	3,74,973
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
Sumitron Exports Private Limited	Trade payable	-	-	41,681
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
Tangmarg Investment and Trading Pvt Ltd	Shareholders	-	7,540	-
Satidham Industries Private Limited	Shareholders	-	-	12,000
Garg Capital & Stock Private Limited	Shareholders	-	9,900	3,300
D R Shares Private Limited	Shareholders	-	9,900	3,300
Salasar Securites Private Limited	Shareholders	-	-	1,200
Astral Auto Parts Private Limited	Shareholders	-	-	1,100
Arvind Securities Private Limited	Shareholders	-	-	198

- c The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (RoC) beyond the statutory period.
- d The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- 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 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.
- g 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)

Notes to Accounts

(₹ in Lakhs)

20 During the year 2019-20, a fraud on the Parent company by the employees 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.

21 An amount of ₹ 26 (Nil) 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.

22 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.

23 Retention Sales [Parent Company]

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 ₹ 76,411 (₹ 80,880).

Out of the above, the Value of Ex-works Sales is ₹ 10,008 (Nil).

24 Figures in brackets relate to previous years.

25 All figures in the consolidated financial statement are rounded off to nearest Lakh unless otherwise mentioned.

26 The consolidated Ind AS financial statements were approved for issue on 20 May 2023 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 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
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.

Mr Vinay Kumar Katyal, Director [BG Complex], Additional Charges as Director [Finance] from 01.11.2022 to 10.01.2023.

Mr Manoj Jain, Director [Rearch & Development] from 26.09.2022 and Additional Charge as Director [Human Resources] from 01.11.2022.

Notes to Accounts

(₹ in Lakhs)

Mr Damodar Bhattad S, Director (Finance) & CFO from 11.01.2023
Mr Dinesh Kumar Batra, Director [Finance] & CFO upto 31.10.2022, Additional Charge as Chairman & Managing Director, 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 [R&D] upto 31.08.2022
Mr M V Gowtama, Chairman & Managing Director upto 30.06.2021
Mrs Shikha Gupta, Director [Other Units] upto 08.05.2021
Mr Shivakumaran K M, Director [HR] upto 31.08.2021
Mr S Sreenivas, Company Secretary
Mr DCN Srinivasa Rao, CEO - BELOP
Mr P. Sarkar, CFO - BELOP
Mrs Priya S Iyer, Company Secretary - BELOP
Mr Narasimha Prasad K, CEO - BEL THALES Systems.
Mr Abhishek Kumar, CFO - BEL THALES Systems upto 30.06.2022.
Mr Amresh Kumar Jha, CFO - BEL THALES Systems from 01.07.2022.
Mr Sanjog Mohapatra, Company Secretary - BEL THALES Systems upto 23.08.2022
Ms Kirti Sewani, Company Secretary - BEL THALES Systems from 07.10.2022
Mr Emmanuel de Roquefeuil, Director - BEL THALES System upto 06.07.2021

ii. Compensation to Key Management Personnels

Particulars	Contribution by the company	
	For the year ended 31 March 2023	For the year ended 31 March 2022
Short term employee benefits	495	475
Post employment benefits	45	43
Long term employee benefits	74	62
Termination benefits	-	-
Share based payment	-	-
Total	613	580

c Post Employment Benefit Plans [Parent Company].

Particulars	Contribution by the company	
	For the year ended 31 March 2023	For the year ended 31 March 2022
BEL Provident Fund Trust	11,598	10,922
BEL Gratuity Trust Fund	-	-
Bharat Electronics Limited Superannuation (Pension) Trust	6,040	6,063
Bharat Electronics Limited Retired Employees Medical Trust (BREMT)*	1,16,493	-

*Refer note 21 (A) (ii) in respect to BREMT.

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	Associate	
	GE BE Private Ltd	Defence Innovation Organisation
Sale of Goods	2,240	-
	(2,297)	-
Trade Receivables Outstanding as on 31.03.2023	515	-
	(606)	-
Investment in Equity as on 31.03.2023	260	1
	(260)	(1)
Contribution Outstanding as on 31.03.2023	-	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: -

249,19,47,956 (Nil) number of Bonus Shares were Issued in FY 2022-23.

An amount of ₹ 63,546 (₹ 52,331) was paid as Dividend during the FY 2022-23.

In addition to the above, around 96% (97%) of the Company's Turnover, around 97% (99%) of Trade Receivables and around 99% (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 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 company		Ownership interest held by the non controlling interests		Principal Activities
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
BEL Optronic 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.

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 2023	As at 31 March 2022
NCI percentage	26%	26%
Non - Current assets	1,645	1,742
Current assets	6,307	7,320
Total Assets	7,952	9,062
Non - Current liabilities	5	53
Current liabilities	1,118	2,723
Total liabilities	1,123	2,776
Net assets	6,829	6,286
Net assets attributable to NCI	1,775	1,634

Summarised Statement of Profit & Loss	BEL - THALES Systems Ltd.	
	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Revenue	8,005	4,091
Profit	700	521
Other comprehensive income (OCI)	-	-
Total comprehensive income	700	521
Profit allocated to NCI	182	135
OCI allocated to NCI	-	-
Total comprehensive income allocated to NCI	182	135

Summarised Cash Flows	BEL - THALES Systems Ltd.	
	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Cash flows from Operating activities	1,296	(2,143)
Cash flows from Investing activities	(1,642)	3,687
Cash flows from Financing activities	(204)	(45)
Net increase / (decrease) in cash and cash equivalents	(550)	1,499

- ii. Transactions with non-controlling interests - Nil (Nil).

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 2023	As at 31 March 2022
GE BE Private Limited	India	26%	Associate	Equity Method	20,073	23,292
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].

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. (Audited)

Summarised Balance Sheet	As at	
	31 March 2023	31 March 2022
Non - Current assets	25,567	24,378
Current assets		
Cash and Cash equivalents	17,669	1,344
Other assets	57,294	92,831
Total Current assets	74,963	94,175
Total assets	1,00,530	1,18,553
Non - Current liabilities		
Financial liabilities other than trade payables	31	18
Other liabilities.	1,024	439
Total Non - Current liabilities	1,055	457
Current liabilities		
Financial liabilities other than trade payables	872	771
Other liabilities.	21,362	27,714
Total Current liabilities	22,234	28,485
Total liabilities	23,289	28,942
Net assets	77,241	89,611
Less: unrealised profit on stock	(10)	(7)
Company's share of Net assets	20,073	23,292

Summarised Statement of Profit & Loss	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Revenue	1,57,910	1,56,672	
Interest Income	1,082	1,682		
Depreciation and amortisation	3,707	3,598		
Interest expense	44	16		
Income tax expense	6,040	6,041		
Profit for the year	17,624	17,578		
Other comprehensive income	6	(24)		
Total comprehensive income	17,630	17,554		
Company's share of Profit	4,582	4,570		
Unrealised profit on stock	7	7		
Net company share of profit	4,589	4,577		
Company's share of OCI	2	(6)		
Company's share of total comprehensive income	4,591	4,571		

The Parent Company has received Dividend of ₹ 7,800 (₹ 260) from its Associate (GE BE private limited).

Notes to Accounts

(₹ in Lakhs)

Reconciliation to carrying amounts

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening net assets	23,293	18,989
Profit for the year	4,589	4,577
Other comprehensive income	2	(6)
Unrealised profit on stock	(10)	(7)
Dividend paid	7,800	260
Closing net assets	20,073	23,293

Commitments and Contingent Liabilities in respect of Associates: -

Particulars	GE BE Pvt. Ltd.	
	As at 31 March 2023	As at 31 March 2022
Capital Commitments	210	180
Other Commitments	-	-
Other Contingent Liabilities	756	831

Name of the Entity	Defence Innovation Organisation	
Place of Business / Place of Incorporation	India	
% of ownership interest	50%	
Relationship	Associate	
Carrying Amount	2022-23	1
	2021-22	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
Parent:									
Bharat Electronics Ltd.	2022-23	96.12%	13,33,915	98.01%	2,92,659	100.13%	(16,624)	97.88%	2,76,035
	2021-22	95.61%	11,76,218	97.66%	2,34,409	100.03%	(14,921)	97.51%	2,19,488
Subsidiaries:									
Indian									
BEL Optron Devices Ltd. (BELOP)	2022-23	1.95%	27,121	0.23%	676	-0.12%	20	0.25%	696
	2021-22	1.99%	24,432	0.21%	516	-0.07%	11	0.23%	527
BEL - THALES Systems Ltd.	2022-23	0.36%	5,054	0.17%	518	-	-	0.18%	518
	2021-22	0.38%	4,651	0.16%	386	-	(1)	0.17%	385
Non Controlling Interest in Subsidiary:									
Indian									
BEL - THALES Systems Ltd.	2022-23	0.13%	1,775	0.06%	182	-	-	0.06%	182
	2021-22	0.13%	1,634	0.06%	135	-	-	0.06%	135
Associates (investment as per the equity method):									
Indian									
GE BE Pvt. Ltd.	2022-23	1.45%	20,073	1.54%	4,589	-0.01%	2	1.63%	4,591
	2021-22	1.89%	23,292	1.91%	4,576	0.04%	(6)	2.03%	4,570
Total	2022-23	100%	13,87,938	100%	2,98,624	100%	(16,602)	100%	2,82,022
	2021-22	100%	12,30,227	100%	2,40,022	100%	(14,917)	100%	2,25,105

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 2023			As at 31 March 2022		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets measured at fair value						
I Investments						
i Equity instruments – Mana Effluent Pvt Ltd	-	15	-	-	13	-
ii Equity instruments - Defence Innovation Organisation	-	1	-	-	1	-
iii Other Investments						
a. Investment in Life Insurance Corporation (LIC) of India (towards Leave encashment & BERECHS)	44,910	-	-	1,33,896	-	-
Sub Total	44,910	16	-	1,33,896	14	-
Financial Assets not measured at fair value						
II Trade Receivables						
	-	-	7,03,348	-	-	6,10,809
III Loans						
a Loans to Employees	-	-	828	-	-	876
IV Cash and cash equivalents						
	-	-	3,94,569	-	-	1,30,086
V Other Bank Balances						
	-	-	4,16,589	-	-	6,26,288
VI Other Financial Assets						
a Security deposits	-	-	3,908	-	-	3,993
b Advance to Employees	-	-	166	-	-	168
c Advance to Others	-	-	3	-	-	3
d Receivables (other than Trade Receivables)	-	-	1,795	-	-	2,540
e Interest accrued on term deposits	-	-	5	-	-	1
f Bank deposits with more than 12 months maturity	-	-	260	-	-	278
g Interest accrued but not due on term deposits	-	-	2,114	-	-	3,795
h Other financial Assets	-	-	14,136	-	-	1,893
Other Investments						
a Investment in Co-operative societies, Housing Societies etc.*	-	-	-	-	-	-
Sub Total	-	-	15,37,721	-	-	13,80,730
Total	44,910	16	15,37,721	1,33,896	14	13,80,730

* INR 4,750 (INR 4,750) [represents absolute figure] which is rounded off.

Notes to Accounts

(₹ in Lakhs)

Particulars	As at 31 March 2023			As at 31 March 2022		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Liabilities measured at fair value	-	-	-	-	-	-
Total	-	-	-	-	-	-
Financial Liabilities not measured at fair value						
I Borrowings	-	-	-	-	-	-
II Trade Payables	-	-	3,33,075	-	-	3,36,964
III Other Financial Liabilities						
a Interest Accrued and due on Trade Payables	-	-	5	-	-	14
b Security Deposits	-	-	39,492	-	-	30,539
c Unpaid Matured Deposits	-	-	37	-	-	37
d Unpaid Dividend	-	-	246	-	-	215
e Non Trade Payables Dues to MSME	-	-	631	-	-	337
f Outstanding Expenses	-	-	71,007	-	-	57,012
g Other Trade payables	-	-	16,296	-	-	8,749
h Interest Accrued and due - Term loan	-	-	-	-	-	-
i Other Lease liability	-	-	6,134	-	-	5,270
j Other Liabilities	-	-	1,782	-	-	1,162
Total	-	-	4,68,705	-	-	4,40,299

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 2023			As at 31 March 2022		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
I Financial Assets and Liabilities measured at Fair value – recurring fair value measurements							
A Financial Assets							
i Financial Investments at FVPL	6	-	44,910	-	-	1,33,896	-
ii Financial Investments at FVOCI - Unquoted	6	-	-	16	-	-	14
II Financial Assets and Liabilities which are measured at Amortised Cost							
		No separate Fair value is disclosed as the Carrying value of these Assets and Liabilities represents their Fair Value.					

Level 1: Level 1 hierarchy includes Financial instruments measured using quoted prices.

Level 2: The fair value of Financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. This is the case of unlisted equity shares.

3 Valuation technique used to determine Fair Value [Parent company]:-

a. LIC Investment - (Level 2)

Based on valuation report of the Scheme provided by LIC.

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 ₹ 163). The company has opted for Net Asset Value method for fair valuation.

c. Defence Innovation Organisation (DIO) - (Level 3)

BEL has contributed towards equity capital of M/s Defence Innovation Organisation (DIO), a 'Not for Profit' Company as per the provisions of Section 8 of the Companies Act, 2013 with an objective of funding innovation in defence sector. The company has opted for Net Asset Value method for fair valuation.

Note 34 - Financial risk management

i. Risk Management framework and policies

The Group is broadly exposed to credit risk, liquidity risk and market risk (fluctuations in exchange rates, interest rates and price risk) as a result of financial instruments.

Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Group's Risk Management Framework. The Board has set up a Risk Management Committee, for this purpose, which is responsible for developing and monitoring the risk management policies. The Group has an established Risk Management Policy that outlines risk management structure and provides a comprehensive frame work for identification, evaluation, prioritisation, treatment of various risks associated with different areas of finance and operations.

The parent company has a centralised Treasury function which is responsible to undertake appropriate measures to mitigate financial risk in accordance with the policies and procedures formulated by the Board. Hedging transactions are undertaken by a team with appropriate skills and experience in consultation with an external expert. The Group does not trade in derivatives for speculation.

ii. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk).

iii. Currency Risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions primarily relating to purchases and sales made in foreign currencies such as US Dollar, Euro, Great Britain Pound, Swiss Franc and Japanese Yen. Foreign exchange risk arises from existing and future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR).

The Group has a Board approved currency risk management policy implemented by a Risk Management Committee that reviews the Company's exposure to this risk on a regular basis. The Risk Management Policy recommends hedging upto 50% of the open foreign currency exposure. However the decision to enter into a hedging arrangement is made by the Risk Management Committee based on the relevant data inputs and the advice of the external specialist consultant retained for this purpose.

Notes to Accounts

(₹ in Lakhs)

The Parent Company's export proceeds are realised mostly by remittance into an Export Earners Foreign Currency account (EEFC) which is then utilised for payments to be made in foreign currency, thereby mitigating the currency risk on exports. Imports to the extent of around 12% (8%) 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 2023, 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 March 2023					As at 31 March 2022				
	USD	EURO	GBP	CHF	J Yen	USD	EURO	GBP	CHF	J Yen
Trade Payable	734	166	20	30	93	626	204	10	10	11
Trade Receivable / Contract Asset	234	18	-	-	-	134	10	-	-	-
Net Exposure	500	148	20	30	93	492	194	10	10	11

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	
	As at 31 March 2023	As at 31 March 2022
USD – Increase by 5%	2,076	1,885
USD – Decrease by 5%	(2,076)	(1,885)
EURO – Increase by 5%	677	835
EURO – Decrease by 5%	(677)	(835)
GBP – Increase by 5%	102	51
GBP – Decrease by 5%	(102)	(51)
CHF – Increase by 5%	135	42
CHF – Decrease by 5%	(135)	(42)

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 (₹ 4,00,000). The sanctioned limit includes fund based limit of ₹ 50,000 (₹ 50,000) and non fund based limit of ₹ 4,50,000 (₹ 3,50,000). The fund based limit of ₹ 50,000 has not been utilised during the year [Outstanding as on 31 March 2023 is Nil (31 March 2022 is Nil)]. The outstanding balance as on 31.03.2023 with respect to non fund based limit is ₹ 2,37,600 (₹ 2,69,500). The interest is payable based on SBI's 3 months (1 Year) MCLR rate. As the borrowing is nil there is no impact on likely change in interest rates.

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 7.10% p.a. (SBI). The rate of interest charged by SBI and Axis Bank are linked to their base rate which is subject to fluctuations. Outstanding as on 31 March 2023 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 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

As at 31 March 2022

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	3,11,116	11,751	14,063	-	34	-	3,36,964
Interest accrued and due on Trade Payables	14	-	-	-	-	-	14
Other Lease Liability	275	36	46	245	676	3,992	5,270
Other Financial Liabilities	72,603	2,894	20,232	2,266	59	-	98,052

The Group does not have any outstanding derivatives as on 31 March 2023.

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 (₹ 4,00,000).

Gearing Ratio: -

Particulars	As at 31 March 2023	As at 31 March 2022
Net Debt	-	-
Total Equity	13,86,163	12,28,593
Net Debt to Equity Ratio	-	-

Notes to Accounts

(₹ in Lakhs)

Note 35 - Assets pledged as security

The carrying amounts of assets pledged as security for Term Loan and Working Capital borrowings are:

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Inventories	6,44,804	5,59,190
(ii) Trade Receivables	7,03,348	6,10,809
(iii) Cash & Cash Equivalents	3,94,568	1,30,039
(iv) Bank Balances [Other than (iii) above]	4,13,407	6,24,578
(v) Loans	172	148
(vi) Other Financial Assets	20,342	10,254
(vii) Other Current Assets	7,53,420	7,49,816
Total current assets pledged as security	29,30,061	26,84,834

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.

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 Leases (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.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Consolidated financial statements.

Significant 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.

Significant 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.
 - 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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

- 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 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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

- 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.
- 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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

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 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,

Significant Accounting Policies on Ind AS Consolidated Financial Statements

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.

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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a lessor:

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in Ind AS 116 – Leases.

a) Finance Lease:

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating lease:

The company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

15. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. General borrowing costs are capitalised to qualifying assets by applying a capitalisation rate to the expenditure on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to general borrowings outstanding, other than specific borrowings. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

16. Government Grants

Grants from Government are measured at fair value and initially recognised as Deferred Income.

The amount lying in Deferred Income on account of acquisition of Fixed Asset is transferred to the credit of Statement of Profit and Loss in proportion to the depreciation charged on the respective assets to the extent attributable to Government Grants utilised for the acquisition.

The amount lying in Deferred Income on account of Revenue Expenses is transferred to the credit of Statement of Profit and Loss to the extent of expenditure incurred in the ratio of the funding to the total sanctioned cost, limited to the government grant received.

17. Inventories

All inventories of the Company other than disposable scrap are valued at lower of cost or net realisable value. 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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

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.

(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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

(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 recognises any impairment loss on the assets associated with that contract.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

B. Contingent Liabilities/Assets

Contingent Liabilities/Assets to the extent the Management is aware, are disclosed by way of notes to the financial statements.

23. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS 7 - Statement of Cash Flows.

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).

Significant Accounting Policies on Ind AS Consolidated Financial Statements

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.

- 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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

Loans, borrowings and payables, are stated net of transaction costs that are directly attributable to them.

(ii) Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined in Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

(iii) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Gains and losses are recognised as profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(iv) Trade and Other Payables

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

31. Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. If the Company reclassifies financial assets, it applies the reclassification prospectively.

32. Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

33. Cash Dividend and Non-Cash distribution to Equity Holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company.

34. Errors and Estimates

The Company revises its accounting policies if the change is required due to a change in Ind AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively, unless it is impracticable to apply.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to statement of profit and loss is applied prospectively in the period(s) of change.

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.

Significant Accounting Policies on Ind AS Consolidated Financial Statements

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 **Guru & Jana**
Chartered Accountants
Firm Regn No. 006826S

M Surendra Reddy
Partner
Membership No. 215205

Guwahati
20 May 2023

Bhanu Prakash Srivastava
Chairman & Managing Director
(Additional Charge)

Damodar Bhattad S
Director (Finance) & CFO

S Sreenivas
Company Secretary

Form AOC-I

Part "A": Subsidiaries

Sl. No.	Particulars		
1	Name of the subsidiary	BEL Optronics Devices Limited	BEL Thales Systems Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
3	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
4	Share capital	8,451	5,762
5	Reserves & surplus	18,670	1,067
6	Total Assets	40,694	7,952
7	Total Liabilities	13,573	1,123
8	Investments	-	-
9	Turnover	6,098	7,815
10	Profit before taxation	914	897
11	Provision for taxation	238	197
12	Profit after taxation	676	700
13	Proposed Dividend	203	156
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 2023	31 March 2023
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	20,083	-
6	Profit / Loss for the year		
	i. Considered in Consolidation	4,582	-
	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

As per our report of even date attached.

For **Guru & Jana**
 Chartered Accountants
 Firm Regn No. 006826S

Bhanu Prakash Srivastava
 Chairman & Managing Director
 (Additional Charge)

Damodar Bhattad S
 Director (Finance) & CFO

M Surendra Reddy
 Partner
 Membership No. 215205

S Sreenivas
 Company Secretary

Guwahati
 20 May 2023



BHARAT ELECTRONICS LIMITED

(A Government of India Enterprise
under the Ministry of Defence)
(CIN: L32309KA1954GOI000787)

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