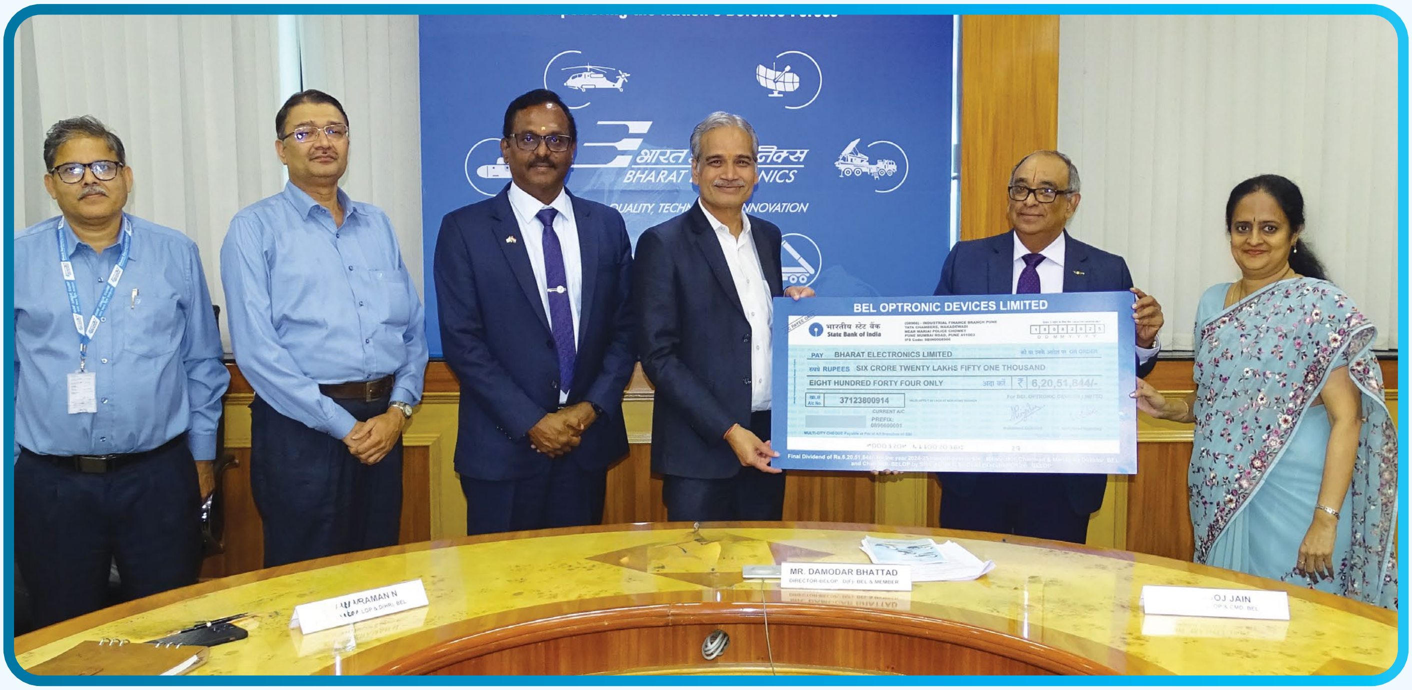
BEL OPTRONIC DEVICES LIMITED

ANNUAL REPORT 2025-26



Mr. Damodar Bhattad, Director (F) BEL & Director, BELOP (third from right), received the highest dividend payout of ₹6.20 crore for FY 2024-25 from Mr. Ashok K. S., CEO, BELOP (second from right), in the presence of Mr. Vikraman N., Director (HR), BEL & Director, BELOP (third from left) joined by Mr. P. K. Sethia, GM-IA, BEL (left), Mr. S. Sreenivas, CS, BEL (second from left) & Mrs. Priya Iyer, CS & CFO, BELOP (right).

Dy. Comdt. Vinod Kumar, 90 Bn. handing over the Plaque to Mr. Venugopal P. G., CEO, BELOP during the Officers' CWT BSF Indore training held on 1st December 2025 at BELOP.
Also seen:- Mr. Anil Dixit, AGM (Prod) (second from right) & Mr. Rajesh Bhad, Mgr. (Marketing) (right).

CONTENTS

1.	About BEL Optronic Devices Limited	2
2.	Board of Directors, KMPs, Banker & Auditors	3
3.	Chairman's Letter	4
4.	Ten Year Financial Statistics	7
5.	Key Events	8
6.	Board's Report	16
	a) Sustainability Report (Annexure 1)	24
	b) Secretarial Auditor's Report (Annexure 2)	25
	c) Certificate on Corporate Governance Report (Annexure 3)	29
	d) Corporate Governance Report (Annexure 4)	30
	e) Form AOC–II (Annexure 5)	37
	f) Management Discussion and Analysis Report (Annexure 6)	38
	g) Report on CSR Activities (Annexure 7)	44
	h) Certification by CEO and CFO	48
7.	Financial Statements	49
	a) Balance Sheet	50
	b) Statement of Profit and Loss	52
	c) Cash Flow Statement	54
	d) Statement of Changes in Equity	56
	e) Material Accounting Policies	58
	f) Notes to the Financial Statements (Note1 to Note 40)	68
8.	Statement of Analytical Ratios	103
9.	Independent Auditor's Report	104
10.	Comments of C & AG	116

About BEL Optronic Devices Limited

BEL OPTRONIC DEVICES LIMITED(BELOP), is a Central Public Sector Enterprise (CPSE) under the Ministry of Defence. BELOP is a wholly owned subsidiary Company of Bharat Electronics Limited (BEL), the premier Defence Electronics Company under the Ministry of Defence.

BELOP was established in the year 1990 at Pune with state of the art facilities for manufacture of Image Intensifier Tubes to make the country self reliant(Atmanirbhar) in the area of night vision.

Today, BELOP is recognised as the only lead indigenous manufacturer of strategic, high performing Image Intensifier Tubes capable of catering to the requirements of the Indian Defence Forces mainly the Indian Army and the para military forces in terms of quality and quantity. BELOP hopes to continue to be the leader in manufacture of it's flagship product in the years to come.

BELOP has undertaken a few diversification initiatives which would enable BELOP to increase it's topline and profitability in the coming years.

Mission

To be a customer focused technology driven company in the field of Image Intensifiers and other chosen areas

BOARD OF DIRECTORS & KMPs as on 21st July 2026

Mr. Manoj Jain
Chairman, BELOP &
Chairman & Managing Director, BEL

Mr. Damodar Bhattad
Director BELOP &
Director (Finance), BEL

Mr. Kamesh Kasana
Director BELOP & Director (OU), BEL

Mr. Venugopal P. G.
Chief Executive Officer

Mrs. Priya Iyer
Company Secretary & CFO

AUDITORS

Statutory Auditor
P. G. Joshi & Co. LLP
Chartered Accountants, Pune

Secretarial Auditor
Mr. Abhijit Dakhawe
Company Secretary, Pune

BANKER

STATE BANK OF INDIA

CHAIRMAN'S LETTER

Dear Shareholders,

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

PERFORMANCE DURING THE YEAR

Your company achieved a turnover of ₹ 10989 lakhs during the year 2025-26 and also achieved the highest ever exports of ₹ 5339 lakhs.

The Profit after Tax is ₹ 582 Lakhs in 2025-26 and our net worth now stands at ₹ 30129 Lakhs.

DIVIDEND

Your Directors have recommended a dividend of 30% of PAT for the year 2025-26 which amounts to ₹ 175 Lakhs.

INNOVATION INITIATIVES

The Company's D&E Department, along with relevant experienced executives from manufacturing Departments, are driving and executing the developments towards products, processes and upgradation of manufacturing and Test Equipment.

During the year, the R&D team has carried out development of Image Intensifier module with glass output window and module with higher SNR and resolution to meet the latest customer requirements.

DIVERSIFICATION INITIATIVES

BELOP continues to take initiatives to enhance product portfolio in it's core area by bringing in variants of I.I. Tubes.

BELOP's diversification strategies are now focused on areas with opportunities to utliise core competencies and maximize operational efficiency to generate higher profit margins.

BELOP plans to take up diversification initiatives which are in line with BELOP's strategies.

The project for manufacture of aviation hoses in accordance with the Offset Contract with M/s Rosoboronexport, Russia is expected to be completed by September 2026.

FUTURE OPPORTUNITIES

The Union budget has given a strong thrust to Aatmanirbhar Bharat by promoting indigenous manufacturing and reducing import dependence thereby promising a more secure and resilient India, aligned with the long-term vision of Viksit Bharat-2047.

BELOP plans to capture emerging market opportunities to accelerate sustainable expansion.

Your company has an order book position of around ₹ 925 lakhs as on 30.6.2026. However, the company expects to receive further orders and execute them during the year and is expected to achieve a turnover of around ₹ 100 Crores for the year 2026-27.

RATINGS

MoU Rating

Your company has been awarded "Excellent" rating for the year 2024-25 in respect of the MoU which BELOP enters with it's holding company Bharat Electronics Limited (BEL) for establishing the performance parameters and targets for each year.

Compliance of DPE Corporate Governance guidelines

BELOP has been given "Excellent Rating" by DPE for the year 2025-26 in respect to compliance of Corporate Governance guidelines.

Credit Rating

ICRA has assigned ratings Long-term rating AA+ and Short-term rating A1+ which indicate the high credit quality in the long and short-term.

CSR INITIATIVES

BELOP undertakes CSR initiatives/projects as per the Company's Corporate Social Responsibility Policy in line with Section 135 and Schedule VII of the Companies Act, 2013 & amendments thereof.

GOVERNANCE AND SUSTAINABILITY

Your company endeavours to uphold the best practices in corporate governance. A report on compliance of the guidelines on Corporate Governance as per the guidelines issued by the Department of Public Enterprises for CPSEs forms part of the Board's Report.

ACKNOWLEDGEMENTS

I am grateful to the Board of Directors for their unwavering support and guidance. I acknowledge the Ministry of Defence and Defence Services for their continued trust and guidance. I deeply appreciate all our stakeholders including our shareholders, esteemed customers and business associates for providing opportunities to earn their confidence. The dedication, resilience and commitment of our employees and officers at all levels continues to be the major strength of your Company, by which we continue to deliver the solutions to constantly meet the customers' requirements. We shall make continuous efforts to launch new initiatives and build on these strengths to face future challenges and sustain the momentum for profitable growth in the coming years.

Thank you for the continuous support to BEL Optronic Devices Limited.

With best Wishes,

Yours Sincerely,

-sd-

(Manoj Jain)

Chairman

Place: Bengaluru

Date: 30th July 2026

Ten Year Financial Statistics

(₹ in Lakhs)

Particulars	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Total Income	13,121	12,455	12,042	5,690	5,953	6,033	8,124	14,227	20,056	12,818
Profit Before Tax	857	1,268	1,866	215	712	769	914	2,324	3,015	842
Profit after tax	482	1,155	1,418	301	490	516	676	1,659	2,068	582
Dividend	144	346	425	91	147	206	203	500	620	175
Equity capital	5,923	6,631	7,220	8,386	8,451	8,451	8,451	9,322	9,322	9,322
Reserves & Surplus	10,136	12,189	13,976	15,142	15,601	15,981	18,670	19,280	20,754	20,807
Working Capital	348	2,209	1,204	2,037	3,384	4,416	5,881	8,604	12,081	14,148
Capital Employed	8,923	10,237	8,691	8,709	9,328	9,657	15,535	17,360	19,870	21,496
Net Worth	15,971	18,683	21,196	23,528	24,052	24,432	24,922	28,602	30,076	30,129
Earning Per Share	1.15	1.92	2.11	0.40	0.58	0.61	0.80	1.78	2.22	0.62

Key Events

Orientation Programme by DPE on Capacity Building of Government Directors of CPSEs on 3rd & 4th Sept. 2025 at Chh. Sambhajinagar. *Supported by BELOP*

Inaugural Address by Dr. Sumantra Pal, Economic Advisor, (General Mgmt & Capacity Bldg.), DPE
Seen on the dais :- Dr. Anup Pujari, Former Secretary to Government of India (third from left), Shri Atul Sobti, Director General, SCOPE & former CMD, BHEL (left), Shri Kranti Kumar, Assistant Director, DPE (second from left) & Mrs. Priya Iyer, CS & CFO, BELOP (right).

Mr. Ashok K. S., CEO, BELOP addressing the participants at close of the programme.

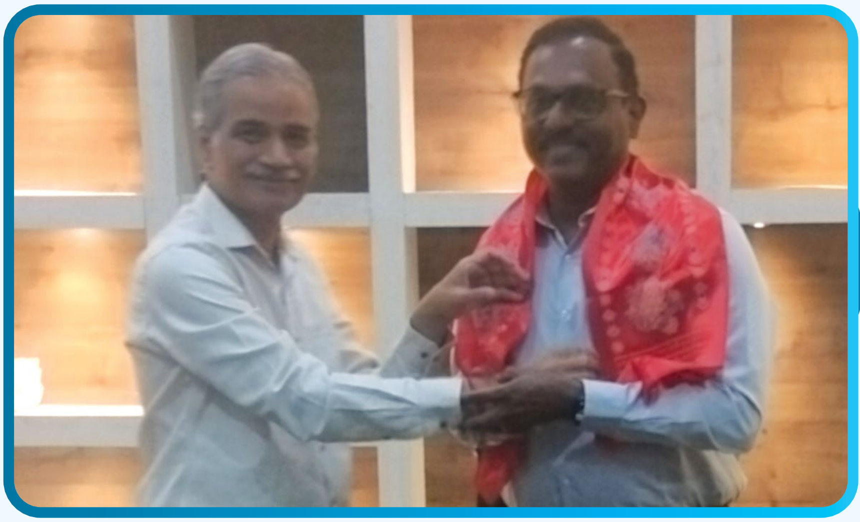
FAREWELL TO MR. ASHOK K. S., CEO, BELOP

Mr. Damodar Bhattad, Director (F), BEL & Director, BELOP (fourth from right) & Mr. Vikraman N, Director (HR), BEL & Director, BELOP (second from left) felicitating Mr. Ashok K. S., Ex. CEO, BELOP in the presence of Mr. Manoj Jain, CMD, BEL & Chairman, BELOP (left), joined by Mr. Venugopal P. G., CEO, BELOP (second from right), Mrs. Priya Iyer, CS and CFO, BELOP (right), Mr. Mohammad Yousuff, DGM (HR) (third from right) at BEL CO, Bengaluru during the Board Meeting held on 29th Sept. 2025.

Mr. Venugopal P. G., CEO, BELOP felicitating Mr. Ashok K. S., Ex. CEO, BELOP in the presence of Mrs. Aruna M. C. on 30th Sept. 2025 at BELOP.

Mr. Ashok K. S., Ex. CEO, BELOP with Mr. Venugopal P. G., CEO, BELOP and other HODs and executives during his farewell at BELOP on 30th Sept. 2025.

FAREWELL TO MR. VIKRAMAN N., DIRECTOR (HR), BEL



Mr. Damodar Bhattad, Director (F), BEL & Director, BELOP felicitating Mr. Vikraman N., Director (HR), BEL & Director, BELOP, at the Board Meeting held on 21st Feb. 2026 at Itanagar.

Mr. Mohammad Yousuff, DGM-HR, BELOP (left) & Mr. Nitin Rane, Sr. Mgr. (HR) (second from left) felicitating Mr. Vikraman N., Director (HR), BEL & Director, BELOP in the presence of Mr. Venugopal P. G., CEO, BELOP, during his visit to BELOP on 7th Feb. 2026.

Mr. Nitin Arey AGM (Comm.) felicitating Mr. Vikraman N., Director (HR), BEL & Director, BELOP in the presence of Mr. Venugopal P. G., CEO, BELOP, during his visit to BELOP on 7th Feb. 2026.

SAFETY WEEK CELEBRATION

Mr. Venugopal P. G., CEO, BELOP felicitating Mr. Satin Mhetras, Head (Unit 2) (third from left), Mr. Abhijit Shinde, Mgr. (Unit 2) (Prod) (fourth from left) & other members of Aviation Hoses Unit for Best Housekeeping Award in the presence of Mr. Anil Dixit, AGM (Prod) (third from right).

Mr. Venugopal P. G., CEO, BELOP, (left) Mr. Anil Dixit, AGM (Prod) (right) with the prize winners of the competitions conducted during Safety Week.

VIGILANCE AWARENESS WEEK

Mr. Venugopal P. G., CEO, BELOP, felicitating ACP Sudhakar Yadav, Pimpri-Chinchwad during the Vigilance Awareness Week, joined by Mr. Mohammad Yousuff, DGM (HR) (second from right) & Mr. Nitin Rane Sr. Mgr. (HR) (right).

Lecture on Cyber Security on 31st Oct. 2025 at BELOP by Mr. Ravikiran Nale, Senior Police Inspector, Cyber Crime Branch, Pimpri-Chinchwad, Pune.

WOMENS' DAY CELEBRATION

Dr. Tejashree Ranade, Medical Superintendent, Khed, Chandoli & Mrs. Priya Iyer, CS & CFO, BELOP, with the participants at the Women's Day celebration held on 13th March 2026 at BELOP

EXCELLENCE AWARD 2024-25

ACP Sudhakar Yadav, Pimpri-Chinchwad, Pune felicitating Mr. S. M. Parandwal, Sr. Engineering Assistant in the presence of Mr. Venugopal P. G., CEO, BELOP.

ACP Sudhakar Yadav, Pimpri-Chinchwad, Pune felicitating Mr. Anil Dixit, AGM (Production), in the presence of Mr. Venugopal P. G., CEO, BELOP.

ACP Sudhakar Yadav, Pimpri-Chinchwad, Pune felicitating Mr. Santosh Shinde, Sr. Engineering Assistant in the presence of Mr. Venugopal P. G., CEO, BELOP.

TRAINING TO ARMY PERSONNEL

Technicians of EME School, Baroda, during the training held on 22nd Sep. 2025 at BELOP with Mr. Ashok K. S., CEO, BELOP (center), joined by Mr. Vikas Nikam, Sr. Mgr. (Marketing) (left) & Mr. Rajesh Bhad, Mgr. (Marketing) (right).

Officers of EME School, Baroda, during the training held on 3rd March 2026 at BELOP with Mr. Anil Dixit, AGM (Prod.) (left) & Mr. Rajesh Bhad, Mgr. (Marketing) (right).

Mr. Anil Dixit, AGM (Prod) (third from left), Mr. Satin Mhetras, Head (Unit-2), (second from left), Mr. Rajendra Pathare, Sr. Mgr. (Prod) (left) & Mr. Rajesh Bhad, Mgr. (Marketing) (right) with the Technicians from EME School, Baroda during the training held on 7th Nov. 2025.

BOARD'S REPORT

To the Members,

I have great pleasure in presenting to you, on behalf of the Board of Directors, the **36th Annual Report** highlighting the Company's performance in various metrics through the period along with the Audited Accounts for the year ended 31st March 2026 together with the reports of the Statutory Auditors and the Comptroller and Auditor General of India thereon.

1 Financial Highlights

The company has achieved turnover of ₹ 10,989 lakhs and has made a Profit for the year of ₹ 582 Lakhs and Total Comprehensive Income of ₹ 674 Lakhs during the year. The company achieved the highest ever export turnover of ₹ 53.39 Crores during the year.

The summary of the company's financial results is given below:-

₹ in Lakhs

PARTICULARS	2025-2026	2024-2025
Total Income	12818	20056
Profit Before Depreciation, Finance Costs and Tax	3834	6035
Finance Costs	1	7
Depreciation	2991	3013
Profit Before Tax	842	3015
Provision for Taxation	260	947
Profit for the year	582	2068
Total Comprehensive Income	674	1974

2 Dividend

The Directors have recommended a dividend of 30% of PAT for the year 2025-26 which amounts to ₹ 1.75 Cr.

3 Amount transferred to Reserves

It is not proposed to carry any amount to any reserves of the Company for the year.

4 Order Book Position

The order status of the company as on 01.04.2026 was ₹ 9.36 Crores as compared to ₹ 39.14 Crores as on 01.04.2025. During the year the company has received orders worth ₹ 78.49 Cr.

5 Future Outlook

BELOP has taken initiatives to enhance product portfolio in it's core area by bringing in variants of I.I. Tubes. Besides BELOP has initiated action to diversify into related areas and also new areas to improve business opportunities and to enable sustained growth. During the year 2025-26, nearly 25% of the turnover was from products other than I.I. Tubes. The project for manufacture of aviation hoses in accordance with the Offset Contract with M/s Rosoboronexport, Russia is under final acceptance testing and the plant is expected to be operational in 2026-27.

6 MoU with Government

BELOP has signed a Memorandum of Understanding(MoU) with it's holding company Bharat Electronics Limited (BEL). The Directors would like to inform you that for the year 2024-25 the company's performance has been rated as 'Excellent'.

7 Finance

During the financial year 2025-26, your company has met it's fund requirements towards incremental working capital and additional investments on upgradation of infrastructure and capital equipments from internal resources. There is no borrowing through close monitoring of cash flows and efficient cash management. BELOP has financed the Aviation Hoses project through internal accruals.

8 Credit Rating

ICRA has assigned the following ratings to the company

(i) Long-term rating of [ICRA]AA+(pronounced ICRA double A+) to ₹ 2200 lakhs fund based bank limits.

(ii) Short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) to ₹ 300 lakhs non-fund based bank limits.

The long term rating of [ICRA]AA+ is with a stable outlook. These ratings indicate the high credit quality in the long- and short-term. Both the ratings are valid as on 31st March 2026. These ratings will help the company in obtaining the better terms for the various working capital facilities being availed from the Banks.

9 Deposits

The Company is not having any deposits under Chapter V of the Companies Act, 2013 and hence, disclosure under Rule 8 (5) (v) and (vi) of the Companies (Accounts) Rules, 2014 are not applicable.

10 Research & Development (R&D)

The Company's D&E Department, along with relevant experienced Executives from manufacturing Departments, are driving and executing the developments towards products, process and upgradation of manufacturing and Test Equipment.

During the year, the R&D team has carried out development of Image Intensifier module with glass output window and module with higher SNR and resolution to meet the latest customer requirements.

11 Human Resources

Your company employed 125 persons as on 31st March 2026 as against 128 persons in the previous year ending 31st March 2025. Of these employees, 37 were executives and 5 were women employees. One employee was inducted, one employee retired, one employee died and two employees resigned during the year.

12 Industrial Relations

Industrial relations during the year were cordial.

13 Environment Management

BELOP maintains clean surroundings and green environment at its premises. The company also undertakes stringent measures for pollution control, waste water treatment, zero liquid discharge, energy conservation, water conservation, systematic management and disposal of hazardous and other forms of waste. The company has also upgraded its Sewage Treatment plant (STP) and Effluent Treatment Plant (ETP) with the latest technology for the treatment of Sewage and treated trade effluent is used in process and treated domestic effluent is used for Gardening purpose.

The Sustainability Report at **Annexure 1** to the Board's Report contains further details on Environment Management.

14 Quality

The company has introduced Integrated Management System(IMS), based on QMS ISO 9001:2015 and EMS ISO 14001:2015 Standards. The Re-certification Audit of the company, based on QMS ISO 9001:2015 and EMS ISO 14001:2015 Standards, was carried out by M/s TUV India Private Ltd, Mumbai in the month of January 2026. The Company has been certified for IMS for next three years and the certificate is valid up to 21/01/2029.

15 Safety

The company has a structured organization for safety of its personnel, plant and machinery. The Safety Committee reviews safety requirements and safety performance on a regular basis.

During the year the following activities have been carried out:-

- Safety week was celebrated in the Company during 4th March to 11th March 2026. This year's theme for celebration of Safety week was **Engage, Educate & Empower People to Enhance Safety**.
- Upgradation of the fire Hydrant System to ensure Building Fire Safety.
- Testing of Pressure vessels and their safety valves Testing of Hoists and Lifting Tools and tackles for safe operation.
- Testing of all Electrical Appliances including transformers, busbars, earthing pits, electrical points etc.
- Procurement of Safety Shoes.
- Servicing of Air Compressors.
- Periodic checking of all the Safety systems, Gadgets, PPEs being issued to the employees,
- Conducting health checkup for the employees.

16 Details of Subsidiaries, Joint Ventures or Associate Companies

The Company does not have any subsidiaries. The Company has not acquired or disinvested any subsidiaries, joint ventures or associate companies during the year under review.

17 Disclosure on Establishment of Vigil Mechanism

The provisions of Section 177 (9) and (10) of the Companies Act, 2013 relating to Establishment of Vigil Mechanism is not applicable to the Company and hence, the said disclosure requirements are not applicable.

18 Vigilance

A Vigilance Officer for BELOP has been appointed from the year 2012-13 by Chief Vigilance Officer, BEL. The Vigilance Department examines procurements, contracts and processes on continual basis, conducts regular and surprise inspections and investigates instances of any suspected transactions referred to it. Any employee or third parties can refer any suspected transaction to the Vigilance Officer for investigation.

Monthly Meetings conducted regularly and report has been submitted to BEL, CO-Vigilance through SAP portal. All the executives of the company have filed their Annual Property Returns (APR's) till the date mandated. Regular checks have been conducted upto 31.03.2026. The details of POs as per vigilance criteria are published in BELOP website. 164 Regular & 24 Surprise inspections were conducted from 01.04.2025 to 31.03.2026. No major procedural deviation is observed. The sensitive area deployment and rotation of personnel is done as per procedure. There is no case pending under investigation.

The Vigilance Awareness Week 2025 was observed during 27th October 2025 to 02nd November 2025. The week started with Integrity Pledge and various posters & Flexes was displayed in the factory premises at prominent places to educate all employees and create awareness regarding common issues related to vigilance. Various competitions and activities like essay, poster, slogan writing competition were organized at BELOP. Apart from this, BELOP had organised session on Cyber Crime Awareness Programme by officials from Cyber Police Station, PCMC, Pune.

19 Integrity Pact

The Central Vigilance Commission has taken an initiative of introduction of the Integrity Pact for large value contracts in all Government Organisations for eradication of corruption in procurement activity. In line with the directives from the Ministry of Defence and the Central Vigilance Commission, BELOP is required to enter into an Integrity Pact with all the vendors/suppliers/contractors/ service providers for all Orders/Contracts of value ₹ 300 lakhs and above. However, during October 2020 the BELOP Board has mandated that Integrity pact has to be entered in respect of all orders above ₹ 200 lakhs and to be reported to BEL-CO-VIG. 5 Purchase Orders above Rs. 2 Crore are placed from 01.04.2025 to 31.03.2026 where IP is signed, same has been reported to BEL, CO-VIG; in Ref. to Inter office Memo no. BELOP/MS/IP/2020-21/01 Dtd. 30.10.2020.

20 Implementation of RTI Act

The company has designated certain executives as Public Information Officer, Asst. Public Information Officer and Appellate Authority as specified under the Right to Information Act, 2005. During the year 2025-26, two requests for information under the RTI Act,2005 was received by the company and were replied during the stipulated time.

21 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. BELOP has on-boarded on the TReDS Platform, GeM & MSME Sambandh Portal complying with Government guidelines.

22 Directorate

At the 35th Annual General Meeting of the company held on 18th August 2025, Mr. Damodar Bhattad was reappointed as Director whose appointment is liable to retirement by rotation and Mr. Vikraman N and Mr. Kamesh Kasana were appointed as a Directors whose appointments are liable to retirement by rotation.

23 Board Meetings/ Change in Directors and Key Managerial Personnel

During the year, six Board meetings were held, the details of which form part of the Corporate Governance Report.

The details of changes with regard to the Directorate and Key Managerial Personnel of the company during the financial year are as follows :-

Sr. No.	Name of Director/KMP	Designation	Date of appointment/ cessation	Remarks
1	Mr. Bhanu Prakash Srivastava	Director	Cessation as Director w.e.f. 31.5.2025	Subsequent to his superannuation, his nomination was withdrawn by BEL. He ceased to be Director w.e.f. 31st May 2025.
2	Mr. Damodar Bhattad	Director	Re-Appointment on 18.08.2025	Reappointed as Director retiring by rotation in accordance with the nomination received from BEL at the 35th AGM held on 18.8.2025.
3	Mr. Vikraman N	Director	Appointed as Additional Director on 1.6.2025 Reappointed as Director liable to retire by rotation on 18.8.2025	Appointed as Additional Director on 1.6.2025. Reappointed as Director retiring by rotation in accordance with the nomination received from BEL at the 35th AGM held on 18.8.2025.

Sr. No.	Name of Director/KMP	Designation	Date of appointment/ cessation	Remarks
4	Mr. Kamesh Kasana	Director	Appointed as Additional Director on 21.7.2025. Reappointed as Director liable to retire by rotation on 18.8.2025.	Appointed as Additional Director on 21.7.2025. Reappointed as Director retiring by rotation in accordance with the nomination received from BEL at the 35th AGM held on 18.8.2025.
5	Mr. Ashok K S	CEO	Cessation as CEO w.e.f 1.10.2025	Subsequent to his superannuation, he ceased to be CEO w.e.f. 1.10.2025
6	Mr. P.G. Venugopal	CEO	Appointed as CEO w.e.f 1.10.2025	Appointed as CEO, w.e.f. 1.10.2025

Mr. Ashok K S, Chief Executive Officer(upto 30.9.2025), Mr. P.G. Venugopal, Chief Executive Officer(w.e.f. 1.10.2025) and Mrs. Priya Iyer, CFO & Company Secretary, are the KMP's as defined under Section 2(51) of the Companies Act, 2013.

24 Declaration by Independent Directors

The Company did not have any independent directors during the financial year and hence, the declaration by Independent Directors is not applicable.

25 Directors' responsibility statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year ended on that date;

c) that 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;

d) that the directors have prepared the annual accounts on a going concern basis;

e) that proper internal financial controls were in place and such financial controls were adequate and were operating effectively;

f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

26 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 Company's operations in future.

27 Events Subsequent to the Date of Financial Statements:

Material changes and commitments affecting the financial position of the company which have occurred between 31st March 2026 and date of signing this report is NIL.

28 Statutory Auditors

The Comptroller and Auditor General of India has appointed M/s P.G. Joshi & Co., LLP, Chartered Accountants, Pune as the statutory auditors for the year 2025-26 pursuant to the provisions of Section 139(5) of the Companies Act, 2013.

29 Statutory Auditors' Report and CAG Certificate

The Auditors have audited the Accounts for the year 2025-26 and their Report is placed as a part of the Annual Report. There was no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditor in his Report.

The 'Nil' comments report of the Comptroller & Auditor General of India for the year 2025-26 under the Section 143(6) of the Companies Act, 2013 is appended to this report.

30 Secretarial Audit

Pursuant to Section 204 of the Companies Act, 2013 and the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Abhijit Dakhawe, practising Company Secretary as the Secretarial Auditor for the year 2025-26. The Secretarial Audit Report for the year 2025-26 submitted by Mr. Abhijit Dakhawe (CS) which is enclosed at **Annexure 2** does not contain any qualification in respect of compliance under the Companies Act, 2013.

31 Compliance with DPE guidelines on Corporate Governance

BELOP has initiated steps to ensure compliance with DPE guidelines on Corporate Governance. The compliance report on compliance with DPE guidelines on Corporate Governance is enclosed at **Annexure 3**.

The following non-compliances are stated in the above report which have also been pointed out by the Secretarial Auditor in his report.

The Company is yet to appoint the adequate number of Functional, Nominee and Independent Directors, and accordingly unable to reconstitute the composition of the Board of Directors, Audit Committee and Remuneration Committee. This results in non-compliance of Clause 3.1, 4.1.1, 4.1.2, 4.4 and 5.1 of the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE), Government of India.

Explanation by Board

It is informed that the appointment of Functional, Nominee and Independent Directors is done by the Government of India for all CPSEs which are categorised in the Schedule of CPSEs. The Company has applied for the categorisation and the final approval from the Ministry of Defence for categorisation is awaited. The Government of India would fill up the vacancies of the said Functional, Nominee and Independent Directors after categorisation of the Company.

32 Compliance with applicable secretarial standards:

During the year under review, the Company has complied with applicable Secretarial Standards issued by ICSI.

33 Cost Records

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies(Cost Records and Audit Rules(as amended), the cost audit records maintained by the company in respect of it's manufacturing activities are required to be audited by the Cost Auditor. The Board on the recommendation of the Audit Committee, has appointed M/s Joshi Apte & Associates, Cost Accountants as Cost Auditor as per Section 148 of the Companies Act, 2013 read with applicable rules made thereunder for conducting the audit of Cost Accounting records of the company for the financial year 2025-26. Their remuneration has been approved by the shareholders.

34 Audit Committee

BELOP has an Audit Committee which carries out the functions mandated in the Companies Act, 2013. The Report on Corporate Governance at **Annexure 4** gives details about composition of the Audit Committee along with the members' attendance.

35 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 the financial year were on an arm's length basis and were in the ordinary course of business. All related party transactions are placed before the Audit Committee as also the Board for approval, if required. Members may refer to the notes of the accounts for details of related party transactions. The details under Form AOC-II is enclosed at **Annexure 5**.

36 Loans/Guarantees/Investments

The particulars of loans, guarantees and investments under Section 186 of the Companies Act, 2013 are 'NIL'.

37 Annual Return

The copy of the annual return of the Company for the Financial Years 2025-26 will be made available in format MGT – 7 on the web-link **https://www.belop-india.in**.

38 Remuneration Policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a Draft Policy relating to the remuneration for the directors, key managerial personnel and other employees. The details are set out in the Corporate Governance Report at **Annexure 4**.

39 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.

40 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 it's officers or employees, the details of which would need to be mentioned in the Board's report.

41 Management Discussion and Analysis Report

The Management Discussion and Analysis Report as per the Government(DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises(CPSEs), is attached to this Report at **Annexure 6.**

42 Corporate Governance Report

A report on Corporate Governance as per the DPE guidelines for Central Public Sector Enterprises is attached to this Report at **Annexure 4**.

43 Risk Management

The measures taken for managing risks is set out in the Corporate Governance Report.

44 Corporate Social Responsibility

As per the provisions of Section 135 of the Companies Act, 2013 and The Companies(Corporate Social Responsibility) Rules,2014 it is recommended that the company should undertake CSR activities and spend at least two percent of the average net profits of the three preceding financial years on CSR activities.

Pursuant to Rule 8 of The Companies(Corporate Social Responsibility) Rules, 2014 a report on CSR activities for the financial year 2025-26 is annexed herewith as **Annexure 7**.

45 Sustainability Report

As required under the Guidelines on "Sustainable Development" issued by the Department of Public Enterprises, Govt. of India a separate chapter on the company's efforts on "Sustainable Development" during the year 2025-26 is annexed to this Report at **Annexure 1**.

46 Particulars of Employees information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel Rules), 2014

The Company being a Government Company, the said disclosure requirements under Section 197 are not applicable pursuant to Notification No. GSR 463(E), dated 05.06.2015.

47 Disclosure under Sexual harrassment 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 dignity of all employees. The company has constituted an internal complaints committee to redress complaints relating to sexual harassment. No complaint on sexual harassment has been received during the year.

48 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) of the Companies Act, 2013 read with Companies(Accounts) Rules, 2014 (as amended) is not required as the Ministry of Corporate Affairs vide Notification GSR No. 680(E) dated 4th September 2015 has granted exemption to Defence Public Sector Undertakings.

49 Disclosure under the Maternity Benefits Act, 1961

The company is an equal opportunity employer and ensures the provision of statutory benefits mandated for women employees. No case of maternity benefit was received during the year.

50 Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

During the Financial Year ended 31st March, 2026 neither the Company made any application nor any proceeding against the Company is pending as per the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

51 Acknowledgement

Your Directors place on record their appreciation for the valuable support received from all the Customers particularly the Defence Services and the para military forces and also the Ministry of Defence, Department of Defence Production and look forward to their continued support and co-operation in future.

Your Directors also appreciate the cooperation of M/s Rosoboronexport in implementation of the Offset Contract for manufacture of aviation hoses and look forward to a successful association with them in the coming years. Your Directors express their sincere thanks to the Comptroller and Auditor General of India, Members and Employees of the Audit Board, Statutory Auditor, Secretarial Auditor, Cost Auditor, Company's Bankers, Collaborators and Vendors. Your Directors appreciate the sincere efforts put in by all the employees at all levels which enabled your company to achieve the good performance during the year. Your Directors express their appreciation and gratitude for the support received from the holding Company, M/s Bharat Electronics Limited and look forward to it's continued support and participation in sustaining the growth of the company in the coming years.

For and on behalf of the Board

sd/-

Chairman

Place :- Bengaluru
Date :- 20th July 2026

Annexure No.1 to Board's Report

SUSTAINABILITY REPORT

Government of India, Department of Public Enterprises (DPE) vide Office Memorandum No. 3(9)-2010-DPE (MoU) dated 23 September 2011 issued guidelines on Sustainable Development for Central Public Enterprises.

Above DPE guidelines define "Sustainable Development" as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable Development involves an enduring and balanced approach to economic activity, social progress and environmental responsibility.

BELOP which, is certified for ISO 14001:2015, is committed to sustain the environment with growth. It maintains a green environment in it's premises and has implemented various environmental management practices.

Sustainable Development Activities

Emissions to Air

Air emissions from process are controlled through appropriate air pollution control Equipment. Air emission stacks are monitored as per Air (Prevention & Control of Pollution) Act 1981 on quarterly basis.

Water Management

As per MPCB Consent, Company has installed water meters at appropriate locations and is monitoring consumption of water on daily basis.

Noise Pollution

The noise levels in the factory premises are measured periodically, as per MPCB Consent & Factories Act on quarterly basis.

Water Pollution

The company has upgraded its ETP plant to meet the requirements of Zero Liquid Discharge (ZLD) to meet the latest MPCB norms. This has also enabled to company to re-use the treated water for processes, resulting in reduced consumption of natural resources.

Hazardous Waste Management System

The company is disposing its Hazardous Waste as per Hazardous Waste Rules 2019, to MPCB authorised recycler and MPCB authorised Common Hazardous Waste Treatment, Storage and Disposal Facility. Regular returns of the same are being submitted in Form 4 every year. During the year the company has made efforts to re-use certain hazardous items used in manufacturing processes in order to reduce their consumption and potential impact on the environment. BELOP has signed Selling agency Agreement with MSTC for disposal of Scrap Materials.

On Site Emergency Plan and Systems

Local & Company wide Mock Drill are conducted periodically & On Site Emergency Plan has been displayed in factory premises at prominent locations.

Ecological Sustainability

The company focuses on planting trees and maintaining a green and clean environment. The Company has procured a Garden Waste Shredder to improve garden waste management and enable faster degradation of garden waste.

Annexure No.2 to Board's Report

Form No. MR-3
Secretarial Audit Report
For the Financial Year Ended 31.03.2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
BEL Optronic Devices Limited,
EL 30, J Block, MIDC Bhosari, Pune 411026

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BEL Optronic Devices Limited (CIN: U32100PN1990GOI058096)**, (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March 2026** 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March 2026** 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 (During the year under review not applicable to the Company);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The 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 (During the year under review not applicable to the Company as the Company does not have any foreign direct investment, overseas direct investment and external commercial borrowings);

(v) The following Regulations 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 (During the year under review not applicable to the Company as the Company is an unlisted company);

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (During the year under review not applicable to the Company as the Company is an unlisted company);

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (During the year under review not applicable to the Company as the Company is an unlisted company and not proposing to get its securities listed);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (During the year under review not applicable to the Company as the Company is an unlisted company);

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (During the year under review not applicable to the Company as the Company is an unlisted company);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with Client (During the year under review not applicable to the Company);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (During the year under review not applicable to the Company as the Company has not done delisting of shares); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (During the year under review not applicable to the Company as the Company is an unlisted company);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (During the year under review not applicable to the Company as the Company is an unlisted company).

(vi) As informed to me, no other specific laws were applicable to the Company during the audit period.

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

(i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

(ii) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India.

I have not examined compliance with the applicable clauses of the following since it is not applicable to the Company during the audit period as the Company is an unlisted Company:

(i) The Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

a) *The Company is yet to appoint the adequate number of Functional, Nominee and Independent Directors, and accordingly unable to reconstitute the composition of the Board of Directors, Audit Committee and Remuneration Committee. This results in non-compliance of Clause 3.1, 4.1.1, 4.1.2, 4.4 and 5.1 of the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE), Government of India.*

It is informed that the appointment of Functional, Nominee and Independent Directors is done by the Government of India for all CPSEs which are categorised in the Schedule of CPSEs. The Company has applied for the categorisation and the final approval from the Ministry of Defence for categorisation is awaited. The Government of India would fill up the vacancies of the said Functional, Nominee and Independent Directors after categorisation of the Company.

I further report that

Subject to my observations mentioned above, the Board of Directors of the Company is duly constituted. The Company being a wholly owned subsidiary of Bharat Electronics Limited (BEL), all the directors of the Company are nominated by BEL. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice 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.

All decisions at Board Meetings were carried out unanimously. As per the records provided by the Company, none of the members of the Board dissented on any resolution(s) passed at the meetings.

I 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.

I further report that during the audit period there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

sd/-

Abhijit Dakhawe
Company Secretary
FCS # 6126, CP # 4474
PR No. 5690/2024
UDIN: F006126H000883211

Place: Pune
Date: 20-JUL-2026

This report is to be read with Annexure A, which forms an integral part of this report.

Annexure A to the Secretarial Audit Report

To,
The Members,
BEL Optronic Devices Limited,
EL 30, J Block, MIDC Bhosari, Pune 411026

Auditor's responsibility

Based on audit, my responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. I conducted audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on audit.
2. I 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I 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. My 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.

sd/-

Abhijit Dakhawe
Company Secretary
FCS # 6126, CP # 4474
PR No. 5690/2024
UDIN: F006126H000883211

Place: Pune
Date: 20-JUL-2026

Annexure No.3 to Board's Report

Certificate on Corporate Governance

The Members of BEL Optronic Devices Limited,

I have examined the compliance of conditions of Corporate Governance by **BEL Optronic Devices Limited (CIN: U32100PN1990GOI058096)** ("the Company"), for the year ended on 31st March 2026, as per the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

Opinion

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India, subject to following observations:

The Company is yet to appoint the adequate number of Functional, Nominee and Independent Directors, and accordingly unable to reconstitute the composition of the Board of Directors, Audit Committee and Remuneration Committee. This results in non-compliance of Clause 3.1, 4.1.1, 4.1.2, 4.4 and 5.1 of the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE), Government of India.

It is informed that the appointment of Functional, Nominee and Independent Directors is done by the Government of India for all CPSEs which are categorised in the Schedule of CPSEs. The Company has applied for the categorisation and the final approval from the Ministry of Defence for categorisation is awaited. The Government of India would fill up the vacancies of the said Functional, Nominee and Independent Directors after categorisation of the Company. It is further informed that since the Directors on Company's Board are from the holding company viz. Bharat Electronics Limited, they are given training by the holding company.

I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restrictions on use

This certificate is issued solely for the purpose of complying with the aforesaid Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises (DPE), Government of India and may not be suitable for any other purpose.

sd/-
Abhijit Dakhawe
Company Secretary
FCS # 6126
CP No # 4474
PR No. 5690/2024
UDIN: F006126H000083907

Place: Pune
Date: 13-APR-2026

Annexure No. 4 to the Board's Report

CORPORATE GOVERNANCE REPORT

Philosophy and Code of Governance

BELOP's philosophy of Corporate Governance is based on the principles of honesty, integrity, accountability, adequate disclosures, legal compliances, transparency in decision-making and avoiding conflicts of interest. BELOP 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.

Board of Directors

Composition

Pursuant to the Companies Act, 2013, BELOP being a wholly owned subsidiary of Bharat Electronics Limited is a 'Government Company.

At present, the Board of Directors comprises of three Directors including the Chairman. The Chairman of the BEL Board is the Chairman of the Board and BELOP. All the Directors are nominated by BEL (as per the Articles of Association) of BELOP.

The composition of the Board of Directors is given below :-

a)	Mr. Manoj Jain	CMD, BEL & Chairman,BELOP
b)	Mr. Bhanu Prakash Srivastava, (upto 31.05.2025)	Director(OU), BEL & Director, BELOP
c)	Mr. Damodar Bhattad	Director(F), BEL & Director, BELOP
d)	Mr. Vikraman N (Director w.e.f. 01.06.2025 upto 31.03.2026)	Director (HR), BEL & Director BELOP
e)	Mr. Kamesh Kasana (w.e.f. 21.07.2025)	Director (OU), BEL & Director BELOP

Meetings and Attendance

During the financial year ended 31.03.2026, six Board Meetings were held and the maximum interval between any two meetings was 90 days. The Board Meetings were held on 12.05.2025, 21.07.2025, 29.09.2025, 28.10.2025, 22.01.2026, 21.02.2026. Details of attendance of the Directors at the Board Meetings, Annual General Meeting and the number of other Directorships/Committee memberships held by them during 2025-26 etc. are given below:-

Sr.	Directors	Meetings held during respective tenure of Director	No. of Board Meetings attended	Attendance at the last AGM held on 18th August 2025	No. of other directorships held	*Number of Committee membership across all companies	
						As Chairman	As Member
1	Mr. Manoj Jain	6	5	N	3	0	1
2	Mr. Bhanu Prakash Srivastava	1	1	N	3	0	3
3	Mr. Damodar Bhattad	6	6	Y	2	2	1
4	Mr. Vikraman N	5	5	Y	2	0	2
5	Kamesh Kasana	5	5	Y	1	0	2

*Membership of Audit Committee and Stakeholders' Relationship Committee alone are considered.

Code of Conduct

Board of Directors of your company has laid down a Code of Conduct for all Board members and senior management personnel of the company as per the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises(DPE Guidelines). All Board members and senior management personnel have affirmed compliance with the Code of Conduct during the year 2025-26. A declaration to this effect signed by the Chairman is attached to this Report.

Committees of the Board of Directors

Audit Committee

As a wholly owned subsidiary, BELOP is not required to constitute an Audit Committee under the Companies Act, 2013 however an Audit Committee is constituted comprising of three directors as specified in Section 177 of the Companies Act, 2013. In addition, the Statutory Auditor of the Company and the Internal Auditor attend the meetings of the Audit Committee. The Company Secretary is the Secretary to the Audit Committee. The Chairman of the Audit Committee attended the Annual General Meeting of the Company held on 18th August 2025. The terms of reference of the Audit Committee are as specified in Section 177 of the Companies Act, 2013 and as per the DPE guidelines.

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
- Reviewing the quarterly unaudited financial statements
- Approval of remuneration to statutory auditors
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company
- Reviewing the Management Discussion & Analysis Report on financial and operational performance
- Reviewing the adequacy and effectiveness of the Company's system and internal controls and Governance and audit Processes and risk management systems
- Reviewing and discussing with the Management the company's major financial risk exposures and steps taken by the Management to monitor and control such exposure
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- To grant approval for transactions with related parties including any subsequent modifications thereto.
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the company, wherever it is necessary.

During the year ended 31.03.2026, the Audit Committee met four times on 12.05.2025, 21.07.2025, 28.10.2025, and 22.01.2026.

The composition of the Audit Committee is as outlined below:-

1)	Mr. Damodar Bhattad	Chairman
2)	Mr. Manoj Jain(upto 20.07.2025)	Member
3)	Mr. Bhanu Prakash Srivastava (upto 31.05.2025)	Member
4)	Mr. Vikraman N (w.e.f. 01.06.2025 upto 31.03.2026)	Member
5)	Mr. Kamesh Kasana (w.e.f. 21.07.2025)	Member

The attendance of the Chairman and members of the Audit Committee in the above meetings was as follows:-

Name	Meetings held during respective tenure of Director	No. of meetings attended
Mr. Manoj Jain	1	1
Mr. Damodar Bhattad	4	4
Mr. Bhanu Prakash Srivastava	1	1
Mr. Vikraman N	3	3
Mr. Kamesh Kasana	3	3

Risk Management

The company has put in place a comprehensive 'Risk Management Framework' for the continuous identification, updation, evaluation, prioritization and management of risks. Under this framework, at Apex Level there is Risk Management Committee (RMC) headed by the Chief Executive Officer(BELOP) and members drawn from important functional areas like manufacturing, Marketing, Design and Engineering, Finance and HR. The Risk Champion (RC) is at the level of Sr.DGM. The RMC reviews the risk management efforts in the company as a whole in a quarterly basis. The RMC submits quarterly report to the management and the Audit Committee. The company reports about the status of RM to the Board annually.

Nomination and Remuneration Committee

As a wholly owned subsidiary, BELOP is not required to constitute a Nomination and Remuneration Committee under the Companies Act, 2013 however a Nomination and Remuneration Committee is constituted comprising of three directors as specified in Section 178 of the Companies Act, 2013. The composition of the Nomination and Remuneration Committee is as outlined below:-

1) Mr. Vikraman N (w.e.f.01.06.2025 upto 31.03.2026) — Chairman
2) Mr. Bhanu Prakash Shrivastava (upto 31.05.2025) — Chairman
3) Mr. Manoj Jain (upto 20.07.2025) — Member
4) Mr. Kamesh Kasana (w.e.f. 21.07.2025) — Member
5) Mr. Damodar Bhattad — Member

During the year ended 31.03.2026 the NRC Committee met four times on 12.05.2025, 21.07.2025, 28.10.2025 and 22.01.2026.

The attendance of the Chairman and members of the Nomination and Remuneration Committee in the above meetings was as follows:-

Name	Meetings held during respective tenure of Director	No. of meetings attended
Mr. Vikraman N	3	3
Mr. Manoj Jain	1	1
Mr. Bhanu Prakash Srivastava	1	1
Mr. Kamesh Kasana	3	3
Mr. Damodar Bhattad	4	4

Some of the functions of the Nomination and Remuneration Committee is as follows:-

- 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.
- Recommendation to the Board of all pay related matters

Remuneration Policy

a) Remuneration to Directors

BELOP would fix the remuneration of Directors whenever required, in a manner that is compliant with the prescriptions laid down by Government of India communicated from the Ministry of Defence, from time to time.

b) Remuneration to Key Managerial Personnel(KMP) and other Employees

BELOP would ensure the following while fixing the remuneration of the Key Managerial Personnel(KMP) and other Employees

i) The company shall abide by any directives issued by the Government of India in this regard.

ii) The level and composition of remuneration fixed would be reasonable and sufficient to attract, retain and motivate the employees required to run the company successfully.

iii) The level of remuneration would meet the appropriate benchmarks and there would exist a clear relationship between performance and remuneration.

iv) The remuneration would comprise of a fixed pay and incentive pay in a judicious proportion appropriate to the working of the company and enabling the company to achieve it's short-term and long term performance objectives and goals.

Remuneration to Directors

The Company does not pay any remuneration to its Directors. The Company has not issued any stock options to its Directors.

Corporate Social Responsibility Committee

In pursuant to the provisions of section 135 of the Companies Act, 2013 the Corporate Social Responsibility Committee has been constituted.

The salient terms of reference of the Corporate Social Responsibility Committee (CSR) are outlined below:-

a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII.

b) To recommend the amount of expenditure to be incurred on the activities referred to in clause 'a'

c) To monitor the Corporate Social Responsibility Policy of the company from time to time.

The composition of the Corporate Social Responsibility Committee is as outlined below:-

1)	Mr. Manoj Jain (upto 20.07.2025)	Chairman
2)	Mr. Vikraman N (Chairman w.e.f.21.07.2025 upto 31.03.2026 Member w.e.f. 1.6.2025 to 20.7.2025)	Chairman
3)	Mr. Damodar Bhattad	Member
4)	Mr. Bhanu Prakash Srivastava (upto 31.5.2025)	Member
5)	Mr. Kamesh Kasana (w.e.f. 21.07.2025)	Member

During the year ended 31.03.2026 the CSR Committee met four times on 12.05.2025, 21.07.2025, 28.10.2025 and 22.01.2026.

The attendance of the Chairman and members of the Corporate Social Responsibility Committee in the above meetings was as follows:-

Name	Meetings held during respective tenure of Director	No. of meetings attended
Mr. Manoj Jain	1	1
Mr. Damodar Bhattad	4	4
Mr. Bhanu Prakash Srivastava	1	1
Mr. Vikraman N	3	3
Mr. Kamesh Kasana	3	3

The details of the various CSR activities is furnished at **Annexure 7**.

Directors' Shareholding

No Director holds Equity shares in the company as on 31.03.2026.

Other Board Subcommittees

Your Directors have constituted the following Subcommittees of the Board:-

Investment Committee consisting of the Chairman, one Director, CEO, and Head of Finance to approve investment of short-term surplus funds.

Related Party Transactions

All transactions with related parties were in the ordinary course of business and on an arms length pricing basis.

General Body Meetings

Details of last three Annual General Meetings are as follows:-

Year	Location	Date & Time
2022-23	Through VC	25th August 2023 at 15.30 PM
2023-24	Through VC	23rd August 2024 at 12.40 PM
2024-25	Through VC	18th August 2025 at 14.15 PM

All the resolutions, including special resolutions, set out in the respective notices of last three Annual General Meetings were passed by the shareholders. No resolutions were put through postal ballot last year.

Disclosures

(a) 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. Nonetheless, transactions with related parties have been disclosed in point No. 8 of Note 40 of Notes to Accounts in the Annual Report.

(b) No other expenses, which are personal in nature, were incurred for the Board of Directors and Top Management.

(c) No items of expenditure, other than those directly related to its business or incidental thereto, and those spent towards the welfare of its employees/ex-employees, were debited in books of accounts.

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

Administrative and office expenses were 1.91 % of the total expenses for the year 2025-26 as against 1.06 % in the previous year.

MCA-21 Compliance

The e-governance initiative of the Ministry of Corporate Affairs in the administration of the Companies Act, 1956 (MCA-21) provides the public, corporate entities and others an easy and secure online access to the corporate information including the filing of documents and public access to the information required to be in public domain under the statute, at any time and from anywhere. The Company has complied with all mandatory e-filing requirements under MCA-21, during 2025-26.

Presidential Directives and Guidelines

The company is required to follow the Presidential Directives and guidelines issued by the Government of India from time to time regarding reservation for SC's, ST's and OBC's in letter and spirit. The company has implemented the above presidential directives and guidelines including appointment of Liaison Officer for SC/ST & OBC.

Shareholding Pattern as on 31 March 2026

Sr.	Category	No. of Shareholders	No. of Shares	% Holding
1	Promoter – M/s Bharat Electronics Limited	1	9,32,23,820	100.00

Top 10 Shareholders as on 31 March 2025

Sr.	Name	No. of Shares	% Holding
1	Promoter –M/s Bharat Electronics Limited	9,32,23,820	100.00

Credit Rating

ICRA has assigned the following credit ratings of the Company

(i) Long-term rating of [ICRA]AA+ (pronounced ICRA double A plus) to ₹ 2200 lakhs fund based bank limits.

(ii) Short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) to ₹ 300 lakhs non-fund based bank limits.

The outlook on the long-term rating is 'stable'. These ratings are valid as on 31st March 2026.

CEO/CFO Certification

In terms of the requirements of DPE Guidelines, the CEO/CFO certificate has been obtained and placed before the Audit Committee and the Board and is provided in this Annual report.

Compliance of Corporate Governance Guidelines

The company has been submitting quarterly compliance report on Corporate Governance to the DPE.

The DPE guidelines on Corporate Governance for CPSEs provide that the CPSEs would be graded on the basis of their compliance with the guidelines. BELOP has been given "Excellent Rating" by DPE for the year 2024-25 in respect to compliance of Corporate Governance guidelines.

Registered Office/Address for Correspondence

BEL Optronic Devices Ltd.

Registered Office, EL-30,'J', Block, MIDC, Bhosari Industrial Area, Pune- 411026

Phone: (020) 27130981/2/3/4; Fax: (020) 27130589; e-mail: info@belop.co.in

Declaration

Pursuant to 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 dt. 14th May 2010, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Business Conduct & Ethics for Board Members, KMP's & Senior Management of BEL Optronic Devices Limited for the year ended 31st March 2026.

For BEL OPTRONIC DEVICES LIMITED

Place :- Bengaluru
Date :- 20th July 2026

sd/-
Chairman

Annexure No. 5 to the Board's Report

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: Holding Company – Bharat Electronics Limited

(b) Nature of contracts/arrangements/transactions: Sale of goods and services

(c) Duration of the contracts/arrangements/transactions: 2025-26

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: ₹ 1667 lakhs

(e) Date(s) of approval by the Board: Not Applicable

(f) Amount paid as advances, if any: None

For BEL OPTRONIC DEVICES LIMITED

Place :- Bengaluru
Date :- 20th July 2026

sd/-
Chairman

Annexure No. 6 to Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) Industry Structure and Developments, Strengths, Weaknesses, Opportunities and Threats and Major Initiatives undertaken and planned to ensure sustained performance and growth

a) General outlook of 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;

Global economic growth remains steady but weak, with heightened policy uncertainty, tariffs and geopolitical situation creating significant headwinds in FY 2025-26, and India is progressing with steady economic growth. As per estimates, in the year 2026, India's real GDP is estimated to grow by 7.6%. India is confident of becoming the third largest economy in the next two years with a GDP of USD 5 trillion. India is ranked as the world's fastest-growing major economy.

The Indian economy is primarily driven by the services sector (55% of GDP), manufacturing and strong public infrastructure spending. Key contributors include booming electronic/engineering exports, a strong digital economy, high GST collections and a robust financial sector with record-low NPA levels. Strong growth in the export of engineering goods, electronic goods and marine products is a major achievement. Export of services surged with India solidifying its position as a global technology hub.

Defence

In the budget for FY 2026-27, the Government allocated ₹ 7.85 Lakhs Crore to MoD, an increase of 15.19% over the previous year. Budgetary allocation under capital head to the Defence Forces is over ₹ 2.19 Lakhs Crore which is 21.84% more than the previous year. Out of the ₹ 2.19 Lakhs Crore, ₹ 1.85 Lakhs Crore has been earmarked for capital acquisition (an increase of 24% over the previous year).

The budget gives a strong thrust to Aatmanirbhar Bharat by promoting indigenous manufacturing and reducing import dependence (Self Reliant India). ₹ 1.39 Lakhs Crore (over 75%) has been allocated for procurement from domestic private and public sector industries.

The forthcoming Capital Acquisition projects will equip the Armed Forces with next generation Fighter Aircraft, Advanced Weapons, Ships and Submarines, Unmanned Aerial Vehicles, Drones, etc.

Raw material imported for Aircraft manufacturing, repair, maintenance and overhaul requirements in defence sector to be exempted from basic customs duty. This measures support domestic production, investment and job creation.

The budgetary allocation to the Defence Research and Development Organisation (DRDO) has been increased to ₹ 29,100 Crore from ₹ 26,817 Crore in the previous year. Out of this, the majority share of ₹ 17,250 Crore is allocated for capital expenditure. To promote R&D in defence manufacturing, the Government has implemented a range of measures which include: 25% of the Defence R&D budget has been opened to industry, start-ups and academia based on the budget 2022-23 announcements. Fifteen DRDO-Industry-Academia Centres of Excellence (CoE) have been established. DRDO has built a network of around 2,000 industries to manufacture equipment with ToT at zero ToT fee to Indian partners to empower innovation.

The Union Budget 2026-27, the first Union Budget after the historic success of Operation Sindoor, reflects the Government's sustained focus on strengthening national security through modernisation, self-reliance and innovation. With a strong push for indigenous defence manufacturing, focussed investments in research and infrastructure. The budget for the Defence Sector promises a more secure and resilient India, aligned with the long-term vision of Viksit Bharat-2047.

Homeland Security

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

The Ministry of Home Affairs (MHA) has been allocated ₹ 2.55 Lakhs Crore in the Union Budget 2026-27, marking a 9.44% increase from the previous year. This allocation represents roughly 5% of the total Union Budget. Key focus areas include ₹ 1.73 Lakhs Crore allocated for police-related expenses, covering central armed police forces (CAPFs), intelligence and forensics.

Civil Aviation

The global aviation market is valued at USD 1,042 Billion in 2025 and is projected to grow at a CAGR of 8.1% between 2026 and 2034. The aircraft passenger traffic in India is estimated to reach 1.1 Billion by 2040, and the number of airports will increase to 350-400 by 2047 from the existing 163 in the country. With 300 million domestic air passengers a year in 2030, India's aviation penetration would be at 10-15% by 2030. Domestic air passenger traffic witnessed 10-12% growth while international air passenger traffic was 5% in the last decade. The budget allocation for the civil aviation ministry for FY 2026-27 stood at ₹ 2,102.87 Crore focussing on regional connectivity, safety, and infrastructure development.

(a) Industry Structure and Developments

Government declared the year 2025 as the **"Year of Defence Reforms"**, the Indian Defence industry is undergoing a major transformation. The structure is shifting from the reliance on imports to a self-reliant (Aatmanirbhar Bharat) ecosystem, focussing on rapid indigenisation, increased private sector participation and record-setting production and exports.

The MoD has fully utilised its earmarked capital outlay of ₹ 1.86 Lakhs Crore towards Defence Services. In FY 2025-26, AoN for 109 proposals amounting to ₹ 6.81 Lakhs Crore has been accorded by MoD, compared to 56 proposals worth ₹ 1.76 Lakhs Crore approved in FY 2024-25. Also Capital procurement contracts for the total 503 proposals amounting to ₹ 2.28 Lakhs Crore were signed by MoD in FY 2025-26.

Defence exports skyrocket to an all-time high figure of ₹ 38,424 Crore in FY 2025-26. A massive rise of ₹ 14,804 Crore or 62.66% was registered over the defence exports figures of FY 2024-25, which were ₹ 23,622 crore. The private sector and DPSUs contributed with ₹ 17,353 Crore and ₹ 21,071 Crore respectively, whereas the corresponding figures for FY 2024-25 were ₹ 15,233 Crore and ₹ 8,389 Crore respectively. DPSUs and other PSUs accounted for 151%, while the private sector contributed 14% growth in exports. Apart from being a successful global partner for systems/sub-systems, India is exporting defence equipment to more than 80 countries as of FY 2025-26. The number of exporters underwent a surge to 145 from 128, a 13.3% rise from the previous fiscal.

Record Defence Budget

Ministry of Defence has been allocated ₹ 7.85 Lakhs Crore in the Union Budget 2026-27, in pursuance of Government's vision of Viksit Bharat @ 2047 with a technologically-advanced and Atmanirbhar Armed Forces.

MoD is in the process of finalising the Defence Acquisition Procedure (DAP) 2026 to align with the Government's policies and initiatives to meet the operational requirements and modernisation of the Armed Forces in a timely manner to ensure national security and focusses on simplifying procurement, reducing timelines and enhancing self-reliance. The main objective of this DAP revision is to establish India as a global defence manufacturing and maintenance, repair, and overhaul hub; and promote Design & Development in both public and private sectors, with a focus on start-ups, innovators, and the private industry.

During the year, DAC has cleared various capital acquisition proposals to enhance the capabilities of the Armed Forces.

Civil Military Fusion

Operation Sindoor not only showcased how victory was possible through jointness but also illustrated the need for a robust civil-military fusion for strengthening national security, imbibe niche technology and thus effectively face future challenges. A detailed study on civil military fusion has been carried out in conjunction with Think Tanks, Service HQs and concerned MoD departments.

Under these changing business scenarios, BELOP is focusing on enhancing it's interaction levels and building long-term relationships with emerging Strategic Partners.

SWOT Analysis

- **Strengths:**
  - Availability of State of the Art Technology, Infrastructure and trained Manpower to manufacture high performance I.I Tubes and aviation hoses indigenously
  - Over three decades of experience resulting in excellent domain knowledge and core competencies in the area of Image Intensifier Tubes
  - Strong support due to long term commitment to customers, especially from Indian MoD, by way of substantial capital investment
  - Certified for Integrated Management System based on QMS ISO 9001:2015 and EMS ISO 14001:2015 Standards. All other systems and procedures aligned to holding company(Navaratna PSU) standards.
  - Financial Support from Holding company for new projects for diversification
  - Space available for creating new infrastructure for various projects
  - Available manpower easily adaptable for manufacture of any other devices with minimal training
- **Weaknesses:**
  - More diversification initiatives needed, dependence on single product
  - Major Raw Materials & Components (RM&Cs) are not available in the Country. Needs increased technical efforts to develop indigenous sources for supply of import substitutes for RM&Cs.
  - Maintaining continuous updation of technology
- **Opportunities:**
  - Growing Defence and Security needs
  - Potential Market for High Performance I.I. Tubes for minimum 5-6 Years considering enhanced Defence and internal Security needs of the Country.
  - Increased impetus on modernization of central paramilitary forces
  - Opportunities for diversification in new and related areas due to Government's emphasis on Atmanirbhar Bharat
  - Offset Business opportunities

- **Threats:**
  - Increasing competition from Private players
  - Customers preference for higher specification II Tubes
  - Rapid changes in night vision technology resulting in low prices of uncooled thermal imagers
  - Policy interventions favouring Private sector

b) Major initiatives undertaken and planned to ensure sustained performance and growth:

i) Technology updation and R & D

The XR5 Project was implemented during 2022-23.

ii) Diversification

As part of the diversification process, the company has entered into an Offset Contract with M/s Rosoboronexport, Russia for manufacture of aviation hoses and as per the terms of the Offset Contract the technology would be provided by M/s Rosoboronexport. The project is under final acceptance and the plant would be operational in 2026-27.

c) Specific Measures on Risk Management, Cost Reduction and Indigenisation

i) Risk Management

The Company has an established Risk Management Policy, which outlines a framework for risk identification, evaluation, prioritization and treatment of various risks associated with different areas of operation such as technology, product, market, human resources, finance and other operations. The company has put in place a comprehensive 'Risk Management Framework' for the continuous identification, updation, evaluation, prioritization and management of risks. Under this framework, at Apex Level there is Risk Management Committee(RMC) headed by the Chief Executive Officer(BELOP) and members drawn from important functional areas like manufacturing, Marketing, Design and Engineering, Finance and HR.

The Risk Champion (RC) is at the level of Sr. DGM. The RMC reviews the risk management efforts in the company as a whole on a quarterly basis. The RMC submits quarterly report to the management and the Audit Committee. The company reports about the status of RM to the Board annually.

Certain risks which have been identified are being addressed by introducing suitable Risk mitigation processes. Similarly, in case of any key managerial decisions the risk factors are highlighted for the decision making authority to take informed decision.

ii) Cost Reduction and Indigenisation

The company's Cost Reduction activities focus both on manufacturing and non-manufacturing areas and encompass all facets of business like production, administration, finance, services etc. The company has carried out various activities in manufacturing and sub-contract area which has resulted in increase in the quality and productivity and in consequent cost reduction.

B) Internal Control System and it's adequacy

The company has an adequate system of Internal Control commensurate with it's size and nature of it's operations. These have been designed to provide measures with a view to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statues, safeguarding assets from unauthorised use or losses, executing transactions with proper authorisation and ensuring compliance of company's policies and procedures issued from time to time.

The internal audit of the company for the year 2025-26 was conducted by the internal audit team of BEL.

Your company has an Audit Committee which reviews the Internal Control Systems and the significant audit observations submitted by the internal audit. The Audit Committee meets the company's Statutory Auditors to ascertain, inter alia, their views on the financial statements, including the financial reporting system, compliance to accounting policies and procedures, the adequacy and effectiveness of the internal control systems followed by the company. The adequacy of the Internal Control procedures is reviewed and reported by the Statutory Auditors in their Audit Report. BELOP being a Government Company is subject to audit by the Comptroller and Auditor General of India.

C) Financial/Operational Performance

1. Strategy & Objectives

The main objectives of the financing strategy of the company are as follows:-

(i) To make available funds by effective cash flow management with a view to have least borrowing and consequently least interest cost;

(ii) To maintain the highest credit rating in the short term to be able to raise funds at most economical rates as and when required;

(iii) To effectively execute tax planning thereby improving the post tax yield;

(iv) To meet the expectations of the various stakeholders;

(v) To maintain highest standards of financial reporting by following the mandatory accounting standards

Each of the objectives listed continue to be accorded the highest priority by BELOP. During the financial year, the company made efforts to fund the working capital needs and the funding for capital expenditure from the internal resources and there was no borrowing for working capital from banks.

2. Performance Highlights

(₹ in Lakhs)

Particulars	2025-26	2024-25
Gross Sales	10989	18325
Total Expenditure Before Financing Costs	11975	17034
Profit Before Financing Costs and Tax	843	3022
Operating Margin(PBIT/Gross Sales) Ratio%	7.67	16.49
Profit After Tax	582	2068
No. of Days Inventory/Value of Production (DPE Method)	176	90
No. of Days Trade Receivables/Turnover	69	43
Current Ratio	6.86	4.57
Debt Equity Ratio	-	-

3. Analysis of Financial performance of 2025-26

- The turnover decreased from ₹ 18325 Lakhs in 2024-25 to ₹ 10989 Lakhs in 2025-26 due to lack of orders. Consequently, the value of production has decreased by ₹ 6086 lakhs from ₹ 18781 Lakhs in 2024-25 to ₹ 12695 Lakhs in 2025-26 and turnover per employee has decreased from ₹ 141 Lakhs in 2024-25 to ₹ 89 Lakhs in 2025-26.
- The PAT has decreased from ₹ 2068 Lakhs in 2024-25 to ₹ 582 Lakhs in 2025-26 due to lower profits on account of lower turnover. Consequently, the PAT to Turnover Ratio has decreased from 11.28% in 2024-25 to 5.30% in 2025-26 and the Earnings per share have decreased from ₹ 2.22 in 2024-25 to ₹ 0.62 in 2025-26.
- Net worth has grown by 0.18% from ₹ 30076 Lakhs in 2024-25 to ₹ 30129 Lakhs in 2025-26.

D) Development in Human Resources

The company has provided training on technical and quality related topics of total 102 mandays amounting to an average of 0.81 mandays per employee.

E) Accounting for intangible assets

a. Intangible assets

The intangible assets of Rs. 13345 lakhs shown under Non-Current Assets in the Balance Sheet (Note No.3) consists of License Fees of Rs. 4674 lakhs incurred for the XD-4 project and Rs. 8671 incurred for the XR5 project. These license fees are being amortised over a period of 15 years (Term of the License Agreement). The XD-4 project was funded by the MoD, to the extent of 74.30 %. As per the company's accounting policy grants from government are measured at fair value and initially recognised as Deferred Income. The amount lying in Deferred Income is transferred each year to the credit of Statement of Profit and Loss in proportion to the depreciation/amortisation charged on the respective assets in the ratio of the funding to the total sanctioned cost limited to the government grant received.

Annexure No. 7 to the Board's Report

BOARD'S REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2025-26

1. Brief outline on CSR Policy of the Company:-

i) BELOP recognises it's role and responsibility as a corporate entity and constantly endeavours to actively participate in the social and economic development of the communities in which it operates through CSR initiatives.

ii) BELOP is committed to its stakeholders to conduct CSR activities in an economically, socially and environmentally sustainable manner that is transparent and ethical.

iii) CSR activities shall include initiatives which aim at achieving sustainable development goals.

2. Composition of CSR Committee:-

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meeting of CSR Committee attended during the year
1	Mr. Manoj Jain	Chairman(upto 20.7.2025)	1	1
2	Mr. Bhanu Prakash Srivastava	Member (upto 31.5.2026)	1	1
3	Mr. Vikraman N	Chairman (w.e.f.21.07.2025 upto 31.03.2026 Member w.e.f. 1.6.2025 to 20.7.2025)	3	3
4	Mr. Damodar Bhattad	Member	4	4
5	Mr. Kamesh Kasana	Member	3	3

3.	Provide the web-link where Composition of CSR Committee, CSR policy and CSR projects approved by The board are disclosed on the website of the company.	https://www.belop-india.in
4.	Provide the details of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Nil

Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1.	2025-26	Nil	Nil
	TOTAL	**Nil**	**Nil**

6. Average net profit of the company as per section 135(5) :- ₹ 20,81,09,870/-

7. (a) Two percent of average net profit of the company as. Per section 135(5):- ₹ 41,62,197/-

   (b) Surplus arising out of the CSR projects or Programmes or activities of the previous financial years. Nil

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

   (d) Total CSR obligation for the financial year (7a+7b-7c) ₹ 41,62,197/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135 (6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Nil	41,62,197	29.04.2026	-	-	-

(b) Details of CSR amount Spent against ongoing projects for the financial year:-

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes / No)	Mode of Implementation through Implementing Agency	
				State	District						Name	CSR Registration number
1	Upgradation of rural hospital & trauma centre	Promoting health-care	Yes	Maharashtra	Pune	3 yrs	54,11,527	20,12,646	33,98,881	Yes	Not Applicable	Not Applicable
2	Health care project for supply of diagnostic equipments to model PHC's	Promoting health-care	Yes	Maharashtra	Pune	3 yrs	41,62,197	-	41,62,197	Yes	Not Applicable	Not Applicable
	Total						**95,73,724**	**20,12,646**	**75,61,078**			

(c) Details of CSR amount spent against other than ongoing projects :- Not Applicable for the financial year

1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes / No)	Location of the project.		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District			Name	CSR registration number
NOT APPLICABLE									

(d)	Amount spent in Administrative Overheads	Nil
(e)	Amount spent on Impact Assessment, if applicable	Not applicable
(f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	Nil
(g)	Excess amount for set-off, if any	Nil

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	41,62,197
(ii)	Total amount spent for the financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the fund	Amount (in Rs).	Date of transfer	
1.	2022-23	11,46,047	11,46,047	N.A.	Nil	-	Nil
2.	2023-24	16,01,603	8,66,599	N.A.	Nil	-	7,35,004
3.	2024-25	26,63,877	Nil	N.A.	Nil	-	26,63,877
TOTAL		**54,11,527**	**20,12,646**				**33,98,881**

(b) Details of CSR amount spent in the financial year for ongoing projects of preceding Financial years(s):-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in Rs).**	**Amount spent on the project in the reporting Financial Year (in Rs).**	**Cumulative amount spent at the end of reporting Financial Year (in Rs.)**	**Status of the project -Completed/ Ongoing**
1		Upgradation of rural hospital & trauma centre	2022-23	3 years	54,11,527	20,12,646	20,12,646	Ongoing
TOTAL					**54,11,527**	**20,12,646**	**20,12,646**	

10. In case of creation or acquisition of capital asset, furnish the details:- Not Applicable

    relating to the Asset so created or acquired through CSR spent in the financial year(asset-wise-details).

    (a) Date of creation or acquisition of the capital asset(s). Not Applicable

    (b) Amount of CSR spent for creation or acquisition of capital asset. Not Applicable

    (c) Details of the entity or public authority or beneficiary under Whose name such capital asset is registered, their address etc. Not Applicable

    (d) Provide details of the capital asset (s) created or acquired (including complete address and location of the capital asset). Not Applicable

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

    The final approval for construction of the primary health centre in the Village Walad, in Taluka Khed and scope for supply of medical equipments was not accorded by the Zilla Parishad and hence in lieu of the above the project for the upgradation of rural hospital and trauma centre in Khed was taken up. This project planned by utilizing the CSR funds for the years 2022-23 to 2024-25 is nearly completed and majority of the funds have been utilized. The project planned for supply of diagnostic equipments to model PHC's in Khed Taluka by utilizing the CSR funds for the year 2025-26 has been taken up after discussion with the Zilla Parishad authorities. The same is under implementation and is expected to be completed during 2026-27.

sd/-

(Chief Executive Officer)

sd/-

(Chairman CSR Committee)

CERTIFICATION BY CEO & CFO
AS REQUIRED UNDER DPE GUIDELINES ON CORPORATE GOVERNANCE

To:
The Board of Directors, BEL Optronic Devices Limited
EL-30, 'J' Block, Bhosari Industrial Area,
Pune – 411 026

We hereby certify that :

(a) We have reviewed the financial statements and the Cash Flow Statement for the year ended 31.03.2026 and that to the best of our knowledge and belief.

  (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

  (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing 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 which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that 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 Audit Committee, 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 Audit Committee :

  (i) that there are no significant changes in internal control over financial reporting during the year;

  (ii) the significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and

  (iii) that there are no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

sd/-
PRIYA S. IYER
Company Secretary & CFO

Place : Bengaluru
Date: 13th May, 2026

sd/-
VENUGOPAL P. G.
Chief Executive Officer

Place : Bengaluru
Date: 13th May, 2026

Ind AS Financial Statements – 31st March 2026

Ind AS Financial Statements

- Balance Sheet
- Statement of Profit and Loss
- Statement of Cash Flows
- Statement of Changes in Equity
- Notes to the Financial Statements

BALANCE SHEET AS AT MARCH 31, 2026

₹ in Lakhs

Sr. No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
	ASSETS			
(1)	**Non-Current Assets**			
	(a) Property, Plant and Equipment	1	7,348	7,789
	(b) Capital work-in-progress	2	341	785
	(c) Other Intangible assets	3	13,345	15,319
	(d) Intangible assets under development	4	-	-
	(e) Financial assets			
	(i) Trade Receivables	5	-	-
	(ii) Loans	6	-	-
	(iii) Other Financial Assets	7	186	483
	(f) Deferred Tax Assets (net)	21	-	-
	(g) Inventories	8	-	-
	(h) Other Non-Current Assets	9	59	61
	Sub Total Non-Current Assets ((a) to (h))		**21,279**	**24,437**
(2)	**Current Assets**			
	(a) Inventories	10	6,135	4,644
	(b) Financial Assets			
	(i) Trade Receivables	11	2,084	2,166
	(ii) Cash and Cash equivalents	12	6,034	2,983
	(iii) Bank Balances (other than (ii) above)	13	1,233	5,303
	(iv) Other Financial Assets	14	29	59
	(c) Current Tax Assets (Net)	15	109	45
	(d) Other Current Assets	16	939	266
	Sub Total Current Assets ((a) to (d))		**16,563**	**15,466**
	TOTAL ASSETS		**37,842**	**39,903**

₹ in Lakhs

Sr. No.	Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	17	9,322	9,322
	(b) Other Equity		20,807	20,754
	Sub Total Equity ((a) + (b))		**30,129**	**30,076**
	LIABILITIES			
(1)	**Non-Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	18	-	-
	(b) Government Grants-deferred	19	3,490	4,768
	(c) Provisions	20	733	722
	(d) Deferred Tax Liabilities (net)	21	1,075	952
	Sub Total Non-Current Liabilities ((a) to (d))		**5,298**	**6,442**
(2)	**Current Liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	22	-	-
	(ii) Trade Payables	24		
	A) Total Outstanding Dues of Micro Enterprises and Small Enterprises		103	439
	B) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		364	212
	(iii) Other Financial Liabilities	25	196	162
	(b) Government Grants-deferred	23	1,292	1,310
	(c) Other Current Liabilities	26	77	298
	(d) Provisions	27	383	964
	(e) Current Tax Liability (Net)	28	-	-
	Sub Total Current Liabilities ((a) to (e))		**2,415**	**3,385**
	Sub Total Liabilities (1+2)		**7,713**	**9,827**
	TOTAL EQUITY AND LIABILITIES		**37,842**	**39,903**

Material Accounting Policies and Accompanying Notes form an integral part of the Financial Statements.

As per our report attached.

P.G. JOSHI & CO. LLP
Chartered Accountants
Firm Reg. No.104416W/W101191

sd/-
MANOJ JAIN
Chairman

sd/-
DAMODAR BHATTAD
Director

sd/-
KAMESH KASANA
Director

sd/-
CA SUDHIR P TIDKE
Partner
MEM. No. 043976

sd/-
VENUGOPAL P G
Chief Executive Officer

sd/-
PRIYA S IYER
Company Secretary & CFO

Place : Pune
Date : 13th May 2026

Place : Bengaluru
Date : 13th May 2026

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2026

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2026	For the year ended 31st March, 2025
I	Revenue from operations	29	12,307	19,681
II	Other income	30	511	375
III	**Total Income (I+II)**		**12,818**	**20,056**
IV	**Expenses**			
	(a) Cost of materials consumed	31	7,547	11,362
	(b) Changes in inventories of finished goods, stock-in -trade and work-in-progress	32	(1,706)	(456)
	(c) Employee benefit expense	33	1,865	2,077
	(d) Finance costs	34	1	7
	(e) Depreciation and amortisation expense	35	2,991	3,013
	(f) Technical Assistance Fee	36	-	-
	(g) Other expenses	37	1,278	1,038
	Total expenses (IV) ((a) to (g))		**11,976**	**17,041**
V	Profit before exceptional items and tax (III -IV)		842	3,015
VI	Exceptional items		-	-
VII	Profit before tax (V-VI)		**842**	**3,015**
VIII	Tax expense:			
	(i) Current tax		180	-
	(ii) Current tax (MAT for the Year)		-	546
	(iii) Earlier Year Taxes		(3)	(4)
	(iv) Deferred tax (Including MAT Credit Entitlement)		83	405
	Total Tax Expenses (i+ii+iii+iv)		**260**	**947**
IX	**Profit for the year (VII-VIII)**		**582**	**2,068**

₹ in Lakhs

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(X)	**Other Comprehensive Income**			
(A)	**Items that will not be reclassified to profit or loss**			
	(i) Remeasurements of the defined benefit plans		127	(133)
	(ii) Income tax effect on the above		(35)	39
(B)	**Items that will be reclassified to profit or loss**		-	-
	Other comprehensive income for the year, net of taxes (A + B)		92	(94)
(XI)	**Total Comprehensive Income for the period (IX + X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**674**	**1,974**
(XII)	**Earning per equity share**			
	(1) Basic	**38(1)**	**0.62**	**2.22**
	(2) Diluted		**0.62**	**2.22**

Material Accounting Policies and Accompanying Notes form an integral part of the Financial Statements.

As per our report attached.

P.G. JOSHI & CO. LLP Chartered Accountants Firm Reg. No.104416W/W101191	sd/- MANOJ JAIN Chairman	sd/- DAMODAR BHATTAD Director	sd/- KAMESH KASANA Director
sd/- CA SUDHIR P TIDKE Partner MEM. No. 043976	sd/- VENUGOPAL P G Chief Executive Officer	sd/- PRIYA S IYER Company Secretary & CFO	
Place : Pune Date : 13th May 2026	Place : Bengaluru Date : 13th May 2026		

STATEMENT OF CASH FLOW FOR THE PERIOD 01.04.2025 TO 31.03.2026

₹ in Lakhs

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Cash Flow From Operating Activities		
Profit before tax	842	3,015
Adjustments for :		
Depreciation & amortisation expenses	2,991	3,013
Interest Income	(415)	(298)
Finance costs	1	7
Amortisation of government grants-deferred	(1,297)	(1,322)
Remeasurements of the defined benefit plans	127	(133)
Change In Operating Assets And Liabilities		
(Increase) /decrease in trade receivables	82	1,493
(Increase) /decrease in inventories	(1,491)	(395)
Increase /(decrease) in trade payables	(183)	(530)
Increase /(decrease) in other financial liabilities	34	18
(Increase)/ decrease in other financial assets	327	(82)
(Increase) /decrease in other non current assets	2	15
(Increase) /decrease in other current assets	(674)	(21)
Increase /(decrease) in provisions	(570)	520
Increase/(decrease) in other current liabilites	(221)	239
Cash flow from/ (used) in operations	(445)	5,539
Income taxes paid	(234)	(575)
Cash Flow Before Exceptional Items	(679)	4,964
Exceptional Items	-	-
Net Cash flow from /(used) in operating activities: (A)	**(679)**	**4,964**
Cash Flow From Investing Activities:		
Purchase of Property, Plant and Equipment and other Intangibles Assets	(133)	(213)
Investment in Term Deposits	4,070	(5,286)
Interest received	415	298
Net cash inflow from/ (used) in from investing activities (B)	**4,352**	**(5,201)**

₹ in Lakhs

Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Cash Flow From Financing Activities		
Grant Received	-	7
Finance Costs	(1)	(7)
Dividend Paid	(621)	(500)
Net cash inflow from/(used) in financing activities (C)	**(622)**	**(500)**
Net Increase/(Decrease) In Cash And Cash Equivalents ((A)+(B)+(C))	**3,051**	**(737)**
Cash and Cash Equivalents at the beginning of the year	2,983	3,720
Cash and cash equivalents at the end of the year	**6,034**	**2,983**
Reconciliation of cash and cash equivalents as per Cash flow statement		
Reconciliation of cash and cash equivalents as per above comprise of following:		
Cash and cash equivalents (Note 12)	6,034	2,983
Balance as per statement of cash flows	**6,034**	**2,983**

Material Accounting Policies and Accompanying Notes form an integral part of the Financial Statements.

As per our report attached

P.G. JOSHI & CO. LLP
Chartered Accountants
Firm Reg. No.104416W/W101191

sd/-
MANOJ JAIN
Chairman

sd/-
DAMODAR BHATTAD
Director

sd/-
KAMESH KASANA
Director

sd/-
CA SUDHIR P TIDKE
Partner
MEM. No. 043976

sd/-
VENUGOPAL P G
Chief Executive Officer

sd/-
PRIYA S IYER
Company Secretary & CFO

Place : Pune
Date : 13th May 2026

Place : Bengaluru
Date : 13th May 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2026

A. Equity share capital

₹ in Lakhs

Balance as on 01.04.2025		Note No	Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance as on 31.03.2026	
No. of Shares	Amount		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
9,32,23,820	9,322	17	-	-	9,32,23,820	9,322	-	-	9,32,23,820	9,322

₹ in Lakhs

Balance as on 01.04.2024		Note No	Changes in Equity Share Capital due to prior period errors		Restated balance at the beginning of the current reporting period		Changes in equity share capital during the current year		Balance as on 31.03.2025	
No. of Shares	Amount		No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
9,32,23,820	9,322	17	-	-	9,32,23,820	9,322	-	-	9,32,23,820	9,322

B. Other equity
As at 31st March, 2026

₹ in Lakhs

Particulars	Note No	Share Application Money Pending Allotment	Reserves and Surplus		Items of Other Comprehensive Income	Other Reserves	Total Equity
			Securities Premium	Retained Earnings			
Balance as on 1st April 2025		-	10,300	10,720	(493)	227	20,754
Profit for the year		-	-	582	-	-	582
Other comprehensive income for the year (net of tax)		-	-	-	92	-	92
Capital Contribution on account of below market rate borrowings		-	-	-	-	-	-
Balance as at 31st March 2026		**-**	**10,300**	**11,302**	**(401)**	**227**	**21,428**
Dividends	17	-	-	(621)	-	-	(621)
Balance as at 31st March 2026		**-**	**10,300**	**10,681**	**(401)**	**227**	**20,807**

As at 31st March, 2025 ₹ in Lakhs

Particulars	Note No	Share Application Money Pending Allotment	Reserves and Surplus		Items of Other Comprehensive Income	Other Reserves	Total Equity
			Securities Premium	Retained Earnings			
Balance as on 1st April 2024		-	10,300	9,152	(399)	227	19,280
Profit for the year		-	-	2,068	-	-	2,068
Other comprehensive income for the year (net of tax)		-	-	-	(94)	-	(94)
Capital Contribution on account of below market rate borrowings		-	-	-	-	-	-
Balance as at 31st March 2025		**-**	**10,300**	**11,220**	**(493)**	**227**	**21,254**
Dividends	17	-	-	(500)	-	-	(500)
Balance as at 31st March 2025		**-**	**10,300**	**10,720**	**(493)**	**227**	**20,754**

1. The Securities Premium would be utilised as mandated under the Companies Act, 2013.
2. The Retained Earnings are Free Reserves of the Company.

Material Accounting Policies and Accompanying Notes form an integral part of the Financial Statements.

As per our report attached

P.G. JOSHI & CO. LLP
Chartered Accountants
Firm Reg. No.104416W/W101191

sd/-
MANOJ JAIN
Chairman

sd/-
DAMODAR BHATTAD
Director

sd/-
KAMESH KASANA
Director

sd/-
CA SUDHIR P TIDKE
Partner
MEM. No. 043976

sd/-
VENUGOPAL P G
Chief Executive Officer

sd/-
PRIYA S IYER
Company Secretary & CFO

Place : Pune
Date : 13th May 2026

Place : Bengaluru
Date : 13th May 2026

MATERIAL ACCOUNTING POLICIES

Corporate Information

The accompanying financial statements comprise the financial statements of BEL Optronic Devices Ltd., Pune (BELOP) (the Company). The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Pune, Maharashtra. The Company is a wholly owned subsidiary of Bharat Electronics Limited (BEL). The Company is engaged in manufacture of Image Intensifier Tubes and associated high voltage Power Supply Units for use in defence system.

1. Basis of Preparation and Statement of Compliance

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles in India (GAAP), on the accrual basis of accounting. GAAP comprises the mandatory Indian Accounting Standards (Ind-AS) [as notified under Section 133 of the Companies Act, 2013 read Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], 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 makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liability as at the date of financial statements and reported amounts of revenue and expenses during the reporting period. Although such estimates are made on a reasonable and prudent basis taking into account 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:

i. Derivative financial instruments, if any

ii. Financial assets and liabilities those are qualified to be measured at fair value.

iii. The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.

4. Functional and presentation currency

The financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Company.

5. Revenue Recognition

A) Revenue from Contract with Customers-

i. Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised goods or services (i.e., an Asset) to a Customer.

ii. Satisfaction of performance obligation at a point in time

a) 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 are 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

iii. Measurement

a) Revenue is recognized 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) **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.

c) **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. **Other Income**

Other income not specifically stated above is recognised on accrual basis.

iii **Duty Drawbacks**

Duty drawback claims on exports are accounted on accrual basis

6. Inventories

(i) Raw materials, stores & spares and goods in transit have been valued at lower of cost and net realisable value and Cost of material is determined on weighted average basis.

(ii) Work-in-Progress has been valued at the lower of cost and net realizable value. Cost includes materials, direct labour and appropriate overheads.

(iii) Finished Goods have been valued at the lower of cost and net realisable value

7. Depreciation / Amortisation

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The Company, based on technical assessments made by technical experts and Management estimates the useful life of the assets in the manner 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 method over its estimated useful life. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on certain items of Plant & Machinery is charged over the estimated useful life which are different from the useful life prescribed in Schedule II to the Companies Act, 2013.

Amortisation

Amortisation is calculated to write off the cost of intangible assets using the straight line method over their estimated useful lives and is generally recognised in Statement of Profit & Loss. Amortisation methods, useful lives are reviewed at each reporting date and adjusted if appropriate.

8. 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 & equipment (calculated as the difference between the net disposal proceeds, if any and the carrying amount of the property, plant & equipment) is included in the Statement of Profit & Loss when the property, plant & equipment is derecognised.

9. 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) Incentives and bonuses 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 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) Defined contribution to Employee Provident Fund and Pension Scheme are made on a monthly accrual basis at the applicable rates. Defined contribution to Superannuation Scheme is made on yearly basis at the applicable rates.

(iv) Gratuity: Incremental liability for payment of gratuity 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 lumpsum contribution are made.

(v) 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 (assets) is computed by applying the discount rate, used to measure 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 & Loss.

10. 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 other comprehensive income or in equity is recognised in other comprehensive income or respectively not in the Statement of Profit & Loss.

Deferred tax relating to items recognised outside Statement of Profit & Loss is recognised outside Statement of Profit & 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.

11. Foreign Currency Transactions.

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 at the functional currency exchange rate at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit & Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the functional currency exchange rate at the dates of the initial transactions.

12. Forward Contracts

Derivative financial instruments such as forward currency contracts, use for hedging foreign currency risk 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.

13. 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.

14. Property, Plant and equipment, Capital Work in-progress Property, Plant and equipment

Property, plant and equipment is initially measured at cost and subsequently at cost less accumulated depreciation and 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.

Capital work-in-progress

The cost of fixed assets not ready for their intended use as at each balance sheet 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 and the cost of Property, Plant and equipment that are not yet ready for their intended use as at the balance sheet date.

15. Intangible Assets, Intangible assets under development

The cost of license fee, technical know how etc acquired for transfer of technology resulting in significant future economic benefits is recognised as an Intangible Asset in the books of accounts when the same is ready for use. Intangible Assets that are not yet ready for their intended use as at the Balance Sheet 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 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.

16. Expenditure on Technical Know How

Expenditure incurred on technical know-how is charged off to Statement of Profit and Loss on incurrence unless it qualifies for recognition as an Intangible Asset /Part of Tangible Assets either separately on its own or in combination with other assets / expenses.

17. Research & Development Expenditure

(i) Expenditure on Research activity is recognized 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.

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) R&D expenditure on Fixed Assets is capitalised.

18. Government Grants

Grants from Government are measured at fair value and initially recognized as Deferred Income.

The amount lying in Deferred Income on account of acquisition of Fixed Assets is transferred to the credit of Statement of Profit & 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 & Loss to the extent of expenditure incurred in the ratio of the funding to the total sanctioned cost, limited to the Government grant received.

19. Financial Assets

Initial recognition and measurement

All financial assets are recognized 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost,
- Debt instruments at fair value through other comprehensive income (FVTOCI),

- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL),
- Equity instruments measured at fair value through other comprehensive income FVTOCI.

Derecognition

A financial asset or part of a financial asset is derecognised. The rights to receive cash flows from the asset have expired.

Trade receivables 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.

20. 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.

21. 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 or Loss.

22. 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.

(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 & 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. Gains and losses are recognised in profit or loss when the liabilities are derecognized 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.

23. 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.

24. 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

25. 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.

26. Cash dividend and non-cash distribution to equity shareholders

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.

27. Provision for Warranties

Provision for Expenditure on account of performance guarantee and 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 estimate of management.

28. i. **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 & Loss net of any reimbursement.

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 recognized as a finance cost.

ii. 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.

29. Contingent Liabilities/Assets

Contingent Liabilities/Assets to the extent the Management is aware, are disclosed by way of notes to the financial statements.

30. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in Ind AS-7 on Statement of Cash Flows.

31. 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.

32. 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 year, 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.

33. Impairment of Assets:

The assessment for the impairment of assets is done with reference to the Company [Cash Generating Unit (CGU)] at each Balance Sheet date if events or changes in circumstances, based on internal and external factors, indicate that the carrying value may not be recoverable in full. The loss on account of impairment, which is the difference between the carrying amount and recoverable amount, is accounted accordingly.

Recoverable amount of a CGU is its Net Selling Price or Value in use whichever is higher. The value in use is arrived at on the basis of estimated future cash flows discounted at company's pre-tax borrowing rate.

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.

A change in an accounting estimate that results in changes in the carrying amounts of recognised assets or liabilities or to Statement of Profit & 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.

As per our report attached

P.G. JOSHI & CO. LLP Chartered Accountants Firm Reg. No.104416W/W101191	sd/- MANOJ JAIN Chairman	sd/- DAMODAR BHATTAD Director	sd/- KAMESH KASANA Director
sd/- CA SUDHIR P TIDKE Partner MEM. No. 043976	sd/- VENUGOPAL P G Chief Executive Officer	sd/- PRIYA S IYER Company Secretary & CFO	
Place : Pune Date : 13th May 2026	Place : Bengaluru Date : 13th May 2026		

NOTE 1: PROPERTY, PLANT AND EQUIPMENT YEAR ENDED 31st MARCH 2026

₹ in Lakhs

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Value	
	As at 1st April 2025	Additions/ Adjust-ments	Deduction/ Re-classifica-tion & Ad-justments	As at 31st March, 2026	As at 1st April 2025	Charge for the year	Deduction/ Re-classi-fication & Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
OWNED ASSETS										
Buildings	480	472	-	952	295	31	-	326	626	185
Plant & Machinery	15,317	83	-	15,400	7,804	964	-	8,768	6,632	7,513
Office Equipment	41	5	-	46	29	4	-	33	13	12
Electrical installation	138	-	-	138	107	7	-	114	24	31
Furniture & Fixtures	72	4	-	76	52	4	-	56	20	20
Computer Systems	70	13	-	83	58	8	-	66	17	12
RIGHT OF USE ASSETS										
Leasehold Land	18	-	-	18	2	-	-	2	16	16
Total	**16,136**	**577**	**-**	**16,713**	**8,347**	**1,018**	**-**	**9,365**	**7,348**	**7,789**

PROPERTY, PLANT AND EQUIPMENT YEAR ENDED 31st MARCH 2025

₹ in Lakhs

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Value	
	As at 1st April 2024	Additions/ Adjust-ments	Deduction/ Re-classifica-tion & Ad-justments	As at 31st March, 2025	As at 1st April 2024	Charge for the year	Deduction/ Re-classi-fication & Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
OWNED ASSETS										
Buildings	480	-	-	480	264	31	-	295	185	216
Plant & Machinery	15,260	57	-	15,317	6,818	986	-	7,804	7,513	8,442
Office Equipment	33	8	-	41	25	4	-	29	12	8
Electrical installation	138	-	-	138	100	7	-	107	31	38
Furniture & Fixtures	72	-	-	72	47	5	-	52	20	25
Computer Systems	61	9	-	70	51	7	-	58	12	10
RIGHT OF USE ASSETS										
Leasehold Land	18	-	-	18	1	-	1	2	16	17
Total	**16,062**	**74**	**-**	**16,136**	**7,306**	**1,040**	**1**	**8,347**	**7,789**	**8,756**

1. Plant and Machinery (Gross Carrying Value) includes Assets to the tune of ₹33/- Lakhs (Previous Year ₹ 33/- Lakhs which is funded out of grant under TPDUP Project
2. Plant and Machinery (Gross Carrying Value) includes Assets to the tune of ₹ 5611/- Lakhs (Previous Year ₹ 5,611/- Lakhs) which is funded out of grant received for implementation of Transfer of Technology for XD- 4 I.I.Tubes.
3. Depreciation on Plant and Machinery of ₹ 964/- Lakhs includes depreciation on ToT equipments (XD-4) of ₹489/- Lakhs for current year. Depreciation on Plant and Machinery of ₹ 986/- Lakhs includes depreciation on ToT equipments (XD-4) of ₹ 507/- Lakhs wrt previous year.
4. Depreciation is provided on Straight Line Method (SLM) in accordance with Schedule II of Companies Act 2013.
5. The useful life of assets for calculation of depreciation other than those under Schedule II of the Companies Act, 2013 are as under:

   i) Plant and Machinery (Continuous Process plant) 15 Years

   As per the terms of the Technology License Agreement, the Linear Transfer Lines (continuous process plant) are supported by the ToT provider for a period of 15 years.

   It is ascertained on the basis of Technical Assessment by the Management that the Linear Transfer Lines would be used for a period of 15 Years.
6. Additional Depreciation of 50 % and 100% has been charged on Plant & Machinery items in respect of double shift working and triple shift working respectively.
7. The Company has acquired 13680 square meter of land on lease from MIDC for 95 years at a cost of ₹ 21/- Lakhs on 25.11.1991 with renewable option of further 95 years on new terms and conditions.

   Cost of leasehold land capitalised is ₹ 23/- Lakhs & Gross Carrying Amount is ₹18/- Lakhs. Lease agreement is duly executed in favour of the Company.
8. Depreciation on Lease Hold Land is ₹ 24590/- wrt Current year & ₹ 24610/- wrt previous year which is rounded off.
9. Refer Note No 40 for Hypothecation Note.
10. Gross Carrying Value and Accumulated Depreciation includes ₹ 2024/- pertaining to assets not in active use is rounded off, disposal of which is pending.

Note 2 - Capital work in progress

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
1. Civil Construction		
Opening balance	482	467
Add: Addition during the year	2	15
Less: Amount capitalised during the year	472	-
Total (1)	**12**	**482**
2. Plant and machinery/Office Equipment/Furniture & Fixtures/ Computer Systems		
Opening balance	303	179
Add: Addition during the year	131	198
Less: Amount capitalised during the year	105	74
Total (2)	**329**	**303**
GRAND TOTAL	**341**	**785**

CAPITAL WORK-IN-PROGRESS AGEING SCHEDULE

As at 31st March, 2026

₹ in Lakhs

CWIP	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					
AHU Building Construction	2		-	-	2
AHU Project	41	155	102	29	327
Others	2	10	-	-	12
Projects temporarily suspended	-	-	-	-	-
TOTAL	**45**	**165**	**102**	**29**	**341**

As at 31st March, 2025

₹ in Lakhs

CWIP	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					
AHU Building Construction	5	156	247	64	472
AHU Project	125	130	38	-	293
Renovation of admin Block	10	-	-	-	10
Plant & Machinery	7			3	10
Projects temporarily suspended	-	-	-	-	
TOTAL	**147**	**286**	**285**	**67**	**785**

NOTE 3 - INTANGIBLE ASSETS FOR THE YEAR ENDED 31st MARCH 2026

₹ in Lakhs

Particulars	Gross Carrying Amount				Accumulated Amortisation				Net Carrying Value	
	As at 1st April, 2025	Additions During the year	Deduction/ Re-classification & Adjustments	As at 31st March, 2026	As at 1st April, 2025	For the year	Deduction/ Re-classification & Adjustments	As at 31st March, 2026	As at 31st March, 2026	As at 31st March, 2025
License Fee (XD-4)	18,424	-	-	18,424	12,500	1,250	-	13,750	4,674	5,924
License Fee (XR-5)	10,842	-	-	10,842	1,448	723	-	2,171	8,671	9,394
***Computer Operating System**	3	-	-	3	2	-	(1)	3	-	1
Total	**29,269**	**-**	**-**	**29,269**	**13,950**	**1,973**	**(1)**	**15,924**	**13,345**	**15,319**
Previous Year	**29,269**	**-**	**-**	**29,269**	**11,977**	**1,973**	**-**	**13,950**	**15,319**	**17,292**

1. Intangible Assets (Gross Carrying amount) includes ₹ 13689/- Lakhs (Previous Year ₹ 13,689/- Lakhs) which is funded out of grant received for implementation of Transfer of Technology (ToT) XD-4.
2. Amortisation is calculated on straight -line basis over the estimated useful lives of asset.
3. Amortisation of Computer Operating System is ₹36,129/- wrt current year & previous year is rounded off & Net Carrying Value amounts to ₹18,040/- for the current year is rounded off.

*4. Adjustment made during the year only to align and reconcile the totals.

NOTE 4 - Intangible assets under development

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
TOT (XR-5)		
Opening balance	-	-
Add: Addition during the year	-	-
Less: Amount capitalised during the year	-	-
Total	-	-

INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

As at 31st March, 2026

₹ in Lakhs

Intangible assets under development	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	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

As at 31st March, 2025

₹ in Lakhs

Intangible assets under development	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	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

NOTE 5 - TRADE RECEIVABLES- NON CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Receivable Considered Good -Secured	-	-
Trade Receivable Considered Good -Unsecured	-	-
Trade Receivable having Significant Increase in Credit Risk	-	-
Trade Receivable , Credit Impaired		
1. From Related Party	201	146
Less: Provision for doubtful debts	201	146
Sub Total (1)	-	-
2.From Others	45	45
Less: Provision for doubtful debts	45	45
Sub Total (2)	-	-
Total	-	-

THE MOVEMENT IN THE ALLOWANCE FOR DOUBTFUL RECEIVABLES IS PRESENTED AS FOLLOWS:

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Balance at the beginning of the year	191	151
Expected Credit loss provision during the year	59	41
Written off during the year	-	-
Credited to Profit or Loss	4	1
Balance at the end of the year	**246**	**191**

Refer Note No 40 for Related Party Disclosure.

TRADE RECEIVABLES AGEING - NON-CURRENT

As at 31st March, 2026

₹ in Lakhs

Particulars	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	37	4	33	28	144	**246**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

As at 31st March, 2025

₹ in Lakhs

Particulars	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	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	15	-	35	1	140	**191**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

NOTE 6 - LOANS- NON CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Loans- Non Current	-	-
Total	**-**	**-**

NOTE 7 - OTHER FINANCIAL ASSETS- NON CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Security Deposits		
- Considered Good, Secured	-	-
- Considered Good,Unsecured		
Deposits with MSEB	54	48
Deposits for water supply	1	1
Other deposits	6	5
- Significant Increase in Credit Risk		
Credit Impaired	-	-
Term deposits with more than 12 months maturity	119	416
Interest Accured on term Deposits	6	13
Total	**186**	**483**

1. Refer Note No. 39 for fair value measurements

NOTE 8 - INVENTORIES- NON CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Inventories		
Raw materials	50	47
Less: Provision for Non/Slow-Moving Stock	38	47
Less: Provision for obsolescence	12	-
Total	**-**	-

NOTE 9 - OTHER NON CURRENT ASSETS

₹ in Lakhs

Particulars	As at 31st March 2026		As at 31st March 2025	
Capital Advances		-		-
Prepaid Expenses		2		4
Advances to suppliers				
Unsecured considered doubtful	22		22	
Less: Provision for doubtful advances	22	-	22	-
Deposits				
Deposit with Excise Authorities	-		-	
Deposit with Court (Octroi)	14		14	
Deposit for Octroi	23		23	
Deposit with Service tax authorities	20	57	20	57
Total		**59**		**61**

1. Deposit with Excise Authorities of ₹ 1000/- wrt current year & previous year is rounded off.

NOTE 10 - INVENTORIES- CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026		As at 31st March 2025	
Raw materials*	633		781	
Goods In Transit (RMC)	-		8	
Stores & consumables*	294		326	
Work- in- Progress	4,777	5,704	3,071	4,186
Machinery spares		431		458
Total		**6,135**		**4,644**

Notes

1. * Raw material include ₹ 5 Lakhs (Previous year ₹ 3 Lakhs) being material with sub-contractors.
2. Work -in- Progress include ₹ Nil (Previous year ₹5) related to BRNS Project.
3. The assets which are received / retained by the company on behalf of the customer do not form part of the inventory.

NOTE 11 - TRADE RECEIVABLES- CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Trade Receivables Considered Good, Secured	-	-
Trade Receivables Considered Good, Unsecured		
- From related party	95	42
- From others	1,989	2,124
Trade Receivable having Significant Increase in Credit Risk	-	-
Trade Receivable , Credit Impaired	-	-
Total	**2,084**	**2,166**

1. Refer Note No. 39 for fair value measurements & Classification of Financial Instruments.
2. Refer Note No 40 for Related Party Disclosure & for Security Hypothecation.
3. Satisfaction of performance obligation viz-a-viz payment

Payment Terms :

a. Contracts from Government/Government Departments,PSU's

Typically payments are made in either of the following terms :-

i) 90% within seven days and 10% after inspection and acceptance.

ii) 30 days credit from date of supply.

iii) 15% Advance Payment alongwith release of order, 35% after procurement of bulk materials, 35% after completion of bulk assembly and fabricated parts, 10% against proof of despatch, 5% after completion of inspection within sixty days of receipt of stores.

iv) 30% Advance payments, balance after Supply of Materials

b. 1. Contracts with private customers :- Advance payment before dispatch of goods.

2. Milestone Based Payment.

c. Advance received from customer are classified as contract liability and Progressively adjusted on completion of performance obligation. Balance amount receivable after adjusting advance is classified as Trade Receivable.

TRADE RECEIVABLES AGEING - CURRENT

As at 31st March, 2026

₹ in Lakhs

Particulars	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	2,082	-	2	-	-	**2,084**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	**-**

As at 31st March, 2025

₹ in Lakhs

Particulars	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	2,038	18	110	-	-	**2,166**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	**-**
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	**-**
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	**-**

NOTE 12- CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
1. Cash and cash equivalents		
a. Balances with banks		
In current accounts	2,354	59
In cash credit account	58	53
In term deposits (Original Maturity upto 3 months)	3,622	2,871
b. Cash and Stamps on Hand	-	-
Total	**6,034**	**2,983**

1. The cash and cash equivalents includes term deposits with original maturity period up to three months. Term deposits with original maturity period beyond three months but up to maturity period of 12 months have been included in Bank Balances in Note No .13
2. Cash and Stamps on Hand includes ₹ 90/- stamps in hand wrt current year is rounded off. (Previous Year ₹ 320)
3. Current Accounts includes ₹ Nil wrt to current year & ₹ 7 lakhs wrt previous year out of grant received towards BRNS Project.

Refer Note No. 39 for fair value measurements

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Balances with Banks	6,034	2,983
Cash and stamp on hand	-	-
Total	**6,034**	**2,983**

Cash and Stamps on Hand includes ₹90/- stamps in hand wrt current year is rounded off. (Previous Year ₹320/-)

NOTE 13- BANK BALANCES

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
In Term deposit (Original Maturity of more than 3 months and Upto 12 months)	1,233	5,303
Total	**1,233**	**5,303**

1. Term Deposit with Original Maturity period of more than 12 months is shown under Note No.7
2. Term Deposit with Original Maturity period of Upto 3 months is shown under Note No.12.
3. For an understanding of the Company's cash management policies, refer liquidity risk Note No. 39 (vi)
4. Refer Note No. 39 for fair value measurements

NOTE 14 - OTHER FINANCIAL ASSETS

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Interest accured on Term deposit	27	58
Other Receivables	2	1
Stipend receivables (trainees)	-	-
Total	**29**	**59**

Stipend receivables (Trainees) includes ₹ 35,880/-wrt current year is rounded off. (Previous Year ₹ 35,880)

Refer Note No. 39 for fair value measurements

NOTE 15 - CURRENT TAX ASSETS (NET)

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Balances with Income Tax Authorities Towards Refund	-	9
Advance Payment of Income Tax	109	36
Total	**109**	**45**

NOTE 16 - OTHER CURRENT ASSETS

₹ in Lakhs

Particulars	As at 31st March 2026		As at 31st March 2025	
Prepaid expenses		32		28
Advance to suppliers		74		5
Balance with revenue authorities				
FBT refund due	-		-	
GST input tax credit	830		229	
GST TDS	3		4	
Prepaid GST	-	833	-	233
Total		**939**		**266**

1. FBT refund due of ₹ 45,928/- wrt current year & previous year is Rounded off.

NOTE 17 - EQUITY SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Authorised Capital: 10,00,00,000/- (Previous period 10,00,00,000/-) equity shares of ₹ 10/- each	10,000	10,000
***Issued Capital:** 9,32,23,820/- (Previous period 9,32,23,820/-) equity shares of ₹ 10/- each	9,322	9,322
Subscribed and Paid - up Capital: 9,32,23,820 (Previous period 9,32,23,820/-) equity shares of ₹ 10/- each fully paid up	9,322	9,322

Particulars	As at 31st March 2026		As at 31st March 2025	
No of equity shares outstanding at the beginning of the year	9,32,23,820	9,322	9,32,23,820	9,322
Add: Additional equity shares Subscribed during the year	-	-	-	-
Less: Equity Shares forfeited/Bought back during the year	-	-	-	-
No of equity shares outstanding at the end of the year	9,32,23,820	9,322	9,32,23,820	9,322

Notes:

1. Out of the above 9,32,23,820 Equity Shares of ₹ 10/- each (Previous Year , 9,32,23,820) are held by Bharat Electronics Ltd. (BEL) the Holding Company, and it's nominees. BELOP is a wholly owned subsidiary of BEL with effect from 30th July 2015.
2. Details of the Number of shares held by each shareholder holding more than 5% shares in the company are as follows:

Particulars	2025-26		2024-25	
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding
Equity Shares:				
Bharat Electronics Limited	9,32,23,820	100	9,32,23,820	100

3. Details of the Number of shares held by promoters in the company are as follows:

As at 31st March, 2026

₹ in Lakhs

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
Bharat Electronics Limited	9,32,23,820	100	-

As at 31st March, 2025

₹ in Lakhs

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
Bharat Electronics Limited	9,32,23,820	100	-

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.

FINAL DIVIDEND

₹ in Lakhs

Particulars	For the Year Ended 31st March 2026	For the Year Ended 31st March 2025
Final Dividend for FY 2024-25 & FY 2023-24	621	500

NOTE 18- BORROWINGS - NON-CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Term Loan	-	-
Total	**-**	**-**

NOTE 19 - GOVERNMENTS GRANTS

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
TOT (XD-4) Project	3,490	4,768
Total	**3,490**	**4,768**

Refer Note No. 40 (5) for Government Grants

NOTE 20 - PROVISIONS

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Long-term compensated absences	733	722
Total	**733**	**722**

The movement in the provisions during the year is as follows.

₹ in Lakhs

Particulars	As at 01.04.2025	Additions	Utilisation	As at 31.03.2026	
				Long-term	Short-term
Long-term compensated absences	722	59	33	733	15
Total	**722**	**59**	**33**	**733**	**15**

NOTE 21 -

i) DEFERRED TAX LIABILITIES/(ASSETS) (NET)

₹ in Lakhs

Nature of timing difference	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liabilities	2,335	2,239
Deferred Tax Assets	1,260	1,287
Total	**1,075**	**952**

ii) Amount Recognised in Statement of Profit & Loss

₹ in Lakhs

Particulars	31st March, 2026	31st March, 2025
Income Tax Expenses		
Current Tax	180	-
Current Tax (MAT)	-	546
Add : Deferred Tax	83	405
Less MAT Credit Entitlement	-	-
Add: Earlier Year Taxes	(3)	(4)
Income Tax Expenses	**260**	**947**

iii) Income Tax Recognised in Other Comprehensive Income

₹ in Lakhs

Particulars	31.03.2026			31.03.2025		
	Before Tax	Tax (expense) benefit	Net of Tax	Before Tax	Tax (expense) benefit	Net of Tax
Remeasurement (losses)/gains on post employment defined benefit plans	127	(35)	92	(133)	39	(94)
Total	**127**	**(35)**	**92**	**(133)**	**39**	**(94)**

NOTE NO. 21
DEFERRED TAX LIABILITY (NET)

iv) Deferred Tax Assets and Liabilities are attributable to the following:

₹ in Lakhs

Particulars	Deferred Tax (Assets)		Deferred Tax Liability		Net Deferred Tax (Assets) /Liability	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Trade Receivables-Provision	(41)	(41)	-	-	(41)	(41)
Provision others	(72)	(64)	-	-	(72)	(64)
Employee Benefits	(218)	(214)	-	-	(218)	(214)
Intangible Assets	-	-	1,655	1,552	1,655	1,552
Trade Payables	(6)	(6)	-	-	(6)	(6)
Plant Property and Equipment	-	-	680	687	680	687
Bonus	-	-	-	-	-	-
Inventory	(13)	(14)	-	-	(13)	(14)
Income Tax Loss	-	2	-	-	-	2
MAT Credit	(910)	(950)	-	-	(910)	(950)
Total	**(1,260)**	**(1,287)**	**2,335**	**2,239**	**1,075**	**952**

1. Deferred Tax Asset wrt to Bonus of ₹ 7,862/- wrt current year (Previous year ₹ 10,437/-) is Rounded off.

v) Movement of Deferred Tax Assets & Liabilities

₹ in Lakhs

Particulars	Balance as on 01.04.2025	Recognised in P&L during 2025-26	Recognised in OCI during 2025-26	Balance as on 31.03.2026
Trade Receivables -Provision	(41)	-	-	(41)
Provision others	(64)	(8)	-	(72)
Employee Benefits	(214)	(4)	-	(218)
Intangible Assets	1,552	103	-	1,655
Trade Payables	(6)	-	-	(6)
Plant Property and Equipment	687	(7)	-	680
Bonus	-	-	-	-
Inventory	(14)	1		(13)
Tax Loss	2	(2)		-
MAT Credit	(950)	40	-	(910)
Total	**952**	**123**	**-**	**1,075**

MAT Credit Utilised during the year is ₹ 40/-

₹ in Lakhs

vi)	2025-26 Reconcilation of Effective Tax rate			
	Particulars	**Amount (₹)**	**Tax Effect (₹)**	**Tax Rate**
I	Tax at Normal Rate			
1	Book profit	842		
2	Tax rate @27.82%		234	27.82
	Tax Provision expenses as per Books			
3	Tax Provision for Current Year		180	
4	Add: Deferred Tax		83	
5	Earlier Year Taxes		(3)	
6	Net Provision for Taxes		260	
	Difference (2-6)		(26)	-3.09%
	Effect of			
	Other Expenses		26	3.09%
	Total		**26**	

₹ in Lakhs

vi)	2024-25 Reconcilation of Effective Tax rate			
	Particulars	**Amount (₹)**	**Tax Effect (₹)**	**Tax Rate**
I	Tax at Normal Rate			
1	Book profit	3,015		
2	Tax rate @29.12%		878	29.12
	Tax Provision expenses as per Books			
3	Tax Provision for Current Year (MAT)		546	
4	Add: Deferred Tax		405	
5	Earlier Year Taxes		(4)	
6	Net Provision for Taxes		947	
	Difference (2-6)		**(69)**	**-2.28%**
	Effect of			
	Other Expenses		69	2.28%
	Total		**69**	

vii) There are no items on which deferred Tax has not been created.

NOTE 22 - BORROWINGS - CURRENT

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Loan	-	-
Total	-	-

Refer Note No. 39 for fair value measurements.

NOTE 23 - GOVERNMENTS GRANTS

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
TOT (XD-4) Project	1,292	1,305
BRNS Project	-	5
Total	**1,292**	**1,310**

Refer Note No. 40 (5) for Government Grants

NOTE 24- TRADE PAYABLES

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
(1) Dues to micro and small enterprises	103	439
(2) Dues to creditors other than micro and small enterprises	364	212
Total (1+2)	**467**	**651**

i) Micro and Small Enterprises (MSE)

The information under MSMED Act, 2006 has been disclosed to the extent such vendors have been identified by the company during the year. The details of amounts outstanding to them based on available information with the Company is as under :

Particulars	2025-26	2024-25
The principal and the interest due theron remaining unpaid as at 31st March		
- Principal	103	-
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	398
- Interest	-	5
Interest due and payable for principals already paid	-	-
Total Interest accrued and remained unpaid at year end	-	-
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 deductible expenditure under section 23 of MSMED Act, 2006.	-	-

ii) Interest Due and payable for principals already paid ₹22,111/- for current year & previous year is rounded off.

iii) The information is given in respect of such suppliers to the extent they could be indentified as a Micro & Small Enterprises on the basis of information available with the Company.

iv) Refer Note No. 39 for fair value measurements

TRADE PAYABLES AGEING

As at 31st March, 2026

₹ in Lakhs

Particulars	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	101	1	-	1	**103**
(ii) Others	313	39	7	5	**364**
(iii) Disputed dues - MSME	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**

As at 31st March, 2025

₹ in Lakhs

Particulars	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	436	1	-	2	**439**
(ii) Others	204	3	1	4	**212**
(iii) Disputed dues - MSME	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	**-**

1. Outstanding amount due to MSME includes following:

   a) Outstanding for 2-3 years for current year ₹9873/- is rounded off. (Previous Year ₹ 27,016)

NOTE 25 - OTHER FINANCIAL LIABILITIES

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Capital Creditors	26	12
EMD Deposits	3	3
Security Deposits	33	33
Outstanding Liabilities	134	114
Interest Payable to MSME	-	-
Total	**196**	**162**

Interest Payable to MSME of ₹22,111/- wrt current & previous year is rounded off.

Refer Note No. 39 for fair value measurements.

NOTE 26 - OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at 31st March 2026		As at 31st March 2025	
Movement of Contract Liabilities				
Advances from Customers		3		2
Statutory Dues Payable				
TDS Payable	48		35	
GST Payable	-		237	
Other Statutory Dues Payable	26	74	24	296
Total		**77**		**298**

2. MOVEMENT OF CONTRACT LIABILITIES.

₹ in Lakhs

Particulars	2025-26	2024-25
Opening Balance (A)	2	2
Receipt of advance from Customer during the year	1,628	504
Total (B)	**1,628**	**504**
Contract liability adjusted against- Revenue recognised during the year out of Opening balance	-	-
Contract liability adjusted against- Revenue recognised during the year out of Advance received in Current Year	1,627	504
Total (C)	**1,627**	**504**
Grand Total (Closing Balance) D = (A+B-C)	**3**	**2**

NOTE 27 - PROVISIONS

₹ in Lakhs

Particulars	As at 31st March 2026		As at 31st March 2025	
Provision for Performance Warranty		248		219
Provisions towards employee benefits				
Long-term compensated absences	15		14	
Gratuity*	(51)		184	
Annual incentive	117		444	
Provision for Bonus	-		-	
Superannuation	54	135	103	745
Total		**383**		**964**

a) Provision for Bonus of ₹ 26,999/- for current year is rounded off. (Previous year ₹ 35,843/-)

b) *Represents excess of plan asset over obligation.

MOVEMENT OF PROVISIONS FOR THE YEAR 2025-26

I) Provision for Performance Warranty

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Carrying Amount at the beginning of the year	219	198
Add: Additional Provision made during the year	154	45
Less : Amounts Used during the year	125	24
Less : Unused amounts reversed during the year	-	-
Carrying Amounts at the end of the year	**248**	**219**

Brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits :

1) Warranty Provision:

Costs are accrued at the time of sale of products. Provisions towards warranty is based on the past experience. The provision is discharged over the warranty period of 12/24/48 months from the date of sale.

II) PROVISIONS TOWARDS EMPLOYEE BENEFIT

₹ in Lakhs

Particulars	Superannuation	Annual Incentive	Provision for Bonus
Carrying Amount at the beginning of the year 01.04.2025	103	444	-
Add: Additional Provision made during the year 2025-26	54	23	-
Less : Amounts Used during the year 2025-26	101	349	-
Less : Unused amounts reversed during the year 2025-26	2	1	-
Carrying Amounts at the end of the year 31.03.2026	**54**	**117**	-

1. Bonus Provision towards of ₹ 205/- has been written back during the year is rounded off.
2. Bonus Provision made during the year of ₹ 26,999/- is rounded off.

₹ in Lakhs

Particulars	Superannuation	Annual Incentive	Provision for Bonus
Carrying Amount at the beginning of the year 01.04.2024	22	298	1
Add: Additional Provision made during the year 2024-25	103	193	-
Less : Amounts Used during the year 2024-25	21	43	1
Less : Unused amounts reversed during the year 2024-25	1	4	-
Carrying Amounts at the end of the year 31.03.2025	**103**	**444**	-

Bonus Provision towards Executives of ₹1,147/- written back during the year is rounded off

Bonus Provision made during the year of ₹ 35,843/- is rounded off.

Employee benefits

Ind AS-19

Gratuity

Details of Employee Benefits as required by the Ind AS 19 Employee Benefits are as under:

Defined Benefit Plan

i) Actuarial gains and losses in respect of defined benefit plans recognised in the statement of Profit & Loss is ₹ 76/- Lakhs (Previous Year ₹ 51/- Lakhs)

ii) Actuarial gains and losses in respect of defined benefit plans recognised in the statement Other Comprehensive Income is ₹ 127/- Lakhs (Previous Year ₹ (133)/- Lakhs)

iii) Gratuity is a benefit to an employee based on 15 days last drawn salary for each completed year of service. Gratuity plan is funded.

₹ in Lakhs

Particulars		Gratuity	
(A)	**Changes in the present value of defined obligation representing reconciliation of opening and closing balances thereof are as follows:**	**Current year**	**Previous Year**
1	Present Value of Defined Benefit Obligation at the Beginning of the period	1,524	1,284
2	Interest Cost	103	92
3	Current Service Cost	54	49
4	Past Service Cost	9	-
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)	(26)	(21)
11	The Effect of Changes in Foreign Exchange Rates	-	-
12	Actuarial (gains) / losses on obligations -Due to Change in Demographic Assumptions	-	-
13	Actuarial (gains) / losses on obligations- Due to Change in Financial Assumptions	(33)	50
14	Actuarial (gains) / losses on obligations- Due to Experience	(69)	70
15	Present value of Defined Benefit Obligation as on Balance Sheet date	1,562	1,524

₹ in Lakhs

(B)	Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows :	Current year	Previous Year
1	Fair value of Plan assets at the Beginning of the period	1,341	1,269
2	Interest Income	90	92
3	Actual contributions by Employers	184	15
4	Expected contributions by Employees	-	-
5	Assets Transferred In/ Acquisitions	-	-
6	(Assets Transferred Out / Divestment)	-	-
7	(Benefit Paid From the Fund)	(26)	(22)
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	24	(13)
12	Fair value of Plan assets at the End of the Period	1,613	1,341

(C)	Amount Recognised in the Balance Sheet	Current year	Previous Year
1	Present value of Plan assets at the end of the period	(1,562)	(1,525)
2	Fair Value of Plan assets at the end of the year	1,613	1,341
3	Funded Status (Surplus/(Deficit)	51	(184)
4	Net Asset/(Liability) recognized in the Balance Sheet	51	(184)

(D)	Reconciliation of Present Value of Defined Benefit Obligation and fair value of plan assets showing amount recognized in the Balance Sheet:	Current year	Previous Year
1	Present value of Plan assets at the end of the period	(1,562)	(1,525)
2	Fair Value of Plan assets at the end of the year	1,613	1,341
3	Funded Status (Surplus/(Deficit)	51	(184)
4	Unrecognized Past Service Costs	-	-
5	Net Asset/(Liability) recognized in the Balance Sheet	51	(184)

(E)	Expenses Recognised in the Statement of Profit or Loss for current Period	Current year	Previous Year
1	Current Service cost	54	49
2	Interest cost	13	2
3	Past Service cost	9	-
4	(Expected Contributions by the Employees)	-	-
5	Losses (gains) on Curtailments & Settlements	-	-
6	Net Effect of Changes in Foreign Exchange Rates	-	-
	Total expense recognised in the Statement of Profit & Loss under Contribution to Gratuity Fund	76	51

(F)	Expenses Recognised in the Other Comprehensive Income (OCI) for Current Period	Current year	Previous Year
1	Acturial (Gains)/Losses on the Obligation for the period	(103)	120
2	Return Plan Assets, Excluding Interest Income	(24)	13
3	Change in Asset Ceiling	-	-
4	Net (Income)/Expenses for the Period Recognised in OCI	(127)	133

(G) In respect of Funded Benefits with respect to gratuity, the fair value of Plan assets represents the amounts invested through "Insurer Managed Funds"

(H)	Principal Actuarial Assumptions :	Current year	Previous Year
1	Discount Rate (%)	7.06%	6.73%
2	Expected Return on plan assets (%)	7.06%	6.73%
3	Salary Escalation (%)	10.50%	10.50%
4	Rate of Employee Turnover	2.00%	2.00%

a. The Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated terms of the obligations.

b. Expected Rate of Return of Plan Assets: This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.

c. Salary Escalation Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(I)	Sensitivity Analysis	Current Period	Previous Period
	Projected Benefit Obligation on Current Assumptions	**1,562**	**1,524**
1	Delta Effect +1% Change in Rate of Discounting	(94)	(104)
2	Delta Effect -1% Change in Rate of Discounting	105	116
3	Delta Effect +1% Change in Rate of salary increase	100	111
4	Delta Effect -1% Change in Rate of salary increase	(92)	(101)
5	Delta Effect +1% Change in Rate of Employee Turnover	(16)	(21)
6	Delta Effect -1% Change in Rate of Employee Turnover	(1,557)	23

(J) Investment of Gratuity Fund is with Insurance Company

Leave Encashment

Ind AS-19

The company has a leave encashment scheme which is a non-funded scheme

As per the scheme all employees of the company are entitled to encash their accumulated Annual Leave subject to the retention of minimum leave as prescribed for each grade, The encashed leave is payable at the rate of (Basic+DA)/30 per day.

The liability for payment of long term compensated absence such as annual leave valued on actuarial basis is ₹ 748/- Lakhs as on 31.03.2026 (Previous Year ₹ 736/- Lakhs). The actuarial valuation has been done using PUC method.

Particulars	31.03.2026	31.03.2025
Retirement Age	60 years	60 years
Attrition Rate	2%	2%
Future Salary Rise	10.50%	10.50%
Rate of Discounting	7.06%	6.73%
Mortality Table	Indian Assured Lives Mortality (2012-14) (Urban)	Indian Assured Lives Mortality (2012-14) (Urban)

The amount of Liability on long term compensated absences has been bifurcated between current and non-current based on the report of Actuary.

₹ in Lakhs

Particulars	Current Year	Previous Year
Current Liability	15	14
Non Current Liability	733	722
Total	**748**	**736**

NOTE 28 - CURRENT TAX LIABILITIES

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for income tax (Net of advance tax)	-	-
Interest on Income Tax	-	-
Total	-	-

NOTE 29 - REVENUE FROM OPERATION

₹ in Lakhs

Particulars	As at 31st March 2026		As at 31st March 2025	
(a) Sale of products	10,888		16,470	
(b) Sale of services	101		1,855	
Total Revenue from contracts with customer		10,989		18,325
(c) Other Operating Revenue				
(i) Government Grant	1,297		1,322	
(ii) Excess Provision Written Back				
-Others	10		3	
(iii) LD recovered from Supplier.	11		31	
Total Other Operating Revenue		1,318		1,356
Total Revenue (a+b+c)		**12,307**		**19,681**

i) Break up of revenue recognised against contracts with customers for 2025-26

₹ in Lakhs

Particulars	Government of India /PSU			Exports	Others	Total
	Defence	Non-Defence	Domestic		Offset Business	
Sale of Product	4,155	1,383	11	5,339	-	10,888
Income from Services	93	8	-	-	-	101
Total	**4,248**	**1,391**	**11**	**5,339**	-	**10,989**

i) Break up of revenue recognised against contracts with customers for 2024-25

₹ in Lakhs

Particulars	Government of India /PSU			Exports	Others	Total
	Defence	Non-Defence	Domestic		Offset Business	
Sale of Product	12,586	-	3,662	222	-	16,470
Income from Services	29	164	1,662	-	-	1,855
Total	**12,615**	**164**	**5,324**	**222**	-	**18,325**

ii) Reconciliation of Revenue Recognised in Statement of Profit and Loss with contract Price for 2025-26

₹ in Lakhs

Particulars	Amount	Amount
Revenue as per Statement of P&L Account		
Sale from Products	10,888	
Income from services	101	
Total (a)		**10,989**
Adjustments(b)		**-**
Contract price (a-b)		**10,989**

iii) Reconciliation of Revenue Recognised in Statement of Profit and Loss with contract Price for 2024-25

₹ in Lakhs

Particulars	Amount	Amount
Revenue as per Statement of P&L Account		
Sale from Products	16,470	
Income from services	1,855	
Total (a)		**18,325**
Adjustments (b)		**-**
Contract price (a-b)		**18,325**

iii 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.

b. Company’s Contract normally do not contain significant financial component and any advance payment received and /or amount retained by customer is with intention of protecting either parties to the contract.

c. The company’s turnover mainly includes supply of Image Intensifier Tubes.

d. Contract entered into with customer, typically do not have a return/refund clause.

e. Warranties provided are primarily in the nature of performance warranty.

f. 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 “

- Terms of delivery as per the contract
- 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

g. Transaction price is typically determined based on contract entered into with customer.

h. No non-cash consideration are received/given during the current/previous year.

NOTE 30 - OTHER INCOME

₹ in Lakhs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest on term deposits	371	296
Interest others	4	2
Interest on Income Tax Refund	40	-
Net gain on foreign currency transaction and translation (net)@	92	65
Miscellaneous income	2	4
Sale of Scrap	2	8
Total	**511**	**375**

1. @ 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/ the reporting date.

NOTE 31 - COST OF MATERIAL CONSUMED

₹ in Lakhs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
1) Raw material and components consumed		
Opening stock	829	939
Add: Purchases	7,120	10,973
	7,949	11,912
Less : Closing stock	682	829
Sub - Total (1)	**7,267**	**11,083**
2) Stores and consumables consumed		
Opening stock	326	198
Add: Purchases	248	407
	574	605
Less : Closing stock	294	326
Sub -Total (2)	**280**	**279**
Total (1+2)	**7,547**	**11,362**

NOTE 32 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Lakhs

Particulars	For the year ended 31st March, 2026		For the year ended 31st March, 2025	
Work-in Progress				
Opening stock	3,071		2,615	
Closing stock	4,777	(1,706)	3,071	(456)
Finished Goods				
Opening stock	-		-	
Closing stock	-	-	-	-
Total Decrease / (Increase)		**(1,706)**		**(456)**

NOTE 33 - EMPLOYEE BENEFIT EXPENSES

₹ in Lakhs

Particulars	For the year ended 31st March, 2026		For the year ended 31st March, 2025	
Salaries and allowances		1,477		1,586
Leave encashment		65		154
Contribution to provident fund and other funds				
Provident fund	121		115	
Superannuation fund	56		106	
Gratuity	76		51	
Other funds	-	253	-	272
Administration and EDLI charges on PF		6		6
Staff welfare expenses		64		59
Total		**1,865**		**2,077**

1. Salaries and allowances includes reversal of following excess Provisons written back.

   (a) Provision for Bonus ₹205/- for current year (Previous Year - ₹ 1,147)

   (b) Provision for PPI ₹1,23,381/- for current year (Previous Year ₹ 3,50,923/-)

   (c) Provision for Superannuation ₹2,25,466/- for current year (Previous Year - ₹ 52,124/-)

NOTE 34 - FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest others	-	-
Interest on Cash Credit	-	-
Interest on Income Tax	-	-
Interest levied on Delayed Payment of IGST & BCD	1	-
Interest on GST	-	-
Sub-Total (1)	**1**	**-**
Other borrowing cost		
Loan processing charges	-	7
Sub-Total (2)	**-**	**7**
Total (1+2)	**1**	**7**

1. Interest levied on delayed payment of IGST & BCD wrt to previous year ₹25,457/- is rounded off.
2. Interest on others includes ₹ 49,511/- wrt current year is rounded off. (Previous year ₹ 41,554/-)
3. Interest on GST includes ₹ 3,048/- wrt previous year is rounded off.

NOTE 35 - DEPRECIATION / AMORTISATION

₹ in Lakhs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Depreciation on Property, Plant & Equipments	1,018	1,040
Amortisation on Intangible Assets	1,973	1,973
Total	**2,991**	**3,013**

NOTE 36 - TECHNICAL ASSISTANCE FEE (XR-5 TOT)

₹ in Lakhs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Technical assistance fees	-	-
Total	**-**	**-**

NOTE 37 - OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Power and fuel	376	357
Water charges	4	4
Travelling & conveyance	65	42
Communication	3	2
Printing and stationery	4	4
Insurance	41	31
Rates & taxes	20	26
Bank charges	19	20
Legal & professional charges	37	31
Support for Sales & Services	-	6
Foundation Day Celebration	-	11
Repairs		
Machinery	148	118
Building	2	-
General maintenance expenses	260	234
Provision for Obsolete Stock	13	-
Provision for repairs during warranty period	154	45
Provision for Liquidated Damages by Debtors	55	40
CSR Expenses	42	27
Freight & Transportation	6	9
Miscellaneous expenses	29	31
Total	**1,278**	**1,038**

Provision for Obsolete Stock of previous year is ₹10,000/- is rounded off.

Repairs to building wrt to previous year ₹35,000/- is rounded off.

NOTE 38(1)- EARNINGS PER SHARE

(a) The amount used as the numerator in calculating basic and diluted earning per share is the net profit after tax for the year disclosed in the statement of Profit and Loss.

(b) The weighted average number of equity shares used as the denominator in calculating both basic and diluted earnings per share is 93223820 Shares.

Earning Per Share	2025-26	2024-25
Earning Per Share (Basic & Diluted) from continuing Operation	0.62	2.22
Earning Per Share (Basic & Diluted) from discontinuing Operation	-	-
Amount used as the numerators in calculating basic & diluted earnings per share	582	2,068
Weighted average number of equity shares used in computing basic and diluted earnings per share	93223820	93223820

NOTE 38(2)- DISCLOSURE RELATING TO CSR EXPENDITURE

₹ in Lakhs

Particulars	In Cash	Yet To be Paid In Cash	Total	Appropriation For Unspent Amount	CSR Grant Total
i. Construction / Acquisition on any asset	-	-	-	-	-
	-	-	-	-	-
ii. Purpose other than (i) above	-	59	59	59	59
	-	-	-	-	-

₹ in Lakhs

Nature of CSR activities	Total previous shortfall	Amount required to be spent on CSR during the year	Amount of expenditure incurred	Shortfall as at 31-03-2026	Reason for shortfall
1. Construction of primary health care sub-centre	(48)	-	-	(48)	Project cancelled due to non-receipt of clearance from district authorities
2. Supply of Medical Equipments	(6)	-	-	(6)	Project cancelled due to non-receipt of clearance from district authorities
3. Upgradation of existing facilities and supply of equipments at the rural hospital and trauma centre	54	54	37	17	Work Under Completion
4. Supply of diagnostic equipments to model PHC's	-	42	-	42	Work in progress
Total	**54**	**96**	**37**	**59**	

I) MOVEMENT OF CSR PROVISION

₹ in Lakhs

Particulars	As at 31st March, 2026	As at 31st March, 2025
Carrying Amount at the beginning of the year	54	27
Add: Additional Provision made during the year	42	27
Less : Amounts Used during the year	**37**	-
Less : Unused amounts reversed during the year	-	-
Carrying Amounts at the end of the year	**59**	**54**

Note No. 39 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.

The Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Company's risk management framework. For this purpose, the Board has set up a Risk Management Committee which is responsible for developing and monitoring the risk management policies. The Company has an established Risk Management Policy that outlines risk management structure and provides a comprehensive frame work for identification, evaluation, prioritization and treatment of various risks associated with different areas of financial and operations.

ii) Market Risk

Market risk is the risk due to changes in market prices – such as foreign exchange rates, interest rates that 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

BELOP 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 (USD), Euro, SGD, CHF. 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's Risk Management Committee reviews the Company's exposure to this risk on a regular basis.

The Company's export proceeds which are realized in USD & EURO are received in an Export Earners Foreign Currency account (EEFC) which is then utilised for payments in USD& EURO foreign currency, thereby mitigating the currency risk on exports.

In case of customer orders, the ERV clause is built-in the contract which eliminates the foreign currency fluctuation risk.

The company has not entered into any derivative contracts during the financial year 2025-26.

As on 31st March 2026, there are no outstanding derivative contracts.

Company's exposure to currency risk is as follows: -

₹ in Lakhs

Particulars	31st March 2026			31st March 2025	
	Euro	USD	GBP	Euro	USD
Bank Balance	22	-	-	-	-
₹	2,286	-	-	1	-
Trade Receivable	17			-	-
₹	1,776			-	-
Bank Loans - Secured	-	-	-	-	-
₹	-	-	-	-	-
Trade Payables	2			1	1
₹	232			99	50
Net Exposure i.r.o recognised (assets) and liabilities	(37)			1	1
₹	3,830			98	50

iv) Foreign Currency sensitivity

A reasonably possible strengthening/(weakening) of the Indian Rupee against major currency Euro as at 31st March 2026 would have affected the measurement of financial instruments denominated in a foreign currency and affected Profit or Loss and Equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ in Lakhs

Particulars	Impact on Profit and Equity	
	31.03.2026	**31.03.2025**
Currency Wise – Euro Rate Increase by 5%	215	-5
Currency Wise – Euro Rate Decrease by 5%	(215)	5

v) Interest rate risk

Interest rate risk can either be 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 rate.

vi) Variable Rate borrowing

a) BELOP has been sanctioned fund based and non-fund based working capital limits of ₹ 2,500 Lakhs by SBI. The rate of interest is 9.8% p.a. The rate of interest charged by SBI is linked to their base rate which is subject to fluctuations, as per the terms and conditions. Outstanding as on 31st March 2026 is NIL. As the borrowing is Nil there is no impact of likely change in the interest rates.

vii) 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 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 cash credit facility to fund its ongoing working capital requirements.

The Company meets its liquidity requirement mainly through internally generated cash flows which is monitored by mapping expected cash inflows, to meet the liabilities.

The tables below analyse the company's financial liabilities based on their contractual maturities. The amounts disclosed are contractual undiscounted cash flows.

(viii) 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 with directives of the risk management committee.

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.

Advance payments are made in very special cases without bank guarantee after obtaining permission of the Board but the amount of advance payments is very minimal as compared to the total 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 to reflect expected credit loss.

The cash and cash equivalent with banks are in the form of short term deposits with maturity period of upto 1 year. The Company maintains it's short-term deposits with nationalised /scheduled commercial banks and it's consortium bankers only. 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 comprise of term deposits held with banks .

(ix) Capital Management

The Company's Capital Management objective is to maintain a strong capital base and optimal capital structure to provide adequate returns to the shareholders and ensure the ability of the company to continue as a going concern.

The Company plans to follow a Dividend Distribution Policy which proposes payments of dividend and retention of surplus for future growth and enhancing shareholders wealth.

The company's has not availed any term loan or working capital during the year and the outstanding debt as on 31st March 2026 is Nil.

The Gearing Ratio is given below:-

₹ in Lakhs

Particulars	As at 31st March 2026	As at 31st March 2025
Net debt	-	-
Total equity	30,129	30,076
Net debt to equity ratio	-	-

Note No. 39 –Financial Risk Management (ix) Financial Instruments - Fair Value Measurements

1. Accounting classification and fair values

The following tables show the carrying amount and fair values of financial assets and liabilities:

(a) Financial Assets ₹ in Lakhs

Sr. No.	Particulars	31st March 2026			31st March 2025		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
	Financial Assets measured at fair value	-	-	-	-	-	-
	Total	-	-	-	-	-	-
	Financial Assets not measured at fair value						
i	Trade Receivables	-	-	2,084	-	-	2,166
ii	Cash and cash equivalents	-	-	6,034	-	-	2,983
iii	Other Bank Balances	-	-	1,233	-	-	5,303
iv	**Other Financial Assets**						
A	Term Deposit	-	-	119	-	-	416
B	Interest On Term Deposits	-	-	33	-	-	71
C	Security Deposit			61			54
	Total			**9,564**			**10,993**

2. Accounting classification and fair values.

(b) Financial Liabilities ₹ in Lakhs

Sr. No.	Particulars	31st March 2026			31st March 2025		
		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	Current Maturities of Long Term Debt (Loan from BEL)	-	-	-	-	-	-
iii	Trade Payables	-	-	467	-	-	651
iv	**Other Financial Liabilities**						
A	Other Payable			26			12
B	Security Deposits	-	-	33	-	-	33
C	EMD Deposits			3			-
D	Outstanding Expenses	-	-	134	-	-	114
E	Interest On Borrowing	-	-	-	-	-	-
F	Interest On MSME	-	-	-	-	-	-
	Total	-	-	**663**	-	-	**810**

Note:- Interest on MSME of ₹ 22,111/- wrt current year is rounded off. (Previous Year ₹ 22,111/-)

Note No. 39 –Financial Risk Management – Liquidity Risk (Point No. VI)

(I) Maturities of Financial Liabilities: -

The table below reflects the all financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed are gross and undiscounted cash flows.

As at 31 March 2026 **₹ in Lakhs**

Sr No	Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 Years	Between 2 and 5 years	Total
I	Borrowings	-	-	-	-	-	-
II	Current Maturities of Long Term Debt (Loan from BEL)	-	-	-	-	-	-
III	Trade Payables	467	-	-	-	-	467
IV	Other Financial Liabilities:-						
A	Other Payable	12	-	-	-	-	12
B	Security Deposits	33	-	-	-	-	33
C	EMD Deposits	3					3
D	Outstanding Expenses	134	-	-	-	-	134
E	Interest On Borrowing	-	-	-	-	-	-
F	Interest On MSME	-	-	-	-	-	-

Note:- Interest on MSME of ₹ 22,111/- w.r.t. current year is rounded off.

As at 31 March 2025 **₹ in Lakhs**

Sr No	Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 Years	Between 2 and 5 years	Total
I	Borrowings	-	-	-	-	-	-
II	Current Maturities of Long Term Debt (Loan from BEL)	-	-	-	-	-	-
III	Trade Payables	651	-	-	-	-	651
IV	Other Financial Liabilities:-						
A	Other Payable	12	-	-	-	-	12
B	Security Deposits	33	-	-	-	-	33
C	Outstanding Expenses	114	-	-	-	-	114
D	Interest On Borrowing	-	-	-	-	-	-
E	Interest On MSME	-	-	-	-	-	-

Note:- Interest On MSME of ₹ 22,111/- is rounded off.

General Notes to Accounts

Note No. 40

1. 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 provisions of the Act.

2. Borrowings

a) Working Capital Loan from Banks

a) The company has been sanctioned working capital limit of ₹ 2,500/- Lakhs by SBI. The rate of interest is 9.80% p.a.

b) The above sanctioned limits are also secured by Hypothecation of raw materials, stock-in-process, finished stocks, stores and spares, book debts and other current assets (except spare parts relating to plant and machinery) by way of first charge as outlined below. The sanctioned limits are also secured by first pari passu charge by way of equitable mortgage on Land & Building. The carrying amounts of assets pledged as security for working capital borrowings are as outlined below:-

₹ in Lakhs

Sr. No	Particulars	31.03.2026	31.03.2025
1	Inventories	6,135	4,644
2	Trade Receivables	2,084	2,166
3	Cash & Cash Equivalent	6,034	2,983
4	Bank Balance	1,233	5,303
5	Other Financial Assets	29	59
6	Current Tax Asset	109	45
7	Other Current Assets	939	266
	Total Current Assets	**16,563**	**15,466**

3. Aviation Hoses Project.

Company has entered into an offset contract with M/s Rosoboronexport, Russia for setting up facilities for manufacture of aviation hoses at BELOP. The project is under implementation

4. Contractual Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 9/- Lakhs (Previous Year ₹ 5/- Lakhs).

5. Details of Grant Transfer in respect of Projects

a. ToT (XD-4)

BELOP 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% and accordingly 74.30% of the total expenses incurred in the year 2025-26 towards ToT has been transferred to income in the Statement of Profit and Loss & corresponding expenses is debited to Statement of Profit and Loss.

₹ in Lakhs

S. No.	Particulars	2025-26	2024-25
1	Depreciation	489	507
2	Amortization of License Fee	1,250	1,250
3	**Total**	**1,739**	**1,757**
4	% of Grant Transfer	74.30%	74.30%
5	**Grant Transfer (3*4)**	**1,292**	**1,305**

b. BRNS Project

During the year 2022-23, BRNS has sanctioned total Grant of ₹ 39 Lakhs for three year (2022-23 to 2024-25) for "Development of Vacuum Photocathode, Hybrid Photodiode and Micro Channel Plate PMT. During the year the company has incurred an expenditure of ₹5 Lakhs which has been transferred to income in the Statement of Profit and Loss

6. Payment To Auditors (Net of GST)

₹ in Lakhs

Particulars	2025-26	2024-25
Statutory Audit Fees	2.50	2.50
Total	**2.50**	**2.50**

7. Related Party Disclosures:

a. Name of the related party and nature of relationship where control exists:

Name of Related Party	Nature of Relationship
Bharat Electronics Limited	Holding Company

b. Related Party Transactions with holding Company Bharat Electronic Limited

₹ in Lakhs

Nature of Transactions	Amount of Transactions	Amount of Transactions	Amount Outstanding at the end of year 31.03.2026		Amount Outstanding at the end of year 31.03.2025	
	2025-26 (₹)	2024-25 (₹)	Debit (₹)	Credit (₹)	Debit (₹)	Credit (₹)
Sales	1,667	9,448	-	-	-	-
Purchases			-	-	-	-
Internal Audit Fees	2	1	-	-	-	-
Trade Payables			-	2	-	1
Equity Contribution (Including Securities Premium)	-	-	-	19,622	-	19,622
Dividend Paid	621	500	-	-	-	-
Trade Receivables**	-	-	297	-	188	-

**Debtors includes ₹ 201/- Lakhs (Previous Year ₹ 146/- Lakhs) for which provision for doubtful debts has been made.

c. Transaction with Government and Government Related Entities :-

As BELOP is a government entity under the control of Ministry of Defence (MoD) and has availed exemption from detailed disclosures required under IND-AS 24 with respect to related party transactions with government and government related entities. An amount of ₹ 209/- Lakhs (previous year ₹ 1,952/- Lakhs) is outstanding as Trade Receivables as on 31.03.2026.

d. Key Management Personnel Details are as follows:

i) Name and designation of Key Management Personnel

Sr. No.	Name of Key Management Personnel	Designation
1	Mr. Manoj Jain	CMD, BEL and Chairman, BELOP
2	Mr. Bhanu Prakash Srivastava (upto 31.05.2025)	Director (OU), BEL & Director, BELOP
3	Mr. Damodar Bhattad	Director (F), BEL & Director, BELOP
4	Mr. Vikraman N (w.e.f. 01.06.2025 upto 31.03.2026)	Director (HR), BEL & Director, BELOP
5	Mr. Kamesh Kasana (w.e.f. 21.07.2025)	Director (OU), BEL & Director, BELOP
6	Mr. Ashok K S (upto 30.09.2025)	Chief Executive Officer, BELOP
7	Mr. P G Venugopal (w.e.f. 01.10.2025)	Chief Executive Officer, BELOP
8	Ms. Priya S. Iyer	Company Secretary & CFO,BELOP

ii) Compensation to Key Management Personnel

The above Directors are Part time directors and no remuneration has been paid by the company to them during this year.

The remuneration paid to CEO, BELOP, Company Secretary & CFO, BELOP is given below:-

Sr. No.	Particulars	Short-term benefits		Retirement Benefits		Total	
		2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
1	Mr. ASHOK K.S. (upto 30.09.2025)	30	44	4	8	34	52
2	Mr. P.G. Venugopal (w.e.f 01.10.2025)	20	-	5	-	25	-
3	Ms. Priya S. Iyer	37	21	5	5	42	26

e) Management Contracts including deputation of employees

During the year, two Officials were on deputation from, BEL i.e. Holding Company and salaries etc. is paid by BEL Optronic Devices Limited during the year as per the terms and conditions of employment.

8. Segment Reporting

As per the IND-AS Accounting Standard – 108 on "Operating Segments" Ministry of Corporate Affairs vide Notification no. 463 (E) dated 5th June, 2015 as amended has exempted the Companies engaged in Defence Productions from the requirement of Segment Reporting.

9. Impairment of assets

The company which is a single composite cash generating unit has on the basis of assessment of internal and external factors found that there are no indications of impairment of its assets and hence no provision for the same is considered necessary.

10. Expenditure incurred on Research and Development

The company has incurred an expenditure on Research and Development during the year which are in the respective natural Classification is given below:-

₹ in Lakhs

Particulars	2025-26	2024-25
Material	83	124
Capital Expenditure	17	-
Employee Remuneration & Benefits	32	27
Gross Expenditure	**132**	**151**

11. Contingent Liabilities

₹ in Lakhs

Sr. No.	Particulars	For the year ended 31.03.2026 (₹)	For the year ended 31.03.2025 (₹)
a)	Outstanding Letters of Credit	2	-
b)	Outstanding Bank Guarantees (Counter Guarantee given against same by Company)	151	212
c)	Octroi Demand disputed by the Company and deposited with Sr. Divisional Bench of Pune Court in the financial year 2005-06. Presently the case is pending with Small Causes Court, Pune.	14	14
d)	Service tax disputed by the company	198	198
e)	Provisional Liquidated damages upto 31st March unexecuted customer orders where the delivery date has expired.	29	Nil
	Total (a to e)	**394**	**424**

12. Contingent Assets:-

There are no contingent Assets as on 31st March 2026 (Previous year Nil).

13. Labour Disputes

In respect of labour matters, as the matters are yet to be adjudicated, the liability, if any, is not ascertainable.

14. Dividend not recognized at the end of the reporting period

The directors have recommended a dividend of INR 0.19 (INR 0.67) per share. (Represents absolute figures) during 2025-26

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 ₹ 175 lakhs (₹ 620 lakhs).

15. Value of Remaining Performance Obligation (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	936	936	-	-	-
Total	**936**	**936**	**-**	**-**	**-**

16. Other Equity

The amount of ₹ 227 lakhs reflected under "Other Reserves" represents the capital contribution arising on account of borrowing from our holding company, M/s Bharat Electronics Limited in the previous years, at a rate below the prevailing market rate.

The same is reflected in the Balance Sheet of Bharat Electronics Limited under "Investments" - Fair valuation of loan given to Subsidiary – BEL Optronic Devices Limited (Deemed Investment).

17. Other disclosure required as per the amendments in Schedule III

a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b) The Company do not have any transactions with companies struck off

c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company have 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:

f) (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

g) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries)

or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

h) The Company does not have 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

18. The Code of Social Security, 2020 came into effect in 2025-26 and implemented as applicable.

19. Previous year's figures have been regrouped/ reclassified where ever considered necessary. Figure in brackets relate to previous year.

20. All the figures in the Financial Statement are rounded off to nearest lakhs unless otherwise mentioned.

STATEMENT OF ANALYTICAL RATIOS FOR THE YEAR ENDED 31st MARCH 2026

Sr. No.	Ratio	Explanation		Current Year		Previous Year		Current Period	Previous Period	% Changes	Reason for Changes
		Numerator	Denominator	Numerator	Deno-minator	Num-erator	Deno-minator				
1	Current ratio	Current Asset	Current Liabilities	16,563	2,415	15,466	3,385	6.86	4.57	50.10	Due to increase in Current Assets.
2	Debt-equity ratio	Total Debt	Shareholders Equity	7,713	30,129	9,827	30,076	0.26	0.33	(21.21)	NA
3	Debt service coverage ratio	Earning available for debt service	Debt Service	3,573	-	5,081	-	NA	NA	NA	N.A.
4	Return on equity ratio	Net Profit after taxes	Average Shareholder Equity	582	30,103	2,068	29,339	0.02	0.07	(71.42)	Lower Turnover & Profit, due to non-availability of orders
5	Inventory turnover ratio	Sales	Average Inventory	10,888	4,945	16,470	3,996	2.20	4.12	(46.60)	Due to lower sales in current year
6	Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	10,989	2,125	18,325	2,913	5.17	6.29	(17.81)	N.A.
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	7,367	559	11,380	916	13.18	12.42	6.12	N.A.
8	Net capital turnover ratio	Net Sales	Working Capital	10,989	14,148	18,325	12,081	0.78	1.52	(48.68)	Lower Turnover & Profit, due to non-availability of orders
9	Net profit ratio	Net Profit	Net Sales	582	10,989	2,068	18,325	0.05	0.11	(54.54)	Lower Turnover & Profit, due to non-availability of orders
10	Return on capital employed (ROCE)	Earning before Interest & taxes	Capital Employed	843	31,204	3,023	31,027	0.03	0.10	(70.00)	Lower Turnover & Profit, due to non-availability of orders
11	Return on investment	Income from long term investment	Investment in Equity Instruments.	NA							

Since the change in the Ratio is not more than 25% as compare to preceding year further explanation is not required. Hence, it is Not Applicable.

INDEPENDENT AUDITOR'S REPORT

To the Members of BEL Optronic Devices Limited

Report on the Audit of the Standalone Ind AS Financial Statements of BEL Optronic Devices Limited for the year ended 31st March 2026

Opinion

We have audited the accompanying Standalone Ind AS financial statements of BEL Optronic Devices Limited ("the Company"), which comprise the balance sheet as at March 31, 2026, and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the statement of cash flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information(hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2026, its Profit including Other Comprehensive Income, Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Standalone Ind AS financial statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS 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 Ind AS 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 Ind AS 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.

Responsibility of Management and those charged with Governance for the Standalone Ind AS financial statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 Ind AS 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.

Report on Other Legal and Regulatory Requirements

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 on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The balance sheet, the statement of profit and loss including Other Comprehensive Income, the Statement of Changes in Equity, and the cash flow statement dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

   (e) The company being a government company the provisions of Section 164(2) of the Companies Act, 2013 in respect of disqualification of Directors is not applicable;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**

2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

   (a) The Company have pending litigations of service-tax, which may or may not have an impact on its financial position depending on the outcome of the proceedings, the details are provided in para vii of the Companies (Auditor's Report) Order, 2020;

   (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   (c) There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.

   (d) (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the 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 it's knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, 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; and

(c) Based on the audit procedures which we 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.

(e) (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 (As declared in note no 17, to the standalone Ind AS Standalone Ind AS financial statements)

(b) 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 is in accordance with Section 123 of the Act, as applicable.

(f) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

3. 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 Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us and also disclosed under Note No. 40(7)(d)(ii), the company has not paid remuneration to its directors during the financial year.

4. 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 Ind AS Standalone Ind AS financial statements of the company in **"Annexure C"**

For, P G Joshi & Co LLP.
Chartered Accountants
FRN : 104416W/W101191

sd/-
CA. Sudhir P Tidke
Partner
M.No. 043976
UDIN: 26043976QMZVVN3822

Place: Pune
Date: 13/05/2026

Annexure - "A" to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of BEL Optronic Devices Limited of even date)

According to the information and explanations provided and based on the records examined by us, we report that:

i) In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us by the management and based on our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

(d) The Company has not done any revaluation of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.

Since, no revaluation of property, plant and equipment was done by the company during the year, there is no change in the value and accordingly, this point of the order is not applicable.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification is appropriate commensurate to the size of the Company and nature of its business. No material discrepancies were noticed between books of accounts and physical verification.

(b) The company have sanctioned working capital limit in excess of five crore rupees in aggregate, from banks or financial institutions on the basis of security of current assets. However, the same is not yet utilized by the company. The limit so availed is on the basis of projected cash flow. As informed to us, the company does not have to submit any statements other than projected cash flows.

iii) The company has neither made any investments nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any companies, firms, limited liability partnerships or other parties.

(a) Since, the company has not provided any advance to any party, hence the sub-clause (a) of paragraph 3(iii) of the order is not applicable.

(b) The company has not made any investment and hence the sub-clause (b) of paragraph 3(iii) of the order is not applicable.

(c) The company has not provided any loan or advance and hence the sub-clauses (c), (d), (e) and (f) of paragraph 3 (iii) of the order is not applicable.

iv) The company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

v) The company has not accepted any deposits or amounts which are in contravention of provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder, and accordingly paragraph 3 (v) of the order is not applicable.

vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.

vii) In respect of statutory dues:

(a) The amounts deducted/ accrued in the books of account in respect of 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 other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

There are no undisputed amounts payable in respect of 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 other material statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) There are no dues of Goods and Service Tax, Income-Tax, Sales- Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax which have not been deposited by the Company with the appropriate authorities on account of any dispute except for those mentioned below:

Sr. No.	Nature of dues	Amount (Rs.) (Gross Demand)	Amount (Paid under protest)	Period to which the amount relates	Forum where the dispute is pending
1.	Service Tax	12,62,327/-	1,26,233/-	FY 2014-15	CESTAT
2.	Service Tax	15,83,123/-	1,58,313/-	FY 2015-16	CESTAT
3.	Service Tax	1,69,18,951/-	16,91,896/-	FY 2016-17	CESTAT

viii) The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under income-tax Act 1961 as income during the year.

ix) The company does not have any loans or borrowing from any lender during the year. Accordingly, clause 3(ix) of the Order is not applicable.

x) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) of the order is not applicable.

xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) No report u/s 143(12) of the Companies Act 2013, has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.

(c) There were no whistle-blower complaints received by the company during the year under consideration.

xii) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

xiii) In our opinion and explanation given to us and based on our examination of records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.

xiv) (a) The Company has appropriate internal audit system commensurate to the size and nature of its business.

(b) The internal audit reports issued till date has been duly considered by us for the period under audit.

xv) The company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

xvii) The Company has not incurred any cash loss in the current financial year and immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year, however the change in the auditor in current year is due to the fact that previous auditor was not reappointed by CAG.

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 Standalone Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project other than on-going projects. Accordingly, paragraph 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with section 135(6) of the Companies Act, 2013.

xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Ind AS financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

For, P G Joshi & Co LLP.
Chartered Accountants
FRN : 104416W/W101191

sd/-
CA. Sudhir P Tidke
Partner
M.No. 043976
UDIN: 26043976QMZVVN3822

Place: Pune
Date: 13/05/2026

Annexure - "B" to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of BEL Optronic Devices Limited of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of BEL Optronic Devices Limited ("the Company") as at March 31, 2026, in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting 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.

Management and Board of Directors' responsibility for internal financial controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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, 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.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 in the Standalone Ind AS 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 Company's internal financial control system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For, P G Joshi & Co LLP.
Chartered Accountants
FRN : 104416W/W101191

sd/-
CA. Sudhir P Tidke
Partner
M.No. 043976
UDIN: 26043976QMZVVN3822

Place: Pune
Date: 13/05/2026

Annexure - "C" to the Independent Auditors' Report

Response to the directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013. Based on management response and our review of accounts, we submit the following:

Sr. No.	Directions	Response	Impact on Financial Statements
1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	Yes, The valuation of post-retirement benefits for employees has been carried out in accordance with the applicable IND AS requirements and the Company's Material Accounting Policy No. 9 on Employee Benefits. The retirement benefit obligations towards Gratuity and Superannuation are administered through the Trust for Investment through Insurance Company.	Nil
2	Whether the Company has a system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organizations empanelled, by CERT-IN at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	Yes, the Company has system in place to process all the accounting transactions through IT system. There are no accounting transactions that are processed outside the IT system, so the question of any financial implication does not arise. The Holding Company BEL, (which is empanelled by CERT-IN) had conducted informal security assessment during 2023-24 & its recommendations are implemented. However, Company has not conducted Information Security Audit.	Nil

Sr. No.	Directions	Response	Impact on Financial Statements
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilized as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	According to the information and explanations provided to us and based on the verification of records, the company has not received any funds from central/state agencies. However, grants received in earlier years were properly accounted for in accordance with the applicable accounting standards and prescribed norms.	Nil
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	Based on our examination of the records and information provided, the Company has identified key risk areas relating to its operations, financial reporting and regulatory compliance. The Company has also formulated a Risk Management Policy to mitigate such risks. The Risk Management Policy, in our opinion, is commensurate with the size and nature of the Company's operations; however, it is not formally benchmarked against globally recognized frameworks such as COSO Enterprise Risk Management or ISO 31000. Further, the Company has identified its critical data assets and has implemented appropriate controls for safeguarding such data. However, no formal monetary valuation has been carried out for such data assets. Overall, no material weaknesses were observed in the risk management framework commensurate with the scale of operations of the Company.	Nil

Sr. No.	Directions	Response	Impact on Financial Statements
5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	The Company is generally in compliance with the applicable provisions of the Companies Act, 2013 as administered by the Ministry of Corporate Affairs. The Company is an unlisted entity; accordingly, the provisions of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015 and other SEBI regulations are not directly applicable to it. However, the Company is a subsidiary of a listed entity and provides necessary information and support to its holding company for compliance with applicable SEBI regulations at the group level. The company complies with other specified regulations as applicable and follows the applicable guidelines under the monitoring of the holding company.	Nil

For, P G Joshi & Co LLP.
Chartered Accountants
FRN : 104416W/W101191

sd/-
CA. Sudhir P Tidke
Partner
M.No. 043976
UDIN: 26043976QMZVVN3822

Place: Pune
Date: 13/05/2026

By Speed Post
Confidential

Inspection -I/BELOP Accs25-26/2026-27/110

प्रधान निदेशक लेखापरीक्षा (रक्षा-वाणिज्यिक) का कार्यालय,
ऑडिट भवन - II
तृतीय और चौथा तल, 68/2, एच. सिद्दैया रोड
अर्चना कॉम्प्लेक्स के सामने,
एच. सिद्दैया रोड रेफरल हॉस्पिटल के बगल में,
दोड्डमावल्ली, सुधामा नगर, बेंगलुरु - 560002

SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT
(DEFENCE - COMMERCIAL),
Audit Bhawan – II
3rd and 4th floor, 68/2, H. Siddaiah Road,
Opposite Archana Complex,
Next to H. Siddaiah Road Referral Hospital,
Doddamavalli, Sudhamanagar, Bengaluru-560002

09.07.2026

दिनांक / DATE

To
Ms. Manoj Jain,
Chairman,
BEL Optronic Devices Limited,
Pune – 411 026.

Sir,

Sub: Comments of the Comptroller and Auditor General of India under section143(6) (b) of the Companies Act, 2013 on the Financial Statements of BEL Optronic Devices Limited, Punefor the year ended31 March 2026.

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 BEL Optronic Devices Limited, Punefor the year ended 31 March 2026.

It may please be ensured that the comments are:

(i) Printed in toto without any editing;

(ii) Placed before the AGM as required under Section 143(6)(b) of the Companies Act, 2013; and

(iii) Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index.

The receipt of this letter may please be acknowledged.

Yours faithfully,

K. Jyothi Priya

(K. JyothiPriya)
Director (Reports)

Encl: As above.

Phone : 080-22267646 / 22254838 Fax : 080-2226 2491 Email : pda.dc.blr@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BEL OPTRONIC DEVICES LIMITED, PUNE FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of **BEL Optronic Devices Limited, Pune** for the year ended 31 March 2026 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 13 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **BEL Optronic Devices Limited, Pune** for the year ended 31 March 2026 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 ofmy supplementary audit, nothing significant has come to my knowledge which would give rise 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

Sudha Rajan

(Sudha Rajan)
Director General of Audit (Defence – Commercial)

Place: Bengaluru
Date: 09 July 2026

Notes

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BEL OPTRONIC DEVICES LIMITED

Govt. of India Enterprise, Ministry of Defence
A subsidiary of Bharat Electronics Limited (BEL)
C. I. N. U32100PN1990GOI058096
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