बी ई एम एल
BEML
Beyond Possibilities

Engineering High-Speed Excellence.







62nd Annual Report

2025-2026







BEML LIMITED

62nd Annual Report - 2025-26

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BEML
Beyond Possibilities

VISION

Become a market leader, as a diversified Company, supplying quality products and services to Defence & Aerospace, Mining & Construction and Rail & Metro and to emerge as a prominent international player.

MISSION

- Improve competitiveness through collaboration, strategic alliances and joint ventures.
- Grow profitably by aggressively pursuing business and market opportunities in domestic and international markets.
- Adoption of state-of-the-art technologies and bring in new products through Transfer of Technology and in-house R&D.
- Continue in diversified growth in new products and markets.
- Attract and retain people in a rewarding and inspiring environment by fostering creativity and innovation.
- Offer technology and cost effective solutions.

VALUES - BEML

F — ***Focus on Customer and Stakeholder :*** *Customer Delight by developing products & services is our primary focus. Value creation for all Stakeholders guides all our actions.*

I — ***Innovation & Technology :*** *Being a learning organisation, we leverage Innovation and Technology in all our work*

R — ***Reliability & Quality :*** *We build reliability and quality in our products, processes and people*

S — ***Speed & Responsiveness :*** *We are agile and respond to needs of all Stakeholders promptly*

T — ***Trust & Teamwork :*** *Facilitate through integrity, trust, respect, transparency to become a socially responsible Corporate Citizen*

Principles of Transformation 'TCS':	
T	Stands for Truth, Trust & Technology
C	Stands for Compassion, Creativity & Climate
S	Stands for Speed, Simplicity & Self-confidence

Chairman's Message



Dear Shareholders,

It gives me immense pleasure to welcome you all to the 62nd Annual General Meeting of BEML Limited.

Inspired by the national vision, your company has aligned its growth strategy with India's long-term aspirations by accelerating indigenization, fostering innovation, and developing world-class products and technologies that will serve future generations. As the world undergoes profound geopolitical, technological, and industrial transformation, your company remains steadfast in its mission to strengthen India's defence preparedness, modernize mobility, build critical infrastructure, and create sustainable value for all stakeholders.

The world today stands at the crossroads of profound transformation. Nations are redefining their industrial capabilities, strengthening strategic self-reliance, accelerating technological innovation, and embracing sustainable growth. As India advances towards becoming a global manufacturing and economic powerhouse, BEML is proud to be contributing to this national journey by engineering solutions that strengthen defence preparedness, modernize mobility, build critical infrastructure, and create enduring value for society.

Financial Year 2025–26 marks one of the most defining chapters in BEML's history. It was a year of setting new benchmarks—record revenue, an all-time high order book, unprecedented investments in manufacturing capacity and research & development, and strategic initiatives that are shaping the Company's next era of growth. Together, these achievements reflect our commitment to innovation, technological leadership, manufacturing excellence, and long-term value creation.

Beyond our financial achievements, the year was defined by landmark milestones that reinforce your company's role in shaping India's industrial and technological future. We successfully delivered transformational programmes that exemplify indigenous engineering, advanced manufacturing, and our unwavering commitment to national priorities.

The year 2025-26, was profound with global geopolitical instability and supply chain disruptions. Escalating conflicts and volatile trade dynamics placed severe strain on international commerce. Rising input costs, reduced

production volumes has compounded challenges, leading to underutilized assets and fragile cash flows across sectors. Inflationary pressures, particularly in energy and raw materials, eroded margins, while extreme weather events disrupted logistics and industrial output. Taken together, these factors created a turbulent environment in which businesses worldwide struggled to maintain profitability and efficiency. Amidst this turbulence, I am pleased to report that your Company delivered a standout performance through productivity improvement enhanced output despite supply chain challenges.

The significant achievement during the year was the successful design, development, and manufacture of India's first indigenous Vande Bharat Sleeper Train, a defining milestone in the nation's journey towards self-reliance in next-generation rail mobility. The train was flagged off by the Hon'ble Prime Minister of India, in January 2026, marking a new chapter in India's modern transportation ecosystem.

Looking ahead, we also laid the foundation for our ambitious Greenfield Rail Manufacturing Complex—BRAHMA—near Bhopal, Madhya Pradesh. The foundation stone was laid by the Hon'ble Raksha Mantri, Shri Rajnath Singh. This state-of-the-art facility will significantly strengthen your company's manufacturing capabilities and position the Company to address emerging opportunities in high-speed rail, metro systems, and global mobility markets for decades to come.

Employee wellness and safety programs, including ISO certifications and upgraded medical facilities, have reinforced resilience and strengthened our workforce. Your unwavering trust continues to be the driving force behind our pursuit of excellence, and for that, I extend my deepest appreciation. Looking ahead, your company's strategy is firmly anchored on three priorities: investing in innovation and R&D to remain competitive in defence and infrastructure, expanding global partnerships to diversify markets and mitigate geopolitical risks, and accelerating sustainability initiatives through green manufacturing and renewable energy adoption. Together, these priorities will ensure that your company continues to deliver value to its stakeholders while contributing meaningfully to national growth and global competitiveness. In conclusion, 2025–26 was a year of global volatility—marked by elections, trade disputes, inflationary pressures, and severe supply chain disruptions—but your company's resilience, strategic focus, and commitment to excellence enabled it to deliver strong results and position itself for sustainable growth. Thank you for your continued trust and support.

I would like to take this opportunity to share the key performance highlights of the year, along with the future outlook for the Company

"The Year Passed"

Performance Highlights:

To begin with, I would like to acknowledge the outstanding performance of our Defence Business Group, which accounted for 35% of total sales in FY 2025-26 with the highest-ever turnover for Defence business, reflecting a strong 38% year-on-year growth.

The Mining & Construction (M&C) Business Group remained a key contributor, generating around 41% of our total sales during the year 2025–26. Despite facing global challenges, including delays in the receipt of domestic orders, the Group demonstrated resilience and adaptability. The timely receipt of export orders provided crucial support, helping to sustain momentum and reinforce our presence in international markets.

Our Rail & Metro Business Group contributed 24% to the Company's total sales during the year, despite challenging conditions arising from supply chain disruptions. Notably, the Group demonstrated strong resilience and delivered a commendable performance in order acquisition,

closing the year with a robust order book of ₹11,320 crore. This achievement underscores the Group's ability to adapt to external pressures while continuing to strengthen its position in the rail and metro sector. With a focus on innovation, timely execution, and customer satisfaction, the Rail & Metro Business Group remains a vital pillar of your company's growth strategy and is well positioned to capitalize on the expanding opportunities in urban mobility and infrastructure development.

During the year, your Company secured several prestigious contracts that reinforced its leadership in defence and rail infrastructure. Notably, an order for 150 High Mobility Vehicles (HMV) 6x6 and 120 HMV 8x8 from the Ministry of Defence amounting to ₹557 crore, along with an order for 26 Utility Track Vehicles (UTV) from the Railway Board valued at ₹82 crore have been secured. In addition, the Company achieved a significant milestone by receiving its first-ever export order for Metro Rolling Stock from the consortium of Konkan Railway Corporation Limited (KRCL) and Angelique International Limited (AIL). This landmark contract, worth ₹550 crore, involves the design, manufacture, supply, testing, and commissioning of standard gauge metro rolling stock for the African region. These achievements underscore your company's ability to deliver world-class solutions across diverse sectors, while expanding its global footprint and strengthening its position as a trusted partner in national and international projects.

We are pleased to share that deliveries for these major projects are scheduled to commence in the current financial year

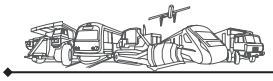
The global business landscape during the year remained complex. Geopolitical developments, supply chain disruptions, inflationary pressures, volatile commodity markets, and changing trade dynamics continued to challenge industries across the world. Yet, periods of disruption also create opportunities for organizations that are agile, resilient, and forward-looking. Your company embraced these challenges with confidence, strengthened operational efficiencies, accelerated localization, invested in future-ready technologies, and continued to execute strategic national programmes with unwavering focus. This balanced approach—combining fiscal discipline with strategic investment—ensures that your company remains well positioned to deliver sustained value to stakeholders and contribute meaningfully to national growth and global competitiveness.

We are proud to report a record revenue of ₹4,351 crore during the year 2025–26, a milestone that reflects the resilience, adaptability, and collective efforts of our teams across all business groups.

Our steadfast adherence to financial discipline has equipped your Company to embrace new opportunities, ensuring that your company remains competitive, agile, and prepared for the future. By combining prudent resource management with strategic investments, we have established a solid platform that enables us to navigate uncertainties while driving innovation and expansion. As we move forward, we will continue to build upon this strong foundation, pursuing excellence across every dimension of our operations and consistently delivering enduring value to our stakeholders. This balanced approach not only secures immediate stability but also positions your company to contribute significantly to national progress and enhance its global standing in the years ahead.

Your Company recorded exports worth ₹177 crore, reinforcing your company's global footprint across 73 countries and stands with highest ever export order book of $119M .

As of July 1, 2026, the order book stands at ₹16,285 crore, reflecting a robust growth and highest ever order book. In terms of operational efficiency, value added per employee and sales per employee remained steady at ₹ 39 lakh and ₹ 88 lakh, respectively maintaining the same level as the previous financial year



Quality:

Your company has embedded quality into its operations through a comprehensive set of initiatives that reinforce manufacturing excellence and customer satisfaction. Its Quality Policy emphasizes delivering technologically advanced, reliable products while ensuring compliance with statutory and safety standards. To support this, your company has invested in modern manufacturing upgrades such as robotic welding cells at the KGF complex, which enhance precision and reduce rework, and a high-capacity HMV axle assembly shop designed with ergonomic and green principles. In parallel, the company has introduced GEMBA lean initiatives that enable real-time monitoring of performance, improve cross-functional communication, and accelerate decision-making. These efforts are reinforced by clear quality objectives, including building employee competencies, strengthening vendor partnerships, and controlling quality costs to ensure profitability. Altogether, these initiatives reflect your company's commitment to continuous improvement, operational efficiency, and global competitiveness.

Complementing its quality drive, your company introduced a Vendor Registration Policy in March 2026, which is fully online to ensure transparency and consistency in vendor selection, evaluation, and approval. The process is time-bound and decentralized for faster approvals, with relaxed evaluation criteria for women entrepreneurs and SC/ST entrepreneurs, and similar relaxations under consideration for MSMEs. To further incentivize excellence, your company has launched a vendor reward scheme that categorizes vendors into bronze, silver, and gold tiers based on performance, encouraging professionalism and long-term collaboration.

Competition:

Despite operating in a highly competitive environment across all business verticals, your Company achieved 60% of its sales through competitive bidding. Notably, your company has successfully sustained and maintained a strong market share in key product segments such as Dump Trucks, Dozers, and Metro Cars, reaffirming our industry leadership and customer trust.

Research & Development:

Innovation remains the cornerstone of our future. During the year, your company has made highest-ever investment in research and development, reinforcing our commitment to developing indigenous technologies, advanced mobility platforms, intelligent manufacturing systems, and sustainable engineering solutions. As India moves towards greater self-reliance and global competitiveness, company is positioning itself as an innovation-driven engineering enterprise capable of delivering world-class products for domestic and international markets.

Your company's Research & Development ecosystem has been strategically organized into four specialized divisions, each dedicated to advancing the company's innovation and product development goals:

1. **Central Research Facility** – Focused on blue-sky research and breakthrough technologies.
2. **Futuristic Product Innovation and Incubation Centre** – Driving next-generation product development and incubating disruptive solutions.
3. **Corporate Technology Planning and Alliance Management** – Spearheading strategic technology planning and forging critical partnerships.
4. **Strategic Business Unit (SBU) R&Ds** – Embedded within business verticals to support segment-specific innovation and agile development.

Together, these units form the backbone of your company's innovation strategy, empowering the company to stay competitive and forward-looking across diverse industry segments.

Your Company has marked a major milestone in its innovation journey by entering into a strategic tripartite collaboration with the Indian Institute of Science (IISc), Bengaluru, and the Foundation for Science, Innovation and Development (FSID), IISc's incubation arm. This partnership is designed to advance blue sky, applied, and translational research across critical domains such as aerospace and defence, rail and metro systems, mining and construction equipment, maritime technologies, next generation mobility, green technologies, and advanced manufacturing.

Formalised through a Tripartite Master Research Agreement (MRA), the collaboration establishes a structured framework for joint research execution, shared infrastructure, and operational alignment. By integrating academic excellence, advanced research, and industrial engineering capabilities, your company is accelerating the development of critical technologies that will shape the future of defence, mobility, infrastructure, and sustainable manufacturing.

Complementing this, company has also relocated its Central Research Facility (CRF) to IISc, further embedding itself within a hub of world class laboratories and multidisciplinary expertise.

During the year, we successfully developed new products and upgraded existing offerings across all business verticals, aligning with emerging market needs and technological advancements. Our focus on building intellectual capital was reinforced by the granting of 24 Intellectual Property Rights, including 7 patents—underscoring your company's commitment to continuous innovation and long-term competitiveness.

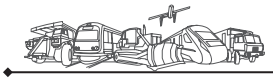
During the year, your company achieved several notable milestones in the Defence & Aerospace segment. The BEML-engineered Mechanical Mine Marking Equipment (MMME Mk-II) was successfully inducted into the Indian Army. The company also secured a significant order from Bharat Electronics Limited (BEL) for the supply of one HMV 8x8 vehicle under the Quick Reaction Surface-to-Air Missile (QRSAM) project, underscoring your company's growing role in supporting India's strategic defence initiatives and its capability in delivering advanced mobility solutions for missile systems. Additionally, your company contributed to ISRO's successful LVM3-M6 mission by supplying the Strap-On Base Shroud (SBS) airborne structures, a critical component of the launch vehicle. Furthermore, prototype equipment of the Light Armoured Multipurpose Vehicle (LAMV) 4x4 was fielded for trials, marking another step forward in expanding company's defence portfolio.

It gives me immense pleasure to share that over 91% of our business during the year was driven by in-house developed products—a clear demonstration of your Company's robust R&D capabilities. Our commitment to innovation is further reflected in R&D expenditure, which stood at 6% of total sales. We remain dedicated to investing in top talent from premier institutions, cutting-edge technologies, and promising ideas, guided by the strong belief that innovation is the cornerstone of sustained success.

Self-Reliance:

In an ever-evolving global landscape, self-reliance fosters a sense of independence and autonomy.

Self-reliance is more than a strategic choice; it is a mindset that empowers us to be masters of our own destiny. Self-reliant minds often innovate more effectively. When not bound by external constraints, they can explore new ideas, develop creative solutions, and pioneer advancements in their fields.



Srijan Portal, a GoI initiative is being utilized for indigenization of items by uploading the details of imported items. Under Defence equipment, your company has achieved more than 96% of Indigenisation level in High Mobility Vehicles (HMV) 8x8 and efforts are on to increase the indigenization levels in (HMV) 6X6, HMV 12x12 and Armoured equipment. For other Defence Products the present level of Indigenisation is more than 95%.

On Mining & Construction, we have already attained indigenisation levels of over 90% for most of the equipment.

On Metro cars, the present indigenisation level is 65% and further efforts are on to increase the levels. And with respect to Rail equipment, all the products have indegenisation levels over 95%.

During the year, 133 items have been indigenized with an FE savings of Rs. 82 Crs approx. Also, your Company has listed 329 major aggregates / LRU's in Positive Indigenization List 1, 2 & 3 published by MoD and 49 items are already indigenized.

Digital Transformation Initiatives:

During the year, your Company undertook a comprehensive set of digital transformation measures aimed at enhancing operational efficiency, strengthening compliance, and fostering transparency across all business verticals. These initiatives reflect a strategic commitment to modernization, employee empowerment, and resilience in the face of evolving technological and cyber challenges.

Key initiatives included:

- **Online Expense Report and Induction / Transfer Expense Report**, streamlining financial processes and ensuring accountability.
- **Online Cafeteria** and **CSR Portal,** promoting employee convenience and transparent tracking of corporate social responsibility activities.
- **Inventory Dashboard** and **Compensatory Claims Report**, enabling real time visibility and location based reporting for improved decision making.
- **Vendor Evaluation Form,** digitalizing vendor performance assessment to strengthen procurement processes.
- **Biometric Attendance Integration** with SAP at headquarters, reinforcing workforce accountability.
- **New SBU Framework** with end to end business process mapping (Procurement-to-Pay, Order-to-Cash) across SAP, ensuring uniformity and efficiency across all locations.
- **Single Sign On** integrated with Active Directory for non SAP applications (E-Mail, BEML E-Connect, SSAMPARK, VMS), simplifying user access and strengthening security.
- **NextGen Firewall Upgrade** across R&D locations, enhancing cyber compliance.
- **VC Refresh** with Poly Studio and ILL integration across manufacturing sites, modernizing communication infrastructure.
- **Maya OS Pilot** on 10 internet-facing systems, reinforcing cyber resilience in line with national compliance standards.

These measures drove process efficiency through automation and integration, enhanced the employee experience with user friendly online platforms, and ensured cybersecurity compliance by deploying advanced firewalls and secure operating systems. At the same time, they promoted transparency and accountability

across financial, operational, and CSR activities. By embedding digital transformation into core operations, the Company has positioned itself to achieve greater agility, resilience, and competitiveness in the evolving business landscape

Human Resources:

During FY 2025–26, your company reinforced its people centric strategy through sweeping organizational and HR reforms. The Company restructured into 14 Strategic Business Units and 2 Micro SBUs, redeploying 4,930 personnel to sharpen operational focus, while consolidating marketing functions at the Corporate Office. Routing designations and sensitive area posts were rationalized, and austerity measures introduced, ensuring efficiency without compromising employee welfare.

A three layer R&D strategy—Embedded, Advanced, and Corporate R&D—was established to accelerate product upgrades, new development, and technology acquisition. Talent initiatives included the induction of 178 executives and revised age limits to attract fresh professionals, complemented by welfare measures such as a new uniform, updated foreign travel rules, and an expanded empanelled medical network.

Learning and development emerged as a cornerstone of transformation. A revamped L&D policy, Higher Studies policy, and leadership programmes—including Six Sigma Black Belt certification—were rolled out. The "Window to the World" speaker series, a 90 day induction programme for management trainees, industry academia MoUs, and flagship global leadership exposure collectively delivered over 4,000 training man days, equipping employees with the skills and perspectives to thrive in a dynamic global environment.

In addition, your company undertook a wide range of policy reforms to strengthen employee welfare, organizational transparency, and corporate responsibility. These included revised medical rules, location based compensatory allowances, a more employee centric TA/DA policy, and the introduction of Half Pay Leave. Career growth was supported through a revised promotion policy and sponsorships for higher studies at reputed institutes. A new CSR SOP was formulated with a focus on education, health, and nutrition, while the recruitment policy was updated to include schemes for ex servicemen, project based engagements, and recruitment of ex defence officers with non engineering qualifications.

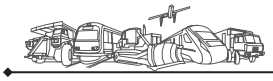
Further reforms included migration from the BEML Pension Fund Trust to NPS, special welfare benefits at Leh, a child care leave policy, and enhanced PRMS coverage—extending benefits to spouses of deceased employees and improving coverage for superannuated staff.

Together, these initiatives demonstrate the company's commitment to employee well being, inclusivity, and sustainable corporate governance, balancing immediate welfare measures with long term structural improvements. They ensure that employees remain motivated and supported while the company strengthens its social footprint and global competitiveness.

Vigilance Initiatives:

The Vigilance function, overseen by an independent full time Chief Vigilance Officer (CVO), executed a comprehensive programme of prevention, detection and enforcement during FY 2025–26. Activities were conducted in accordance with the Company's Complaint Handling Policy and Central Vigilance Commission guidelines, with complaints investigated only after establishing a clear vigilance angle and disposed of following detailed fact verification and formal recommendations to Management.

Our approach comprised regular surprise and periodic checks, targeted contract and claims scrutiny—including purchase orders,



contracts, TA/DA, medical reimbursements and Annual Property Returns—and focused in house inspections. During the year, four CTE type inspections and four system studies were completed to identify process weaknesses and control gaps. In parallel, we have initiated an update of the Vigilance Manual to align it fully with the CVC Manual and current best practices.

These vigilance initiatives have reinforced transparency and accountability across operations and strengthened internal controls. Findings from inspections and studies have been converted into actionable recommendations for process and system improvements, which have been forwarded to Management for implementation and ongoing compliance monitoring to ensure sustained effectiveness.

The year ahead:

We enter Financial Year 2026–27 with confidence, a strong execution pipeline, and a clear vision for long-term value creation. The year has commenced on a positive note with the award of a ₹550 crore order from the Ministry of Defence for the supply of Trawl Systems, reaffirming your company's leadership in advanced defence solutions. At the same time, our highest-ever export order book of USD 107 million reflects the growing confidence of global customers in your company's engineering capabilities and reinforces our expanding international presence.

With an order book exceeding ₹15,800 crore and executable orders of approximately ₹5,500 crore as on 1 April 2026—the highest in the Company's history—we have strong revenue visibility and a solid foundation for sustainable growth. Supported by this momentum, we have set an aspirational target of achieving at least 25% growth over the previous year, underpinned by disciplined execution, operational excellence, and the strength of our diversified businesses.

Innovation will remain central to our growth strategy. Our integrated Research & Development ecosystem continues to serve as the cornerstone of company's technological leadership, enabling us to design, develop, and continuously enhance world-class products across all our business verticals. To accelerate future innovation, we have established a comprehensive four-tier R&D framework comprising the Central Research Facility, the Futuristic Product Innovation & Incubation Centre, Corporate Technology Planning & Alliance Management, and dedicated R&D teams embedded within each Strategic Business Unit. Together, these centres create a seamless innovation ecosystem that combines breakthrough research, strategic technology partnerships, and market-driven product development.

The strength of this ecosystem is already evident in the successful development of landmark programmes such as the Light Armoured Multipurpose Vehicle and India's first indigenously designed and manufactured Vande Bharat Sleeper Train. These achievements demonstrate our ability to transform advanced engineering into nationally significant products while reinforcing our commitment to innovation, self-reliance, and technological excellence.

Looking ahead, we will continue to modernise our operations through digital technologies, intelligent manufacturing, process excellence, and disciplined cost management. Our focus is not merely on improving efficiency, but on building a more agile, resilient, and future-ready enterprise capable of responding to changing customer expectations and emerging market opportunities.

As we move forward, our ambition is clear—to transform your company into a globally respected engineering and technology enterprise, recognised for innovation, manufacturing excellence, sustainability, and customer trust. Guided by our purpose, strengthened by our people, and inspired by the aspirations of a rising India, we remain committed to creating enduring value for our shareholders while contributing meaningfully to the nation's journey towards Viksit Bharat.

Defence & Aerospace:

The Government of India has intensified its focus on building a self reliant defence ecosystem through proactive initiatives under Atmanirbhar Bharat. The expansion of the Positive Indigenisation List to over 5,000 items, coupled with simplified procurement processes under DAP 2020 and DPM 2025, has accelerated the pace of indigenisation and reduced reliance on imports. In FY 2026–27, the defence budget reached a record ₹7.85 lakh crore, with ₹1.39 lakh crore earmarked for domestic procurement, ensuring strong support for Indian defence manufacturers.

India's defence exports have surged to ₹38,424 crore across 80 countries, reflecting the growing global credibility of indigenous platforms. This export momentum, combined with the government's emphasis on technological sovereignty, positions your company to expand their footprint in international markets.

Our Company is strategically aligned with national priorities and is actively pursuing opportunities in high impact domains. Key initiatives include overhauling Armoured Recovery Vehicles and High Mobility Vehicles to extend lifecycle and enhance operational readiness, supplying platforms for advanced gun systems to support artillery modernisation, and developing Futuristic Armoured Combat Vehicles, Light Armoured Multi-purpose Vehicles to meet next generation battlefield requirements. These ventures are expected to significantly boost revenue growth while reinforcing your company's role as a trusted partner in India's defence ecosystem.

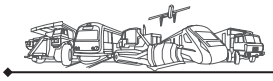
Your company has reached a major milestone in its engineering innovation journey with the successful development of a 1,500 HP engine, marking a new era in self-reliant powertrain technology. The first engine was built and successfully fired during 2024, and advanced performance calibration is progressing in a globally renowned original design house in the UK.

Furthering its commitment to strengthening India's defence industrial base, company has indigenously developed the 12x12 Strategic Weapon Carrier Vehicle, a platform that was previously imported. This milestone represents a significant step towards self reliance in critical defence mobility solutions. During the year, two vehicles were successfully supplied to the Vehicle Research & Development Establishment (VRDE), demonstrating company's capability to deliver advanced, mission critical platforms to the Ministry of Defence.

In parallel, the company achieved another breakthrough with the design and development of the Light Armoured Multi Purpose Vehicle. This innovation marks a notable leap in domestic defence manufacturing capabilities, offering enhanced protection, mobility, and versatility for modern battlefield requirements. Together, these achievements underscore your company's ability to translate strategic ideas into tangible solutions, reinforcing its role as a key contributor to India's defence modernisation and the national vision of Atmanirbhar Bharat.

Our Company's vision is to evolve from being solely a platform manufacturer to a comprehensive system integrator, thereby reinforcing its position as a critical stakeholder in India's defence modernization drive. The new Strategic Business Unit (SBU) "Strategic Systems" has been created to focus on end to end integration of advanced defence platforms, enabling the company to deliver holistic solutions rather than standalone products.

Your company is strategically positioned to strengthen its presence in the aerospace sector, with a strong pipeline of opportunities spanning missile sub-systems, aircraft and helicopter structures, unmanned aerial systems, precision



machined components, and critical assemblies for nationally important space programmes. Backed by robust manufacturing infrastructure and advanced engineering capabilities, company is well placed to capitalise on emerging opportunities in both domestic and global markets.

As part of its strategic growth roadmap, Your company is actively collaborating with Defence Public Sector Undertakings (DPSUs), private sector partners and technology providers across several key aerospace and missile programmes.

Your Company has strengthened its role in India's aerospace and defence sector by manufacturing fuselage structures and airframe assemblies for the Light Combat Helicopter (LCH) programme, producing light alloy structures for space missions, and developing missile casings. The company also fabricates precision machined airborne components for aircraft platforms, designs and supplies Ground Handling and Support Equipment for fighter aircraft, and is building capabilities in Unmanned Aerial Systems (UAS) and Unmanned Aerial Vehicles (UAV) through strategic partnerships. With active participation in future aerospace programmes, company continues to expand its footprint in advanced aerostructures and next generation aerospace systems, aligning with national priorities under Atmanirbhar Bharat.

To support its export-oriented growth strategy and strengthen engagement with global aerospace OEMs, company has established a warehouse facility at the Aerospace SEZ Park, Bengaluru. The facility provides warehousing, logistics and allied support services, enabling efficient supply chain management and facilitating seamless integration with international aerospace manufacturing ecosystems. Through these initiatives, your company aims to emerge as a comprehensive aerospace manufacturing and systems integration partner catering to both domestic and global markets.

Rail & Metro:

India's Rail & Metro sector is entering a transformative phase, driven by rapid urbanisation, government investment in sustainable mass transit, and the national vision of expanding metro connectivity to Tier II and Tier III cities. By 2030, the country's metro rail network is projected to exceed 1,200 km, with multiple new corridors sanctioned under the National Infrastructure Pipeline and flagship programs such as Make in India. This expansion is expected to generate significant demand for advanced rolling stock, integrated systems, and lifecycle support services.

Your company is strategically positioned to capture these opportunities through its Rail & Metro Business Group, which has already established itself as a trusted supplier of metro coaches, rolling stock, and aggregates.

Execution of the Vande Bharat sleeper trains, the company's maiden export order for rolling stock to the African region, and fresh LHB coach orders are expected to add significantly to the financial performance during the year. These achievements not only strengthen your company's position in the domestic rail and metro market but also mark its entry into the global arena, reinforcing its credibility as a supplier of world class rolling stock.

Company is strategically positioned to cater to additional requirements as India's rail and metro expansion plans continue to accelerate. ADITYA plant, which is already engaged in the development of High Speed Rail represents a critical step in positioning the company at the forefront of India's next generation passenger mobility solutions

Complementing this, your company has planned a State of the Art rolling stock manufacturing facility in Bhopal named BRAHMA. This upcoming plant will serve as a hub for advanced metro and rail production, equipped with modern

assembly lines, testing infrastructure, and integrated R&D support. The facility is expected to significantly enhance production capacity, reduce lead times, and strengthen company's ability to cater to both domestic and international demand.

Mining & Construction:

With the Government of India placing strong emphasis on reducing import dependency and accelerating domestic coal production, the mining sector is entering a new phase of growth. Recent policy measures such as the notification of coking coal as a strategic mineral under the MMDR Act and the promotion of surface coal gasification are creating a favorable environment for indigenous equipment manufacturers. In response, your company has crafted a comprehensive product strategy to capture these opportunities by developing high capacity Motor Graders, Tyre Handlers, and Loaders for large scale mining, while also pursuing technology partnerships for underground mining solutions such as Continuous Miners, Surface Miners, and Tunnel Boring Machines. These initiatives are designed to infuse global know how into domestic operations, ensuring improved productivity, safety, and sustainability in mining and construction

A landmark achievement during the year was the rollout of the 35T Electric Dump Truck, which underscores company's engineering prowess and commitment to electrification. The successful deployment of this eco friendly machine marks a transformative step toward zero emission mining equipment, aligning perfectly with national goals for decarbonization and responsible industrial growth. Together with its broader product strategy, this innovation reinforces company's leadership in indigenous heavy equipment manufacturing and lays the foundation for a future portfolio of sustainable products that will drive growth in mining and infrastructure development.

Futuristic BEML Maritime Business:

Diversification remains a vital strategy for strengthening company's competitive edge by enhancing versatility and adaptability. It fosters innovation and enables agile responses to dynamic market conditions—setting diversified organizations apart from those focused on a single market or product stream. In line with this strategy, your company has outlined an ambitious roadmap into the Maritime sector, aiming to capitalize on emerging opportunities and promote indigenous development of marine systems, including propulsion technologies and structural components for marine vessels.

During the current fiscal year, company plans to invest in maritime initiatives through Strategic Joint Ventures and the design and development of critical marine solutions such as Aircraft Carrier Aggregates, Submarine Aggregates, Maritime Cranes, Dredgers for coastal and river dredging, and critical components for M/s DCIL. This strategic entry into the maritime domain will harness company's advanced manufacturing capabilities and engineering expertise—driving innovation in marine systems and accelerating value creation. By investing in futuristic technologies like hydrogen propulsion, stern drives, and non magnetic engines, the company is well positioned to tap into untapped market potential. These initiatives are expected to propel your company's revenue to new heights, while reinforcing its role as a catalyst for indigenous industrial transformation in critical sectors.

Exports:

Exports are set to become a cornerstone of your company's growth story this fiscal year, driving both diversification and global visibility. The company's strategic vision to expand its international footprint is already materializing, with several orders for Mining and Construction equipment marking a significant milestone. These deliveries, which will continue through

the year, reinforce company's reputation for delivering indigenously manufactured solutions of global standards.

Further, your company is actively pursuing export opportunities worth ₹2,000 crore across all three verticals—Defence & Aerospace, Rail & Metro, and Mining & Construction. This ambitious pipeline is expected to:

- **Accelerate revenue growth** by tapping into high value international contracts.
- **Strengthen global partnerships** that diversify markets and mitigate geopolitical risks.
- **Showcase India's engineering excellence** on the world stage, positioning your company as a trusted partner in critical infrastructure and defence projects.

These initiatives not only highlight company's export momentum but also align with India's broader agenda of promoting indigenous innovation and expanding its industrial footprint globally.

Upholding Excellence in Corporate Governance:

Your company continues to uphold the highest standards of Corporate Governance, rigorously adhering to the guidelines prescribed by the Department of Public Enterprises (DPE) for CPSEs. These principles are not merely observed in compliance but embraced in spirit, reflecting the company's deep commitment to transparency, accountability, and ethical leadership.

A detailed Corporate Governance Compliance Report has been incorporated into the Board's Report, underscoring company's unwavering dedication to best practices. This consistent adherence has earned the company an "Excellent" rating from DPE year after year, reinforcing its strong track record in governance performance.

The Board of Directors plays a proactive role in sustaining this excellence by regularly reviewing and refining internal policies, procedures, and organizational structures. This adaptive approach ensures that company's governance framework remains agile, relevant, and aligned with evolving stakeholder expectations as well as global benchmarks.

This governance culture not only strengthens stakeholder trust but also positions your company as a model CPSE, demonstrating how disciplined governance can serve as a foundation for sustainable growth and international credibility.

CSR & Sustainable Development:

Your company has continued its journey as a Responsible Corporate Citizen, aligning with the Companies Act, 2013 and CSR Rules to deliver initiatives that create lasting social impact. The company's efforts during FY 2025–26 are captured under CSR and Swachh Bharat activities, spanning six key focus areas:

- **Education Initiatives:** Company operated schools and colleges at KGF and Bangalore, benefiting nearly 3,000 students, including over 2,000 from the local community. Infrastructure projects included classroom construction in Andhra Pradesh, support for Gurukulam facilities, upgrades at Mysore's Government Blind School, and dormitory blocks for 3,000 girl students in Gujarat.
- **Healthcare Projects:** Free medical camps for ex-BGML employees, TB eradication programs, assistive devices for persons with disabilities, and donations of advanced medical equipment to hospitals and ECHS polyclinics. Initiatives like Jan Arogya Raksha in Mumbai slums and nutrition support in Odisha further strengthened community health, benefiting thousands across regions.
- **Environmental Protection:** Wind energy projects at Gadag and Bagalkot mitigated over 20,000 tons of carbon emissions. Community infrastructure such as a Yatri Shed in Bihar supported rural travellers.
- **Sports Development:** Investments in sports infrastructure at NIT Raipur, support for Sansad

Khel Mahotsav, and contributions to training facilities like the Anju Bobby Foundation. Inclusive sports support extended to athletes with disabilities through kits and equipment.

- **Armed Forces Welfare:** Contributions to vocational training grants for widows of war heroes, reinforcing solidarity with armed forces families.

- **Arts & Culture Promotion:** Support for classical music festivals such as the Pandit Jasraj Sangeet Samaroha, preserving heritage and nurturing emerging talent.

Together, these initiatives reflect company's holistic approach to CSR—empowering communities through education, healthcare, environment, sports, welfare, and culture, while reinforcing its role as a socially responsible enterprise.

Sustainability as a Strategic Imperative:

Your company, recognise sustainability as a strategic imperative rather than a passing trend. The company is reimagining its operations to minimize environmental impact while enhancing resource efficiency, embedding eco friendly practices into its long term growth model.

- **Green Energy Projects:** Your company has invested in renewable energy infrastructure, including 23 MW Windmill installations across Karnataka and 250 kWp Solar Power systems. These projects enabled the company to meet 83.91% of its total energy requirements in FY 2025–26, a remarkable achievement that underscores its leadership in clean energy adoption.

- **Carbon Emission Mitigation:** Through these initiatives, your company successfully mitigated over 20,043 tons of carbon emissions, significantly reducing its environmental Carbon footprint. This milestone propels the company closer to its vision of becoming a completely green enterprise.

- **Efficiency Enhancements:** Complementing renewable energy adoption, your company has modernized its facilities with energy saving technologies such as HVLS fans, advanced water chillers, VFD controlled compressors, IE3/IE4 motors, LED luminaries, and upgraded crane systems. These measures deliver consistent savings of 10–40% across various operations while reducing mechanical wear and improving reliability.

- **Strategic Impact:** Together, these actions reflect a holistic sustainability framework—one that balances operational efficiency, cost savings, and environmental stewardship. By embedding sustainability into its core business, your company not only strengthens resilience but also sets benchmarks for other CPSEs and industrial enterprises in India.

This expanded narrative positions your company as a responsible corporate citizen—committed to advancing India's green transition, showcasing engineering excellence, and ensuring that growth is both profitable and planet friendly.

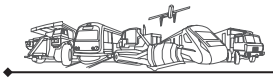
Committed to Holistic Development:

As a Responsible Corporate Citizen, your company is pursuing CSR and Sustainable Development initiatives with unwavering dedication, ensuring holistic progress across operational regions and society at large. This dual commitment reflects the company's belief that business excellence must go hand in hand with purposeful impact.

With the continued support of passionate teams and the trust of shareholders, your company is forging ahead on a path that combines business excellence with purposeful impact. Looking to the future, the company's resolve remains firm: to build a legacy that uplifts communities, protects the planet, and shapes a better tomorrow.

<u>Customer Satisfaction:</u>

Customer satisfaction remains a critical driver of company's business performance, shaping loyalty, retention, and long-term success. Your company's commitment to excellence is reflected



in the formation of dedicated engagement teams that connect with customers across diverse platforms, gathering insights through surveys, focus groups, and direct interactions. This feedback informs continuous product refinement, service enhancement, and innovation, enabling company to align more closely with customer expectations while anticipating future needs. Recognizing that preferences and demands are fluid in an evolving business landscape, your company remains attuned to shifting expectations, values candid feedback, and invests strategically in improvements. This customer-centric approach ensures agility, adaptability, and the delivery of reliable, future-ready solutions that strengthen trust and reinforce enduring partnerships.

Awards & Accolades:

Your company's unwavering commitment to innovation, sustainability, and stakeholder value has been consistently recognized through numerous honors across diverse domains. These accolades highlight not only operational excellence but also leadership in engineering, environmental stewardship, and social responsibility.

- **Samarpan PSU Award** (April 2025) – For exemplary leadership and commitment to self reliance, innovation, and global competitiveness.
- **National Award for Outstanding Export Performance** – At the 55th EEPC India National Awards (June 2025).
- **Golden Peacock Eco Innovation Award** – For the indigenously developed all electric BRS21 rope shovel.
- **EEPC Southern Regional Export Awards** – Special Trophies for Excellence in Exports of High Technology Products (2021 22 & 2022 23).
- **ET Leadership Excellence Awards** – Excellence in Indigenous Engineering and Trusted Brand Excellence.
- **International Convention on Quality Control Circle** – Gold Award won by Team "ENERGY TREE" at Taiwan (2025).
- **National Economic Growth Summit** – Best Brand of the Year (BEML Ltd.) and Business Leader of the Year (Manufacturing) for Shri Shantanu Roy.
- **GEEF Global Safety Award** – Gold Category for Palakkad Complex (2026).
- **Kerala Safety Award** – For Palakkad Complex under "Very Very Large Factory" category.
- **Governance Now PSU Awards** – PSU Leadership Award (CMD), Aatmanirbhar Bharat Innovation Award, and Communications Excellence Award.
- **Business Innovation Group Awards -**
  - ✓ 'Visionary Public Sector Leader of the Year – CMD'
  - ✓ 'Best Performing PSU of the Year – Performance Results'
  - ✓ 'Best Public Sector Workplace Culture'
  - ✓ 'Public Sector Innovation Excellence Award – Vande Bharat Sleeper'
  - ✓ 'Infrastructure PSU of the Year – BRS21 Rope Shovel'
  - ✓ 'PSU Marketing Comms'
- **"Atmanirbharta Award"** at the 18th Dun & Bradstreet India PSUs & Government Summit in recognition of its development of India's first BH35 Electric Dump Truck.
- **PSE Technology & Innovation Award** 2026 under IoT category from Indian Express Group at India PSE Summit.

These recognitions affirm your company's stature as a trusted brand and a leader in indigenous engineering, while reinforcing its role as a responsible corporate citizen shaping India's industrial and sustainable growth story.

Acknowledgements:

Let me extend my deepest gratitude to the Government of India, the Administrative Ministry, the Ministry of Defence, and especially the Department of Defence Production, along with Prime Minister of India office, Ministry of Housing & Urban Affairs, Coal India Ltd, Defence Public Sector Units, Indian Railways, Ministry of Ports, Shipping and Waterways, Ministry of Coal, Ministry of Steel, Ministry of Mines, Ministry of External Affairs, Indian Army, Indian Navy, Indian Air Force and other allied administrative departments for their unwavering support and guidance, which has been instrumental in company's continued progress and success.

I also express my sincere appreciation to my fellow Board members, our valued clients, trusted partners, dedicated employees, and all other stakeholders whose confidence energizes our ambition and fuels our journey forward. As we look ahead, our team's commitment, drive, and collective ambition know no bounds—we embrace every challenge with optimism, confident in our ability to adapt, innovate, and seize emerging opportunities.

Personally, I am thrilled and fully committed to the transformation journey we are leading—one that will elevate your company to greater heights. We know that true progress lies not just in vision, but in execution, for it is decisive action that converts ambition into achievement. As Peter Drucker wisely said, "The best way to predict the future is to create it." With this belief guiding us, we will continue to act with purpose, innovate with impact, and deliver with excellence. Together, we will accelerate growth that uplifts communities, strengthens our nation, and safeguards our planet—building a legacy of resilience and progress for generations to come.

Jai Hind!



Shantanu Roy

Chairman & Managing Director

Bengaluru

Board of Directors



Shri Shantanu Roy
Chairman & Managing Director



Shri Dinesh Mahur
Additional Secretary (DP) and Govt.
Nominee Director (BEML)



Shri Debi Prasad Satpathy
Director
(Human Resources)



Shri Rajeev K. Gupta
Director
(Rail & Metro Business)



Shri Sanjay Som
Director
(Mining & Construction Business)



Shri Sachin Dighde
Director
(Defence & Aerospace Business)



Smt. Promila Kundara
Independent
Director



Shri Shankar Lal Agrawal
Independent
Director



Shri Karunakaran Nambiar K
Independent
Director

Profile of Board Directors



Shri Shantanu Roy
Chairman & Managing Director

Shri Shantanu Roy assumed charge as the Chairman and Managing Director of BEML Limited on August 1, 2023, bringing with him over 34 years of diverse experience in the capital goods industry. His career spans critical sectors including Defence, Mining & Construction, Rail & Metro, Renewable Energy, and large-scale Power Projects. A visionary leader and strategic thinker, Shri Roy has been pivotal in steering BEML's journey of growth, innovation, and global outreach, positioning the company as a future-ready engineering powerhouse.

A graduate in Electrical Engineering from NIT Raipur and holding an MBA in Financial Management, Shri Shantanu Roy has played a pivotal role in transforming BEML's operational landscape—driving enhanced performance across Northern Region operations, strategic initiatives, international business, and emerging growth avenues. Prior to taking charge as Chairman and Managing Director, he served as Director (Mining & Construction Business), contributing significantly to the company's growth trajectory and operational excellence. For the industry, he has been contributing as the Chairman of the Sustainable Development Committee of the Standing Conference of Public Enterprises (SCOPE).

With a strong emphasis on transformation and technological leadership, his tenure has propelled BEML into a new phase of strategic relevance and innovation excellence. Embracing organic diversification as a catalyst for long-term value creation, he has steered BEML's foray into high-potential sectors including maritime platforms, aerospace systems, infantry combat vehicles, and next-generation combat engineering solutions. With an unrelenting focus on future-readiness, he has championed breakthrough initiatives—from the development of advanced power pack technologies and high-speed rail systems to the relaunch of next-generation construction and mining equipment.

His tenure is defined by signature achievements such as the flagging-off of the Vande Bharat Sleeper Train (indigenously designed & developed by BEML) by Hon'ble Prime Minister Narendra Modi (Jan 2026), successful test-firing of India's first indigenously developed 1500 HP combat vehicle engine, and the launch of India's first all-electric Rope Shovel – BRS 21. He also led the indigenous design and rollout of the 12x12 High Mobility Vehicle (HMV) for defence logistics, and secured the prestigious contract for rolling stock production for India's first High-Speed Bullet Train project.

Reinforcing his commitment to strengthening national infrastructure and advancing the Make-in-India vision, he is spearheading the development of a state-of-the-art greenfield rail manufacturing unit in Umariya, Bhopal. Additionally, under his leadership, BEML has been allotted land by the Government of Chhattisgarh to set up a dedicated Mining & Construction equipment manufacturing unit.

With a forward-looking approach, Shri Roy has redefined BEML's business structure by establishing 14 Strategic Business Units from its traditional three divisions—Defence & Aerospace, Rail & Metro, and Mining & Construction. His commitment to fostering innovation and self-reliance has led to the creation of specialized research and development verticals, including the Futuristic Product Innovation & Incubation Centre (FPIIC), focused on next-generation indigenous technologies, and Corporate Technology Planning & Alliance Management (CTPAM), dedicated to strategic collaborations and innovation-driven solutions. Under his leadership, BEML unveiled its new brand identity, Infinix, symbolizing a bold reimagination of the company's future. This transformation reflects BEML's renewed ambition to transcend boundaries and achieve beyond possibilities.

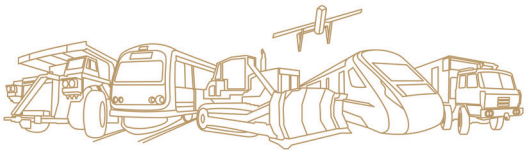
A leader with a global outlook, Shri Roy is a Six Sigma Black Belt-certified professional, adept in project financing, legal compliance, and international business strategy. During his tenure at BHEL, he played a key role in securing the largest-ever export order—US$1.5 billion for the 2X660 MW Maitree STPP in Bangladesh. He also expanded BHEL's footprint in Bhutan and Nepal through strategic hydroelectric projects.

Recognized for his transformative leadership, he has been the recipient of several prestigious accolades, including the prestigious Excellence in Indigenous Engineering Award by The Economic Times Excellence Award 2025; CEO of the Year – PSU (Defence & Aerospace) award by the World HRD Congress; the CMD Leadership Award 2024 & 2026 by Governance Now; and the PSU Leadership Award 2025 for his exceptional contributions to the public sector. He has also been conferred with the Samarpan PSU Award in recognition of his exemplary leadership and unwavering commitment to excellence.

Beyond his professional achievements, he is an avid reader, traveler, and sports enthusiast, passionate about mentoring young professionals and inspiring the next generation to drive technological advancements and industrial self-reliance. His vision continues to propel BEML towards a future defined by innovation, sustainability, and global competitiveness.

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www.bemlindia.in | coord@bemlltd.in



Defence & Aerospace | Rail & Metro | Mining & Construction



Shri Dinesh Mahur
Additional Secretary (DP) and Govt.
Nominee Director (BEML)

Shri Dinesh Mahur, Additional Secretary (DP) and Govt. Nominee Director (BEML)

Shri Dinesh Mahur is an Additional Secretary in the Department of Defence Production, Ministry of Defence, Government of India. He is a 1992 batch officer of the Indian Telecom Service (ITS). In addition to his postings in his parent department, i.e., the Department of Telecommunications, he has served in several key organizations. He worked in the Ministry of Home Affairs as Director from 2011 to 2016, in Prasar Bharati as Additional Director General from 2016 to 2020, and in the Ministry of Mines as Joint Secretary during 2024–25, prior to his current assignment in the Ministry of Defence.He is an engineering graduate from the National Institute of Technology, Allahabad (1991), holds an M.A. in Social Studies from the International Institute of Social Studies, Erasmus University, The Hague, Netherlands (2014), and has completed a PGDM in Public Policy and Management from the Management Development Institute, Gurugram (2024). He has extensive experience in the telecommunications sector and has played a key role in establishing telecom companies with investments from Indian Public Sector Undertakings in countries such as Nepal and Mauritius, where he also held leadership positions.



Shri Debi Prasad Satpathy
Director
(Human Resources)

Shri Debi Prasad Satpathy journey from an Executive Trainee to Director (Human Resources) stands as a powerful example of transformative leadership built on commitment, vision, and deep expertise. With over three decades of rich experience in both Central and State Government sectors, he has consistently demonstrated his ability to align Human Resource Strategies with business goals while prioritizing employee welfare and organizational growth.

Widely recognized as a catalyst for change, Shri Satpathy has pioneered numerous people-centric policies that reflect his forward-thinking approach and empathetic leadership. Acknowledged as a Labour Law Expert, he has consistently championed the rights and welfare of employees. He has proactively addressed the challenges faced by employees working in remote locations and has taken significant steps to promote continuous learning and professional development within the organization.

A firm believer in holistic employee development, Shri Satpathy has introduced structured policies for learning and development, ensuring capability building remains institutionalized and outcome-driven. He has also initiated impactful L&D practices, including Building Internal Capability for People Development, Train the Trainer, and the mentoring scheme "BANDHAN", which has been widely appreciated. His active contribution towards establishing Assessment Development Center and strengthening the Performance Management System (PMS) across the company has further enhanced organizational effectiveness.

Shri Satpathy has also led BEML's transition into a more digital, agile, and transparent HR ecosystem. From driving ERP implementation and custom HR-IT modules to streamlining administrative systems, he has seamlessly integrated technology into HR operations. His emphasis on systems thinking has not only improved efficiency but also fostered a culture of accountability and accessibility across the organization.

He has actively fostered inter-PSU collaboration by executing strategic partnerships with other CPSEs to jointly drive learning and development. These alliances reflect his larger vision of knowledge sharing, and cross-functional integration.

Shri Satpathy's career is marked by a constant pursuit of excellence, and his legacy is one of meaningful change, progressive policy-making, and deep-rooted impact in the field of Human Resource Management.



Shri Rajeev K. Gupta
Director
(Rail & Metro Business)

Shri Rajeev K. Gupta currently serves as Director (Rail & Metro Business) on the Board of BEML Limited from 11.10.2024. A visionary leader in the field of rail transportation, spearheading India's first High-Speed Train project being manufactured by BEML, marking a significant milestone in the nation's journey towards advanced rail mobility. Under his dynamic leadership, BEML has already pioneered the development of India's first Vande Bharat (VB) Sleeper Train, reinforcing the company's commitment to self-reliance and innovation in the railway sector. Demonstrated strong leadership in steering the metro business towards becoming a globally competitive player. His strategic direction

continues to position BEML at the forefront of indigenous manufacturing for modern transit systems.

His distinguished career spans key roles at SAIL and BHEL, with diverse expertise across manufacturing, strategic management, marketing, project execution, international business, and corporate communication. With two decades of experience in international business, Mr. Gupta significantly expanded BHEL's footprint across Africa, Europe, and Southeast Asia, driving export growth and market entry strategies.

Mr. Gupta has been a prominent figure in various industry forums, including the International Trade Committee of CII, FICCI Foreign Trade Committee, India-ASEAN Business Forum, and CII Railway Equipment Division. He has been member of Working Groups & Inter-Governmental Joint Commissions of the Government of India, acting as a catalyst for policy changes that have resulted in the growth of project exports.



Shri Sanjay Som
Director
(Mining & Construction Business)

Shri Sanjay Som, is a graduate in Mechanical Engineering from NIT Raipur, 1988 batch, is having over 36 years of experience in working in Heavy Engineering and Manufacturing industries, both in Private and Public Sector. His major contributions include:

- 18 years in BEML Ltd working in all three business verticals Mining & Construction, Defence & Aerospace and Rail & Metro Business covering Manufacturing division located in KGF, Mysore & Bangalore.
- He was Head of Manufacturing and Assembly shop in EM Division of KGF Complex for the aggregates required for Dozer assembly, Excavator Assembly and other high-end mining equipment.
- He was Head of Production in Truck Division of Mysore Complex. He was spearheading the development of 190 Ton Electric Dump Truck.
- He was Head of Defence Production for supply of High Mobility Vehicles, Sarvatra Bridge Systems, 50 Ton Trailers etc for various Defence requirements.
- He was Chief of Bangalore Complex in Rail and Metro Division and led the manufacturing of rolling stocks for various Metro Corporations including Driverless Metro car supplied for Mumbai Metro and also

developed Vande Bharat Sleeper coach for Indian Railways.

- As Director (Mining & Construction), led indigenously designed and developed of the following Equipment:

(a) BRS 21, 21 CuM electric Rope Shovel
(b) BG 1205, 24 Feet Blade, 550 HP Motor Grader
(c) BWS-50 Model, 50 KL, Water Sprinkler
(d) BH 35-2, Battery operated EV Vehicles

- Previously, he has worked for 19 years in Public limited companies ie., M/s Simplex Engineering, M/s ACC Machinery & M/s Grasim Industries for manufacturing products for Railways, Steel Plants, Cements & Tyre Machineries, Pressure vessels & Heat exchangers.



Shri Sachin Dighde
Director
(Defence & Aerospace Business)

Shri Sachin Dighde, Director (Defence Business)

Shri Sachin Dighde- IRSME'96, the Director Defence of BEML is an accomplished Mechanical Engineer from VRCE/ Nagpur University, M.E in Energy Management and System from Mumbai University and MBA from Manipal University with over three decades of experience. He has served notably as Director RDSO, Chief Executive Officer - BCL, Chief of Rolling Stock Engineer at the Ministry of Railways, prior to joining BEML.

He brings extensive experience in managing complex engineering operations and manifold strategic projects in such a long tenure of service to Govt. of India.



Smt. Promila Kundara
Independent Director

Smt. Promila Kundara, holds a Bachelor of Arts (B.A.) degree and is qualified in Naturopathy (NDDY). During her Academic years, she distinguished herself in athletics by competing at the district level in shot put, javelin, discus throw, as well as in badminton. She also participated in the NCC All India Trekking Camp.

A Former Member of the Legislative Assembly (MLA), she represented the Chaksu constituency in Jaipur from 2008 to 2013 and continues to remain actively engaged in social welfare initiatives.



Shri Shankar Lal Agrawal
Independent Director

Shri Shankar Lal Agrawal, holds a Master of Commerce (M.Com.) degree and has been actively engaged in the fields of education, community development, social welfare and rural development.

Since 2014, he has been serving as the Founder & President of Shram Shrijan Samaj Sevi Sanstha, a registered society working towards promotion of education, community development, public service, skill development and social outreach programmes.

Through his long-standing association with social and community initiatives, he has contributed to healthcare support, humanitarian assistance and welfare activities, including facilitation of medicines and medical treatment, hospital assistance for needy individuals, distribution of food and essential supplies, and relief support for disadvantaged communities.

His areas of experience include education promotion, rural and community development, social welfare, public service, skill development, healthcare support and social outreach.



Shri Karunakaran Nambiar K
Independent Director

Shri Karunakaran Nambiar K, is a law graduate with over 34 years of legal practice across Civil & Criminal Courts (Kasaragod and Housing), Family Court, DCRC & Tribunals.

He was as Additional Standing Counsel for Government of India at Kasaragod for 3 years.

He served as a Senate Member at Kannuar University, Chairman of Kasaragod Co-operative Urban Bank Ltd., Former Director at Kasaragod District Co-operative Bank, Former Director at The CAMPCO Ltd (Mangalore), President of Bandadka Agriculture Marketing & Processing Co-operative Society Ltd and Former Secretary of Bar Association Kasadagod.

He is also a Legal Advisor for State Bank of India, Bank of Baroda, Canara Bank, Kerala Gramin Bank, Federal Bank, Southern Railway.

MAJOR ACHIEVEMENTS

Hon'ble Prime Minister Shri Narendra Modi flagged off India's first Vande Bharat Sleeper Train, designed and developed by BEML at its Rail Complex, showcasing world-class engineering and Indian ingenuity with a design speed of 180 kmph. | January 17, 2026





Hon'ble Defence Minister Shri Rajnath Singh, along with senior Union and State leaders, laid the foundation stone for BRAHMA – BEML Rail Hub for Advanced Manufacturing, BEML's new rail manufacturing unit at Umaria, Madhya Pradesh. | August 10, 2025

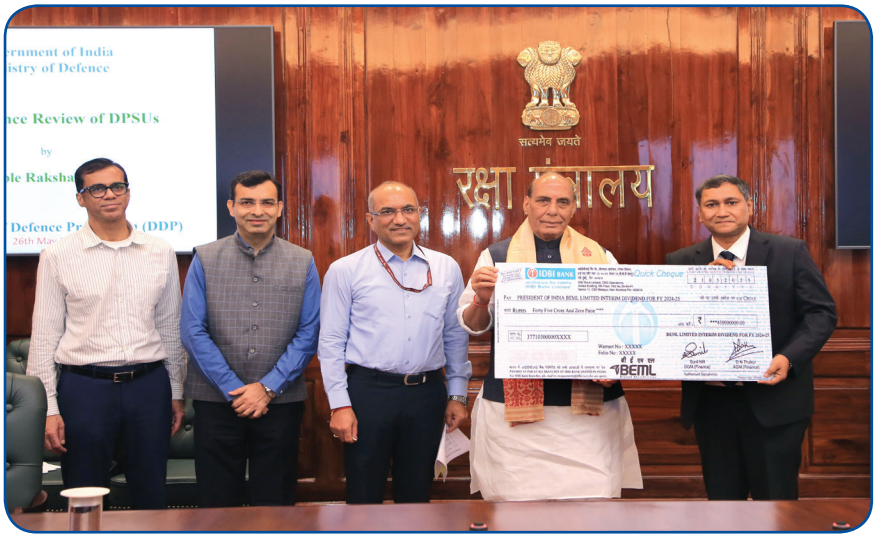
Hon'ble Chief Minister of Madhya Pradesh, Dr Mohan Yadav, flagged off the 2,100th Metro Coach manufactured at BEML's Rail Complex, Bengaluru, in the presence of MPIDC officials and BEML's CMD and leadership team.| May 14, 2025





BEML launched the country's largest indigenously designed and developed electric rope shovel – BRS21 at Nigahi Mines, Singrauli, and formally handed it over to Shri B. Sairam, CMD, NCL, in the presence of Shri P. M. Prasad, CMD, Coal India Ltd., and Shri Shantanu Roy, CMD, BEML Ltd. | April 29, 2025

BEML Ltd presented a ₹45 crore dividend cheque for FY 2024-25 to Hon'ble Raksha Mantri Shri Rajnath Singh, with CMD Shri Shantanu Roy handing over the cheque in the presence of Shri Sanjeev Kumar, IAS, Secretary, Defence Production, and senior officials of the Ministry of Defence, reflecting BEML's strong financial performance and commitment to shareholders."





BEML Ltd signed a strategic MoU with the Defence Institute of Advanced Technology (DIAT) to strengthen collaboration in Defence and Aerospace technologies, in the presence of BEML CMD Shri Shantanu Roy and DIAT Vice Chancellor Dr. BHVS Narayana Murthy | September 12, 2025

BEML Ltd signed a strategic MoU with TuTr Hyperloop, an IIT Madras-incubated deep-tech startup, to co-develop India's first indigenously designed Hyperloop system, advancing the future of ultra-high-speed transportation | August 4, 2025





BEML Ltd signed a strategic MoU with HD Korea Shipbuilding & Offshore Engineering (KSOE) and HD Hyundai Samho Heavy Industries (HSHI) in Bengaluru, marking a significant step towards advancing indigenous maritime manufacturing and port infrastructure through global collaboration| December 5, 2025

BEML Ltd signed a strategic MoU with Kineco Limited to collaborate on advanced composite manufacturing for Defence and Aerospace applications at the 16th International Railway Equipment Exhibition (IREE), in the presence of the leadership of both organisations | October 16, 2025





BEML Ltd achieved a significant milestone with the induction of its indigenously manufactured Mechanical Minefield Marking Equipment Mark-II (MMME Mk-II) into the Indian Army, reinforcing India's commitment to self-reliance in defence manufacturing and battlefield mobility | August 06, 2025

BEML Ltd signed a landmark MoU with Sagarmala Finance Corporation Limited (SMFCL) in Bengaluru to accelerate indigenous marine equipment manufacturing through a planned investment of ₹10,000 crore, in the presence of BEML CMD Shri Shantanu Roy and SMFCL MD Shri LVS Sudhakar Babu | December 05, 2025





BEML Ltd and Dredging Corporation of India Limited (DCIL) signed three strategic MoUs worth approximately ₹350 crore during India Maritime Week 2025 in Mumbai, marking a significant step towards strengthening India's indigenous maritime and dredging capabilities | October 30, 2025

BEML Ltd entered into a strategic tripartite collaboration with the Indian Institute of Science (IISc), Bengaluru, and the Foundation for Science, Innovation and Development (FSID) to advance next-generation research across emerging engineering and technology domains, fostering innovation from blue-sky research to real-world applications | February 4, 2026





BEML Ltd and Hindustan Shipyard Limited (HSL) signed a strategic MoU to jointly develop advanced marine systems through indigenous design, innovation, manufacturing and lifecycle support. The MoU was exchanged at BEML's Delhi office in the presence of Shri Shantanu Roy, CMD, BEML, and Cmde Hemant Khatri (Retd), CMD, HSL, and senior leadership | July 25, 2025

BEML Ltd commenced the assembly of its fully indigenously designed Light Armoured Multipurpose Vehicle (LAMV) at its Kolar Gold Fields (KGF) Complex, in the presence of CMD Shri Shantanu Roy, Functional Directors, and senior leadership of BEML | August 29, 2025





BEML Ltd inaugurated its new Phase I warehousing facility at the KIADB Aerospace Special Economic Zone (SEZ) in Bengaluru, marking a significant milestone in its aerospace journey, with the facility inaugurated by CMD Shri Shantanu Roy in the presence of KIADB dignitaries and senior officials | June 30, 2025

BEML Ltd inaugurated a state-of-the-art robotic welding cell and a modern HMV Axle Assembly Shop at its KGF Manufacturing Complex, with CMD Shri Shantanu Roy inaugurating the facilities, marking another milestone in strengthening the Company's advanced manufacturing capabilities and operational excellence | February 03, 2026





BEML Ltd rolled out the prototype of its state-of-the-art Driverless Metro Trainset (5RS-DM) for Bengaluru Metro's Phase-2 (2A & 2B) corridors at its Rail Complex, with the event led by BMRCL MD Dr. J. Ravishankar, IAS, and BEML CMD Shri Shantanu Roy, marking a major milestone in India's urban transit journey | December 11, 2025

BEML Ltd unveiled its next-generation BE220G Excavator and BL9H Backhoe Loader, alongside the indigenously developed BG1205 Motor Grader at its Mysuru Complex. The launch reinforces BEML's commitment to innovation, self-reliance, and delivering high-performance equipment for India's growing infrastructure and construction sectors | April 05, 2025





BEML Ltd inaugurated the Advanced SNK Machining Centre from Japan at its Bengaluru Complex, strengthening India's high-speed rail manufacturing capabilities. The facility was inaugurated by Shri Shantanu Roy, CMD, in the presence of Functional Directors and senior officials | September 29, 2025

Hon'ble Chief Minister of Maharashtra Shri Devendra Fadnavis and Dy CM Shri Eknath Shinde met BEML CMD Shri Shantanu Roy to discuss BEML's expanding role in Maharashtra's urban mobility solutions and highlighted BEML's indigenously developed driverless metro coaches for Mumbai | May 21, 2025





BEML CMD Shri Shantanu Roy met Chhattisgarh Chief Minister Shri Vishnu Deo Sai in Raipur to discuss BEML's expanding presence and collaboration opportunities in infrastructure, defence and mining. Discussions focused on local manufacturing, employment generation, logistics infrastructure and strengthening BEML's growth plans in Chhattisgarh | June 27, 2025

Under its CSR initiative, BEML Ltd. donated a 16-seater outreach vehicle to the Rajyoga Education & Research Foundation (RERF) to support de-addiction and digital wellness awareness across Karnataka, reinforcing its commitment to community well-being under the Nasha Mukt Bharat Abhiyaan | April 16, 2025





BEML Ltd received the Gold Award in the PSU category at the 5th EEPC India Quality Awards during EEPC India's Platinum Jubilee Celebrations, with CMD Shri Shantanu Roy receiving the honour from Hon'ble Union Minister Shri Piyush Goyal at Vigyan Bhawan, New Delhi | September 08, 2025



BEML Ltd received two prestigious honours at the ET Leadership Excellence Awards 2025 in New Delhi, with CMD Shri Shantanu Roy conferred the Excellence in Indigenous Engineering Award and BEML recognised as a Trusted Brand Excellence Award winner, presented by renowned actor Shri Anupam Kher | August 27, 2025

BEML Ltd received the prestigious Golden Peacock Eco-Innovation Award 2025 for its fully electric, indigenously developed BRS-21 Rope Shovel, recognising its breakthrough contribution to sustainable, zero-emission mining and India's growing leadership in eco-conscious heavy engineering. June 27, 2025





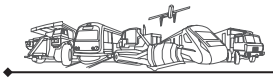
BEML Ltd wins two Gold Awards at The Economic Times Government PSU Awards 2025 for the Vande Bharat Sleeper Trainset and BRS21 Electric Rope Shovel, along with the EEPC Export Excellence Award, reaffirming its leadership in innovation and exports.

BEML Ltd's Palakkad Complex was honoured with the Gold Category Award at the prestigious GEEF Global Safety Award 2026 under the Manufacturing Industry – High Mobility Vehicles (HMV) for Defence Applications category, recognising its commitment to excellence in workplace safety and manufacturing | February 07, 2026



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Strategic Outlook

Building on a Strong Foundation for Sustainable Growth

FY 2025–26 represented an important year in BEML's transformation journey. While the Company delivered its highest-ever Revenue from Operations and strengthened its market position with a record closing order book of ₹15,896 crore, profitability was impacted by a combination of external execution delays and prudent recognition of one-time accounting provisions relating to long-duration projects and statutory obligations.

These developments, while affecting the Company's financial performance during the year, do not alter the underlying strength of BEML's business fundamentals. On the contrary, they reinforce the Company's commitment to conservative financial management, operational discipline and long-term value creation. The strategic investments made during the year in research and development, manufacturing capabilities, digital transformation and indigenisation, together with a diversified and high-quality order book, position the Company strongly for accelerated execution and improved profitability in the coming years.

As India continues to make sustained investments in defence modernisation, railway infrastructure, metro rail expansion, mining equipment and indigenous manufacturing, BEML remains well positioned to capitalize on these structural growth opportunities. With improving execution visibility, a stabilizing supply chain and a healthy pipeline of new business opportunities, the Company enters FY 2026–27 with confidence in its ability to deliver profitable and sustainable growth.

FY 2025 - 26: Strengthening the Platform for Future Growth

Although FY 2025–26 witnessed a decline in Profit Before Tax compared with the previous year, the reduction primarily reflected prudent accounting decisions rather than any deterioration in the Company's underlying operating capability.

During the year, BEML recognized one-time provisions exceeding ₹257 crore relating to supplier price escalation and foreign exchange impact in metro projects, expected contract losses on long-duration contracts in accordance with applicable Indian Accounting Standards, and the statutory impact arising from revision of the gratuity ceiling. Recognizing these obligations upfront reflects the Company's conservative accounting philosophy and enhances transparency while reducing future financial uncertainty.

Operationally, the Company continued to perform well. Revenue from Operations reached a record ₹4,351 crore despite execution delays in certain customer-driven projects. Value of Production also reached an all-time high, reflecting stronger manufacturing throughput and enhanced production capabilities. More importantly, the Company concluded the year with its highest-ever closing order book, providing multi-year revenue visibility and significantly strengthening future growth prospects.

The temporary moderation in profitability should therefore be viewed in the context of these exceptional accounting impacts and execution-related timing differences rather than weakening business fundamentals.

Operating Leverage Creates Significant Earnings Potential

An important characteristic of BEML's business model is its strong operating leverage.

The Company's breakeven revenue level is estimated at approximately ₹3,900 crore. Revenue generated beyond this threshold contributes significantly to operating profitability because a substantial portion of manufacturing and administrative costs remain relatively fixed.

Having already crossed this revenue threshold during FY 2025–26, incremental revenue arising from improved project execution is expected to translate into proportionately higher operating margins.

Management has reiterated its confidence that achieving approximately 20% revenue growth would support expansion in operating margins by around 150 basis points. This improvement is expected to be driven by higher manufacturing utilization, better absorption of fixed costs, improved execution efficiency, stabilization of supply chains, enhanced product mix and continued cost optimization initiatives.

The Company's margin expansion strategy is therefore closely linked to execution excellence rather than pricing alone. As larger orders move into the production phase and manufacturing capacities operate at higher utilization levels, operating leverage is expected to strengthen profitability over the medium term.

Robust Order Book Provides Multi-Year Revenue Visibility

One of the strongest indicators of BEML's future growth is its robust order pipeline.

The Company closed FY 2025–26 with an order book of ₹15,896 crore after executing orders worth over ₹4,154 crore during the year. Fresh order inflows remained healthy across Defence, Rail & Metro and Mining & Construction businesses, demonstrating continued customer confidence in BEML's engineering capabilities and execution expertise.

Management expects order inflows to remain strong during FY 2026–27, supported by expanding opportunities in Metro Rail, Indian Railways, Defence, Mining and strategic infrastructure projects. As highlighted in various investor interactions, the Company is targeting an order book exceeding ₹20,000+ crore through continued success in strategic bidding and execution.

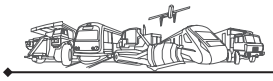
The quality of the order book has also improved considerably. Rail & Metro continues to constitute the largest share, followed by Defence, with Mining & Construction maintaining a stable presence.

Management believes that maintaining a healthy order pipeline while improving execution will remain the key driver of sustainable growth over the next several years.

Execution Momentum Expected to Improve

While order inflows remained robust during FY 2025–26, revenue recognition was impacted by delays that were largely beyond the Company's control.

Execution of LHB coach orders was affected due to prototype approvals, and specification changes. Similarly, the Vande Bharat Sleeper Train project experienced delays arising from post-prototype design refinements requiring modifications by suppliers. Certain mining equipment deliveries were also deferred due to slower procurement by coal sector customers.



Management has consistently emphasized that these challenges were primarily execution-timing issues rather than demand-related concerns.

Further, nearly 90% of the supply chain supporting key Defence and Rail & Metro projects has now stabilized following extensive vendor development and indigenisation initiatives. The remaining bottlenecks are expected to normalize progressively, enabling stronger production schedules and improved project execution.

With prototype approvals substantially completed, production facilities commissioned and vendor ecosystems maturing, BEML expects execution momentum to strengthen considerably during FY 2026–27. Several metro rolling stock projects, LHB coach deliveries, Vande Bharat Sleeper production, Defence mobility platforms & Mining eqpts. for Export are expected to contribute meaningfully to revenue growth.

Strategic Shift Towards High-Value Businesses

BEML's ongoing transformation into a technology-driven engineering company continues to reshape its long-term growth profile.

Over the last several years, the Company has progressively diversified from its traditional Mining & Construction business toward higher value-added Defence and Rail & Metro segments. These businesses benefit from long-term Government investment programmes, higher technology intensity, stronger entry barriers and relatively stable demand cycles.

The Defence business continues to emerge as one of the Company's fastest-growing segments, supported by increasing procurement under the Government's Atmanirbhar Bharat initiative and sustained investment in indigenous defence capabilities. BEML's expanding portfolio of mobility platforms, combat engineering equipment and strategic defence systems positions the Company to participate in future modernization programmes across the armed forces.

Similarly, the Rail & Metro business continues to benefit from India's unprecedented investment in urban mobility and railway modernization. Ongoing execution of metro rolling stock projects, Vande Bharat Sleeper trains, LHB coaches and future commuter rail programmes is expected to provide sustained growth opportunities over the coming years.

Although Mining & Construction experienced temporary moderation during FY 2025–26 due to slower capital procurement by coal sector customers, the long-term outlook remains encouraging, supported by infrastructure development and growing demand for indigenous heavy equipment & export market. With a portfolio comprising high-capacity dump trucks, electric rope shovels, excavators, motor graders and crawler dozers, along with planned entry into electric mining trucks, underground mining solutions, surface miners and indigenous Tunnel Boring Machines, BEML is positioning itself to address emerging opportunities across the mining value chain.

This balanced portfolio strengthens business resilience while positioning BEML to participate across multiple high-growth sectors of the Indian economy.

Investing for Long-Term Competitiveness

The Company continues to invest significantly in capabilities that will support future growth.

Research and Development expenditure increased substantially during FY 2025–26, with R&D expenditure rising to ₹251 crore, representing more than 6 % of revenue with respect to 2.6% in the previous year, reflecting BEML's commitment to indigenous technology development, advanced engineering, digital manufacturing and product innovation. Investments are focused on next-generation mobility platforms, defence systems, railway technologies and intelligent manufacturing solutions.

Capital expenditure during the year reached record levels of Rs. 379 Crs. with investments in modern production facilities, testing infrastructure, manufacturing automation and capacity expansion. These investments are expected to improve productivity, reduce manufacturing cycle times and support execution of increasingly sophisticated projects.

The Company also continues to strengthen localisation across its product portfolio. Higher indigenous content not only supports national priorities under Atmanirbhar Bharat but also improves supply chain resilience, reduces import dependence and enhances long-term cost competitiveness.

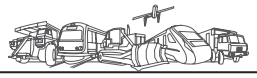
These strategic investments may have moderated near-term profitability; however, they establish a stronger competitive platform capable of supporting sustainable growth over the long term.

Expanding International Footprint and Export Opportunities

International markets represent an important component of BEML's future growth strategy, providing an opportunity to diversify revenue streams, reduce dependence on domestic market cycles and establish the Company as a globally competitive engineering and manufacturing organization. During FY 2025–26, BEML achieved a significant milestone by securing its first export order for Metro Rolling Stock for the African region. Currently, BEML have strong order book of USD 107 M. This landmark achievement reflects growing international acceptance of BEML's engineering capabilities, manufacturing expertise and ability to deliver advanced mobility solutions, while creating opportunities for further expansion across Africa, the Middle East, Asia-Pacific, West Asia and other emerging markets.

The Company is pursuing a focused export strategy across its key business segments, including Rail & Metro, Defence and Mining & Construction equipment, supported by strategic partnerships, technology collaborations, appointment of local representatives and development of service support networks in identified geographies. In the Rail & Metro segment, the successful entry into international markets provides a strong platform to participate in upcoming urban mobility projects globally. In Defence, BEML aims to leverage India's growing capabilities in indigenous defence manufacturing and increasing global interest in reliable mobility solutions. In the Mining & Construction segment, the Company is actively expanding its presence in resource-rich markets by leveraging its indigenous product portfolio, proven field performance and lifecycle support capabilities.

Building on its established presence in international markets, BEML continues to pursue opportunities in regions such as CIS region and the Middle East. In CIS region, the Company has supplied 480hp Bulldozers and is actively exploring opportunities in the gold mining sector, in the other CIS region, while in Oman, successful deployment of 60 Ton Dump Trucks has opened avenues for further engagement with mining customers. These initiatives demonstrate the Company's ability to adapt its market approach and identify growth opportunities across diverse geographies and applications.



Although exports currently contribute a modest share of overall revenue, BEML expects international business to become an increasingly meaningful contributor over the medium term. Through focused market development, localized customer support, technology-driven product offerings and strategic collaborations, the Company aims to strengthen its global presence and create a sustainable export-led growth platform aligned with India's emergence as a global manufacturing hub.

Outlook

The long-term fundamentals supporting BEML's business remain exceptionally strong.

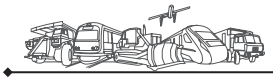
Government initiatives promoting infrastructure development, defence indigenisation, urban mobility, railway modernization and strategic manufacturing continue to create substantial opportunities across all of the Company's core business segments. BEML's diversified portfolio, robust order pipeline, expanding manufacturing capabilities and continued investments in technology provide a strong platform to capitalize on these opportunities.

Management remains confident of delivering improved operational performance through accelerated execution, stronger manufacturing utilization and continued operational efficiencies. The Company's strategic focus will remain centred on timely execution of its large order book, disciplined cost management, supply chain resilience, technological innovation and enhanced customer engagement.

Supported by a strong executable order book, improving project execution, stabilized supply chains and the benefits of operating leverage, BEML is well positioned to achieve sustainable revenue growth together with meaningful improvement in operating profitability. As execution accelerates across Defence, Rail & Metro and Mining businesses, the Company expects to translate its strong order pipeline into higher revenues, improved margins and enhanced shareholder value over the coming years.

Building on the strong foundation laid during **“the resilient FY 2025–26”**, BEML enters FY 2026–27 with renewed confidence and a clear strategic focus on execution excellence, operational efficiency and profitable growth. Backed by a resilient business model, disciplined financial management, a robust executable order book and an unwavering commitment to innovation, indigenisation and customer-centricity, the Company is well positioned to make FY 2026–27 its **"Year of Performance"**. As execution gathers momentum across its Defence, Rail & Metro and Mining & Construction businesses, BEML remains committed to delivering sustainable growth, creating long-term shareholder value and contributing meaningfully to India's infrastructure development, mobility transformation and national defence capabilities.

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Financial Highlights

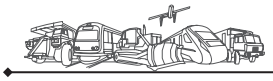
S.No	PARTICULARS	UNITS	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
A	**Our earnings**											
	Gross Revenue	₹ Lakhs	397771	354042	289975	296960	353304	306161	296731	346186	327728	280682
	Physical Export	₹ Lakhs	7553	4220	15323	17842	4875	2824	1450	1920	2814	2018
	Deemed Export	₹ Lakhs	10098	25661	91240	65172	51599	43490	4701	-	-	998
	Sale of Products & Services	**₹ Lakhs**	**415422**	**383923**	**396538**	**379973**	**409778**	**352475**	**302882**	**348106**	**330542**	**283698**
	Other Operating Revenue											
	Wind Energy	₹ Lakhs	1268	1330	1719	1680	1628	1800	-	-	-	-
	Scrap Sales	₹ Lakhs	3044	3084	2132	2267	2891	1446	-	-	-	-
	Others	₹ Lakhs	15319	13884	5044	5975	19452	4019	-	-	-	-
	Total Gross Revenue	**₹ Lakhs**	**435053**	**402222**	**405432**	**389895**	**433749**	**359740**	**302882**	**348106**	**330542**	**283698**
	Less: Value of Consortium supplies	₹ Lakhs	-	-	-	-	-	-	-	-	-	232
	Revenue net of Consortium Supplies	**₹ Lakhs**	**435053**	**402222**	**405432**	**389895**	**433749**	**359740**	**302882**	**348106**	**330542**	**283466**
	Less: Excise Duty	₹ Lakhs	-	-	-	-	-	-	-	-	5987	33585
	Revenue from operations	**₹ Lakhs**	**435053**	**402222**	**405432**	**389895**	**433749**	**359740**	**302882**	**348106**	**324555**	**249881**
	Change in WIP/SIT	₹ Lakhs	4124	2125	5203	(3768)	(15004)	(86)	29194	(1422)	(1866)	12509
	Value of Production (with Revenue from Operations)	**₹ Lakhs**	**423858**	**390463**	**405592**	**380152**	**399293**	**355635**	**332076**	**346684**	**322689**	**262390**
	Value of Production	**₹ Lakhs**	**423858**	**390463**	**405592**	**380152**	**399293**	**355635**	**332076**	**346684**	**328676**	**296207**
	Other Income	₹ Lakhs	2755	2491	4317	2378	674	1997	4855	2311	2490	6245
B	**Our outgoings**											
	Cost of materials	₹ Lakhs	231984	203600	214708	209885	226957	203825	189051	197062	172544	134573
	Employee Remuneration & Benefits	₹ Lakhs	83506	82621	82223	83976	85764	84865	84387	80193	80850	78072
	Interest	₹ Lakhs	4539	5431	3902	4625	4933	3912	4050	5939	4809	4780
	Depreciation & amortisation exp	₹ Lakhs	8339	7125	6374	6399	6607	7068	7130	6958	6424	6198
	Other Expenses	₹ Lakhs	93656	67519	69458	55760	74584	52700	49907	45747	50160	68768
C	**Our savings**											
	PBDIT	₹ Lakhs	32786	53098	48563	38884	32114	20262	13586	25993	27612	20807
	PBIT	₹ Lakhs	24447	45974	42189	32485	25507	13193	6456	19035	21188	14609
	PBT	**₹ Lakhs**	**19908**	**40543**	**38287**	**27860**	**20574**	**9281**	**2406**	**13096**	**16379**	**9829**
	PAT	**₹ Lakhs**	**14750**	**29419**	**28302**	**15878**	**13459**	**7480**	**6838**	**6349**	**12945**	**8444**
	Other Comprehensive Income (net of tax)	₹ Lakhs	(446)	231	631	1914	2649	7559	4358	1321	7066	1189
	Total Comprehensive income	**₹ Lakhs**	**14305**	**29650**	**28933**	**13964**	**10811**	**(79)**	**2480**	**5028**	**5879**	**7255**
D	**Own capital**											
	Equity	₹ Lakhs	4177	4177	4177	4177	4177	4177	4177	4177	4177	4177
	Other Equity	₹ Lakhs	286695	281219	260106	235337	226502	218268	221538	214547	215846	213978

Financial Highlights

S.No	PARTICULARS	UNITS	2025-26	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
E	**Loan capital**											
	Loans from Banks	₹ Lakhs	29199	21846	6056	37084	82257	64334	3620	9751	13502	11285
	Other loans	₹ Lakhs	-	-	-	-	-	10000	30299	30445	31055	32286
F	**Financial Statistics**											
	Net worth	₹ Lakhs	290872	285396	264283	239514	230679	222445	225715	218724	220023	218155
	Property, Plant & Equipment and Intangible assets (at cost)	₹ Lakhs	134252	117413	106168	97677	97668	95869	90971	85900	75597	68294
	Accumulated depreciation & amortisation	₹ Lakhs	67742	60647	54639	48504	43361	37484	30752	23913	17312	11208
	Net Block	₹ Lakhs	66510	56766	51529	49173	54307	58385	60218	61987	58285	57086
	Inventories	₹ Lakhs	233811	237936	225590	206141	207285	197065	200272	170227	179951	197446
	Trade Receivables	₹ Lakhs	227437	169588	143919	123670	186136	188451	150813	161305	164223	144137
	Working capital	₹ Lakhs	287605	309425	277331	248030	282187	277377	273011	216523	207781	212666
	Capital Employed	₹ Lakhs	412050	397212	353382	297203	336494	335762	333229	278510	266066	269752
	Value added	₹ Lakhs	191874	186863	190884	170266	172336	151810	143025	149622	150145	127817
	Final Dividend-Excl. Tax	₹ Lakhs	10228	500	6455	2082	500	1458	1041	3332	3332	1666
	Interim Dividend-Excl. Tax	₹ Lakhs	3998	8329	2082	2082	2082	1999	1041	1874		
	R&D Expenditure	₹ Lakhs	25135	10069	8671	7454	10266	13266	10354	7072	10204	7808
	No. of Employees	Nos	4930	4761	4888	5197	5573	6053	6602	7185	7722	8221
G	**Financial Ratios**											
	Revenue from operations per Employee	₹ Lakhs	88.25	84.48	82.94	75.02	77.83	59.43	45.88	48.45	42.03	30.40
	Value Added per Employee	₹ Lakhs	38.92	39.25	39.05	32.76	30.92	25.08	21.66	20.82	19.44	15.55
	PBT to Revenue from operations	%	4.58	10.08	9.44	7.15	4.74	2.58	0.79	3.76	5.05	3.93
	PBIT to Capital employed	%	5.93	11.57	11.94	10.93	7.58	3.93	1.94	6.83	7.96	5.42
	PAT to Net worth	%	5.07	10.31	10.71	6.63	5.83	3.36	3.03	2.90	5.88	3.87
	Debt Equity ratio	Times	0.10	0.08	0.02	0.15	0.36	0.33	0.15	0.18	0.20	0.20
	EPS *	₹	17.71	70.64	67.96	38.13	32.32	17.96	16.42	15.25	31.08	20.28
	Final Dividend	%	246.00	12.00	155.00	50.00	12.00	35.00	25.00	80.00	80.00	40.00
	Interim Dividend	%	96.00	200.00	50.00	50.00	50.00	48.00	25.00	45.00	0.00	0.00
	Revenue from operations to Capital employed	%	105.58	101.26	114.73	131.19	128.90	107.14	90.89	124.99	121.98	92.63

* Split of shares from Face Value ₹ 10/- Per Share to ₹ 5/- Per Share w.e.f 3rd November 2025.

The company paid an interim dividend of ₹ 4.80/- per equity share (i.e. 96%) of face value of ₹ 5/- for FY 2025-26, amounting to ₹ 3997.87 Lakhs. Further the Board has recommended a final dividend of ₹ 12.28 per equity share (i.e., 246%) amounting to ₹ 10227.89 Lakhs approximately subject to the approval of shareholders at the Annual General Meeting. The total cash outflow for the payment of dividend for FY 2025-26 would be ₹ 14225.76 Lakhs.



BOARD'S REPORT

Your Board of Directors has pleasure in presenting 62nd Annual Report of the Company along with Audited Financial Statement for the year ended 31.03.2026 as under:

Financial results:

(₹ in crore)

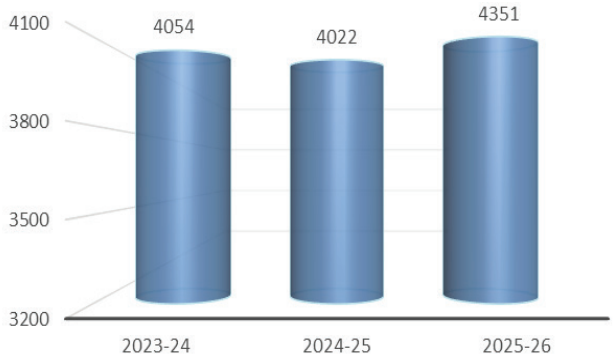
Particulars	2025-26	2024-25
Revenue from Operations	**4351**	4022
Value of Production	**4239**	3905
Profit before Depreciation, Interest and Tax	**328**	531
Finance costs	**45**	54
Depreciation and amortization expense	**83**	71
Profit Before Tax	**199**	405
Tax Expense	**52**	111
Profit After Tax	**147**	294
Other Comprehensive Income	**-4**	2
Total Comprehensive Income	**143**	296
Profit available for appropriations	**1063**	1009
Net worth	**2909**	2854

Revenue from Operations & Profitability:

Revenue from Operations

During the year, Revenue from Operations is ₹ 4351 crores as against ₹ 4022 crores in the previous year, up by 8.18 %.

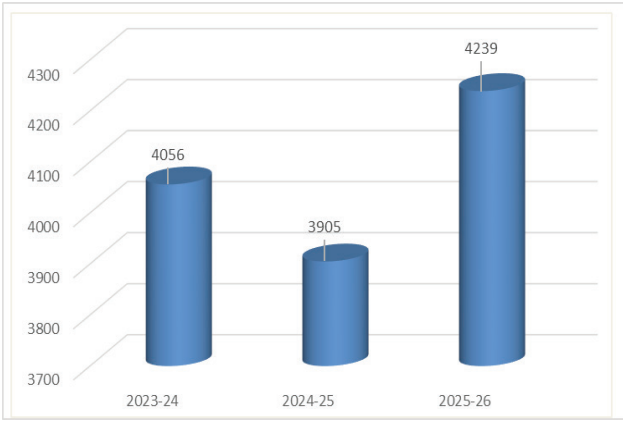
(₹ in crore)



Value of Production

Value of Production is ₹ 4239 crores as against ₹ 3905 crores in the previous year, up by 8.55%.

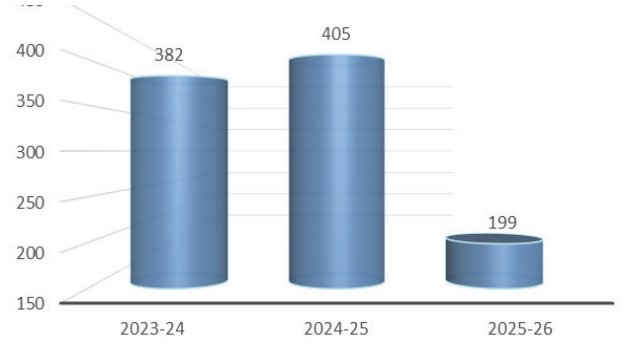
(₹ in crore)



Profit Before Tax

Your Company registered a Profit before Tax of ₹ 199 crores as against Profit before Tax of ₹ 405 crores in the previous financial year, down by 50.86%.

(₹ in crore)



Improvements/ achievements in other financial/ operational parameters are provided here under:

- Revenue of Mining & Construction business is down by 19% over the previous year.
- Revenue of Defence business is up by 38 % over the previous year.
- Revenue from operations per employee has gone up by 4%.

- Material consumption as a % of VoP is increased by 2.59% over the previous year

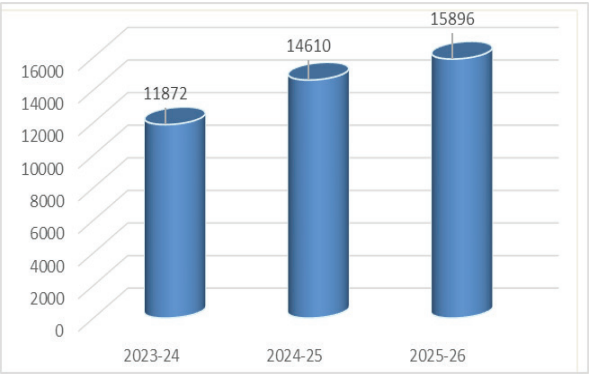
Exports:

Your company made exports aggregating ₹ 176.50 crores (which includes physical exports of ₹ 75.53 crores and deemed export of ₹ 100.98 crores) and got export incentive of ₹ 1.69 crores during FY 2025-26 as against exports of ₹ 298.82 crores (which includes physical exports of ₹ 42.21 crores and deemed export of ₹ 256.61 crores) and export incentive of ₹ 3.52 Crores during the previous year.

Order Book Position:

The order book position of your Company as on 01.04.2026 is ₹ 15,896 crores as against ₹ 14,610 crore orders in the previous year. The Order book comprises of three business verticals, i.e., Mining & Construction, Defence & Aerospace and Rail & Metro.

(₹ in crore)



Performance vis-à-vis MoU:

Performance of your Company, in terms of the Memorandum of Understanding (MoU) signed with the Department of Defence Production, Ministry of Defence (MoD), Government of India, was rated as 'Very Good' for the financial year 2024-25 and the rating for the financial year 2025-26 is under self-evaluation.

Transfer to General Reserve

During the year under review, your Company has not transferred any amount to General Reserve.

Dividend:

Your Board of Directors approved an interim dividend of ₹ 2.50 per equity share i.e., 50% on equity shares of ₹ 5 each on 06.02.2026 which was distributed among the eligible shareholders. Additionally, your Board of Directors have further approved a 2nd interim dividend of ₹ 2.30 per equity share i.e., 46% on equity shares of ₹ 5 each on 29.05.2026 which was distributed among the eligible shareholders.

Further, the Board of Directors have recommended a final dividend of ₹ 12.28 per equity share i.e., 246% on equity share of ₹ 5 each at its meeting held on 07.08.2026 aggregating to a total dividend of ₹ 17.0870 (i.e. 342% Paid-up value of equity shares) for FY 2025-26, keeping in view the future prospects of the Company and at the same time meeting the aspirations of the shareholders.

Your Company formulated a 'Dividend Distribution Policy' which includes the parameters and circumstances in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said policy is posted on the Company's website https://www.bemlindia.in/writereaddata/Downloads/201806251810Dividend%20Distribution%20Policy.pdf.

Change in the Nature of Business:

There was no change in the nature of business of the Company during the year.

Material Change/ Commitment affecting the Financial Position:

No material change/ commitment has occurred affecting the financial position of the Company subsequent to the financial year ended 31.03.2026 till the date of this report.

Capital Structure:

During the year under review, the Company undertook sub-division / split of its exiting equity shares from face value of ₹ 10/- each to ₹ 5/- each in the ratio of 1:2, pursuant to the approvals received from the DIPAM and shareholders, in line with the applicable provisions.

Consequent upon the aforesaid sub-division, the authorized share capital of the Company comprising 10,00,00,000 equity shares of ₹ 10/- each was sub-divided into 20,00,00,000 equity shares of ₹ 5/- each. Further, the Issued Share Capital comprising 4,19,00,000 equity shares of ₹ 10/- each (including 2,55,500 forfeited equity shares) was sub-divided into 8,38,00,000 equity shares of ₹ 5/- each. The Paid-up Share Capital comprising 4,16,44,500 equity shares of ₹ 10/- each was sub-divided into 8,32,89,000.

Accordingly, the aforesaid sub-division resulted in a change in the capital structure of the Company.

Finance:

The working capital requirements were met from the internal accruals and credit facilities availed from banks. There was no overdue instalment of principal and/ or interest to the banks.

M/s Care Ratings have reaffirmed CARE AA-; Stable/CARE A1+ for fund based facilities (Short term borrowings) and CARE AA-; Stable for non-fund based bank guarantee (Long term bank facilities) & letter of credit facilities for an amount of ₹ 5,500 crores (wherein ₹ 4,500 crores are Secured Working Capital limits and ₹ 1000 crores are Unsecured Working Capital limits).

Details of credit ratings is being communicated to Stock Exchanges and the same are placed on Company's website https://www.bemlindia.in/investors/credit-rating.

Pursuant to SEBI notification, BEML doesn't qualify under the eligibility criteria as Large Corporate (LC) for the year 2025-26 as per the framework provided. As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended 31.03.2026 have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31.03.2026.

Internal Financial Controls:

The Company has various manuals such as Accounts, Cost Accounting and Pricing, Stores, Purchase, Internal Audit etc. For easy reference, the manuals are available in "BEML Bulletin Board" an internal portal, wherein the soft copies of Manuals are loaded. The soft copy of the Manuals can be viewed by Executives and Non-Executives concerned for compliance thereof. The

manuals are in line with the delegation of powers and are being updated periodically. The changes made, if any, to the manuals are circulated among all concerned and also updated in the portal.

The internal audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. Further the company has put in place adequate Internal Financial Controls (IFCs) with respect to Financial Statements. The adequacy of IFCs over financial reporting is covered by the Statutory Auditors in their Audit Report. In addition, the details of the IFCs are included under the heading 'Internal control systems and their adequacy' in the Management Discussion & Analysis Report which forms part of this report.

Fixed Deposits:

The Company did not accept any fixed deposits during the year, and there was no outstanding Fixed Deposits at the beginning/ end of the year. Accordingly, there was no default in payment of deposits/ interest thereon.

Particulars of Loans, Guarantees or Investments:

As per the provisions of Section 186 of the Companies Act, 2013, the details of Loans, Guarantees and Investments are given in the notes to the Financial Statement.

Strategic Disinvestment:

The Ministry of Defence (MoD), vide letter dated 01.12.2016, communicated that the Cabinet Committee on Economic Affairs (CCEA) had accorded "in-principle" approval for the strategic disinvestment of 26% equity in the Company out of the Government of India's shareholding of 54.03%, along with transfer of management control.

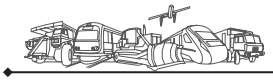
In connection with the strategic disinvestment process, BEML appointed M/s Deloitte Haskins & Sells LLP as consultants for advising, undertaking, and implementing the demerger of identified surplus/non-core assets of the Company that were not proposed to form part of the strategic disinvestment.

For the purpose of demerger, transfer, and vesting of identified surplus/non-core assets, BEML incorporated a wholly owned subsidiary, BEML Land Assets Limited (BLAL).

Subsequently, a petition was filed before the Ministry of Corporate Affairs (MCA) seeking approval of the Scheme of Arrangement. The MCA, vide order dated 28.07.2022, approved the Scheme of Arrangement for demerger into BEML Land Assets Limited (Resulting Company).

In terms of the approved Scheme of Arrangement, the identified surplus and non-core assets of BEML Limited were transferred and vested in BEML Land Assets Limited at their book value, with the appointed date of demerger being 25.08.2022.

Further, transfer deeds relating to assets located at Bhopal, Delhi, Chennai, and Kochi were executed between BEML and BLAL before the respective Offices of the Sub-Registrars on 21.03.2025, 08.04.2025, 21.05.2025, and 28.04.2026, respectively. Execution of transfer deeds in respect of assets situated in other States is expected to be completed in due course.



Mysuru Land (Township & Factory)

KIADB issued the Revised Possession Certificate/e-Khata for 21.315 acres of Township land on 15.03.2025 and thereafter executed the Sale Deed in favour of BEML on 30.12.2025.

Factory Land : Based on the available possession certificates, the Sale Deed in respect of 452 acres and 16 guntas of factory land was executed on 28.11.2024. Thereafter, the e-Khata was transferred from KIADB to BEML Limited on 06.03.2025.

BGML Land

BEML intends to (outright) purchase 28.35 acres of land from BGML has been approved by the Hon'ble Court and the requisite amount has been duly deposited with the court.

It has been observed that, out of the total extent of 28.35 acres, few acres are presently subject to an ownership dispute between the State Government and BGML. BEML has established a test track on the said portion of land and has been utilizing the same since 2004.

The matter is presently under discussion between the State Government and BGML. Upon resolution of the dispute, execution of the Sale Deed in favour of BEML by BGML will be completed.

The registration of the sale deed is currently in progress.

Directors & Key Managerial Personnel:

(1) Appointment/ re-appointment of Independent Directors (IDs)

During the year 2025-26, Shri Siva Makutam and Shri Vikas Kakatkar were appointed as Independent Director for instead the period of 1 year w.e.f 17.04.2025. In terms of section 149 of the Companies Act, 2013, the provisions of section 152(6) and (7) in respect of retirement of directors by rotation shall not be applicable to IDs. Pursuant to Schedule IV of the Companies Act, 2013, the appointment/ re-appointment of the Independent Directors would be formalized through a letter of appointment setting out the terms and conditions in case of their appointment, which is also placed on the web-site of the Company at www.bemlindia.in.

(2) Statement on declaration by Independent Directors

Independent Directors had furnished necessary declarations, in terms of Section 149(7) of the Companies Act, 2013, stating that they had fulfilled the criteria of independence as provided under Section 149(6) of the said Act and Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 subject to the exemptions granted to Government Companies. The Board reviewed the said declarations.

(3) Change of Directors and Key Managerial Personnel

In terms of Article 97 of the Articles of Association of the Company, the President of India is vested with the power to appoint the Directors of the Company from time to time and also shall determine the term of office of such Directors. Accordingly, the following appointments / cessations on the Board of the Company were effected during FY 2025-26 as per the directives of the President of India:

(i) Smt Nishtha Upadhyay ceased to be Government Nominee Director of the Company w.e.f. 14.07.2025 vide MoD letter no. 8(32)/2019-D(Coord/DDP) Dated 14.07.2025.

(ii) Smt Meera Mohanty (DIN: 03379561), was appointed as Government Nominee Director of the Company vide MoD letter no. 8(32)/2019-D(Coord/DDP) Dated 14.07.2025. She assumed charge on 14.07.2025. Further, she ceased to be Government Nominee Director of the Company vide MoD letter no. 8(29)/2026-D(Coord/DDP) dated 05.06.2026.

(iii) Shri Sachin Dighde (DIN: 11306396), was appointed as Director (Defence & Aerospace Business) of the Company vide MoD letter No. 8(1)/2024-D (BEML)/ DP/ (M&P) dated 14.07.2025. He took charge on 18.09.2025.

(iv) Shri Bipin Kumar Gupta (DIN: 00293673) who was appointed as Independent Directors of the Company vide MoD letter dated 10.02.2023, ceased to be the Independent Directors on completion of his tenure of 3 years on 09.02.2026.

(v) Shri Vikas Kakatkar (DIN 02372234) and Shri Siva Makutam (DIN 09450599), who were re-appointed as Independent Directors of the Company vide MoD letter dated 17.04.2025, ceased to be the Independent Directors on completion of their tenure of 1 year on 16.04.2026.

(vi) Shri Dinesh Mahur (DIN- 10862645), was appointed as Government Nominee Director of the Company vide MoD letter no. 8(29)/2026-D(Coord/DDP) Dated 05.06.2026.

Shri Shantanu Roy, Chairman & Managing Director (DIN: 10053283) and Shri Rajeev Kumar Gupta, Director (DIN: 10803828) are liable to retire by rotation at the ensuing annual general meeting and being eligible, offer themselves for re-appointment.

(4) Remuneration of Director:

As per the provision of section 197(12) of Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, every listed company is required to disclose the ratio of remuneration of each Director to the median employees' remuneration and details of employees receiving remuneration exceeding limit as prescribed from time to time in the Board Report.

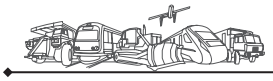
However, as per notification dated 5th June' 2015 issued by MCA, Government Companies are exempted from complying with the provision of section 197 of Companies Act, 2013. Therefore, such particulars have not been included in Board Report.

Government Nominee Directors were neither paid any remuneration nor sitting fee for attending Board/ Committee meetings. Independent Directors are paid sitting fee of ₹ 25,000 per meeting of the Board/ Committee of the Board attended by them.

Neither there was payment of commission to the Board of Directors nor any stock option scheme offered to them during the year. Further, none of the Directors had any pecuniary relationship nor entered into any related party transactions with the Company during the year.

(5) Number of meetings of Board:

During the year, nine meetings of the Board were held on 28.04.2025, 09.05.2025,



23.05.2025, 06.06.2025, 21.07.2025, 11.08.2025, 29.09.2025, 05.11.2025 and 06.02.2026. Requirements on number and frequency of meetings, in terms of Section 173(1) of the Companies Act, 2013, Regulation 17(2) of Listing Regulations, and Para 3.3.1 of the DPE Guidelines, were complied with in full.

(6) Directors' Responsibility Statement:

Pursuant to section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors state that,

(a) in the preparation of the annual accounts for the year ended 31.03.2026, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) 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 2025-26 and of the profit of the Company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(7) Board Evaluation:

The Board of Directors of the Company comprises Functional Directors, Government Nominee Directors and Independent Directors appointed by the Government of India from time to time pursuant to Article 97 of Articles of Association of the Company. Further, the Government communication also indicates the detailed terms and conditions of their appointment based on applicability of the relevant rules of the Company.

In view of the above, the performance of all Functional Directors and Government Nominee Director is being evaluated by the Administrative Ministry every year based on own evaluation methodology. Further, considering the educational qualifications, age, rich and varied experience of the applicants, the Administrative Ministry/ Department would appoint the IDs on the Board on the recommendation of Search Committee after obtaining approval of competent authority. In addition, the assessment/ evaluation of performance of Independent Directors who will be completing their tenure/ seeking extension was undertaken by the Department of Public Enterprises through Administrative Ministry periodically. As per requirement of SEBI (LODR), Independent Directors in their meeting held on 26.12.2025 undertook the evaluation of performance of functional directors.

Committees of the Board

The following mandatory Committees required under Companies Act, Listing Regulations, DPE guidelines/ MoD Directives are constituted by the Board to function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility and Sustainability Committee.
- Procurement Committee
- Share Certificate Committee
- Technology Committee

The details of the Committees along with their composition, number of meetings held and attendance at the meetings are provided in the Corporate Governance Report as annexure to the Board Report.

Enterprise Risk Management:

It terms of Section 134 of the Companies Act, 2013, Regulation 17 & 21 of the Listing Regulations and Chapter 7 of DPE Guidelines, your Company has constituted Risk Management Committee (RMC) and implemented Board approved "Risk Management Policy (RMP)" Further, the composition, reconstitution and the terms of reference in line with quorum, minimum number of meetings, gap between two meetings of RMC and Powers, roles and responsibilities of RMC as duly approved by the Board are incorporated/ amended in the RMP as per the SEBI Listing Regulations. With the induction of Independent Director, all Business Group Directors, Director (Finance), Director (HR) and Independent Director will be the members of the Committee and senior most Functional Director will head the Committee. During the year, RMC met twice 28.04.2025 & 04.11.2025.

The Corporate Risk Committee prepares the key risks along with mitigation plans and report to the Risk Management Committee constituted in terms of Regulation 21 of the Listing Regulations. The said key risks and mitigation plans will be placed before Audit Committee, which recommends it for review and approval of the Board.

The Board reviews the key risks along with mitigation plans and monitor the status on risk management periodically. The RMP is placed on the Company's website https://www.bemlindia.in/writereaddata/Downloads/20200330223 3Risk_Management_Policy.pdf.

Renewable Energy Development, Energy Conservation, Research & Development, Technology Absorption and foreign exchange earnings and outgo:

In terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the information on energy conservation, technology absorption and foreign exchange earnings and outgo including the products developed by the Company during the year is placed at **Annexure-I**.

Related Party Transactions:

Pursuant to Regulation 23 of the Listing Regulations, your Company has formulated a "Policy on Related Party Transactions", to regulate transactions entered into between the Company and its related parties. Further, in terms of Regulation 46(2)(g) of the Listing Regulations, the said policy is

placed on the web-site of the Company at https://www.bemlindia.in/writereaddata/Downloads/202003301756Related_Party_Transactions_Policy.pdf

During the year 2025-26, all related party transactions (RPT) that were entered into with the related parties were fair, transparent and at arm's length basis and also in the ordinary course of business of the Company. However, pursuant to provisions of section 188 of the Companies Act, 2013, RPTs between two government companies are exempted.

The said related party transactions were also duly considered and noted by the Audit Committee. Information as required under section 188 in Form AOC-2, pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is attached to this report as ***Annexure-II***.

Compliance of applicable Secretarial Standards:

Your Company has complied with the provisions of applicable secretarial standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India in terms of Section 118(10) of the Companies Act 2013. Further, as stipulated in Standard 9 of SS-1, a statement on compliances of applicable Secretarial Standards is included in the Report of the Board of Directors.

Corporate Governance Report:

In terms of Regulation 34 of the Listing Regulations and Chapter 8 of the DPE Guidelines, a report on Corporate Governance (CG) compliance is included in the Board's Report. M/s MMA Partners & Associates, Practicing Company Secretaries (PCS) have issued a Compliance Certificate on the same. In terms of Para 8.2.3 of the DPE Guidelines of CPSEs, the Company's compliance level as per the grading report on Corporate Governance is rated as 'Excellent' with 93.15% (average for 4 quarters) for FY 2025-26 based on self-evaluation. The aforesaid report on Corporate Governance along with Compliance Certificate is placed at ***Annexure-III***.

Management Discussion and Analysis Report:

In terms of Regulation 34 of Listing Regulations and Chapter 7 of the DPE Guidelines, report on Management Discussion and Analysis Report is placed at ***Annexure-IV***.

Business Responsibility & Sustainability Report:

A Business Responsibility & Sustainability Report (BRSR) for FY 2025-26 in terms of Regulation 34 of Listing Regulations, describing the initiatives taken by the Company on environmental, social and governance perspective, in the format as specified by SEBI from time to time is placed at ***Annexure-V***.

Corporate Social Responsibility & Sustainability Committee:

Your Company has constituted Corporate Social Responsibility & Sustainability (CSR) Committee and implemented Board approved "CSR Policy" pursuant to Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and DPE Guidelines on MoU. Further, the composition, reconstitution and enhanced terms of reference as duly approved by the Board are incorporated in the CSR Policy.

On 31.03.2026, the Committee comprises of Shri Vikas Kakatkar, Independent Director as Chairperson, Shri Siva Makutam, Independent Director, Shri Anil Jerath, Director (Finance) and Shri Rajeev Kumar Gupta, Director (Rail & Metro Business) as members. The CSR Committee met three times during the year on 28.04.2025, 10.08.2025, and 03.11.2025. An amount of ₹ 7.27 crores was spent during FY 2025-26 towards CSR activities which was more than 2% as stipulated under the Companies Act, 2013 and was in line with the Board's approved purposes and the same was certified by the Chief Financial Officer/ Director (Finance) and Chairman of CSR Committee. Annual Report on CSR activities for FY 2025-26 is placed at ***Annexure-VI***.

Demat Escrow Account:

Particulars	No. of shareholders	No. of shares
number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (April 1, 2025)	--	--
No. of shares Transferred to suspense / escrow demat account during the year on account of Stock Split (November, 2025) – Physical shareholders	295	131282
Number of shareholders who approached for transfer of shares from suspense account during the FY 2025-26	3	600
number of shareholders to whom shares were transferred from suspense account during the FY 2025-26	0	0
aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e 31.03.2026	295	131282

voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Vigilance:

The Vigilance Department functions under the leadership of an independent, full-time Chief Vigilance Officer. Dr. Sajid Farid Shapoo, IPS, assumed charge as CVO in November 2024. The department serves as an extended arm of the Central Vigilance Commission and acts as a vital link between the Company, the Administrative Ministry, and the CBI. Vigilance is treated as an integral managerial function, with a focus on prevention, detection, and enforcement.

Complaint Handling & Preventive Vigilance:

All complaints are processed in strict accordance with the Company's Complaint Handling Policy and CVC guidelines. Only cases with a clear "vigilance angle" are registered and investigated.

Vigilance Metric	FY 2025-26
Complaints carried forward from FY 2024-25	1
Fresh complaints received FY 2025-26	26
Complaints disposed	18
CTE-type in-house inspections	8
System studies conducted	8
Vigilance clearances processed via 'SAMPARK'	4,228

Preventive vigilance measures included scrutiny of purchase orders, contracts, TA/DA and medical claims, annual property returns, store/inventory management, vendor assessment, weighbridge operations, bill clearance, and product quality. Recommendations were made to management for systemic improvements in procurement, contract administration, and process efficiency.

Technology & Systemic Initiatives:

In line with CVC's emphasis on digitisation, the Company launched the **BEML-Vigilance Information Management System (B-VIMS)**. This digital platform standardises and streamlines all vigilance functions, enabling real-time monitoring, enhanced accountability, and transparent documentation across the organisation. The updated **Vigilance Manual 3.0** was released on 29th July 2025 by Shri Rishi Kumar Shukla, IPS, Former Director, CBI.

Vigilance Awareness Week 2025:

VAW-2025 was observed from 27th October to 2nd November 2025 with the theme "Vigilance: Our Shared Responsibility", as per CVC directives. Key initiatives included:

- **Integrity Pledge:** Administered to employees, students, faculty, and Gram Sabha participants.
- **Outreach:** Awareness programs in schools and colleges reached 4,690 students. Integrity Clubs were inaugurated at Sri Bhagawan Mahaveer Jain College, KGF and St. Joseph's Indian High School, Bengaluru.
- **Public Engagement:** Signature campaigns and selfie spots on the VAW theme were organised at prominent public locations to involve citizens.
- **Capacity Building:** Guest lectures by eminent personalities and in-house sensitisation programs covered 1,339 employees.
- **Vendor Meet:** Held on 30th October 2025 across all divisions via video conferencing with 280 vendors participating. CMD and Directors addressed vendor queries and grievances directly.
- **Publications & Competitions:** Released VigKiran Ver.14, the in-house vigilance magazine. The Bengaluru Complex vigilance team organised a first-of-its-kind reel-making competition for employee dependents.

Commitment:

The Company remains committed to fostering a culture of transparency, integrity, and accountability. Through technology-led initiatives, proactive outreach, and continuous systemic improvements, Vigilance continues to be a shared responsibility across all stakeholders.

Whistle Blower policy:

In terms of the provisions of Section 177 of the Companies Act, 2013, Regulation 22 of the Listing Regulations and Chapter 4 of the DPE Guidelines, your Company has formulated "Vigil Mechanism/ Whistle Blower Policy" for directors and employees to report genuine concerns. The said policy is placed on the Company's website https://www.bemlindia.in/wp-content/uploads/2023/05/Whistle_Blower_Policy.pdf. The policy provides for adequate safeguards against victimization of director/s or employee/s or any other person who avail the said mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Audit Committee reviews the functioning of the whistle blower mechanism periodically as per Schedule II (A)(18) of Listing Regulations and Chapter 4 of DPE Guidelines. As per the said policy, none of the employees have been denied access to Audit Committee.

Quality:

BEML views quality improvement as a core business strategy and remains proactive in enhancing product and service excellence. The Company's Quality Policy, rooted in Total Quality Management (TQM), ensures that products, services, and processes consistently meet stringent standards and performance criteria. A dedicated Quality Department leads and drives the organization's TQM initiatives.

All manufacturing divisions are certified under the latest Quality Management System (QMS) standard, ISO 9001:2015. Additionally, all divisions comply with the Environmental Management System (EMS) standard ISO 14001:2015 and the Occupational Health & Safety standard ISO 45001:2018.

The Aerospace Division—Mysore Complex and Bangalore Complex—has been accredited with AS 9100D certification, demonstrating adherence to global aerospace quality standards.

BEML has been recognized with the Gold Award in the PSU category at the 5th Edition of the EEPC India Quality Awards, reflecting its commitment to excellence.

The organization actively promotes employee involvement in quality initiatives through Quality Control Circles (QCC). During 2025–26, three teams participated in national-level competitions, and all were adjudged "Par Excellence." Additionally, one Quality Circle team represented the company at the International Convention on Quality Control Circles (ICQCC) 2025 in Taipei, Taiwan, where it won a Gold Award.

Key Quality Improvement Initiatives (2025–26):

- The Quality Assurance system is continuously monitored across all manufacturing divisions to drive improvements in design, processes, and systems.
- Cross-functional team (CFT) initiatives undertaken across divisions include:
    1. Eight executives were trained and certified as Six Sigma "Green Belt" professionals, covering all manufacturing units.
    2. A total of 368 Kaizen projects were implemented.
    3. 170 quality improvement projects were executed to reduce rejections.
    4. 279 jigs and fixtures were added or upgraded to enhance manufacturing quality.
    5. 424 vendor visits and process audits were conducted to improve incoming material quality.

- Bangalore Complex is accredited with EN 15085 certification for welding of Railway Vehicles.
- Regular field failure review meetings are conducted to address quality and service issues. Corrective and preventive actions are systematically implemented and monitored for closure.
- To strengthen quality control and ensure measurement consistency, 93 digital measuring instruments were procured and deployed across all manufacturing units.
- BEML is implementing QA4.0 across all manufacturing units, highlighting its commitment to Quality Excellence and Digital Innovation.

Make in India Initiatives and Indigenization of products

BEML is committed to the "Make in India" (Atmanirbhar Bharat) policy and considers it an opportunity to boost Indigenisation of Equipments to achieve cost benefits and also complement the strengths of private sector to build a strong industrial base.

BEML has been systematically indigenizing the products through extensive R&D efforts and has achieved 90% in the mainline Mining & Construction products, Rail coaches & EMU's, over 97% in High Mobility vehicles HMV 8x8 & HMV 6X6 and over 65% in Metro cars. Further efforts are underway to reach higher levels.

BEML has nominated a Chief Indigenisation officer for Make in India drive and list of items for indigenization are hosted on Srijan portal website: www.srijan.gov.in

Further to emphasize on Indigenization Our Company has formed a Separate Indigenisation Vertical consisting members from Planning, Materials, Quality & R&D for focus on Indigenisation" in each SBU.

Under this initiative Company has designed and developed products as follows:

- **BEML Unveils India's first Indigenous 35 – Ton Electric Dump Truck,** Advancing Green Mining Solutions. The development marks a major step towards sustainable mining & infrastructure solutions. The indigenously designed electric dump truck is engineered to deliver high productivity with zero tailpipe emissions. Built to global standards the platform aligns with India's ESG commitments and carbon reduction goals. While reinforcing BEML's focus on clean and future ready technologies. The vehicle is equipped with a Regenerative Braking System (RBS), enabling energy recovery during operations, particularly in downhill conditions. A state of the art Battery Thermal Management System (BTMS), featuring liquid cooling, ensures optimal temperature regulations, enhancing safety and extending the life of the 300 KWh Lithium ion battery.

  In addition to its environment advantages, the platform offers substantial economic benefits, including upto 60-70% savings in energy costs & 40-60% reduction in overall operating costs, lower maintenance requirements, owing to fewer mechanical components, further enhance its value proposition. Our Company also provides scalable charging infrastructure solutions, enabling 0-80% charging in approximately 60 to 90 minutes to support continuous operations.

  With this launch BEML further strengthens its position as a leader in Mining & Construction equipment, while contributing to India's vision of sustainable industrial growth & self reliance.

- **BEML Ltd, a leading Defence and aerospace company, has launched its indigenously designed and manufactured High Mobility Vehicle (HMV) 12x12 at its Palakkad complex.**

  Developed for the Vehicles Research and Development Establishment (VRDE), DRDO, this state-of-the-art vehicle enhances operational mobility for India's Defence forces while advancing the nation's vision of AatmaNirbhar Bharat in strategic military assets. The HMV 12x12 is engineered for extreme terrains and challenging climatic conditions, making it a vital asset for Defence operations.

  It is powered by a BSIII compliant engine and features a 7-speed Allison Automatic Transmission, supporting a Gross Vehicle Weight (GVW) of 65 tons. The vehicle has been developed through BEML's Futuristic Product Innovation and Incubation Centre (FPIIC), further reinforcing India's Defence self reliance.

  With the unveiling of the HMV 12X12, BEML continues to play a pivotal role in advancing India's Defence mobility solutions, leveraging its in house expertise and world class manufacturing capabilities to fortify national security & readiness.

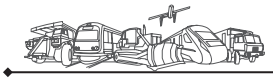
- **BEML Ltd launches Indigenously Designed Motor Grader BG1205 to strengthen India's Mining Sector**

  BEML one of India's leading mining and construction equipment manufacturers, proudly announced the launch of its indigenously designed and developed Motor Grader BG 1205 at its Mysuru complex. Equipped with an impressive 24-foot blade, the BG 1205 has been meticulously crafted to meet the evolving demands of the mining sector. Designed especially for high-intensity operations in regions such as SECL Bilaspur and Northern Coalfields Limited (NCL) in Singrauli, this state-of the-art equipment is tailored to support the increasing need for efficient road-laying machinery capable of handling high-capacity dumpers. With a focus on superior performance, the BG 1205 is set to enhance productivity, ensure operational efficiency, and contribute significantly to the sustainability of mining operations.

  BG 1205 will play a pivotal role in driving sectoral growth and supporting Coal India Limited's vision of reducing dependency on imported mining equipment. With this launch BEML Ltd continues to demonstrate its leadership in indigenous manufacturing and its commitment to building a self reliant India.

- **BEML Honoured with Double Gold for Vande Bharat Sleeper & Electric Rope Shovel at ET PSU Awards 2025**

  The Gold Award for future ready infrastructure was conferred upon BEML for its pathbreaking work on the Vande Bharat Sleeper Trainset – India's first indigenously developed semi high speed sleeper train capable of reaching speeds up to 180 Kmph, this next generation trainset represents a monumental leap in India's rail infrastructure and a major milestone in the journey towards Atmanirbhar Bharat. Designed & manufactured by BEML, the trainset combines cutting edge technology with passenger comfort, enabling operations at speeds of up to 180 Kmph. Built to global standards with crashworthy design, superior ride quality and advanced safety features, it marks a transformative leap in overnight travel for long distance routes.



The Company also received the Gold Award for Operational Excellence for the successful development of the BRS21 Electric Rope Shovel, India's first fully indigenised all electric rope shovel. This achievement sets new benchmarks in sustainable and energy efficient mining equipment, reinforcing BEML's leadership in advanced Make in India solutions for the core sector. Designed for high performance excavation in large scale mining operations, it offers enhanced energy efficiency, reduced carbon footprint and lower operating costs.

BRS21 is equipped with advanced features such as real time diagnostics, predicative maintenance systems and an ergonomic 360 deg operator cabin for enhanced safety & efficiency. With operating weight of 720 tonnes and a 21-cubic metre bucket, the BRS21 is purpose built for massive overburden removal in Large scale open cast mines like Nigahi.

- **BEML Ltd achieved a significant milestone with the induction of its indigenously manufactured Mechanical Minefield Marking Equipment Mark-II (MMME MK-II) into the Indian army.**

  The accomplishment underscores the successful collaboration between the armed forces, DRDO and BEML, furthering the Aatmanirbhar Bharat vision by strengthening India's self-reliant defence manufacturing ecosystem.

  Further during the year 2025 – 26, Our Company has indigenized 133 items covering all business verticals viz., Defence, Metro & Mining & Construction items. Some of the major items indigenized are 4 door cabin, brake sub assembly, floor boards, ceiling panel, saloon door system, propellor shaft, NBC filtration system & Pneumatic system etc.,

  Continuous efforts are on to reduce the import content further and increase Make in India content.

Integrity pact

Pursuant to the directives from Central Vigilance Commission and Ministry of Defence, Integrity pact is being adopted with all Vendors / Suppliers / Contractors / service providers for all orders / contracts of value < 1 crore and above.

The pact essentially envisages an agreement between the prospective vendors / bidders and the Company, committing the persons / officials of both sides, not to resort to any corrupt practices in any aspect / stage of the contract.

Only those vendors / bidders, who commit themselves to such a pact with the principal, would be considered competent to participate in the bidding process.

Integrity pact, in respect of a particular contract, would be operative from the stage of invitation of bids till the completion of contracts. Any violation of the same would entail disqualification of bidders and exclusion of for future business dealings.

Two Independent External Monitors (IEMs) have been appointed to review the cases on bi-monthly or quarterly basis.

During 2025-26, ₹ 5,140.95 crores of purchase orders were released with Integrity pact out of total purchase orders value of ₹ 6,100.62 crores.

e-Procurements

BEML Supplier Relationship Management (SRM) is aiming to establish web based seamless relationship and collaboration of procurement process with its Global business partners.

BEML endeavors to procure materials and services through e-procurement platform on SRM system.

Online Vendor payment tracking option to check status of payments against supplier / services / payment orders.

Tender status updates are provided through automatic emails to bidders with reasons for rejections.

After opening of the price bids, all technically qualified / pre-qualified bidders will be able to see the price details of other bids submitted against the tender.

During the year about 93.5% of the total requirement was sourced through e-procurement.

Procurement through GeM:

Government e-Marketplace (GeM) is implemented by the Government with the aim to transform the way in which procurement of goods and services is done by Government Ministries & departments, Public sector undertakings and other apex autonomous bodies of the Central Government. Procurement through GeM has been authorized by General Financial Rules by making necessary changes in government rules. GeM is a completely paperless, cashless and system driven e-market place that enables procurement of common use goods and services with minimal human interface.

During the year 2025-26, materials worth ₹ 2,820.37 crores have been procured through GeM out of the target value of ₹ 1,900.00 crores.

The same is being reviewed by the Audit Committee & the Board regularly.

Micro and Small Enterprises

Company is procuring materials required for production & for others through Micro & Small Enterprises (MSEs). 358 items which are reserved are being procured exclusively from MSEs.

Appropriate weightage has been given for MSEs in the MoU from 2015-16 onwards. As per the directive of Government, minimum 25% (Notified from 9th Nov'18) of procurements have to be procured from MSEs amended from 20% earlier. Provided a minimum 3% reservation for women owned MSEs and 4% for SC/ST Enterprises.

Further MSE procurement data is uploaded on "MSME SAMBANDH" portal on monthly basis.

During 2025-26, Company has procured ₹ 1,391.89 crores from MSEs out of ₹ 4,489.33 crores local procurement which constitutes 31% from MSEs.

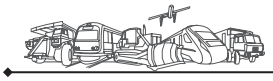
Vendor Development

Vendor development is a continuous process to identify and develop new vendors to bring in competition among the vendors and to reduce costs. Following methods are generally followed to identify potential new vendors:

- Publication of Expression of Interest (EoI) in BEML Website.
- Listing of imported items in SRIJAN PORTAL for Indigenization.
- Participation in exhibitions and seminars (Including Virtual).
- Organize Vendor meets (Including Virtual).

The procurements from Single source are being reviewed Quarterly by Audit Committee & Board.

The objective of Outsourcing & Vendor Development policy is to achieve cost effectiveness & improve competitiveness of Company in global market.



BEML recognizes outsourcing as one of the strategic tools to achieve cost benefits and also complement the strengths of private sector to build a strong industrial base. BEML is well on its journey to become a system integrator by outsourcing a substantial part of manufacturing activities from Indian vendors, enabling BEML to enhance the capacity, attain cost effectiveness and improve competitiveness in the global market.

To facilitate outsourcing, the company has well established policies, procedures and guidelines.

- New vendors are supported by way of imparting knowledge on manufacturing processes, specifications, quality plans, etc.
- BEML also extends its testing facilities to its vendors wherever required.
- To enhance transparency in all its procurement processes, BEML has well established e-Procurement Portal.

Further, as per the directives of Ministry of Defence, BEML has framed an "Outsourcing and Vendor Development Policy" duly approved by the Board. The objective of the policy is to enhance cost effectiveness and improve competitiveness of the Company in Global market. The other significant objective of this Outsourcing and Vendor Development Policy is to build a manufacturing eco system in the Country to attain self-reliance. On the other hand, participation of Indian private industry will be an enabler in building technological and manufacturing capability inside the country. Based on the policy so framed, a Road Map for Vendor Development has been prepared with yearly targets and monitored at the Board level periodically.

Rajbhasha:

The Hindi cell is functioning in the Corporate office of the Company and also in all Complexes & Divisions. It is responsible for ensuring the compliance of the Official Languages Act, the Rules made there under and the administrative instructions regarding use of Hindi received from the Ministry of Defence and the Department of Official Language from time to time, under its manufacturing complexes and Regional/ District Offices.

Compliance of Section 3(3) of Official Languages (OL) Act, 1963

Section 3(3) of Official Languages Act, 1963 has been complied with fully during the period under review and all the documents covered under this section have been issued bilingually. The position of the same is being monitored through the quarterly meetings of the Official Language Implementation Committee.

Hindi Training :-

Training in Hindi Prabodh, Praveen and Pragya courses were conducted at Corporate office and all complex offices, ROs and DOs for January-May, 2025 and July-November, 2025 and a total of 148 Executives and Non-Executives (Prabodh:49; Praveen: 40 and Pragya: 59) have been trained in these two sessions.

Incentive scheme for original work in Hindi: -

Cash incentive scheme for original work in Hindi has been implemented in the Company.

Hindi Online Workshop: -

In continuation of the practice of conducting all india level Hindi workshop through Online by BEML, the Corporate office and other offices on turn basis have conducted a total of 16 Hindi workshops and a total of 621 Executives / Non-Executives across BEML were trained.

Hindi company inhouse magazine: -

The latest issue of In house Hindi magazine "Kshitij-2025" released on the occasion of Dt. 11.04.2025 at Parliamentary Committee on Official Language inspection, Guwahati.

TOLIC Activities: -

In connection with the Rajabhasha Souhardh Utsav -2025 proposed by the Town Official Language Implementation Committee, Bengaluru, 'Hindi Antakshari' was conducted on 11.08.2025 at the BEML Corporate Office was organized and a total of 69 participants from various ventures participated in it.

Hindi Fortnight Celebrations:-

Hindi Fortnight was observed in the Corporate Office, all Complexes and ROs/DOs from September 14, 2025 to September 28, 2025. During this period, Executives and Non-Executives were motivated to do their maximum work in Hindi and competitions such as Hindi Crossword, Hindi Administrative Terminology, Hindi Quiz, Hindi Antakshari and Hindi Essay Competitions were organised. Instructions were issued to all offices to take the pledge on Hindi Day i.e. on September 14, 2025 in accordance with the guidelines issued by the Ministry of Defence and Department of Official Language, Ministry of Home Affairs.

Official Language Conferences: -

- Two executives have attended for one-day Regional Official Language Conference and Award Distribution Ceremony of South-West Region at Mysore on 04.01.2025 by the Department of Official Language, Ministry of Home Affairs, Government of India.
- Six executives have attended "Golden Jubilee Celebration" and All India Official Language Conference at Bharat Mandapam, New Delhi and Hyderabad held on 26th June and 10th July, 2025 on completion 50 years of the Department of Official language, Ministry of Home affairs, Govt of India.
- Four executives have attended for Hindi day and Fourth All India Official Language Conference at Gandhinagar, Gujarat held on 14 and 15 September, 2025 conducted by Department of Official language, Ministry of Home affairs, Govt of India.

Parliamentary Committee on Official Language Inspection:-

The first sub-committee of the Parliamentary Committee on Official Language has inspected the following offices and expressed their satisfaction over the progress achieved in Hindi across BEML.

Office	Date of Inspection
DO, Bhubaneshwar	27.02.2025
DO, Guwahati	11.04.2025
RO, Hyderabad	17.01.2026

MOD inspection on Official language inspection: -

Asst. Director (OL), MoD, New Delhi has inspected our BEML Limited, District office, Vishakhapatnam on official language aspects on 06.03.2026

RIO inspection on Official language inspection: -

Dy. Director (OL), Regional Implementation Office, Bangalore has inspected our BEML Limited, Corporate office, Bangalore on official language aspects on 06.05.2025

Internal Rajbhasha Inspection: -

A total of 02 internal Official Language Inspections have been done by Sr. Executives of Corporate office at various offices of BEML during the year 2025-26

S.No.	Date of Inspn.	Office
1	10.04.2025	District office, Guwahati
2	25.02.2026	District Office, Bhubaneshwar

Bilingual Equipment Manuals:-

- The manuals of User Hand Book (English) for BEML High Mobility Vehicle 6x6 BEML T815-28RR36 22 270 6x6 Received From KGF Complex has been completed and submitted on time.
- Company's BD 125 Series Engine manual translation work completed and submitted on time.

Other achievements:

- Hindi version of the Questionnaire has been prepared for submission to the Horizontal Examination of the Subject "Land Holding Optimization in select CPSUs"
- All translation work and Hindi typing work relating to Annual Reports, Comptroller and Auditor General Audit Paras, Technical Reports, Memorandum of Understanding, Reports on SC/ST, RTI, Reservation policy, Standing orders, Product Profiles, Advertisement Materials and important standard forms was printed and published bilingually.

Manpower:

The number of employees of the Company as on 31.03.2026 stood at 4923 as against 4755 for the previous year, reflecting an increase of 3.53%.

The category-wise number of SC/ ST and Ex-Servicemen employees as on 31.03.2026 and representation of SC/ ST and Ex-servicemen as of the same date as compared to total strength is as under:

Category / Group	Total Strength as on		No. of SC/ST and Ex-Servicemen					
			SC		ST		Ex-Servicemen	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Group A*	1789	1814	335	345	110	109	15	17
Group B	272	147	56	36	19	14	2	0
Group C	2861	2791	733	685	216	201	186	170
Group D	1	3	1	3	0	0	0	0
Total	**4923**	**4755**	**1125**	**1069**	**345**	**324**	**203**	**187**

** excluding Board level Executives & CVO on deputation*

a) Permanent and other than Permanent Executives and Non-Executives break up :

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Executives						
1	Permanent (D)	**1808**	1640	90.71	168	9.3
2	Other than Permanent (E)	**253**	222	87.75	31	12.3
3	**Total Executives(D+E)**	**2061**	1862	90.34	199	9.7
Non-Executives						
4	Permanent (F)	**2343**	2272	96.97	71	3.0
5	Other than Permanent (G)	**519**	504	97.11	15	2.9
6	**Total Non-Executives(F+G)**	**2862**	2776	97.00	86	3.0
7	**Grand Total (3+6)**	**4923**	4638	94.21	285	5.8

** excluding Board level Executives & CVO on deputation*

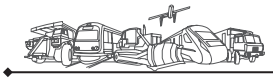
b) Executives and Non-Executives Turnover Rate :

Category of Personnel	2025-26			2024-25		
	Male	Female	Total	Male	Female	Total
Executives	3.54%	6.88%	3.86%	4.27%	7.62%	4.56%
Non-Executives	0.46%	0%	0.45%	0.25%	0 %	0.24%

c) Recruitment of SC/ ST/ OBC/ Economically Weaker Section (EWS)

Category / Group	OBC	SC	ST	EWS	ESM
Group A	38	16	4		
Group B					
Group C*	36	22	11	2	
Total	**74**	**38**	**15**	**2**	

**Inducted as BEML Trainees and will be absorbed into permanent Roll after completion of training and contract engagement. Apart from these,353 employees were engaged on tenure-based engagement belonging to SC, ST, OBC and EWS.*



Particulars of Employees

There were no employees of the Company who received remuneration in excess of the limits prescribed under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Industrial Relations:

The Industrial Relations play a pivotal role in maintaining harmony, productivity and mutual trust between Management and Employees.

During the year and as always, thrust was emphasized on participatory culture which was instrumental in maintaining a constructive harmonious relationship between the Management and the Unions/ Associations. Regular Meetings with the representatives of the recognized Unions/ Officers Associations at the Divisional, Complex and Corporate Levels were held and employee related issues were resolved amicably. Functioning of various Bi-partite Committees at Complex level focused on improvement of overall performance of the Company and resolved the issues in production related matters.

The overall IR climate during the year, as such, remained peaceful and cordial.

Skill Development Initiatives (SDI)

The Training Plan 2025-26 reflects a comprehensive and structured approach to skill development, encompassing a wide array of technical, behavioral, and functional programmes designed to enhance employee competencies across all levels of the organisation.

1. On the **technical front**, significant emphasis was placed on advanced welding skills, with multiple batches of Aluminium Welding, TIG/MAG Welding, Stainless Steel Welding, and Hand-Held Laser Welding Training and Certification conducted in collaboration with the Welding Training & Certification Services (WTCS), Bangalore, and the Centre of Excellence (CoE) Welding School. Specialised programmes such as Laser Welding Operator Training at ICF (Chennai) and Deputy Welding Co-ordinator Training as per ISO 14731/EN15085/ ISO 3834 standards were also organized. Cutting-edge technology programmes included a three-day workshop on Industry 4.0 & Smart Manufacturing Systems at CMTI Bangalore, Engineering Simulation using SolidWorks, Design of UAVs and Counter-Drone Strategies, and a public seminar on KISSsoft System Module — all conducted through the Engineering Staff College of India (ESCI), Hyderabad. Employees also participated in RAMS for Railway Systems at IIT Kharagpur and an online programme on Design & Manufacture of Large Caliber Weapons, reflecting the organization's commitment to staying abreast of advanced engineering and defence technologies.
2. In the area of **safety and health**, a robust training schedule was carried out throughout the year. Safe Material Handling Practices were conducted in multiple batches across the organization, complemented by Awareness Programs on Fire Fighting, Electrical Safety Regulations & Best Practices, and Safety Auditor Training as per IS 14489:2018. First Aid & Basic Life Support Training was conducted at both Bangalore Complex and KGF, while Basic and Advanced Cardiac Life Support (ACLS) Provider Courses were held in multiple batches in association with

Manipal Hospital. Health awareness sessions covered critical topics such as cancer prevention, diabetes, ophthalmology, occupational health, and communicable diseases including Malaria, COVID-19, and Dengue. An Awareness Program on EN-15085-2 welding standards was also held for shop floor personnel.

3. The **behavioural and leadership development** initiatives were equally diverse. Regular in-house programmes conducted by the Training Department addressed themes such as Work-Life Balance & Stress Management, Strategic Thinking & Leadership, Decision Making & Problem Solving, Business Negotiation Skills, Attitude & Mindset for Improving Work Culture, Team Building & Teamwork, Emotional Intelligence, Discipline & Productivity, Ownership Accountability & Responsibility (OAR), POSH (Prevention of Sexual Harassment), and Ethics & Governance. A Learning Workshop for Enquiry Officers/Presenting Officers and sessions on Framing of Charges and Grievance Redressal strengthened the organization's internal discipline mechanism. A modular training programme on Personality Development, Journey Towards Excellence, and High Performing Work Culture & Ethics was implemented for non-executives at KGF, covering large groups across multiple batches.

4. Under **functional and regulatory training**, employees participated in programmes on SAP QM Module, SAP Refresher Courses, Introduction to SAP & ERP, Managing Risk in Primavera, Public Procurement, Labour Laws & Modern IR Trends, Annual Property Returns and Preventive Vigilance, Income Tax Outreach, NPS Awareness, and ESG (Environmental, Social & Governance) training through RLI Chennai. The Vendor Assessment & Evaluation Training Programme, QCI-CCQC 2025 Quality Circle Convention at Noida, and participation in the SHRM Conference and CHRO Confex further enriched the professional development of HR and functional executives.

5. In the area of **environmental and sustainability awareness**, programmes were conducted on World Environment Day in association with KSPCB and a session on Ending Plastic Pollution by Eliminating Single-Use Plastics was organised on World Environment Day. Yoga Awareness, Ayush Awareness, and Personal Well-Being sessions were also held as part of employee wellness initiatives. Induction and Familiarization programmes were systematically conducted for new recruits at both Bangalore Complex and KGF. The overall training calendar for 2025-26 demonstrates a well-rounded investment in human capital development, with participation cutting across senior, middle, and junior management levels as well as the non-executives' cadre, underscoring the organisation's commitment to a culture of continuous learning.

Award received by the Company with related to Skill Development Initiative:

National HR Excellence Awards 2025 - Winner of silver Award for commendable "Innovative HR Practices" on HR Transformation Initiatives under Category B.

Compliance under Persons with Disabilities Act, 1995:

In terms of various provisions under The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995 (PWD Act), your Company has ensured reservation of vacancies for the posts identified for each disability and carry forward of vacancies which could not be filled up due to non-availability of suitable persons with disability during the year.

Grievance Redressal System for SCs/STs:

The Company has constituted SC/ST Cell at all Manufacturing Complexes and Offices in terms of Department of Personnel & Training (DOPT) guidelines and Cell Officers are nominated at each Complexes. The HR heads, being Liaison Officers of the respective locations have conducted periodical meetings with representatives of SC/ ST Employees Welfare Associations to redress the grievances/ issues appropriately. Further, the Chief Liaison Officer who is in the rank of Executive Director/ Chief General Manager/ General Manager have met all the Cell Officers, Liaison Officers and Office Bearers of SC/ST Welfare Associations periodically and monitor the status on redressal of grievances.

Public Grievance Redressal through CPGRAMS:

The Department of Administrative Reforms and Public Grievances under the Ministry of Personnel, Public Grievances and Pensions has initiated Centralized Public Grievance Redress and Monitoring System (CPGRAMS), which is the platform based on web technology primarily aims to enable submission of grievances by the aggrieved citizens for scrutinizing and acting for speedy redressal of these grievances.

For this purpose, Company has nominated Chief General Manager (HR) as the Nodal Officer to deal with various public grievances raised through CPGRAMS platform and to ensure prompt and proper feedback to the concerned persons.

Prohibition of Sexual Harassment of Women at Workplace:

Internal Complaints Committee (ICC) has been constituted as per Sec 4(1) of the Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013. The ICC constitution has been displayed in all the prominent locations across the Complex/Offices for the information of all the Women employees.

Two Complaints were received and the same were investigated in terms of provision of The sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act 2013. Necessary action has been taken in line with the ICC's recommendation.

The Inquires against the above two references have been completed by the Internal Complaint Committee (under POSH) within prescribed 90 days.

Maternity Benefits Act, 1961

All the provisions have been complied in toto with respect to Maternity benefits Act, 1961, covered under the Code on Social Security - 2020.

Labour Welfare Activities:

The Company has extended all help and support to the Labour Welfare Fund (LWF) functioning in the production units for the benefits of Employees, their dependents and local population. The LWF conducted various programmes for the benefit of its Employees.

Welfare Activities:

Welfare facilities like Medical, Housing / HRA, Canteen, Transportation are provided to all

the Employees. Educational facilities (BEML Schools) are also provided for employees' children at KGF and Bangalore. Sports and Cultural events / activities are being organised. Apart from the above facilities, various schemes viz, BEML Executive Superannuation (Pension) Scheme, BEML Post Superannuation Medical Benefits Scheme, Group Insurance Scheme, BEML Life Risk Coverage Insurance Scheme, BEML Death Relief Fund (DRF) are in operation for the benefit of Executives & Non-Executives.

Safety Measures in BEML:

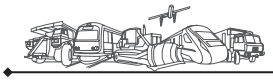
Following Safety measures have been adopted in the Company to ensure safe workplace and avoid accidents:

- Safety related issues / concerns are discussed at SHE (Safety, Health and Environment) Committee Meeting to ensure consultation and participation of workers in issues related to Safety.
- Hazard Identification and Risk assessment (HIRA) is carried out to proactively identify Hazards and take corrective actions.
- Operation Control Procedures are in place to ensure controls are established for all the critical manufacturing process.
- The Complexes have a full-fledged Fire and Emergency department, Safety Department and an Occupational Health Centre to ensure effective response to emergencies.
- Regular Mock Drills are conducted to ensure swift response to potential emergency situations.
- Regular Safety, Health and Environmental awareness training are given to workmen through Internal / External Faculty for creating safety awareness amongst workers;
- Safety promotional activities like celebration of National Safety Day to inculcate the spirit of Safe Workplace.
- Regular Safety Inspections, audits and surveys are conducted to identify Unsafe acts and conditions and take necessary corrective actions.
- Reporting and investigation of "Near Miss" incidents and taking effective corrective actions.
- Work-permit system is followed for high-risk activities.
- Even though all efforts are made to eliminate hazards, Personal Protective Equipment (PPE) as a last step in hierarchy of controls are provided to workmen.
- Regular testing and certification of statutory appliances like Cranes, Lifting tackles and pressure vessels through Third party Competent person.
- Bangalore, KGF, Mysore and Palakkad Complexes have certified for Occupational Health and Safety Management System (OHSMS) ISO 45001:2018.

CSR ACTIVITY REPORT:

The Company in continuing with its endeavor towards being a Responsible Corporate Citizen with full commitment to the principles of initiatives achieving the holistic development in its areas of operation and the society as a whole. In alignment with the provisions of the Companies Act,2013 and CSR Rules framed there under, the company has adopted CSR Policy with focus on initiatives that create lasting social impact.

During the reporting period, viz 2025-26, the company has undertaken various initiatives/ projects aligned with statutory requirements under CSR. The activities are broadly categorized into the following Six areas:



I. EDUCATION

i. Imparting Education:

BEML runs one Junior College and two Primary & Nursery Schools at KGF besides providing facility to run one institution at Bangalore. These Institutions, although meant primarily for the children of the employees but also caters to a large extent to the Local population. BEML also runs a Kendriya Vidyalaya at KGF, for the benefit of the employees' children and also for the local population. The Company also provides School building, Furniture, Attender for Mid-day Programme and Security Personnel for the Government English Model Higher Primary School. For the Academic Year 2025-26, the Company has provided education to 2989 students, out of which 2024 non-BEML Students have enrolled at BEML Schools for their education during the current academic year and have availed online education.

ii. Development of Classroom Infrastructure

As a part of strengthening facilities by enhancing the quality of educational spaces by improving classrooms for teaching and learning, BEML has extended support to the tune of ₹ 10 Lakhs to Sri Saraswathi Sisumandir High School at Sattenapalli, Palnadu Dist., Andhra Pradesh in constructing classrooms with over 215 beneficiaries. The project aimed at better student engagement, improved academic outcomes and overall institutional development.

iii. Construction of 1st Floor at Swamy Dayananda Gurukulam

BEML Limited has extended support to Pullalarevu Audinarayana Reddy Memorial Trust, Ananthapur, Andhra Pradesh in construction of 1st floor at Swamy Dayananda Gurukulam. The project aims to enhance the institutions infrastructure by creating additional space to accommodate academic and residentials needs at the Gurukulam with a budget of ₹ 30 Lakhs.

iv. Government Blind School -Infrastructure Development

BEML Ltd, as part of its CSR commitment, provided funds for upgrading the learning infrastructure at Govt Blind School Mysore through Equibeing Foundation. The project included upgradation of the classroom, creating digital reading room, installation of smart classrooms and setting up a cricket pitch for the blind This support enabled holistic development for visually impaired students. This milestone reflects BEML's dedication and reinforcing its role in driving social impact through meaningful community partnerships. Total number. of beneficiaries of this project would be 326 students and Rs.15 Lakh being the cost of the project.

v. Development of infrastructure in Govt Schools at Vijaypura District

Towards Company CSR initiatives, the play equipment was donated to Govt Lower primary schools at Ranappagola Vijayapura and Govt Lower primary school at Bijapur district with the cost of ₹ 10 Lakhs under CSR budget.

vi. Construction of one block of 24 dormitory halls and 24 toilets unit's rooms for Girls Students Residential Hostel

A significant CSR initiative aimed at empowering young women by improving residential infrastructure for students, particularly by providing safe, hygienic and well-equipped living spaces for girls at the Pransla camps in association with Vedic Mission Trust at Rajkot District, Gujarat with over 3000 girl students as beneficiaries and expenditure of ₹ 20 Lakhs.

II. HEALTHCARE

BEML Limited has undertaken the following Healthcare measures under CSR for the year 2025-26:

i. The Medical facilities to Ex-BGML Employees and their Dependents

The Company has been extending free medical facilities by conducting free Mobile Medical camps to the Ex-BGML Employees and their families after the closure of BGML (Bharat Gold Mines Limited) Hospital. The Company is also extending Out-patient medical facilities by deputing Doctor and Para-medical staff to BGML areas such as Marikuppam, Champion Reef and Oorgaum. Medicines prescribed by the Doctors are being dispensed free of cost for general illness. During FY 2025-2026, 26 camps were organized benefitting 1965 people.

ii. Eradication of TB

As a part of Pradhan Mantri TB Mukt Bharath Abhiyan, a Government initiative to achieve the goal of TB elimination, a health camp and TB screening camp was organized.

The camp was conducted in coordination with District Health Authorities-- DHO and team, NCD team, NTEP team, Doctors from Mysore medical college, JSS medical college and government hospital [PHC and taluk hospital] had participated in the camp.

“Nutrition kits” were distributed to 190 TB patients (KGF-96 & Bangarpet-94) for faster recovery from TB for 03 months. So far Rs.1.82 lakh has been spent on this project. The kits provide additional health support to TB patients to enable them to recover faster.

iii. Distribution of Aids & Appliances to Divvangjans (Persons with Disabilities) :-

As a part of its CSR initiatives, BEML undertook project for the free distribution of aids and assistive appliances to Divyangjans in Bangalore. The project was implemented by ALIMCO (Artificial Limbs Manufacturing Corporation of India), a Government of India enterprise specializing in assistive and rehabilitation solutions, with the cost of the project of ₹ 20 Lakhs and 29 beneficiaries. This initiative was aimed at enhancing mobility, independence, dignity and Social economic participation of Persons with Disabilities.

iv. Procurement of a Peadiatric Upper GI Endoscope

Our Company had donated ₹ 14 lakh to Victoria and BMCRI (Bangalore Medical College & Research Institute) Super Specialist Hospitals, Bangalore for procurement of a Peadiatric Upper GI Endoscope to the Department of Surgical Gastroenterology. This initiative significantly enhances early diagnosis and quality of care for persons with paediatric gastrointestinal conditions in their tertiary care government hospital particularly those from economically weaker sections and 700 beneficiaries.

v. Procurement of Medical Equipment’s for ECHS Polyclinics

Our Company had donated ₹ 12 lakh to Ex-Servicemen Contributory Health Scheme (ECHS), HQ, Telengana & Andhra Pradesh for Procurement of Medical Equipment’s for ECHS Polyclinics, as a support for providing cash less & capless quality medical care to all Retired Military Personnel & their dependents and 12000 beneficiaries.

vi. Upgrading Blood Centre Services

A sum of ₹ 7.5 lakh was donated to General Hospital, KGF for upgrading “Blood Centre Services” providing several peripheral government facilities, blood storage centers and many private hospitals depending on General Hospital KGF, for blood and emergency transfusion support and 10500 beneficiaries

vii. Jan Arogya Raksha

A collaborative health intervention between “My Home India” and “BEML Limited”, was successfully executed to address the acute healthcare gap in the Chandivali slum region of Mumbai. Moving beyond basic primary care, the mission provided a "360-degree" health

shield by integrating General Medicine Unit for 600 adults in Geriatric screenings and chronic disease management, Paediatrics Medical Camp with focus on Malnutrition assessment, deworming and respiratory health for children (0–14 years) by providing respiratory syrups to 425 children, ENT diagnostics by using advanced otoscopes to treat 350 beneficiaries and Menstrual Hygiene Management by distributing of 550 high-quality Sanitary Pad kits. The overall expenditure of the project is ₹ 6 Lakhs with overall 1925 beneficiaries.

viii. Distribution of Wheelchairs and development of public utilities

As a part of commitment to social inclusion and community welfare, BEML Limited has undertaken CSR initiative involving the distribution of Wheelchairs to differently abled children at Indian Institute of Cerebral Palsy (IICP) , Kolkata which had improved the mobility and accessibility to improve their quality of life and foster a sense of dignity and confidence of over 1018 beneficiaries with a total expenditure of ₹ 12 Lakhs.

ix. Enabling Mobility of specially abled, by providing 3 wheeler vehicles.

BEML has provided Three-wheeler vehicles to specially abled persons to improve mobility and independence in association with Department of Factories, Boilers, Industrial Safety & Health, Bangalore. This initiative reflects BEML's commitment to inclusive social development and community welfare also, reflecting a strong commitment towards empowering specially abled people.

x. Food Habit, Awareness & Distribution of nutritious food packets

This project focuses on promoting healthy food habits and distributing nutritious food packets intended to address immediate dietary needs and improve overall health and well-being to the residents of Harekrushna basti and Sitanatha Basti slums at Bhubaneswar, Odisha in association with Parichay Foundation especially to 50 underprivileged women from economically weaker sections along with awareness sessions on "Balanced Diet and Healthy Food Practices". The project has incurred an expenditure of Rs. 3 Lakhs.

xi. Food Distribution to School Children for eradicating hunger-Mid day Meal Programme

The Company in association with the Akshaya Patra Foundation had provided support for the Mid-Day meals programme. The program increases school enrolment & attendance, addresses malnutrition and also empowers women through employment. The overall expenditure of the project is ₹ 10 Lakhs with overall 2629 beneficiaries.

III. ENVIRONMENTAL PROTECTION AND AFFORE STATION MEASURES

In recognizing of the growing environmental challenges, BEML Limited affirms its commitment to contribute towards the same. The initiatives taken during 2025-26 are given below:

i. Energy Use and Conservation Measures

Clean & Green Energy: The Company's 5MW Windmill at Gadag and 18 MW Windmill at Bagalkot Districts in Karnataka have contributed towards ensuring clean & green energy by mitigating 20849 Tons (approx) of Carbon up to March, 2026.

ii. Establishing a Yatri Shed for Visitors

As a part of community development for providing a safe and comfortable resting space for rural travelers, visitors and tourists especially for those travelling long distances, BEML has facilitated in constructing a shed at Kalyanpur Black Campus, Motihari, East Chamaparan with over 500 beneficiaries per day and ₹ 10 Lakhs being the cost of the project in association with Kaushalya Foundation, Patna – Bihar

IV. SPORTS

In recognition of the vital role that sports and Physical activities play in fostering health, discipline, teamwork and Social inclusions BEML is committed to promoting sports as its integral part of the CSR support provided by the company as under:

i. Upgradation of Sports Infrastructure (Basketball & Volleyball Courts) at National Institute of Technology Raipur

BEML has extended support of ₹ 10 Lakhs for the upgradation of sports infrastructure at NIT Raipur campus. The initiative was aimed to strengthen sports facilities and promote students' physical well-being and to encourage student participation in sports activities. The approximate beneficiaries are 400.

ii. Sansad Khel Spardha

BEML extended its support for Sansad Khel Mahotsav 2025 event which was conducted through the National Youth Federation in Rajahmundry. The initiative aimed to promote sports culture and physical fitness while encouraging community participation, leaving a lasting impact on athletes and the region. The event stands as a strong example of community-driven sports development, aligning with the national vision of encouraging fitness and youth empowerment. Approximately 40,000 participants took part at the Mandal level, reflecting strong grassroots engagement and widespread public interest in sports activities.

iii. Purchase of 125KV Diesel Generator and Green DG set with accessories:

BEML Ltd, as part of its CSR commitment, provided funds to the tune of ₹ 21 Lakhs for procurement & Installation of Kirloskar Green 125 KVA Diesel Generator at “Anju Bobby Foundation, Kambipura, Bengaluru”.

This valuable support has significantly strengthened their infrastructure and enhanced the day-to-day functioning of training facility, creating meaningful and lasting value for athletes, trainees, and the wider community. And also, very useful for the lighting system also benefits 100+ neighborhood residents who regularly utilize the premises for walking, jogging and fitness activities, creating a positive social impact beyond competitive sports. The generator also powers the high-capacity irrigation system used for maintaining the home ground, helping preserve excellent field conditions throughout changing weather and climate conditions. By strengthening the training ecosystem, this support helps athletes prepare for National and International competitions, thereby contributing to India’s long-term sporting success and medal aspirations. The approximate beneficiaries are 250.

iv. Sports Kit for 40 players & Escort (Player, Escort, Ramp Operator & Officials)

As a part of BEML’s commitment towards promoting inclusive sports and encouraging athletes with disabilities to pursue excellence in the field of sports. BEML provided sports kits for 40 players along with support extended to escorts, ramp operators and officials for training and competition at Boccia Sports Federation of India, New Delhi with the cost of the project of ₹ 10 Lakhs and 40 beneficiaries.

V. CONTRIBUTION TO ARMED FORCES FLAG DAY FUND

Keeping in view the sacrifice of the war heroes of the country, the Company has contributed towards the ‘Vocational Training Grant of Widows’. The Company has expressed its solidarity for the welfare of the family of the War Heroes.

VI. PROMOTING ARTS AND CULTURE:

BEML provided support for the 53rd Jai Ho! Pandit Jasraj Pandit Motiram Pandit Maniram, Music sangeet Samaroha, an Indian classical music festival held in

Hyderabad .The event was organized by the Pandit Jasraj Cultural Foundation on "Sustainable Livelihoods Programmes" which aims to preserve national heritage and support emerging artists.

SWACHH BHARAT MISSION:

The Company, in continuing with its endeavor towards being a Socially Responsible entity had undertaken various initiatives under Swachh Bharat Campaign & Swachh Vidyalaya Abhiyaan during the year 2025-26. The Swachh Bharat Initiatives at BEML Limited for 2025-26 are as under:

1. Celebration of Swachhata Hi Seva Campaign 2025:

As part of the Swachhata Hi Seva Campaign 2025, a series of cleanliness drives, awareness programs, and community outreach activities were organized at BEML and nearby areas from 17th September to 30th September 2025. The objective of these campaign was to promote cleanliness, hygiene and sustainable waste management, in alignment with the national vision of Swachh Bharat.

Activities Conducted

a. Marathons were organized to spread awareness about the Swachh Bharat Campaign and promote physical fitness alongside cleanliness, with active participation of Executives, Non-Executives, FTEs, and Contract Staffs, to spread awareness on cleanliness and fitness to public.

b. Awareness posters and banners promoting the 'Clean India' movement were displayed at prominent locations to engage residents. The general public Banners were displayed across strategic points in the Factory premises as well as the reception areas, Admin building, Canteen and the OHC.

c. Specific areas inside the company premises were identified and accumulated waste was collected and disposed.

d. An awareness session on personal hygiene and health protection was conducted for all employees of the Complex.

e. As part of vendor sensitization activity at M/s Stahlkind in KINFRA Industrial Park.Palakad Executives, Non-Executives from BEML and M/s Stahlkind jointly participated in the cleaning activities, which focused on the removal of plastic, industrial and organic waste.

f. Ek Din, Ek Ghanta, Ek Saath", a cleanliness drive was conducted at GTWLP School, Nadupathi Tribal Colony. The school premises and surroundings were cleaned and an awareness session on cleanliness was delivered to the students by Clean Kerala Mission.

g. The BEML Fine Arts Club, imparted the concept of Swachhata Hi Seva through its street play on 26.09.2025 in Kannada. The Street paly was organized at the Workers canteen inside the factory.The Play depicted journey of the various ways for creation of waste, the way people discarded the waste in various places, which caused unclean environment, harms caused due to non-segregation. The play gradually took the audience through the process of segregation of waste and proper disposal of waste. The play also imparted the health aspects in having clean environment especially to the Safai Mitras dealing with various kinds of waste on day-to-day basis. The Street play focused

on the importance of cleanliness, segregation of waste and the responsibility of each and every individual towards keeping their environment clean

h. A series of awareness programs were conducted on the significance of food conservation and the need for effective food waste management. As part of Swachhata Hi Seva Campaign 2025, Medical camp was organized on 27th September 2025 at the First Aid center, BEML Palakkad Complex and preventive Health Camp and Awareness on health & hygiene was specifically organized for the Safai Mitra's of the BEML

i. On 2nd Oct, as part of Gandhi Jayanthi celebrations, a tribute ceremony was observed. This was followed by the felicitation of Safai Mitras, a tree plantation drive and an Oath taking ceremony. The Swachh Bharat pledge was administered in trilingual to the gathering. Then a March Past was held by the gathering depicting the importance of the Swachh Bharat Abhiyaan and also the Swachhta Hi Seva for fulfilling the dream of Mahatma Gandhiji for a Clean and Green India.

The campaign witnessed active involvement from Executives, Non-Executives, personnel engaged on contract and community members, reflecting the strong commitment of BEML towards Swachhata, environmental sustainability and social responsibility.

2. Special Campaign between 02.10.2025 to 31.10.2025

a) The Special Campaign 5.0 officially commenced on September 15, 2025 with preparatory and implementation phase that sought to achieve the cleanliness targets across the country.

b) The month-long campaign held from October 02 to 31 2025 was undertaken in alignment with the Government of India initiative to promote cleanliness, efficiency and good governance across all Complexes / Offices. The focus on special campaign 5.0 was an overall cleanliness (Swachhata) of workplace, space Management, promoting sustainable practices and optimum disposal of pending matters.

c) Through the above campaign the company had got the following benefits.:

- Record Management: Over 11703 physical files were reviewed and weeded out.
- Space Optimization: Reported Space Optimization is approximately 736285 lakh sq.ft. contributing to efficient space management.
- Revenue Generation: Revenue generated of approximately is ₹ 2.93 crore from all complexes.

3. Swachhta Pakhwada :

In line with the directives of Ministry, "Swachhta Pakhwada" was organised across all the Complexes / Offices of the Company from 1st December to 15th December, 2025 by displaying Posters/Banners and also organizing various Programmes on creating awareness on Cleanliness.

A brief report of the same is furnished below.

- Oath taking ceremony and March Past.
- Display of Posters and Banners,

- Disposing of scrap material in the factory premises and storage in organized manner, Cleanliness Drive in the public places,
- Organising Plogging like activities and collection of plastic waste,
- Weeding out of old files and offices equipment, Cleaning of Furniture and almirah of offices,
- Tree plantation in township area, residential complexes and Factory premises etc.,
- Organizing seminars on cleanliness & "Plastic Free India", Display of Banners/Posters to create awareness among the people.
- Painting /Essay competitions on importance of cleanliness for the children of the employees,
- Fumigation of insecticides in the township for prevention of mosquitoes and other insects,
- Making of plastic free zone in Factory premises and residential complexes,
- Disposal of e-wastes in administrative offices,
- Cleanliness drive in drainage systems in Factory premises and residential complexes,
- Branding and Publicity of Pakhwada activities in electronic and print media platforms at both field and central level, make use of social media such as MyGov, Twitter and Facebook extensively for the purpose.

Compliance under the Right to Information Act, 2005

The information required to be provided to citizens under Section 4(1)(b) of RTI Act, 2005 on our company website, i.e., www.bemlindia.in". It contains general information of the Company, functions and duties, powers and duties of Executives / Non-Executives, decision making process, relevant rules, regulations, manuals & records held by BEML, directory of the Company's officers, pay scales of Executives / Non-Executives etc., and procedure for seeking information and inspection of Records. The Company has nominated a Central Public Information Officer, Appellate Authority, Transparency Officer and Six Central Assistant Public Information Officers representing for Complex / Divisions to attend to the Applications & Appeals. Further, during the year 2025-26 the Company has received 253 RTI Applications seeking information pertaining to human resources, personnel, recruitment, contracts, tenders, business related matters etc., and the same are being disposed.

Digital Transformation Initiatives:

Digital Transformation is focused to streamline all business process to drive better Accountability, Transparency & Traceability, enhancing the overall Operational efficiency including the compliance.

Following are the initiatives implemented during 2025-26

- Cyber security compliance : DMZ network segmentation between Intranet & Internet.
- Revamp of Business Network with cyber compliance Switches
- Inventory Dashboard reports of all SBU's for Optimization & Inventory control analysis
- Digital Design Drawing & Process sheet Integration with SAP Bill of Material along with Time Stamp
- Digital signature of Commercial Invoices & Vouchers

- Tableau Dashboard for Data Analytics
- Digitization of HR Policy documents

DT Road map plan includes S/4 HANA implementation, AI based projects in Operations, Augmented Reality digital solution, Industry 4.0 & QA 4.0, Human Resource Management System (HRMS) with integration to SAP

Report on the performance and financial position of subsidiaries and Joint Venture Company

Subsidiary Companies:

- **M/s Vignyan Industries Limited (VIL):**

MoD vide letter dated 10.09.2021 informed that the Union Cabinet has accorded approval for closure of VIL. Accordingly, Members of the Company at its Extraordinary General Meeting held on 11.10.2021 accorded approval for Voluntary Liquidation and appointed Shri Venkataraman Jayagopal as official liquidator (OL).

On the Official liquidator (OL) recommendation, an E-auction was conducted through MSTC, successfully selling for all 3 (three) available land parcels to the highest (H1) bidder. The total Sale proceed, including a late penalty fee of ₹ 51.57 Crs have been secured and the sale registration w.r.t H1 bidder was completed on 27th June 25. Further, Official Liquidator recommended the entire outstanding loan amount of ₹ 15.4 Crs due up to June 2025 has been fully repaid to BEML. The associated capital gains tax liability of ₹ 6.04 Crs arising from the land sale has also been completely discharged.

M/s MAMC Industries Limited (MIL):

The Company has entered into a Consortium Agreement (MAMC Consortium) with M/s. Coal India Limited (CIL) and M/s. Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets (the assets) of M/s. Mining and Allied Machinery Corporation Limited (under liquidation - MAMC Ltd). The Consortium members agreed upon a holding pattern of 48:26:26 for BEML,CIL and DVC respectively.

The Consortium paid the bid amount of ₹ 10,000 Lakhs as per the Order of the Honourable Kolkata High Court for the assets including ₹ 4800 Lakhs contributed by BEML. The assets are in possession of the Consortium. As per the directive of the Honourable Kolkata High Court, dated 05.03.2025, the sale certificates in respect of the assets of MAMC Ltd., have been issued by the Official Liquidator in favour of the Consortium.

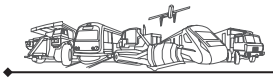
As per the latest valuation report furnished by registered valuer, the fair value of MAMC assets is ₹ 17786.61 Lakhs and the company's share of 48% comes to ₹ 8537.57 Lakhs which is above the total advances paid to MAMC consortium.

The Company has incorporated a wholly owned subsidiary in the name of "MAMC Industries Limited"(MIL) for the purpose of JV formation. Shareholders agreement, as duly approved by the Boards of all three members of the consortium, has been submitted to Ministry of Defence for necessary approval. After obtaining the said approval, MIL would be converted into a JV Company.

Joint Venture Company:

- **M/s BEML Midwest Limited (BMWL):**

BMWL was formed and registered with the Registrar of Companies at Hyderabad on 18.04.2007. BEML holds 45% share and M/s Midwest Granite Pvt. Ltd. (MGPL) and P T Sumber Mitra Jaya of Indonesia as partners hold the balance 55% share. The Company was established to capitalize on the growing business opportunities in the contract mining segment. However,



due to certain unauthorized transactions and the oppression and mismanagement by the nominees of MGPL, BEML filed an application before Hon'ble Company Law Board (CLB) seeking for suitable relief. As a counter measure, MGPL had also filed a petition on the matter. CLB vide its common order dated 01.06.2012 directed the Central Government to appoint an inspector to investigate the affairs of BMWL and take appropriate action. Based on the legal advice, BEML preferred two appeals before Hon'ble High Court of Andhra Pradesh at Hyderabad against the said common order of CLB. The Hon'ble High Court passed the order on 19.08.2013, thereby setting aside the said common order and directing CLB to proceed with a fresh enquiry, and decide the issue in accordance with law and merits, also taking into consideration the report of investigation as directed by CLB and pass appropriate orders without getting influenced by the impugned common order of CLB. In the meanwhile, the Government has constituted National Company Law Tribunal (NCLT) by dissolving CLB and notified that the jurisdiction is shifted to Hyderabad from Chennai. The case files were transferred to NCLT. Regional Director-MCA has submitted the investigation report dated 29.03.2022 to NCLT. Hon'ble NCLT after hearing the submissions of the respective Counsels vide orders dated 25.07.2023, disposed off the petition as follows:

"In the light of the ruling by the Hon'ble High Court of Calcutta in r/o Avani Projects & Infrastructures Ltd. Vs Ornate Tradcom Pvt. Ltd CA 92 of 2019 ("Para 22), held that the continuation of proceedings against the Respondents being impermissible under law, the present CP No. 55/2008 is hereby returned, giving liberty to the Petitioner to pursue this petition after a decision is taken on approval/ rejection of the resolution plan in the ongoing CIRP process against the first respondent Company. Accordingly, Company Petition is disposed of. After disposal of the Company petition, no cause of action survives in all pending IAs, hence the same are also disposed of. In the result, the Company Petition is returned."

Vide NCLT orders dated 26.09.2022, Corporate Insolvency Resolution Process (CIRP) was initiated and Smt. Padma Priyanka Vangala was appointed as the Resolution Professional. Based upon the report of the Resolution Professional, that resolution was not possible, and to initiate liquidation of BEML Midwest Ltd, the Hon'ble NCLT vide orders dated 20.10.2023, ordered liquidation of BEML Midwest Ltd and appointed Smt. Padma Priyanka Vangala as the Liquidator. The liquidation of BMWL is under process.

So far, 14 Committee of Creditors Meetings have been held by the Liquidator. The claims filed by BEML were yet again rejected by the Liquidator. The said order of the Liquidator is under challenge by BEML before the NCLT. The said IA filed by BEML challenging rejection of claims by the Liquidator was allowed by the Hon'ble NCLT vide orders dated 16.04.2026 and granted BEML liberty to file a fresh claim in the appropriate form. Accordingly, BEML filed FORM D within the timeline. Further, Liquidator sought clarifications and the same was replied duly. Yet again, she has sought final clarifications dated 21.05.2026 and the same has been replied on 31.05.2026

Consolidated Financial Statement:

Your Company has prepared the Consolidated Financial Statement of its subsidiaries in terms of Section 129(3) of the Companies Act, 2013, excepting consolidation with respect to JV Company, M/s BEML Midwest Limited due to complete cessation of activities as the matter is sub-judice, which is attached to this report.

Statutory Auditors:

M/s G Natesan & Co., Chartered Accountants, were appointed as the Statutory Auditors for the financial year 2025-26 by the Comptroller & Auditor General of India.

Cost Auditors:

In terms of Section 148 of Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, M/s R M Bansal and Co, Cost Accountants, were appointed as Cost Auditors for the year 2025-26 to conduct the audit of the cost records of the Company. The Company maintains Cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, in respect of the Railway and Rolling Stocks (Bengaluru Complex), other Machinery (Truck, Engine, EM, H&P Divisions) and Power (EM Division).

Further, as required under the said Rules, the remuneration payable to the Cost Auditor for FY 2025-26 was ratified by the members in the 61st Annual General Meeting held on 29.09.2025.

Secretarial Auditors:

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s MMA & Partner formerly known as, Practicing Company Secretaries (PCS), to undertake the Secretarial Audit of the Company for the year 2025-26. The Secretarial Audit Report issued by M/s MMA and the replies to the observations made in the said Report are annexed to the Board's Report as **Annexure-VII.**

In addition, an Annual Secretarial Compliance Report issued by M/s MMA has been filed with the Stock Exchanges within the due date from the end of financial year 2025-26.

Further, Pursuant to the amended provisions of Regulation 24A of the SEBI (LODR) Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have approved the appointment of M/s MP Sanghavi & Associates, LLP (Peer Reviewed Firm of Company Secretaries in Practice) as Secretarial Auditors of the Company for the period of Five year from the FY 2026-27 to FY 2030-31. Brief resume and other details of M/s MP Sanghavi & Associate, Company Secretaries in Practice, are separately disclosed in the Notice of 62nd AGM.

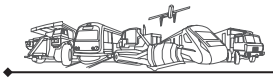
M/s M P Sanghavi & Associates, LLP (FRN-L2020MH007000) have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits under the Act & Rules made thereunder and SEBI (LODR) Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and SEBI (LODR) Regulations.

C&AG Audit:

The Comments of the Comptroller & Auditor General of India under section 143(6)(b) of the Companies Act, 2013 on the financial statement including consolidated financial statement and reply thereto, if any, are appended at page No 239 & 324 to the annual report.

Frauds Reported by Auditor:

No frauds are reported by the auditors which fall under the purview of sub-section 12 of section 143 of Companies Act, 2013.



General disclosure:

Your Directors' confirm that no disclosure or reporting is required in respect of the following items as there was no transaction on these items during the year under review:-

- No Significant and Material order was passed by any regulators or courts or tribunals that may impact the going concern status and company's operations in future.
- Official Liquidator in the IBC case No. CP(IB) No. 237/9/HDB/2020 filed before NCLT, Hyderabad seeking Corporate Insolvency of M/s BEML Midwest Limited has filed Application bearing No. CP/IB/151/2023 before Hon'ble NCLT, Bengaluru stating that as per the Books of Account of BEML, there was an outstanding amount of ₹ 230 Lakhs and out of which, an amount of ₹ 94.49 Lakhs has been paid to the BEML Midwest and thus, an amount of ₹ 135.51 Lakhs is due and payable to the BEML Midwest by BEML. In the said application Official Liquidator has requested for admission of the application and also appointment of Resolution Professional. Hence this falls under 'application made or any proceeding pending under Insolvency and Bankruptcy Code, 2016'.
- In the matter BEML has filed detailed Objection Statement contending that there is no due from BEML to BEML Midwest and the Petition is not maintainable. The Hon'ble Tribunal, vide Orders dated 03.11.2025 dismissed the said Company Petition.
- Official Liquidator in the IBC case No. CP(IB) No. 237/9/HDB/2020 filed before NCLT, Hyderabad seeking Corporate Insolvency of M/s BEML Midwest Limited has filed Application IA (IBC) No. 751/2025 against BMWL and others. Respondent 3 to 16 are BEML's Officials who were said to be nominated as Directors in the Board of BMWL. The Application is to declare that BEML & MGPL and their nominee Directors have carried out operations and business of BMWL with an intent to defraud the creditors and for fraudulent purposes and sought to contribute to the Assets of BMWL to the tune of ₹ 81,50,75,000/- along with Interest.
- BEML filed its detail objection Statement and posted for hearing. The Petition posted for Objection statement by other Respondents on 16.07.2026.
- Details of difference between the amount of valuation at the time of one-time settlement and valuation done while taking loan from banks or financial institutions are not applicable to the company.

Extract of Annual Return

An extract of The Annual Return in the prescribed form in terms of Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is placed at https://www.bemlindia.in/investors/

Acknowledgements

Your Directors express their hearty thanks to the Company's valued customers, Government of India, Administrative Ministry, the Ministry of Defence and in particular,

the Department of Defence Production the Ministry of Railway, M/s Coal India Limited and its Subsidiaries, M/s Singareni Collieries Company Limited, M/s Steel Authority of India Limited, Railway Board, M/s Delhi Metro Rail Corporation Limited, M/s Bengaluru Metro Rail Corporation Limited, M/s Jaipur Metro Rail Corporation, M/s Kolkata Metro Rail Corporation, M/s Maha Metro Rail Corporation Limited, Integral Coach Factory-Chennai, M/s National High Speed Rail Corporation Ltd (NHSRCL) for guiding us in High Speed Rail Project, M/s Bharat Electronics Limited, M/s Bharat Dynamics Limited, Ordnance Factory Board, Defence Research & Development Organization (DRDO), M/s Brahmos Aerospace Pvt. Ltd., Indian Space Research Organization, M/s Hindustan Aeronautics Limited, Aeronautical Development Agency for their patronage and confidence reposed in the Company. The Directors also acknowledge and thank all collaborators, vendors and other service providers for their valuable assistance and cooperation extended to the Company.

The Directors express their appreciation to the members of Company's Consortium of Banks and other Bankers and Financial Institutions for their continued support to the Company's operations. The Directors also thank all the shareholders/ investors for reposing continued confidence in the Company.

The Directors wish to thank the Comptroller & Auditor General of India, the Principal Director of Commercial Audit & Ex-officio Member, Audit Board and Statutory Auditors for their valued co-operation.

The Directors also acknowledge the valuable support and assistance received from various Ministries of Government, in particular Ministry of Defence, Ministry of Coal, Ministry of Mines, Ministry of Steel, Ministry of Railways, Ministry of Housing and Urban Affairs, Ministry of External Affairs and Ministry of Home Affairs. The Directors are also grateful to the Government of Karnataka and Kerala for the support and co-operation extended to the Company.

Your Directors take this opportunity to place on record their appreciation for the invaluable contribution made and excellent co-operation extended by the Executives and Non-Executives at all levels for the continued progress and prosperity of the Company.

For and on behalf of the Board of Directors

Place: Mysuru

Date: 29.05.2026

Shantanu Roy

Chairman & Managing Director

Annexure-I

Annexures to Board's Report for the FY 2024-25

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A). CONSERVATION OF ENERGY FOR THE FY 2025-26

(a) Steps taken or impact on conservation of Energy at

- Replacement of 33 Nos HVLS fan in place of Industrial man coolers across the Divisions.
- Replaced water chiller unit of 25TR in place of conventional cooling Tower for NITRIDING FURNACE at Heat treatment shop.
- Replaced of 7 Nos X 60 CFM and 1 Nos x 200 CFM VFD controlled Screw type Compressors in place of Reciprocating Compressors with IE3/IE4 Motors there by saving 10-20% energy and reduced Mechanical wear & improved better control.
- Replaced 30 Nos of Energy efficient motors (IE3) of various capacities in place of conventional motors across the division. Thereby reduced losses and improved power factor and reliability.
- Installed 770 Nos of various Types of Energy Efficient LED luminaries across the divisions. impacting 30 to 40% of lighting Energy saving w.r.t conventional lighting.
- Upgradation of 3 Nos EOT cranes from resistance drive system to VFD system.
- Installation of 88 Nos of 5 star rated inverter type split ACs in place of conventional AC
- Replaced 80 Nos of Energy Efficient BLDC fan in place of conventional ceiling Fans. Replacement with BLDC fans has helped in saving of energy & reduced energy cost substantially
- Introduced EV Forklifts & EV Side loaders for material movements, and material handling. Inside the Works.

(b) Steps taken by Company for utilizing alternative sources of Energy.

- Generation of Green Energy from our Wind Mill Projects (23MW) and solar Project (260KW) to an extent of 78.76 % of Grid Power Consumption by all the Production Division.
- Achieved GHG emission reduction of about 20849 Tons of Co2 equivalent by Generation of Green Energy from Wind Projects. and 194 tons of Co2 equivalent from solar energy
- Purchased 15.0 Lakh units (KWH) of green energy from IPP (Independent power producer)

(c) Capital investment made on Energy conservation equipment during 2025-26

During the year under review, your Company has invested ₹ 3.48 crore for implementing various energy saving measures.

- Replacement of 7 Nos X 60 CFM & 1 No. 200 CFM reciprocating Compressors with VFD controlled Screw type Compressors. Capital expenditure is ₹ 52.10 lakhs.
- Replaced water chiller unit of 25TR in place of conventional cooling Tower for NITRIDING FURNACE at

H&P Heat treatment shop. Capital expenditure is ₹ 12.35 Lakhs.

- Replacement of 33 Nos HVLS fan in place of man coolers at HMV Axle assembly shop across the Division. Capital expenditure is ₹ 64.68 Lakhs.
- Upgradation of 3 Nos EOT cranes from resistance drive system to VFD system for energy conservation, Capital expenditure ₹ 94.89 lakhs.
- Installation of 88 Nos of 5 star rated inverter type split ACs. in place of conventional AC ₹ 45.62 lakhs
- Replaced 80 Nos of Energy Efficient BLDC fan in place of conventional ceiling Fans. Replacement with BLDC fans has helped in saving of energy & reduced energy cost substantially capital expenditure is ₹ 2.0 lakhs.
- Installed 770 Nos of various Types of Energy Efficient LED luminaries across the divisions impacting 30 to 40% of lighting Energy saving w.r.t conventional lighting. Capital expenditure is ₹ 18.45 Lakhs
- Introduced EV Forklifts & EV Side loaders for material movements, and material handling. Inside the Works. Capital expenditure is ₹ 57.55 Lakhs (KGF)

(B). TECHNOLOGY ABSORPTION

Research & Development (R&D) undertaken for technology absorption is as below:

1. Efforts made towards technology absorption:

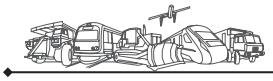
R&D has absorbed the collaborator technology and further developed on it, which has resulted in development of new products & technologies and up-gradation of existing products. Some of the major new product developments & product up-gradation & Indigenization which have resulted because of in-house R&D efforts during the year 2025-26 are:

I. Defence:

- Design and Development of 1500 HP Engine for MBT, Arjun – Joint Preliminary feasibility study completed and development will be taken up after receipt of contract from CVRDE
- Design and development of 1350 HP Engine – In discussion with Design Agency for Design and development
- Upgradation of TATRA Engine (300 KW to 325KW) - Emission certification completed, NCNC under progress.

II. Mining & Construction:

- Design and Development of BH60M EV.
- Design and Development of BD46W Wheel Dozer.
- Design and Development of BL54 Wheel Loader.
- Relaunch of BE220 and BL9H.
- Engineering Integration of Tier V Engine on BG605I and BL200-1.
- Development of Long Reach BE220 Excavator with dredge pump
- Engineering of hydraulic winch on BD80 in place of mechanical type winch.
- Development of Hydraulic winch with Axial piston Motor indigenously for BP100
- Upgradation of BG1205 Motor Grader with joystick controls for steering in place of conventional wheel-type steering
- Indigenization of Imported Items
- Engineering of QSK23 engine on BH100 as an alternate engine
- Development of 6.5 Cubic meter Bucket for BE1000 to meet specific customer requirements.



- Engineering of Fully hydraulic brake system on BD30W-1 in place of conventional air over hydraulic system.
- Development of oil condition monitoring system for Dozer.
- Development of fuel tank surveillance system, Biometric based ignition system and Dash Cameras with Live GPS and Cloud Connectivity to meet specific customer requirements.
- Design and development of BL200-1EV
- Development of BD355I Engine to suit Israel Defence application
- Design and development of BG1205 Engine for Russian application
- Design and development of BD375 Engine for Russian application
- Design and Development of BH35-2EV.
- Patented Hydraulic Torque Converter Technology & Proportional Control Modulating Valve Technology with ATGEMS (Automatic Transmission with Generic Electronic clutch Modulation System) for 60 Ton Dump Truck - BH60ML Automatic Transmission (Subzero region application);
- Patented Spring Actuated Hydraulically Released (SAHR) Steering & Brake Hydraulic Control Valve Systems introduced for Crawler Dozer (BD475-2 variant);
- Patented In-Board Service Cum Parking Brake Technology for modular type Rear axle for Dump truck with 100 ton pay-load capacity;
- Active Hydro-Pneumatic Suspension Technology for BH60M Dump Truck under progress thru' IDEX Project Disc-6;
- Indigenization activities initiated for critical import dependent components (seal, bushing, wear ring, Friction disc & pressure plate etc.,) to avoid import dependency and confirm the self-reliance.

Technology based external projects related to key aggregates:

- Development of Mast Hoist Gear (MHG) Technology for various sub-marine platforms is under progress;
- Manufacturing, Development, testing & supply of 1500hp Cross Drive Type Automatic Transmission for Main Battle Tank Application under discussion with CVRDE. As per RFI notification, details provided and further co-ordination is under progress;
- Development of 800hp Cross Drive Type Automatic Transmission Technology for Tracked vehicle application (Light Battle Tank) under discussion with CVRDE. As per RFI notification, details provided and further co-ordination is under progress;
- Development of 1350HP associated automotive peripherals along with engine (includes associated automotive peripherals + Engine with Cooling System) for T90 Battle Tank & under co-ordination with MoD thru' EOI mode;
- Development of In-line Automatic Transmission with In-built Hydraulic Retarder for Wheeled Armored Platform (WhaP) application under technical discussion with VRDE;

III. Rail & Metro:

- High speed train: The Train B28 Rolling Stock is a standard gauge (1435 mm) with distributed power systems. Train B28 is a chair car version designed to operate at speed of 249 kmph with test speed of 280 kmph. The Train B28 is being designed and developed by BEML in

association with major aggregates suppliers in line with the EN/IEC standards.

- Driverless Trains for Bangalore Metro's 5RS-DM project interfaced with CBTC based Signaling system. The depot and Mainline tests of the prototype train set completed. The Oscillations trials and the performance trials are in progress and awaiting safety clearance to start of revenue operation.

2. Intellectual Property Rights (IPR):

09 nos. of patents granted as on date in an Automatic Transmission Control system, Hydraulic Torque converter technology, Hydraulics systems & Axle domain for SBU-H&P, R&D. (Granted from 2017 to 2024 period)

Two nos. of patents filed in 2025;

- Patent titled "A Hydraulic Torque Converter System with Advanced Load-Adaptive Twin Turbine Technology";
- Patent titled "A Control System and Method for Hydro-shift Transmission for Wet multiple clutch and Inching mechanisms";

3. The benefits derived like product improvement, cost reduction, product development or import substitution:

Major R&D initiatives like new product/ aggregates development, product up-gradation, indigenization etc. have ensured the good position of BEML in the industry and the existing Mining product range is enhanced with cutting edge technology features that will help in sustaining the existing market and also in exploring the new emerging markets. There has been a considerable foreign exchange savings on account of the indigenization plan.

Indigenization of some of the components like Cylinder Head gasket, Twin cylinder compressor, thrust bearing, spring etc.., thereby significantly cutting down the import costs and be self-reliant. The skill sets, knowledge & expertise of R&D personnel have been enhanced and it has induced confidence in taking up future challenges.

4. Import of technology during the last three years reckoned from the beginning of the financial year:

Nil

5. Future plan of action:

Keeping in view the emerging trends in technology and also in line with the unfolding business scenario, R&D has put in place, plan of action to take up a number of projects with enhanced allocation of resources. To achieve this, R&D infrastructure and resources are being continuously strengthened/ upgraded to handle and cope up with the latest technologies effectively.

R&D has also planned to develop a series of production/ aggregates covering all the three business segments as under:

I. Defence:

- Design and Development of 70T trailer for transportation of ARJUN MBT.
- Design updation for 'Modular type Hydraulic Suspension' under all category of Trailers to meet the futuristic requirements.
- Development of Trawl for T72/T90 tanks.
- R&D has initiated and indigenization under progress for various import items under Mechanical & Electrical/ Electronic LRU's for TWMP-T90 &TWMP-Arjun.
- Indigenization of ARV WZT-3 Aggregates/LRU's as a part of Srijan Portal & future Spares requirements.

- Design & Development of Containerized Small Arms Firing Range (CSAFR) which has been initiated from MOD under a tri party agreement in which BEML is Nodal Agency.
- Design and Development of Flatbed King Pin Trailer for Gun mounted applications will be initiated to meet requirement form MOD.
- NSN codification for all the armoured related equipment's/vehicles as part of PO deliverable & Spares supply.
- Technical support for ARV-OH involving in updation of Drawing, technical documentation, new vendor development and DGQA clearance.

II. Mining & Construction

Engine R&D is working on upgrading and Communizing 140 Series Engines that would cater for both 140 Series and partly 170 Series Engine (BD155 and BD 355), by implementing CRDI technology and Exhaust after treatment systems to meet BS III/ CEV Stage 5 norms in stage wise manner.

III. Rail & Metro: R&D Metro rail is executing / planned to execute following project

a) Rail:

- ICF has placed order on BEML for manufacture and supply of 600 nos of LHB coaches. LHB (Linke-Hofmann-Busch) is a passenger coach known for their enhanced safety, comfort, higher operation speed and better ride quality with key features like Anti-climbing arrangement, Secondary air suspension, Anti-telescopic arrangement.
- Commuter Rail received PO for Rail Inspection Vehicle (RIV), Utility Track Vehicle (UTV).
- Switch rail Grinding Machine (SRGM)

b) Metro:

- R&D Metro has taken up the design and development of Driverless Trains for Chennai Metro's ARE02A project for 70 rakes (Train set) of 3 cars each.
- Received LoI for supply of 8 rakes (Train set) of 6 cars each to African country - Phase1 - Congo Project. R&D Metro Rail is started working on this order also.
- R&D Rail & Metro is working on the tenders of upcoming Metro projects like Delhi Metro RS20 (68 Cars) & RS21 (90 Cars) tender and Chennai Metro ARE05(168 Cars) tender.

6. Expenditure on R&D

Company has spent ₹ 251.35 crores on R&D during FY 2025-26 which is about 5.78% of Revenue from Operations.

(C). FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year 2025-26, the Company's foreign exchange earnings stood at ₹ 412.64 crore and the total foreign exchange utilized was ₹ 390.20 crore.

A sum of ₹ 1.29 crore was incurred towards deputation of personnel abroad for business/ export promotion, after-sales-services and training purposes.

For and on behalf of the Board of Directors

Sd/-

Shantanu Roy

Chairman & Managing Director

Place: Mysuru

Date: 29.05.2026

Annexure-II

FORM NO. AOC-2

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

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 contracts/ arrangements/ transactions: Not applicable
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not applicable
   (e) Justification for entering into such contracts or arrangements or transactions: Not applicable
   (f) Date(s) of approval by the Board: Not applicable
   (g) Amount paid as advances, if any: Not applicable
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not applicable
2. Details of material contracts or arrangements or transactions at arm's length basis:
   (a) Name(s) of the related party and nature of relationship: Not applicable
   (b) Nature of contracts/arrangements/ transactions: Not applicable
   (c) Duration of contracts/arrangements/ transactions: Not applicable
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not applicable
   (e) Date(s) of approval by the Board: Not applicable
   (f) Amount paid as advances, if any: Not applicable

For and on behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director

Place : Mysuru
Date: 29.05.2026

Annexure-III

REPORT ON CORPORATE GOVERNANCE

BEML Limited is a Mini-ratna (Schedule-A) enterprise of Government of India. The company has established a sound framework of Corporate Governance. The particulars of company's report on Corporate Governance are as under:

1. COMPANY'S PHILOSOPHY

Your Company firmly believes in the importance of ethics among the employees and strives for developing a work culture that fosters accountability, fairness, integrity and transparency in its dealings, while adhering to the fundamental principle of enhancing the trust and value of all stakeholders. Good corporate governance strengthens the investors' trust and ensures long term relationship with other stakeholders, which help the Company achieve its objectives.

Your Company complies with the requirements of the Corporate Governance standards as stipulated under SEBI (Listing obligations and disclosure requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and the Department of Public Enterprises Guidelines on Corporate Governance for Central Public Sector Enterprises-2010 (hereinafter referred to as 'DPE Guidelines') from time to time.

2. BOARD OF DIRECTORS

The Board of Directors is the highest governance body of the company. The Board of Directors consists of professionals from diverse fields having rich knowledge and experience in the industry and related sector for providing the strategic guidance and directions to the company

(i) Composition:

As on 31.03.2026, the Board consisted of 6 Whole-time Directors including the Chairman & Managing Director, 1 Government Nominee Director and 2 Independent Director (whose tenure ended on 16.04.2026). There is no inter-se relationship among the directors.

(ii) Meetings and Attendance:

During the year, nine meetings of the Board were held on 28.04.2025, 09.05.2025, 23.05.2025, 06.06.2025, 21.07.2025, 11.08.2025, 29.09.2025, 05.11.2025 and 06.02.2026. Requirements on number and frequency of meetings, in terms of Section 173 of the Companies Act, 2013, Regulation 17 of Listing Regulations, and Chapter 3 of the DPE Guidelines, were complied with in full.

The details of attendance of the Directors at the Meetings of Board, Annual General Meeting (AGM) and their other directorships and Committee memberships held by them across all companies as on 31.03.2026 are given below:

Sl. No	Name of the Director (Director Identification No.)	Attendance at board meetings/ Total meetings after appointment as Director	Whether attended last AGM (Yes / No /NA)	No. of other director-ships held	Number of Committee Memberships in other companies	Listed entities where the person is a director and the category of directorship
Functional Directors including CMD:						
1	Shri Shantanu Roy *Chairman and Managing Director (DIN 10053283)*	9/9	Yes	--	--	--
2	Shri Anil Jerath *Director (Finance) (DIN 09543904)*	9/9	Yes	1	--	BEML Land assets Limited – Non-executive Director
3	Shri Debi Prasad Satpathy *Director (Human Resources) (DIN 10679597)*	9/9	Yes	--	--	--
4	Shri Rajeev Kumar Gupta *Director (Rail & Metro Business) (DIN 10803828)*	9/9	Yes	--	--	--
5	Shri Sanjay Som *Director (Mining & Construction Business) (DIN 10811981)*	9/9	Yes	--	--	--
6	Shri Sachin Dighde[1] *Director (Defence Business) (DIN 11306396)*	3/3	Yes	--	--	--
Government Nominee Director:						
7	Smt. Meera Mohanty[2] *(DIN 10654030)*	4/5	No	2	--	1. Bharat Electronics Limited- Govt. Nominee Director 2. Bharat Dynamics Limited- Govt. Nominee Director
8	Smt Nishtha Upadhyay[3] *(DIN 10654030)*	2/4	NA	--	--	--
Independent Directors:						
9	Shri Vikas Ramakrishna Kakatkar[4] *(DIN 02372234)*	9/9	Yes	--	--	--
10	Shri Siva Makutam[5] *(DIN 09450599)*	9/9	Yes	--	--	--
11	Shri Bipin Kumar Gupta[6] *(DIN 00293673)*	8/9	No	--	--	--

1. Appointed as Director w.e.f. 18.09.2025
2. Appointed as Director w.e.f. 14.07.2025
3. Ceased to be Director w.e.f 14.07.2025
4. Re-Appointed as Director w.e.f. 17.04.2025
5. Re-Appointed as Director w.e.f. 17.04.2025
6. Ceased to be Director w.e.f 09.02.2026

Notes:

Does not include Directorship in private Companies, Section-8 Companies and Foreign Companies.

Does not include chairmanship/ Membership in the committees other than Audit Committee and Stakeholder Relationship Committee. The above number of directorships in committees is as per the Companies Act, 2013 and SEBI (LODR) Regulation, 2015

The details of specific service contracts, notice period and severance fees etc. are governed by the appointment letter issued by Government of India to respective Director at the time of his/ her appointment/ re-appointment.

During the Financial Year 2025-26, no loans and advances in the nature of loans to firms/ companies in which directors are interested were given by the Company and its subsidiaries.

None of the Director is a relate to other Director(s).

(iii) Directors' Shareholding

None of the Directors held equity shares in the Company as on 31.03.2026.

(iv) Familiarization/ Training of Board Members

In terms of Regulation 25 of the Listing Regulations, Chapter 3 of the DPE Guidelines and applicable provisions of the Companies Act, 2013, a 'Policy on Familiarization/ Training Programs to Board Members' was formulated and approved by the Board of Directors.

As per the terms of the said policy, the Board members including Independent Directors are provided with the familiarization programs on their roles, rights, responsibilities, nature of industry, Company's business model, procedures and practices and are also provided with necessary documents, brochures and reports to keep the Directors abreast of the necessary information relating to the Company. Further, the Board members participate in various training programs on corporate governance and other Board related topics from time to time.

Further, the aforesaid policy along with familiarization and training programs imparted to the Independent Directors are placed on the Company's web-site https://www.bemlindia.in/investors/, in terms of Regulation 46 of the Listing Regulations.

(v) List of Core Skills/ Expertise/ Competencies identified by the Board in the context of the business of the Company and the names of Directors who have such skills/ expertise/ competence:

S.No.	Skill Area	Description	Name of Directors having such skills/expertise/ competence
1	Strategy and planning	Ability to think strategically, identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of BEML relevant policies and priorities.	The above Directors of the Company are appointed by the Government of India considering the requisite skills / expertise / competencies in their respective area of operations and having reasonable knowledge in the other skill areas to safeguard the interest of the Company. Further, the business/ commercial decisions taken at the meetings of Board and Committee of Functional Directors are being implemented towards the growth of the Company.
2	Governance, Risk and Compliance	Experience in the application of corporate governance principles in the Company.	
		Ability to identify key risks to BEML in a wide range of areas including legal and regulatory compliance.	
3	Technical competence	Application of technical knowledge and skills for successful performance of specific job or group of jobs.	
4	Commercial Assessment	A broad range of commercial/ business assessment in areas of accounting, finance, marketing, branding and business systems, practices and improvement.	
5	Legal	Overseeing compliance with numerous laws as well as understanding an individual director's legal duties and responsibilities.	
6	Human Resource Management	Specialized in human resource management with an understanding of employment law.	
7	Information Technology/ Digital Skills	Knowledge in IT and/ or Digital issues with an ability to apply new IT technology in the Company.	
8	Integrity (ethics)	A commitment to • Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development; • Putting BEML interests before any personal interests; • Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict; • Maintaining Board confidentiality at all times.	

(vi) Confirmation from the Board of Directors:

Based on the declarations submitted by the Independent Directors, the Board hereby confirms that the Independent Directors fulfill the condition specified in the Companies Act, 2013 and SEBI (LODR), Regulation, 2015 and they are independent from the management.

(vii) Detailed reason for resignation of Independent Director:

During the year under review none of the Independent Directors resigned or vacated their office before expiry of the tenure.

(viii) Code of Conduct and Fair Disclosure to Regulating, Monitoring and Reporting of trading by Insiders in BEML securities:

The Board of Directors of your Company had approved "Code of Conduct and Fair Disclosure for Regulating, Monitoring and Reporting of trading by Insiders in BEML Securities", pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, and the same is placed on the Company's website https://www.bemlindia.in/investors/. The insiders as defined under the Code should obtain permission from the Competent Authority to deal in securities during the trading window/ restriction period beyond the specified limits. Periodical disclosures are also made as provided under the Code through the Digital Database system, for keeping the track of the flow of Unpublished Price Sensitive Information (UPSI) and simultaneously maintaining the record of the nature of UPSI and name of the executives sharing the same to prevent the instance of insider trading.

Further, the Board of Directors and Senior Management personnel comply with the aforesaid code of internal procedures and conduct for prevention of Insider Trading in terms of DPE Guidelines.

(ix) CEO/ CFO Certification

The Chairman & Managing Director and Director (Finance), have issued necessary certificate to the Board of Directors with respect to the financial statement for the year 2025-26 in terms of Regulation 17 of the Listing Regulations. The said certificate was reviewed and recommended by the Audit Committee in terms of Chapter 4 of the DPE Guidelines and was taken on record by the Board in its meeting held on 07.08.2026.

(x) Review of Compliance of Laws

In terms of Regulation 17 of the SEBI Listing Regulations, Chapter 3 of the DPE Guidelines and applicable provisions of the Companies Act, 2013, the Board reviewed the compliance reports relating to various laws applicable to the Company for the year 2025-26, and noted that there has been non-compliance during the period from 01.04.2025 to 17.04.2025 regarding the composition of the Board of Directors (Regulation 17), composition of Audit Committee (Regulation 18), composition of Nomination & Remuneration committee (Regulation 19) and composition of Risk Management committee (Regulation 21). This was due to cessation of tenure of 3 Independent Directors. However, following re-appointment the 2 Independent Directors were re-appointed on 17.04.2025 and company Compliant with Regulation 18, Regulation 19 & Regulation 21. Furthermore, following the conclusion of Shri Bipin Kumar Gupta three years tenure on 09.02.2026, Company is still non-compliance with regulation 17 & Regulation 19. To address this, your Company has taken proactive steps and has written to the Administrative Ministry requesting appointment of Directors to ensure compliance at the earliest.

Further, there was no significant or material order passed during the year by any regulator or court or tribunal impacting the going concern status and Company's operations in future. The applicable compliances are being monitored across the Company periodically.

3. BOARD COMMITTEES:

The constitution/ reconstitution of various Board Committees together with their terms of reference by the Board of Directors are detailed hereunder. Further, the composition of the said Committees is also placed on the Company's web-site https://www.bemlindia.in/investors/ in terms of Regulation 46 of the Listing Regulations:

(i) Audit Committee:

The constitution/ reconstitution and the terms of reference of the Audit Committee are as per the applicable provisions under the Companies Act, 2013, Listing Regulations, DPE Guidelines as amended from time to time and except to the extent of exemptions granted to the Government Companies. Further, the terms of reference also comply with the directives of the Board of Directors, Department of Defence Production, Central Vigilance Commission and such other competent authority.

The brief terms of reference of the Audit Committee are as follows:

(a) Oversight of financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible;

(b) to review with the management, the quarterly financial statements before submission to the board for approval;

(c) to discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(d) to review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to (a) matters required to be included in the director's responsibility statement forming part of the board's report in terms of Section 134(5) of the Companies Act, 2013; (b) changes, if any, in accounting policies and practices and reasons for the same; (c) major accounting entries involving estimates based on the exercise of judgment by management; (d) significant adjustments made in the financial statements arising out of audit findings; (e) compliance with listing and other legal requirements relating to financial statements; (f) disclosure of any related party transactions; and (g) modified opinion(s) in the draft audit report;

(e) to recommend to the Board, fixation of remuneration to statutory auditors and to approve payment to statutory auditors for services rendered other than statutory audit as may be permitted under law;

(f) to recommend to the Board the fixation of remuneration, re-imbursement of out-of-pocket expenses and other allowances, if any, to cost auditors and transaction auditors;

(g) to evaluate internal financial controls and risk management systems;

(h) to review with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

(i) to review the adequacy of internal audit function of the Company, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure

coverage and frequency of internal audit;

(j) to discuss with internal auditors of any significant findings and follow up there on; and to review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and make suitable recommendation to the board;

(k) to review the functioning of the whistle blower mechanism;

(l) to meet compulsorily at least once in every two months and inter-alia look at all cases of procurements which are made from single sources;

(m) to review the follow-up action on the audit observations of the C&AG audit;

(n) to review inventory position periodically and also review and recommend the cost audit reports for the consideration and approval of the Board;

(o) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

Members of the Audit Committee and the details of their attendance in the meetings are given below:

Sl.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Siva Makutam[1]	Independent Director	3/3
2	Shri Bipin Kumar Gupta[2&7]	Independent Director	4/4
Members:			
3	Shri Vikas Ramkrishna Kakatkar[3&6&8]	Independent Director	1/1
4	Shri Debi Prasad Sathpathy[4&5]	Director (Human Resources)	3/3
5	Shri Rajeev Kumar Gupta[6]	Director (Rail & Metro Business)	1/1

1.Appointed as Chairmanw.e.f. 23.05.2025

2. Change designation from Chairman to member w.e.f. 23.05.2025

3. Appointed as member w.e.f. 28.04.2025

4. ceased as member w.e.f. 28.04.2025

5. Appointed as member w.e.f. 23.05.2025

6. ceased to be member w.e.f. 23.05.2025

7. ceased as member w.e.f. 09.02.2026

8. Appointed as member w.e.f. 17.03.2026

During the year, the Audit Committee met Four times on 22.05.2025, 10.08.2025, 04.11.2025 and 05.02.2026. Accordingly, the Audit Committee complied with the requirements on number and frequency of meetings in terms of Regulation 18 of the Listing Regulations and Chapter 4 of the DPE Guidelines. Further, the Board accepted all the recommendations made by the Audit Committee during the year in terms of section 177 of the Companies Act, 2013.

The Company Secretary acts as Secretary of the Audit Committee. The Chairman of the Audit Committee attended the AGM of the Company held on 29.09.2025 to address the queries of the security holders.

(ii) Nomination and Remuneration Committee

Pursuant to the provisions under Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, a Committee by the name and style

"Nomination and Remuneration Committee" was constituted.

The terms of reference of Nomination and Remuneration Committee would include, recommending to the Board the annual bonus/ variable pay pool and policy for its distribution across the executives and non-unionized supervisors of the Company, and also recommending special/ exclusive allowances and provisions to the personnel serving in remote areas including Jammu & Kashmir and North Eastern Region, in addition to the terms of reference specified under the provisions of the Companies Act, 2013 and Listing Regulations, subject to the exemptions granted to the government companies from time to time.

Further, the appointment and other matters in respect of Key Managerial Personnel and Senior Management Personnel are governed by the BEML Recruitment Rules and Procedures and subject to the policies and directives that may be issued by the Board of Directors and/ or CMD as the case may be from time to time. Fixation of Pay scales for the executives is governed by Presidential Directives issued by the Ministry of Defence. Performance evaluation of Independent Directors was undertaken by Department of Public Enterprises through Administrative Ministry periodically.

Members of the Nomination and Remuneration Committee and the details of their attendance in the meetings are given below:

Sl.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Bipin Kumar Gupta [1&2]	Independent Director	2/2
Members:			
2	Shri Vikas Kakatkar[1]	Independent Director	2/2
3	Shri Siva Makutam[1]	Independent Director	2/2

1. Appointed as Chairman/ member w.e.f.28.04.2025 *2. ceased as member w.e.f. 09.02.2026*

The Nomination and Remuneration Committee meet twice during the year on 22.05.2025 and 06.02.2026. Further, the Company complied with the requirements on number of meetings of the Committee in terms of Regulation 19 of the Listing Regulations.

(iii) Stakeholders Relationship Committee :

In terms of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Board of Directors have constituted the "Stakeholders Relationship Committee".

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

The Committee consists of following Directors:

Sl.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Vikas Kakatkar[1]	Independent Director	1/1
2	Shri Bipin Kumar Gupta[2]	Independent Director	NA
Members:			
3	Shri Anil Jerath	Director (Finance)	1/1
4	Shri Rajeev Kumar Gupta[1]	Director (Rail & Metro Business)	1/1
5	Shri Debi Prasad Satpathy[2]	Director (Human Resources)	NA

1. Appointed as member / chairperson w.e.f. 23.05.2025 2. ceased to be member w.e.f. 23.05.2025

During the year, the Stakeholders Relationship Committee met once on 26.03.2026. Further, the Committee complied with the requirements on number of meetings in terms of Regulation 20 of the Listing Regulations.

The Company has an exclusive platform on its website to enable investors for on-line registration of their complaints. The Company endeavors to reply to the complaints within a period of 3 working days. Other relevant details are placed on the Company's web-site https://www.bemlindia.in/investors/ in terms of Regulation 46 of the Listing Regulations.

Further pursuant to SEBI Circulars, M/s Kfin Technologies Limited (formerly M/s Kfin Technologies Private Limited), the Registrar & Share Transfer Agent of the Company (RTA), is authorized to monitor the on-line complaints placed by SEBI on SEBI Complaints Redress System (SCORES). During the year, 7 complaints were received on SCORES. There were no complaints pending as on 31.03.2026. Further, the redressal status of the said complaints is reviewed by the Board of Directors from time to time.

A quarterly statement on investor complaints received and redressal thereof as submitted with BSE and NSE, in terms of Regulation 13 of the Listing Regulations, are placed before the Board for information. Accordingly, the status of total investor complaints and their redressal during the year is as under:

No. of complaints pending beginning of the year	:	0
No. of complaints received during the year	:	23
No. of complaints resolved during the year	:	23
No. of complaints pending at the end of the year	:	0

(iv) Risk Management Committee

In terms of Regulation 21 of the Listing Regulations, the Board of Directors had constituted a Committee with the nomenclature as 'Risk Management Committee':

The terms of reference of the Risk Management Committee (RMC) are as follows:

(1) To formulate a detailed risk management policy which shall inter alia include:

(a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the RMC.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) A Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

(7) The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

The Committee consists of following category of Directors:

Sl.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Anil Jerath[1]	Director (Finance)	2/2
Members:			
2	Shri Sanjay Som[1]	Director (Mining & Construction Business)	2/2
3	Shri Vikas Kakatkar[1]	Independent Director	2/2
4	Shri Siva Makutam[1]	Independent Director	2/2

1. Appointed as member / chairperson w.e.f. 28.04.2025

The Risk Management Committee met twice during the year on 28.04.2025 and 04.11.2025. Further, the Committee complied with the requirements on number of meetings in terms of Regulation 21 of the Listing Regulations.

In terms of Section 134 of the Companies Act, 2013, Regulation 21 of the Listing Regulations, and Chapter 7 of DPE Guidelines, your Company has formulated "Risk Management Policy". The objective of the Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in identifying, evaluating, reporting and managing or mitigating risks associated with the business. In order to achieve the key business objectives, the policy establishes a structured and disciplined approach to risk management in order to mitigate the risk related issues. The Corporate Risk Committee (CRC) consolidates the key risks along with mitigation plans and report to the Risk Management Committee for review and apprising the Board. The Audit Committee also reviews and monitors the key risks along with mitigation plans and status of risk management and recommend to the Board for approval. The said policy is placed on the Company's website https://www.bemlindia.in/investors/.

(v) Corporate Social Responsibility & Sustainability Committee

In terms of Section 135 of the Companies Act, 2013 and DPE Guidelines on MoU, the Corporate Social Responsibility & Sustainability (CSR) Committee has been constituted.

The terms of reference of CSR Committee would include -

(a) to formulate and recommend to the Board, CSR Policy of the Company which shall indicate the activities to be undertaken by the company in the areas or subject, specified in Schedule VII.

(b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above.

(c) to monitor the CSR Policy of the Company from time to time.

The Committee consists of following Directors/Compliance Officer:

Sl.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Vikas Kakatkar[1]	Independent Director	-/-
2	Shri Bipin Kumar Gupta[2]	Independent Director	3/3
Member:			
3	Shri Siva Makutam[3]	Independent Director	2/2
4	Shri Anil Jerath	Director (Finance)	3/3
5	Shri Rajeev Kumar Gupta	Director (Rail & Metro Business)	3/3

1. Appointed as Chairman w.e.f. 17.03.2026 2. ceased to be Chairman w.e.f. 09.02.2026
3. Appointed as member w.e.f. 23.05.2025

The Board of Directors of your Company has formulated "Corporate Social Responsibility Policy (CSR) and also Sustainable Development Policy (SD)" to ensure commitment at all levels in the organization, and to operate the Company's business in an economically, socially and environmentally responsible and sustainable manner, while recognizing the interests of all stakeholders. Further, the CSR & SD policies of the Company along with the activities undertaken are placed on the Company's web-site https://www.bemlindia.in/investors/.

The CSR Committee met 3 times during the year on 28.04.2025, 11.08.2025, and 03.11.2025. Annual report on CSR activities undertaken during the year 2025-26 is enclosed at **Annexure-VI**.

(vi) Share Certificate Committee

In terms of Regulation 39 of the Listing Regulations, the Board of Directors have constituted a Committee with the nomenclature as "Share Certificate Committee".

The terms of reference of Share Certificate Committee would be considering the request for issue of (i) duplicate, (ii) remat share certificates and (iii) Transmission of shares and Deletion of name and approve the same as duly complying with the provisions of the Companies Act, 2013 and Listing Regulations.

The Committee consists of following directors:

Sl. No.	Name of the Director	Category	Attendance
1	Shri Dedi Prasad Satpathy	Director (Human Resources)	2/2
2	Shri Anil Jerath	Director (Finance)	2/2

The Share Certificate Committee met twice times on, 30.04.2025 and 09.06.2025 during the year under review.

(vii) Technologies Committee

The Board of Directors have constituted a committee in the name and style as 'Technologies Committee' to review and recommend Researcher & Development project to CMD or Board of Director for approval as per the power provide under "Delegation of Power".

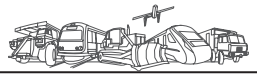
The Committee consists of following Directors:

1. Functional Business Directors as a Chairman
2. Director (Finance)
3. One Independent Director

The Technologies Committee met twice on, 11.06.2025 and 23.09.2025 during the year under review.

(viii) Procurement Committee

The Board of Directors have constituted a committee in the name and style as 'Procurement Committee' in terms of the guidelines issued by the Ministry of Defence, Government of India, for considering and approving all procurements exceeding ₹ 200 lakhs from single sources and rate / value contract exceeding ₹ 500 lakhs.



The Committee consists of all Functional Directors:

The Procurement Committee met 33 times on, 02.04.2025, 15.04.2025, 01.05.2025, 09.05.2025, 16.05.2025, 20.05.2025, 11.06.2025, 18.06.2025, 15.07.2025, 31.07.2025, 25.08.2025, 12.09.2025, 30.09.2025, 11.10.2025, 24.10.2025, 31.10.2025, 05.11.2025, 12.11.2025, 24.11.2025, 28.11.2025, 02.12.2025, 17.12.2025, 19.12.2025, 02.01.2026, 14.01.2026, 30.01.2026, 12.02.2026, 27.02.2026, 06.03.2026, 13.03.2026, 16.03.2026, 24.03.2026 and 26.03.2026 during the year under review.

(ix) Independent Directors Meeting

In terms of the provisions under the Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Independent Directors met on 26.12.2025, wherein they had evaluated the performance of functional directors, reviewed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties. All Three Independent Directors have attended the meeting.

Further, pursuant to Regulation 34 along with other requirements specified in Schedule V of the Listing Regulations, based on the declarations submitted by the Independent Directors the Board hereby confirms that the Independent Directors have fulfilled the conditions specified in the Listing Regulations and are independent of the management.

4. Remuneration of Directors and KMP

Your Company being a Central Public Sector Enterprise, the appointment, tenure and remuneration of Directors are decided by the Government of India. The Government communication appointing the Functional Directors is followed by the detailed terms and conditions of their appointment including a provision for the applicability of the relevant rules of the Company.

Pursuant to Schedule IV of the Companies Act, 2013, the appointment of Independent Directors was formalized through a letter of appointment setting out the terms and conditions of their appointment, which inter-alia, includes remuneration/ sitting fees and re-imbursement of expenses for participation in the meetings of Board and Committees of Board. Further, the said terms and conditions are placed on the web-site of the Company https://alumni.bemlindia.in/documents/BEML_Ind_Director_TnC.pdf, in terms of Schedule IV and Regulation 46 of the Listing Regulations.

(i) Details of Remuneration paid to Functional Directors including Chairman & Managing Director and KMP during the year 2025-26:

(₹ in lakhs)

Name	Salary	Benefits	PF Contribution	Perquisites	Pension Contribution	2025-26 Total amount	2024-25 Total amount
Shri. Shantanu Roy-CMD	47.82	9.66	5.59	12.58	3.50	79.15	74.07
Shri. Anil Jerath-Director (Finance)	38.54	6.91	4.27	8.62	2.49	60.83	60.53
Shri. Debi Prasad Satpathy-Director (HR)	34.70	5.95	4.01	7.74	2.58	54.98	40.91
Shri. Rajeev Kumar Gupta-Director (R&M Business)	44.73	6.08	5.37	10.57	3.13	69.88	32.22
Shri. Sanjay Som-Director (M&C Business)	39.26	5.68	3.96	3.34	2.31	54.55	24.52
Shri Sachin Dighde Director (Defence Business)*	17.64	2.54	2.12	1.76	1.24	25.29	-
Shri. Ajit Kumar Srivastav-Director (Defence)	-	-	-	-	-	-	78.07
Smt. Urmi Chaudhury-Company Secretary	15.42	1.74	1.56	1.19	0.91	20.82	14.32
Shri. Jai Gopal Mahajan-Company Secretary	-	-	-	-	-	-	14
TOTAL	**238.12**	**38.55**	**26.88**	**45.80**	**16.15**	**365.51**	**338.74**

**Part of the year*

(ii) Government Nominee/ Independent Directors compensation:

(a) Government Nominee Directors are not entitled for any remuneration including sitting fee for attending Board/ Committee meetings. Further, none of the Government Nominee Directors had any pecuniary relationship or transactions with the Company during the year.

(b) None of the Independent Directors had pecuniary relationship or transaction with the Company excepting receipt of sitting fee of ₹ 25,000/- per meeting of the Board/ Committee of the Board attended by them. Details of sitting fees paid to the Independent Directors during the year 2025-26 are given below:

Name of the Director	Sitting fee for the meeting(s) of		Total (Amount in INR)
	Board	Committees	
Shri Vikas Ramakrishna Kakatkar	2,25,000	1,75,000	4,00,000
Shri Siva Makutam	2,25,000	3,00,000	5,25,000
Shri Bipin Kumar Gupta	2,00,000	2,50,000	4,50,000
Total	**6,50,000**	**7,25,000**	**13,75,000**

Neither there was payment of commission to the Board of Directors nor any stock option scheme offered to them during the year.

5. Senior Management

Particulars of change in senior management (two level below the board) during the FY 2025-26:

Year	Name & Designation	Date of appointment/ Change in designation	Date of cessation / Retirement
01	K Shekhar- ED	01.07.2025	--
02	Raghupati Gopal Krishna Rao - ED	01.07.2025	--
03	Akhil Kumar- ED	01.07.2025	--
04	Sundaresan S- - ED	01.07.2025	--
05	Vidhyadharan M.K- CGM	01.07.2025	--
06	Sudharshan M- CGM	01.07.2025	--
07	C V Mallikarjuna Reddy- CGM	01.07.2025	--
08	Subramani R- CGM	01.07.2025	--
09	Paritosh Pandey-- CGM	01.07.2025	--
10	Jitendra Kumar- CGM	01.07.2025	--
11	Ajeet Pratap Srivastava- CGM	01.07.2025	--
12	Basavaraj N Navalgund- CGM	01.07.2025	--
13	Anbazhagan P- CGM	01.07.2025	--
14	Murali Mohan G - CGM	01.07.2025	--
15	Subramanyam S M-ED	--	31-07-2025
16	Srinivasan G- ED	--	31-05-2025
17	Channappa Dyamappa Madar- ED(OFFG)	--	31.03.2026

Further, List of senior management (two level below the board) is provided on Corporate Data column of Annaul Report.

6. GENERAL BODY MEETINGS

- **Annual General Meeting**

Details of last three Annual General Meetings are as follows:

AGM	Year	Location	Date & Time	Brief description of Special Resolutions
61st	2024 -25	Four seasons Hotel, Bangalore, 8, Bellary Road, Ganganagar, Bangalore – 560032	29.09.2025 at 11:30 hrs	1. Appointment of Shri Vikas Ramkrishna Kakatkar (DIN: 02372234) as an Independent Director of the Company. 2. Appointment of Shri Siva Makutam (DIN: 09450599) as an Independent Director of the Company
60th	2023 -24	Hotel Shangri-La Bangalore, No. 56-6B, Palace Road, Bengaluru – 560001	20.09.2024 at 11:30 hrs	-
59th	2022 -23	Hotel The Lalit Ashok Bangalore, Kumar Krupa Road, High Grounds, Bengaluru- 560001	27.09.2023 at 11:30 hrs	1. Appointment of Shri Bipin Kumar Gupta (DIN: 00293673) as an Independent Director

• **Postal Ballot**

During the year under review, no resolutions were passed by way of special resolution through postal ballot.

7. MEANS OF COMMUNICATION

a) The Quarterly, Half-yearly and Annual financial results of the Company are submitted to NSE and BSE through on-line platform immediately after the same are approved by the Board in terms of Regulation 33 of the Listing Regulations, Further, the said results are simultaneously posted on the Company's website https://www.bemlindia.in/investors/

b) The financial results of the Company are published in English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily published in Kannada newspaper, being the regional language in terms of Regulation 47 of the Listing Regulations.

c) BEML NEWS - a House Journal brought out periodically is posted on the Company's web-site www.bemlindia.in

d) All material events and information including corporate announcements and press releases are promptly notified to NSE and BSE and the same are placed on the Company's web-site https://www.bemlindia.in/investors/

e) The notice along with the audited financial statements forming part of the Annual Report is sent to the members within the statutory period for the Annual General Meeting.

f) The presentations made to Institutional Investors/ Analysts giving an analysis of the performance and performance highlights of the Company are sent to NSE and BSE and also placed on the Company's website https://www.bemlindia.in/investors/ or the information of the institutional investors, analysts and other shareholders.

g) Company's Website: The website of the Company, www.bemlindia.in, in English & Hindi languages gives comprehensive information including the details of business, facilities, vision, mission and values, management, research and development, indigenization, quality, sales and service network, human resources, corporate social responsibility and sustainability, purchases, vigilance, RTI, Investors and other updates and news. The section on 'Investors' informs the shareholders/ investors, details about the financial results and annual reports, Company's codes and policies, various stock exchange disclosures, investor grievance redressal system, presentations made to investors/ analysts, details of board committees, unpaid or unclaimed dividends, online investor complaints, complaints status, details of debenture trustee and other material events or information relating to the Company.

8. DISCLOSURES

The following disclosures are made in terms of Regulation 34 of the Listing Regulations and Chapter 7 of the DPE Guidelines:

a) Your Company has formulated a "Policy on Related Party Transactions" to regulate transactions entered into between the Company and its related parties. In terms of Regulation 46 of the Listing Regulations, the said policy is placed on the web-site of the Company at https://www.bemlindia.in/wp-content/s/2024/04/202003301756Related_Party_Transactions_Policy.pdf. During the year 2025-26 all related party transactions that were entered into with the related parties were fair, transparent and at arm's length basis and also in the ordinary course of business of the Company. The said related party transactions were duly considered and noted by the Audit Committee. Further, details of related party transactions as required under Ind-AS 24 issued by the Institute of Chartered Accountants of India is given in Note No.39(C) of the Notes forming part of Accounts. It may be noted that no related party transaction was reported during the year involving the Directors, Key Managerial Personnel and other Designated Executives under Related Party Transactions Policy.

b) In terms of the provisions of Section 177 of the Companies Act, 2013, Regulation 22 of the Listing Regulations and Chapter 4 of the DPE Guidelines, your Company has formulated "Vigil Mechanism/ Whistle Blower Policy" for directors and employees to report genuine concerns. The said policy is placed on the Company's website https://www.bemlindia.in/wp-content/uploads/2024/04/Whistle_Blower_Policy.pdf. The policy provides for adequate safeguards against victimization of director/s or employee/s or any other person who avail the said mechanism and also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Audit Committee reviews the functioning of the whistle blower mechanism periodically as per Schedule II (A)(18) of Listing Regulations and Chapter 4 of DPE Guidelines, As per the said policy, none of the employees have been denied access to Audit Committee.

c) Details of Compliance with mandatory requirements and adoption of non- mandatory requirements

Mandatory Requirements:

The company has complied with the mandatory requirements of Corporate governance, except for certain Regulations due to insufficient number of Independent Directors on the Board. As a result, the Company was non-complaint with Regulation 17(1) regarding the composition of Board, including the requirement to appoint women Director; Regulation 18(1) related to constitution of the Audit Committee; Regulation 19(1)&(2) concerning the constitution of the Nomination & Remuneration Committee;

Non- Mandatory Requirements:

Board: Chairman of Board is Executive Director.

Shareholder rights: Financial Results for Quarterly/ half yearly/ yearly during year 2025-26, were published in English and vernacular language newspaper.

Reporting of Internal Auditor: Internal Auditor report to the Audit Committee.

d) The Company has prepared the financial statement, including consolidated financial statements based on the applicable Ind-AS issued by the Institute of Chartered Accountants of India from time to time excepting the accounts of JV, M/s BEML Midwest Limited, which is under liquidation vide order dated 20.10.2023 of the Honourable Hyderabad bench of NCLT.

e) The Company has complied with Presidential Directives, if any, issued by the Central Government during the year and also in the last three years.

f) Company is under non-compliance with regulation 17(1) to Regulation 19 and Regulation 21 of SEBI(LODR) Regulation, 2015 during FY 2025-26 and for the same Stock exchanges have imposed a penalty of Rs.52.89 Lakhs (Incl of GST).

In respect of penalty so imposed, the Company has submitted an application to BSE & NSE seeking wavier of fine and reply is awaited.

g) Disqualification of appointment of directors shall not apply to Government companies under the Companies Act, 2013. Accordingly, requirement of certificate from the Company Secretary in practice that 'None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by SEBI or the Ministry of Corporate Affairs or any such statutory authority, will not apply to the company.

h) Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor of the Company and all entities in the network firm/ network entity of which the statutory auditor is a part is ₹ 30.76 lakhs.

i) The Company has not entered into any contract or arrangement in which the Directors are interested in terms of section 184 and 188 of the Companies Act, 2013.

j) Senior management personnel have affirmed to the Board that their personal interest in all material financial and commercial transactions had no potential conflict with the interest of the Company at large.

k) There were no transactions of the Company with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company.

l) The expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management were – NIL.

m) There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.

n) Finance cost has decreased by 16% during the year 2025-26 as compared to the previous year.

o) There were no items of income and expenditure arising out of transactions of exceptional nature.

p) In terms of the provisions of the Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013, an Internal Complaints Committee is functional in all Complexes/ Divisions for receiving complaints of Sexual Harassment if any, and it has been displayed in all the prominent locations for the information of all

women employees. Two complaints were raised during the year and neccessary action has been taken in line with the ICC's recomendation.

The inquiries against the above two reference have been completed by ICC's (Under Posh) within subscribed 90 days.

9. POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Your Company has formulated a "Policy for Determining Material Subsidiaries" and the same is placed on the Company's web-site https://www.bemlindia.in/wp-content/uploads/2024/04/Material_Subsidiaries.pdf, as required under Regulation 46 of the Listing Regulations. However, none of the subsidiaries of the Company would come under the purview of 'Material Subsidiary' in terms of Regulation 16 of the Listing Regulations and Chapter 6 of the DPE Guidelines.

In terms of Regulation 24 of the Listing Regulations, the Audit Committee periodically reviews the financial statements of the subsidiaries of the Company excepting JV, M/s BEML Midwest Limited accounts which are not consolidated due to complete cessation of activities as the matter is sub-judice. Further, the minutes of the meetings of Board of subsidiary companies are also periodically placed before the Board of the Company along with significant transactions and arrangements entered into between the Company and its subsidiaries.

10. RECONCILIATION OF SHARE CAPITAL AUDIT:

'Reconciliation of Share Capital Audit Report' was submitted on quarterly basis to BSE and NSE within 30 days of end of each quarter pursuant to Regulation 76 of SEBI (Depositories & Participants) Regulations, 2018, and also placed on the website of the Company at https://www.bemlindia.in/investors/.The said report is issued by a Practicing Company Secretary, after reconciliation, confirming that the share capital issued in physical and de-mat form tally with the issued, paid-up, listed and admitted share capital of the Company and also that the Register of Members is up-to-date and the de-materialization requests, transfers, transmissions etc., are completed within the stipulated period. Further, in terms of SEBI Circular the aforesaid report is placed before the Board of Directors of the Company on quarterly basis for information. The said audit reports confirmed that no exceptional issues were reported during the year under review.

11. GENERAL SHAREHOLDER INFORMATION

(i) Corporate Identification Number (CIN) of your Company: L35202KA1964GOI001530.

(ii) The 62nd Annual General Meeting for the year 2025-26 is scheduled on 29th September, 2026 at 11.30 Hours through Video Conferencing (VC) /Other Audio-Visual Means (OAVM).

(iii) The Financial Year of the Company starts from 1st April and ends on 31st March every year.

(iv) The Register of Members and Share Transfer Books shall remain closed from 23.09.2026 to 29.09.2026 (both days inclusive).

(v) Your Board of Directors had declared an interim dividend of ₹ 2.5 per share, i.e. 50% of the equity share capital on 06.02.2026, and which was distributed among the eligible shareholders. Additionally, your Board of Directors

have further approved a 2nd interim dividend of ₹ 2.3 per equity share i.e., 46% on equity shares of ₹ 5 each on 29.05.2026 which was distributed among the eligible shareholders. Further, your Board of Directors has recommended final dividend of ₹ 12.28 per share, i.e., 246% on the equity shares of ₹ 5 each (par value) for the year ended 31.03.2026 and the Final Dividend, if approved at the 62nd Annual General Meeting, will be distributed among the shareholders within the period of 30 days as per requirement.

(vi) Company's equity shares are listed on the following stock exchanges:

The BSE Limited ('BSE')

P.J. Towers, 26th Floor,

Dalal Street, MUMBAI - 400 001

National Stock Exchange of India Limited ('NSE')

Exchange Plaza, Bandra-Kurla Complex

Bandra (East), MUMBAI - 400 051

Listing fee for the year 2025-26 was paid to BSE and NSE during April, 2025.

(vii) Custody/ Issuer charges to Depositories:

Your Company has paid custody/ issuer charges for the year 2025-26 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

(viii) Tentative calendar for declaration of results for FY 2026-27 is given as below:

Quarter/ Year ending	On or before
30.06.2026	07.08.2026
30.09.2026	14.11.2026
31.12.2026	14.02.2027
31.03.2027	30.05.2027
63rd Annual General Meeting	30.09.2027

(ix) Details for non-compliances:

The Board of Directors of the Company was not duly constituted in line with the Regulation 17 of the SEBI Listing Regulations with requisite balance of Executive Directors, Government Nominee Director and Independent Directors.

Due to this non-compliance, Stock Exchanges have imposed total fine for last three years of ₹ 97.07 Lakhs (Incl of GST).

Further, Company has written letter to Ministry of Defence to take necessary action for the appointment of requisite number of Independent Directors, including one women independent Director, on Board.

(x) Compliance with discretionary requirements:

The status on the compliance with the discretionary requirements as specified in the Listing Regulations are as under:

- The Company has Chairman & Managing Director who is an Executive Chairman.
- Process of communicating with shareholders is very robust and the procedure has been explained under "Means of Communication".

- The consolidated financial statements are disclosed with modified opinion in the audit report.
- The Chief of Internal Audit is reporting directly to Chairman & Managing Director and is a permanent invitee to the meetings of Audit Committee.

(xi) Commodity price/ Foreign exchange risk and hedging activities:

Relevant information in this regard is disclosed in Note No. 39L of the Financial Statements.

(xii) Registrar and Share Transfer Agent (RTA):

M/s KFin Technologies Limited (Formerly M/s Kfin Technologies Private Limited), a SEBI registered Category-I RTA, is engaged as Share Transfer Agent of the Company. The contact details of the RTA are as under:

M/s. Kfin Technologies Limited
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500032.
Ph: 040 - 67161526, Fax: 040 - 23001153
E-mail:nageswara.raop@kfintech.com, einward.ris@kfintech.com
Website: www.kfintech.com

(xiii) Share Transfer System:

SEBI vide its circular dated 25.01.2022 has mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing service requests for issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition purposes.

Members holding shares in physical mode are requested to get their holdings converted into dematerialized mode.

(xiv) Shareholding pattern as on 31.03.2026:

Sl.No	Description	No. of Cases	Total Shares	% Equity
1	GOVERNMENT OF INDIA	1	45000000	54.03
2	RESIDENT INDIVIDUALS	196957	15163012	18.21
3	MUTUAL FUNDS	74	14617556	17.55
4	FOREIGN PORTFOLIO - CORP	112	4657914	5.59
5	BODIES CORPORATES	868	1237392	1.49
6	QUALIFIED INSTITUTIONAL BUYER	7	832091	1.00
7	NON RESIDENT INDIAN REPATRIABLE	2119	664512	0.80
8	H U F	3449	512623	0.62
9	NON RESIDENT INDIAN NON REPATRIABLE	2076	303278	0.36
10	IEPF AUTHORITY	1	155684	0.19
11	ALTERNATIVE INVESTMENT FUND	7	125571	0.15
12	TRUSTS	19	11191	0.01

Sl.No	Description	No. of Cases	Total Shares	% Equity
13	NBFC	6	6323	0.01
14	CLEARING MEMBERS	4	801	0.00
15	FOREIGN BANK	1	800	0.00
16	OTHER BANKS	1	200	0.00
17	FOREIGN NATIONALS	1	52	0.00
	TOTAL	**205703**	**83289000**	**100.00**

(xv) Top 10 shareholders excluding Promoter (President of India) as on 31.03.2026 based on PAN:

Sl.No	Description	No. of shares	% holding
1	HDFC TRUSTEE COMPANY LTD. A/C HDFC BALANCED ADVANT	5949215	7.14
2	KOTAK MAHINDRA TRUSTEE CO LTD A/C KOTAK BSE PSU IN	3962047	4.76
3	INVESCO INDIA PSU EQUITY FUND	1647153	1.98
4	ICICI PRUDENTIAL PSU EQUITY FUND	858679	1.03
5	MOTILAL OSWAL NIFTY INDIA DEFENCE ETF	712920	0.86
6	NATIONAL INSURANCE COMPANY LTD	706188	0.85
7	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	558036	0.67
8	BARODA BNP PARIBAS MULTI CAP FUND	555800	0.67
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERI	526420	0.63
10	ISHARES CORE MSCI EMERGING MARKETS ETF	518286	0.62
	TOTAL	**15994744**	**19.20**

(xvi) Distribution of shareholding as on 31.03.2026:

Range of equity shares held	No. of Shareholders*	% to total holders	No. of Shares	% to total equity
1-5000	198648	99.02	11013477	13.22
5001- 10000	1114	0.56	1658263	1.99
10001- 20000	446	0.22	1275997	1.53
20001- 30000	132	0.07	643281	0.77
30001- 40000	68	0.03	478916	0.58
40001- 50000	44	0.02	402671	0.48
50001- 100000	71	0.04	999592	1.20
100001& Above	86	0.04	66816803	80.22
Total	**200609**	**100.00**	**83289000**	**100.00**

* PAN Based.

(xvii) Details of Shares held in Unclaimed Suspense Account:

Your Company made Follow-on Public Offer during 2007 and certain shares could not be delivered/ credited to investors due to reasons such as incomplete/ wrong/ invalid demat account details, incomplete address etc. In terms of Regulation 39 of the Listing Regulations, 245 unclaimed shares were kept in a separate Suspense Account and all 245 shares held by 17 shareholders were transferred to the IEPF during 2017-18 established by the Central Government pursuant to the applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017. Any shareholder whose unclaimed shares are transferred to the IEPF may approach RTA/ Company for claiming back such shares by following due procedure.

Additionally, your company carried out a split off share in the ration of 1:2 (2 shares of ₹ 5/- each for every 1 share of ₹ 10/- held) on 03.11.2025 as per the directive received from MoD with approval of shareholder in its 61st Annual General Meeting held on 29.09.2025. Further, SEBI vide Circular no. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated 25.01.2022 had mandated to issue "Letter of Confirmation" in lieu of physical certificates after processing of the requests for enabling the shareholders to dematerialize the shares within 120 days. Further, the shares are to be compulsorily transferred to Suspense Escrow Demat Account after 120 days, if the shareholder has not dematerialized the shares. Accordingly, Company has opened Suspense Escrow Demat Account and transferred physical certificate share into said Account. As on 31.03.2026, number of shares lying in Suspense Escrow Demat Account are 131282 shares held by 295 shareholders. Further details are laid out in the Board Report.

(xviii) Dematerialization of shares and liquidity:

The Company's shares are being traded under International Securities Identification Number (ISIN) - INE258A01024. Further, the Company's shares are admitted into both the depositories i.e. National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). As on 31.03.2026, 83289000 equity shares of the Company constituting 100% are in electronic form.

The Equity Shares of the Company are traded on NSE and BSE only in dematerialized form. Considering the advantages of scrip-less trading, including enhanced marketability of the shares and security of the investments, shareholders holding shares in physical form have been requested to consider dematerializing their shareholding so as to avail the advantages of dematerialization of shares.

(xix) Investor safeguards:

In pursuit of the Company's objective to mitigate/ avoid risks while dealing with shares and related matters, the following are the Company's recommendations to its Members:

(a) Open Demat Account and dematerialise your shares:

Members should convert their physical holdings into electronic holdings as per SEBI circular dated 25.01.2022, which is mandatory.

(b) Consolidate your multiple folios:

Members are requested to consolidate their shareholdings held under multiple folios and open demat account. This facilitates one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

(c) Confidentiality of security details:

Folio Nos./ DP ID/ Client ID should not be disclosed to any unknown persons. Signed blank transfer deeds or delivery instruction slips should not be given to any unknown persons.

(d) Dealing with Registered Intermediaries:

Members should transact through a registered intermediary, who is subject to the regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, Members can take up the matter with SEBI.

(e) Obtain documents relating to purchase and sale of securities:

A valid Contract Note/ Confirmation Memo should be obtained from the broker/ sub-broker, within 24 hours of execution of the trade. It should be ensured that the Contract Note/ Confirmation Memo contains order no., trade no., trade time, quantity, price and brokerage.

(f) Update your address and email IDs:

To receive all communications and corporate actions promptly including dividends, please update your address and email ID with the Company, RTA or DP, as the case may be.

(g) Prevention of frauds:

There is a possibility of fraudulent transactions relating to folios which lie dormant, where the Member is either deceased or has gone abroad. Hence, we urge you to exercise diligence and notify the Company of any change in address, email ID of stay abroad or demise of any Member, as and when required.

(h) Monitor holdings regularly:

Do not leave your demat account dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified.

(i) Mode of Dispatch:

Share certificates and high value dividend warrants/ cheques/ demand drafts should not be sent by ordinary post. It is recommended that Members should send such instruments by registered post or courier.

(xx) There are no outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact thereof on equity shares.

(xxi) There are no outstanding Bonds/ Debenture/ Commercial Paper at the end of financial year.

(xxii) During year, company has not raised fund through preferential allotment or qualified institutional placement.

(xxiii) Credit Rating on Working Capital facilities/ Debt Securities:

(a) M/s Care Ratings have reaffirmed CARE AA-; Stable/CARE A1+ for fund-based facilities (Short term borrowings) and CARE AA-; Stable for non-fund based bank guarantee

(Long term bank facilities) & letter of credit facilities for an amount of ₹ 5,500 crores (wherein ₹ 4,500 crores are Secured Working Capital limits and ₹ 1000 crore are Unsecured Working Capital limits).

(b) Any change in the credit ratings is being communicated to Stock Exchanges and the same are placed on https://www.bemlindia.in/investors/credit-rating/.

(xxiv) Plant Locations:

1. Bengaluru Complex, New Thippasandra Post, Bengaluru - 560 075.
2. KGF Complex, BEML Nagar, Kolar Gold Fields - 563 115.
3. Mysuru Complex, Belavadi Post, Mysuru - 571 186.
4. Palakkad Complex, Kinfra Park, Kanjikode, Palakkad - 678 007

(xxv) Address for correspondence with the Company:

Ms. Savitri Yadav

Company Secretary & Compliance officer,

M/s BEML Limited,

BEML Soudha, No. 23/1,

4th Main, S.R. Nagar,

Bengaluru - 560 027, Karnataka State, India.

(xxvi) National Electronic Clearing Service/ Mandates/ Bank Details:

Shareholders may note that Bank Account details given by them to their Depository Participants (DP) would be used for payment of dividend under National Electronic Clearing Service and National Electronic Fund Transfer facilities. Shareholders are advised to ensure that their banking particulars are properly recorded in the DP account for timely crediting of dividend payments made by the Company.

(xxvii) Green Initiative

As part of the Green Initiative, the Ministry of Corporate Affairs (MCA) and SEBI have permitted companies to send official documents to their shareholders electronically. The Company has already embarked on this initiative.

In view of the above, the Company provides an opportunity to shareholders to register their email address and changes, if any, from time to time, with the RTA/ DP in terms of the provisions of the Companies Act, 2013 and Listing Regulations. This would enable the Company to send notices and documents to the shareholders through e-mail. Out of 205703 shareholders, about 198133 shareholders constituting about 96.32% have registered their e-mail IDs as on 31.03.2026 with the depositories for communication purpose to whom the notice, annual reports, dividend communication etc., can be sent in e-mode.

We are confident that the shareholders will appreciate the “Green Initiative” taken by MCA and more and more would give consent for this noble cause of conservation of mother earth with ‘green cover’.

(xxviii) Unclaimed Dividends

Any amount that remains unpaid/ unclaimed in the Unpaid Dividend Account of the Company for a period of 7 years from the date of transfer to the said account, will be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government in terms of the provisions of the Companies Act, 2013.

Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred to IEPF pursuant to provisions of Section 124 of the Companies Act, 2013 and MCA Notifications and amendments thereon issued from time to time. Accordingly, all the unclaimed dividend amounts declared prior to 31.03.2018 along with shares are transferred to IEPF. Any shareholder whose shares are transferred to the IEPF may approach RTA/ Company for claiming back the shares along with the unpaid dividend amount by following due procedure.

The unpaid dividends that are due for transfer to the IEPF pursuant to Section 124 of the Companies Act, 2013, are as follows:

Dividend for the financial year	Date of Declaration	Unclaimed as on 31.03.2026 (₹)	% Equity
2018-19 (Interim)	21.03.2019	565731.00	26.04.2026
2018-19 (Final)	26.09.2019	288165.00	02.11.2026
2019-20 (Interim)	13.03.2020	456472.50	18.04.2027
2019-20 (Final)	25.09.2020	499681.53	31.10.2027
2020-21 (Interim)	10.02.2021	456074.00	18.03.2028
2020-21 (Final)	24.09.2021	105174.11	30.10.2028
2021-22 (Interim)	22.03.2022	327277.36	27.04.2029
2021-22 (Final)	23.09.2022	325542.00	29.10.2029
2022-23 (Interim)	10.02.2023	300038.00	18.03.2030
2022-23 (Final)	27.09.2023	301247.00	07.11.2030
2023-24 (Interim)	08.02.2024	261635.00	18.03.2031
2023-24 (Final)	20.09.2024	1429288.50	28.10.2031
2024-25 (Interim)	06.02.2025	447441.00	14.03.2032
2024-25 (2nd Interim)	09.05.2025	1523998.00	14.06.2032
2024-25 (Final)	29.09.2025	108713.80	04.11.2032

(xxix) Code of Conduct

In terms of Regulation 17 of the Listing Regulations and Chapter 3 of the DPE Guidelines, the Board of Directors of your Company has laid down a 'BEML Code of Conduct and Business Ethics for Board Members and Senior Management' and the same is also placed on the Company's web-site, https://www.bemlindia.in/investors/ as required under Regulation 46 of the said Regulations. Board Members and Senior Management, i.e., Directors, Key Managerial Personnel, Executive Directors and Chief General Managers have affirmed compliance with the said Code. A declaration to this effect signed by the Chairman and Managing Directors produced hereunder:

To the Members of BEML Limited,

I, Shantanu Roy, Chairman & Managing Director of the Company, hereby declare that the Board of Directors and Senior Management personnel have affirmed their compliance with the Code of Conduct for the financial year ended 31.03.2026.

On behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director

07.08.2026

(xxx) Compliance with Corporate Governance:

Your Company submitted quarterly compliance report on Corporate Governance as per prescribed format to the Ministry of Defence (MoD), BSE and NSE and also on half-yearly/ yearly basis to BSE and NSE, within the stipulated timelines from the close of relevant period.

Further, your Company submitted quarterly grading reports on the compliance with the Corporate Governance to MoD. In addition, annual grading report for the FY 2025-26 (average of four quarters) is submitted to MoD with a copy to Department of Public Enterprises. As per the consolidated grading report for the year 2025-26, your Company was rated as 'Excellent' in adhering to the corporate governance standards with a score of about 93.16%.

Compliance of the conditions of Corporate Governance have also been audited by a Practicing Company Secretaries and after being satisfied of the above compliances, they have issued a compliance certificate in this respect. The said certificate is annexed with this report and the same will be forwarded to the Stock Exchanges along with the Annual Report of the Company.

For and on behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director

Place: Mysuru
Date: 29.05.2026

CEO AND CFO CERTIFICATION FOR FOR THE YEAR ENDED 31ST MARCH, 2026

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to certify that:

(A) We have reviewed financial statements and the cash flow statement for the year 2025-26 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) 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 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 that:

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

(2) no significant changes in accounting policies during the year, and

(3) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For BEML Limited

Sd/-
Anil Jerath
Director (Finance) and CFO

Sd/-
ShantanuRoy
Chairman & Managing Director and CEO

Mysuru

29.05.2026

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
BEML Limited,
BEML Soudha 23/1, 4th Main Rd,
Sampangi Rama Nagara, Bengaluru,
Karnataka 560027

We have examined the compliance of Corporate Governance by BEML Limited (CIN: L35202KA1964GOI001530) (here in after called 'the Company') having its Registered Office at "BEML Soudha 23/1, 4th Main S R Nagar, Bangalore KA 560027 IN., for the Financial Year 2025-26 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises. We have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The Compliance of Conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulation.

On the basis of our findings from the examination of the records produced and explanations and Information furnished to us, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises except:

1. As per 2nd proviso to Sec 149(1) of the Companies Act 2013 and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014, the Company was required to appoint One Women Independent Director. The Company being a Government Company, appointments of Women or Independent Directors are made based on the Orders issued by the Government of India through the Ministry of Defense. The Company has requested Government of India to issue necessary order for appointment of Women Independent Director and response from the Government of India is awaited.

2. As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/Non-Executive Directors. The composition of the Board is not in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and not

in terms of Section 149 of the Companies Act, 2013 due to non-appointment of requisite number of Independent Directors on the Board of the Company. The Company has intimated the Ministry of Defense, Government of India and awaits suitable orders.

3. There was only 1 Independent Director in the Board on 01.04.2025 till the appointment of two IDS w.e.f 17.04.2025, the committees were not constituted in line with Regn 17, 18 & 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 during the mentioned tenure of 16 days. Further, with the cessation of one ID w.e.f 09.02.2026, the constitution of the NRC Committee was not in line with the said regulation from 10.02.2026.

We further 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.

For Manish Mishra Associates & Partners,
Company Secretaries
(F.R. N. P2015UP081000)

Sd/-
CS Sukhmendra Kumar
Partner
CP. No.: 21707
M. No: A37552
UDIN: A037552H000376352
Peer Review Cert. No. 3163/2023
Date : 15.05.2026
Place-Lucknow

Annexure-IV

MANAGEMENT DISCUSSION & ANALYSIS REPORT

(i) Industry structure and developments:

The company, a Schedule-A Public Sector Enterprise under the administrative control of the Department of Defence Production, Ministry of Defence, operates across three business verticals: Mining & Construction, Defence & Aerospace, and Rail & Metro."

Organization

BEML operates across three primary business segments: Mining & Construction, Defence & Aerospace, and Rail & Metro, each defined by a distinct product mix. To ensure a sharper focus within these verticals, the company has restructured its operations into 14 Strategic Business Units (SBUs): Mining, Construction, Sustenance–M&C, HMV, Armoured, Commuter Rail, Metro Rail, International Business Division, Hydraulics & Powerline, Engine, Aerospace, Sustenance–Defence, Strategic Systems, and Sustenance–Rail & Metro. In addition, two micro-SBUs — SEZ and Maritime — have been established under the Aerospace division.

This strategic restructuring is designed to capture emerging market opportunities, strengthen BEML's presence in specialized areas, and maximize revenue and profitability. As of March 31, 2026, the company's workforce stood at 4,870 employees.

Production Units

BEML operates four manufacturing complexes located in Bengaluru, Kolar Gold Fields (KGF), Mysuru, and Palakkad.

Bengaluru Complex: This facility manufactures a wide range of railway products, including Vande Bharat Sleeper Coaches, High-Speed Trains, LHB Coaches, Rail Coaches, AC Electrical Multiple Units (ACEMU), Diesel Electric Multiple Units (DEMU), Main Line Electric Multiple Units (MEMU), Stainless Steel Electrical Multiple Units (SSEMU), and Overhead Equipment Inspection Cars (OHE Cars) for Indian Railways. It also produces advanced stainless-steel metro cars supplied to Delhi, Bengaluru, Jaipur, Kolkata, and Mumbai Metro Rail Corporations.

KGF Complex: The KGF Complex houses the Earth Movers Division, Hydraulics & Powerline Division, Rail Unit-II, and Heavy Fabrication Unit. The Earth Movers Division manufactures equipment such as bulldozers, hydraulic excavators, wheel loaders, wheel dozers, pipe layers, tyre handlers, hydraulic cranes, walking draglines, electric rope shovels, engineering mine ploughs, trawls and hulls for Tank T-72, Light Armoured Multi-purpose Vehicle(LAMV) and armoured recovery vehicles. The Hydraulics & Powerline Division produces transmissions, axles, hydraulic aggregates, and allied assemblies for BEML's manufacturing units. Rail Unit-II manufactures rail coaches, rail grinding machines, and structural components for railway products.

Mysuru Complex: This complex includes the Truck Division, Engine Division, and Aerospace Manufacturing Division. The

Truck Division produces off-highway rear dump trucks, motor graders, and water sprinklers. The Engine Division manufactures diesel engines for BEML's product range and combat vehicles. The Aerospace Manufacturing Division produces ground handling equipment, weapon loaders, and aggregates for missiles and aerospace applications.

Palakkad Complex: The Palakkad facility manufactures ground support equipment, including high-mobility trucks in 12x12, 10x10, 8x8, and 6x6 configurations, used as transport equipment and platforms for bridge systems, missile carriers, missile launchers, warhead carriers, MAST systems, surveillance radars, and command post vehicles. It also produces mechanical and pontoon bridge systems, ejector and air cleaner assemblies, and aggregates for rail and metro products.

Marketing Network: BEML markets and services its products through a nationwide network of 3 zonal offices, 12 regional offices, 7 activity centres, 1 Defence spares division and 16 district offices. Temporary activity centers are established at customer sites to provide support and service. Service Training Centers at KGF and Mysuru offer year-round training programs. Each business segment has a dedicated marketing setup responsible for business development, tender participation, and project management.

International Business Division: BEML exports its products through its International Business Division, with major markets in the Middle East, Africa, and Southeast Asia. In 2025–26, the company exported goods and services to Uzbekistan, Russia, Oman, Tunisia, Thailand, Dubai and Indonesia, expanding its global footprint to 73 countries.

Developments & Performance during 2025-26:

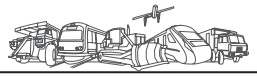
India's latest GDP estimates show that real GDP growth is projected at 7.6% in 2025–26, compared to 7.1% in 2024–25, according to the Central Statistical Organization (CSO) under the Ministry of Statistics and Programme Implementation

The Company achieved important milestones during the year and some of them are mentioned here under:

Defence & Aerospace

BEML's Defence & Aerospace sector in FY 2025–26 achieved profitability recovery and operational milestones in missile support and testing infrastructure

- BEML-Engineered Mechanical Mine Marking Equipment (MMME Mk-II) was Inducted into Indian Army
- BEML received 150 Nos of HMV 6X6 and 120 Nos of HMV 8X8 orders from MoD
- BEML has taken a significant step forward in the Defence & Aerospace sector by securing an order from Bharat Electronics Limited (BEL) for the supply of one HMV 8x8 vehicle under the QRSAM (Quick Reaction Surface-to-Air Missile) project. This order underscores BEML's growing role in supporting India's strategic defence initiatives and highlights its capability in delivering advanced mobility solutions for missile systems.
- BEML Ltd. played a key role in ISRO's successful LVM3-M6 mission by supplying the Strap-On Base Shroud (SBS) airborne structures, a vital component of the LVM3-M6 launch.
- Proto equipment of Light Armoured Multipurpose Vehicle (LAMV) 4X4 has been fielded for trials.



- Signed three MoUs with M/s DCIL to Strengthen India's Maritime & Dredging Capabilities worth approximately Rs. 350 Crs.
  i. To establish a strategic alliance for BEML to supply cable dredgers, long-reach excavators with dredge pumps, and customized dredging solutions. These will be used to take up reservoir de-siltation (removing silt build-up from dams) as part of a business diversification effort.
  ii. To form a strategic alliance for BEML to build five (5) Inland Cutter Suction Dredgers of different capacities under the 'ATMA NIRBHAR' initiative.
  iii. To create a strategic alliance for BEML to supply indigenous (domestically-made) spare parts for DCI's existing dredgers.
- Signed MoU with M/s Hindustan Shipyard Limited to jointly develop advanced marine systems.
- Signed MoU with M/s. Kineco Limited to collaborate in the field of advanced composite manufacturing for Defence and Aerospace applications.
- BEML has received an order from the Indian Air Force for the overhauling of 22 High Mobility Vehicles (HMVs). This marks a significant milestone, as it represents the company's entry into the vehicle overhauling business, thereby expanding its service portfolio beyond manufacturing and strengthening its role in defence lifecycle support
- As part of increasing the capacity the following facilities were inaugurated for Defence and Aerospace Sector.
  - A new hanger for High Mobility Vehicles, at Palakkad.
  - A state-of-the-art robotic welding cell and modern High Mobility Vehicle (HMV) axle assembly shop at KGF complex.
  - Inauguration of New Warehousing facility at the KIADB Aerospace Special Economic Zone (SEZ) in Bengaluru

Mining & Construction

- Handed over India's first indigenously designed and developed 21 cu.m electrical Rope shovel Model: BRS21 from BEML, Kolar Gold Fields Complex to the customer. This has been done in record time of 3 years from receipt of order.
- Roll out of indigenously designed and developed 550 hp Motor Grader, Model BG1205 for use in M/s South Eastern Coal Fields Ltd.
- Relaunched BL9H and BE220G equipment with significant updates.
- Supplied 10 Nos of BD355 from M/s Rudnik Teutedzhak, Russia
- Supplied 1 No of 28KL water sprinkler (WS28-2) and 2 Nos of 60T Dumper (BH60M) from Oman
- Signed MoU with M/s. TESMEC S.p.A for manufacturing and supply of surface miners in India.

Rail & Metro

- Vande Bharat Sleeper Train designed & developed by BEML was dedicated to the Nation by Hon'ble Prime Minister of India at Malda, West Bengal.
- Rolled Out Prototype of New Driverless Metro Trainset for BMRCL's Phase-2 Network
- Received order for 600 Coaches of LHB from M/s ICF

- Received order for 26 Nos of Utility Track Vehicle (UTV) from Railway Board.
- Received order for Metro Services from Malaysia
- Received contract for Manufacture of 15 sets (30 cars) of Switch Rail Grinding Machines from M/s. Loram Rail Maintenance India Private Limited
- A newly build workshop equipped with State-of-art Technology Gantry-type Robotic Laser welding system for high-precision fabrication and robust structural integrity for High Speed Rail was setup.
- Foundation stone laid for New Bhopal Plant (BRAHMA) by Hon'ble Raksha Mantri
- In significant step towards transforming India's freight ecosystem BEML, Deendayal Port Authority (DPA), Delhi Metro Rail Corporation (DMRC) and Umeandus Technologies India Pvt Ltd have signed MoU to develop Enhanced Freight Transport System (e-FTS) – an advanced, rail-based freight mobility solution that will automate and modernize cargo handling across India's ports.

General

- Additional SBUs for Defence Sustenance and Strategic Systems were formed to have focus and as a step towards growing into a system integrator.
- Honored with the National Award for Outstanding Export Performance at the 55th EEPC INDIA National Awards 2025
- Awarded Golden Peacock Eco-Innovation Award 2025 for Indegeniously developed all-electric BRS21-21 Cu.m Rope shovel
- BEML received the following EEPC India's Southern Regional Export Award under Large Enterprises Category
  - ✓ Special Trophy for Excellence in Exports of High Technology Products for 2021-22
  - ✓ Special Trophy for Excellence in Exports of High Technology Products for 2022-23
- BEML was awarded at ET Leadership Excellence Awards 2025 for the following
  - Excellence in Indigenous Engineering Award
  - Trusted Brand Excellence Award
- Received EEPC Quality Gold Awards
- BEML's Team "ENERGY TREE" from KGF Complex, has won Gold Award at International Convention on Quality Control Circle 2025, Taiwan.
- BEML has been honoured with two prestigious awards at the 2nd Edition of the National Economic Growth Summit
  - ✓ BEML Ltd.: Best Brand of the Year
  - ✓ Shri Shantanu Roy: Business Leader of the Year (Manufacturing)
- BEML Palakkad Complex has received Kerala Safety Award under Very very large factory category, Engineering/ Automobile Industry, Instituted by Dept of Factories & Boilers.
- BEML Limited has been honored with 3 Awards during the "12th Governance Now PSU Awards" :
  - ✓ PSU Leadership Award – CMD
  - ✓ Aatmanirbhar Bharat Innovation Award
  - ✓ Communications Excellence Award

(ii) Strengths and Weakness:

(a) Strengths

- Trusted Defence Partner Long-standing support to the Indian Defence Forces, maintaining and upgrading fleets that are over 60 years old.
- Integrated Capabilities Covers the full spectrum — R&D, production, maintenance, and repair contracts — across all three verticals (Defence, Rail & Metro, Mining & Construction).
- Strong R&D Base - Over 87% of sales come from in-house R&D products, backed by dedicated test facilities.
- Mining Equipment Capability- Proven ability to design and manufacture high-end mining machinery for large-scale operations.
- Heavy Fabrication Strength- Expertise in stainless steel fabrication for metro cars, EMUs, and coaches.
- Defence Infrastructure Development Supported by the Government of India and skilled manpower, enabling large-scale defence and aerospace projects.
- Competitive Edge- More than 73% of sales achieved in competition mode, showing resilience and market strength.
- Sales & Service Network- Extensive presence with zonal, regional, district offices, and activity centres across India.
- Market Leadership -Holds major market share in high-capacity dozers and metro cars in India.
- Strong Relationships- Deep ties with defence services, labs, government agencies, and PSUs.
- Sustainability Commitment - Operates as a green company, using renewable energy sources.
- Brand Value & Ethics - Recognized for strong brand equity, a large customer base, and a culture of work ethics.

(b) Weakness

- Ageing Workforce Depletion of skilled manpower and reliance on an ageing workforce reduces agility and innovation capacity.
- No Assured Orders Unlike some other DPSUs, BEML does not have guaranteed business from the Government of India, making revenue streams less predictable.
- Railways Uncertainty Rolling stock orders from Indian Railways are inconsistent, creating uncertainty in the Rail & Metro vertical.
- Low Construction Equipment Share Despite strong capabilities, BEML has a relatively small market share in the highly competitive construction equipment sector.

(iii) Opportunities and Threats:

(a) Opportunities

Defence & Aerospace:

- Capital Acquisition ₹ 1.85 lakh crore earmarked for new platforms — next-gen fighter aircraft, advanced weapons, ships, submarines, UAVs, and drones. BEML can expand its role in mobility vehicles, tank engines, and support systems for these platforms.
- Border Roads Organization Increased allocation for BRO projects creates scope for BEML's dozers, excavators, and heavy construction equipment in strategic border infrastructure.
- Indigenous Procurement ₹ 1.39 lakh crore set aside for domestic Defence industries boosts demand for home-grown vehicles, fabrication, and aerospace systems.

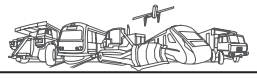
- MRO & Upgrades Growing opportunities in maintenance, repair, overhaul, and upgrade programs for ageing fleets — an area where BEML already has strong credentials.
- Aero & Space Clusters Emphasis on UAVs and aerospace clusters opens avenues for BEML to contribute ground support equipment, fabrication, and integration systems.
- Maritime & Naval Indigenization As part of Amrit Kaal, BEML can indigenize naval aggregates, maritime support systems, and fabrication for shipbuilding projects.
- Export Thrust Government push for exports through Lines of Credit (LoC) creates opportunities for BEML to supply dozers, recovery vehicles, and defence support equipment to friendly nations.

Mining & Construction:

- CAGR Growth in Mining India's mining sector is expected to expand at 6–7% CAGR, driven by demand for coal, iron ore, and rare earth minerals. This growth boosts demand for dozers, excavators, dump trucks, and loaders — BEML's core product line.
- Budget Allocation for Infrastructure The Union Budget 2026–27 has significantly increased allocations for roads, highways, and industrial corridors, creating opportunities for BEML's construction equipment in tunneling, earthmoving, and road-building projects.
- Rare Earth Corridors New mining hubs in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu will require high-capacity mining equipment, where BEML can leverage its expertise in heavy machinery.
- Capital Goods Incentives Budget provisions under the Capital Goods & Infrastructure Equipment Scheme support domestic manufacturing of tunnel-boring machines, cranes, and lifts, aligning with BEML's fabrication strengths.
- Sustainability & Green Mining With emphasis on renewable energy and eco-friendly mining, BEML can expand into electric and hybrid mining equipment, enhancing its "Green Company" positioning.
- Export Potential India's push for mining equipment exports under Viksit Bharat creates opportunities for BEML to supply dozers and excavators to emerging markets in Africa and Southeast Asia.

Rail & Metro:

- Metro Expansion Projects With new metro lines planned in Tier-1 and Tier-2 cities, BEML can supply metro cars, EMUs, and stainless-steel coaches, strengthening its market leadership.
- Indigenous Rolling Stock Government focus on Atmanirbhar Bharat ensures preference for domestic suppliers. BEML's proven expertise in stainless steel fabrication and R&D-driven designs positions it well.
- Budget Allocation for Urban Transport The 2026–27 Union Budget has increased allocations for urban transport and metro rail projects, creating demand for BEML's rolling stock and maintenance contracts.
- High-Speed Rail Opportunities India's push for semi-high-speed and high-speed rail corridors opens opportunities for BEML to collaborate on coach manufacturing and support systems.
- Maintenance, Repair & Overhaul (MRO) Growing emphasis on lifecycle support and upgrades for metro cars and EMUs creates recurring revenue opportunities for BEML's service network.



- Export Potential With India promoting metro exports to friendly nations, BEML can expand into South Asia, Africa, and Middle East markets.
- Green & Sustainable Rail Demand for energy-efficient, lightweight, and eco-friendly metro cars aligns with BEML's "Green Company" initiatives

New Areas:

- Marine & Naval Systems → Indigenization of maritime aggregates and naval support platforms.
- Aerospace & ISRO → Prospects in aerospace clusters, ISRO collaborations, and ground support equipment.
- Unmanned Ground Vehicles → Development of autonomous combat and logistics vehicles.
- Unmanned Aerial Vehicles → Opportunities in UAV support systems and integration.
- Aircraft & Helicopter Aggregates → Manufacture of fixed-wing aircraft and helicopter aggregates.
- AI & Robotics Systems → Defence platforms enabled with AI, robotics, and automation.
- Electric Drive Equipment → Demand for high-end electric drive dump trucks, excavators, and bulldozers, aligning with green mining initiatives.
- Ground Combat Platforms → Heavy-duty combat-ready engineering equipment for defence infrastructure.
- High-Speed Trains → Participation in India's high-speed rail corridors.
- Medium-Speed EMUs → Supply of stainless-steel EMUs for expanding suburban networks.
- Light Rail Systems → Emerging opportunities in Tier-2 and Tier-3 cities adopting light rail.
- Maintenance Equipment → Rail grinding machines, track cleaning machines, and other specialized maintenance equipment.

(b) Threats

- Intensifying Competition Increased competition from Indian private players and global OEMs (like Caterpillar, Komatsu, Alstom, Siemens) erodes BEML's market share in defence, mining, and rail.
- Technology Leaders Operating Directly Global technology leaders increasingly prefer direct operations in India rather than licensing or partnering, limiting BEML's access to advanced technologies.
- Mergers & Acquisitions Consolidation in the mining and construction equipment industry strengthens competitors, creating larger, more resourceful rivals.
- Critical Technology Access Difficulty in sourcing certain critical and denied technologies (e.g., advanced electronics, propulsion systems) hampers product development.
- Rapid Tech Changes Fast-paced innovation in AI, robotics, and electrification requires continuous investment, which can strain BEML's resources.
- FDI Liberalization Increased FDI caps in coal and defence sectors allow global companies to establish stronger footholds in India, intensifying competition.
- Policy Bias Toward Private Sector Government policy interventions increasingly favour private sector participation, reducing the preferential advantage traditionally enjoyed by PSUs like BEML.

(iv) Outlook:

Mining & Construction:

In FY 2026–27, BEML's Mining & Construction business is set to benefit from the Government of India's emphasis on reducing import dependency for mining equipment and ramping up annual coal production, which has created sustained demand for high-capacity dozers, excavators, and dump trucks. Infrastructure development strategies and collaborations with CIS countries further enhance prospects, while export opportunities to Africa, ASEAN, and MENA regions strengthen BEML's global footprint.

In addition to its established product lines, BEML is expanding into high-end mining equipment to meet the growing requirements of large-scale mining operations. The company is also investing in electric mining equipment, aligning with India's sustainability goals and global trends toward eco-friendly mining practices. Furthermore, BEML's focus on surface miners positions it to capture opportunities in selective mining applications, offering efficiency and reduced environmental impact. Together, these initiatives highlight BEML's comprehensive strategy to seize opportunities in the mining and construction sector, reinforcing its role as a key contributor to India's self-reliance and export growth.

Defence & Aerospace:

In FY 2026–27, BEML's Defence & Aerospace business continues to benefit from government measures fostering indigenous design and manufacturing under Atmanirbhar Bharat and the positive indigenisation list. These initiatives have opened avenues in armoured vehicles, recovery vehicles, de-mining equipment, and gun system platforms. A major milestone was achieved with the development of India's indigenous 1500 HP tank engine prototype, underscoring BEML's leadership in defence production and its plans to expand into engine variants for diverse requirements.

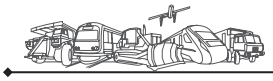
In the Aerospace domain, anticipated orders for aircraft and helicopter aggregates, ISRO-linked space program components, and collaborations with DPSUs and private players for missile program aggregates and high-mobility vehicles are expected to accelerate growth. BEML is also diversifying into the Maritime business, focusing on indigenization of dredging spares, providing dredging solutions, and supporting naval systems. This foray strengthens its presence in marine engineering and complements its defence portfolio.

Additionally, opportunities in AI and robotics-enabled systems, unmanned ground vehicles, and UAVs align with India's modernization priorities, positioning BEML as a key contributor to next-generation defence technologies. Together, these initiatives reinforce BEML's strategy of becoming a multi-vertical engineering powerhouse, advancing India's self-reliance goals while expanding into new domains like maritime and aerospace.

Rail & Metro:

In FY 2026–27, BEML's Rail & Metro business has gained significant traction with the flagging off of Vande Bharat sleeper trains, which has enhanced its capability to meet the growing demand for these advanced train sets. The company has also secured orders for LHB coaches, reinforcing its strong presence in passenger rolling stock. As metro rail projects expand into Tier-II cities across India, BEML is well-positioned to capture upcoming metro car contracts, leveraging its expertise in stainless steel fabrication and R&D-driven designs.

Additionally, the rising demand for suburban trains, particularly Electric Multiple Units (EMUs), along with forthcoming tenders, is



expected to positively impact revenues. The design and manufacturing of India's maiden high-speed train marks a pivotal milestone, setting the tone for the future of Indian rail business and opening new avenues for BEML in advanced rail technology. Beyond passenger transport, the Government of India's focus on addressing port congestion has prompted BEML to take proactive measures, positioning itself to supply specialized rail maintenance and logistics equipment.

BEML marked a significant milestone with the receipt of its first export order during the year 2025-26. This achievement underscores the company's growing global footprint and validates its strategy of diversifying beyond domestic markets.

Together, these developments highlight a robust growth trajectory for BEML in the Rail & Metro segment, driven by modernization, urban expansion, and strategic infrastructure priorities.

Exports:

On the export front, the Company has secured export orders from Middle east Countires and equipment were supplied. Additionally, supplies of orders received from M/s. BEL & M/s. BDL for the supply of High Mobility Vehicles is progressing.

The Company is actively pursuing various business opportunities in the Defence, Mining & Construction, and Rail & Metro segments across SAARC, AFRICA, ASEAN, LATAM, and MENA regions.

With this strategic approach, BEML aims to explore opportunities for exporting High Mobility Vehicles and Aircraft towing tractors in the Defence sector, as well as Rail coaches, Metro Cars, and Maintenance vehicles in the Rail & Metro business. This initiative also extends to the export of Mining & Construction equipment.

(v) Challenges, Risks and Concerns:

BEML faces several pressing concerns:

- Supply Chain Disruptions → Global geopolitical tensions and logistics bottlenecks continue to affect sourcing of critical components, impacting production timelines.
- Dumping Price Strategy → International players adopt aggressive pricing in Mining and Metro projects, challenging BEML's ability to maintain margins.
- Continuity of Orders → Dependence on steady procurement from the Indian Army and Indian Railways remains a risk, especially amid shifting budget priorities.
- Indigenisation Challenges → Localization of parts and components is hindered by minimum order quantity requirements, quality assurance issues, and cost competitiveness.

(vi) Procurement

Onboarding on TReDS Platforms

BEML has onboarded on all 5 TReDs platforms the details are as below:

Sl.No	Firm Name	Portal Name	Onboarding Date
1	M/s. Receivables Exchange of India Ltd.	RXIL	11.04.2018
2	M/s. Mynd Solutions Pvt. Ltd.	M1Xchange	20.03.2020
3	M/s. A.TREDS Limited	Invoice Mart	13.09.2024
4	M/s. KredX Platform Private Limited	DTX	31.07.2025
5	M/s. C2FO Factoring Solutions Private Limited	C2treds	15.09.2025

Timely Payments to MSE Vendors

BEML has been making timely payment to MSE Vendors the details for the year 2025-26 are as below.

Rs.In Lakhs

Timely Payment to MSE (Through TreDS or Directly) - All transactions to cover for Fy 2025-26							
No. of Suppliers (No.)	Total No of Invoices during the year (Rs.)	Total Annual Procurement Value (Rs.)	No of Invoices Involved in delay (No.)	Total Amount Involved in delay (Rs.)	Payment made within 45 days (Rs.)	Payment made after 45 days (Rs.)	Payments Pending beyond 45 days (Rs.)
2021	49105	1,27,118.69	0	0	1,27,118.69	0	0

Procurement through GeM

The details of GeM procurement during the year 2025-26 is as below:

Sl .No	Particulars	Value (Rs. Cr)	Mode of Procurement
1	Total Procurement of Goods & Services (irrespective of availability on GeM or from MSEs)	4,489.32	e-mode
2	Procurement of Goods & Services through GeM	2,820.37	

Procurement through MSE

The details of procurement through MSE during the year 2025-26 is as below:

Sl .No	Particulars	Value (Rs. Cr)
1	Procurement of Goods & Services from MSEs	1,391.89
2	Procurement of Goods & Services from SC/ST-owned MSEs	8.00
3	Procurement of Goods & Services from Women-owned MSEs	74.38

(vii) Health and Safety Initiatives for Human Resources

BEML has strengthened workplace safety and employee well being through a series of initiatives during the year.

Safety Audit: A comprehensive safety audit was conducted across all complexes, leading to the standardization of protective gear such as high visibility reflective jackets and color coded helmets,

Safety Directory: The Safety Directory has been prepared to serve as a comprehensive guide for workplace safety. It includes a detailed analysis of hazardous areas and occupations, with Standard Operating Procedures (SOPs) created for all processes to ensure uniform compliance. All safety regulations and requirements are systematically covered within the directory, making it a central reference for employees and management alike. In addition, inspections of lifts and hoists, along with verification of the availability of essential safety equipment and kits, are incorporated as integral components, ensuring that operational safety standards are consistently upheld.

Onsite emergency plan: The Onsite Emergency Plan has been prepared to ensure authority and alignment with

organizational requirements, formally released at the Divisional COM following approval by the Divisional Head. To build awareness and readiness, a sensitization program was conducted, enabling employees to understand procedures, responsibilities, and actions outlined in the plan. Complementary initiatives such as systematic housekeeping, regular mock drills on emergency preparedness, and shop floor inspections carried out jointly by the respective Shop In charge and Safety Officer further reinforce safety culture. In addition, health and safety awareness programs have been introduced to strengthen employee engagement and foster a proactive approach to workplace safety.

Wellness Programs: The organization has implemented a series of wellness programs designed to promote employee health and well being. Periodical health check ups are conducted for employees above 45 years, while women employees above 40 years are offered breast cancer and Pap smear screenings. In alignment with the National Tuberculosis Elimination Program (NTEP), tuberculosis screening has also been introduced. To address mental health, sessions and seminars on improving resilience against loneliness, depression, and anxiety are organized, fostering psychological well being. Additionally, talks on cardiac health and healthy lifestyle practices provide valuable guidance for preventive care. These initiatives are complemented by the celebration of Health Day as part of a broader health awareness campaign, reinforcing the company's commitment to holistic employee wellness.

Further, to support employees' medical needs, hospitals and diagnostic centers near BEML offices have been empaneled and the BEML owned medical centre at KGF has been upgraded. Training programs in yoga and mental health have been introduced. Recreational facilities such as tennis courts have been opened at the KGF complex, ensuring a holistic approach to safety, health, and employee wellness.

BEML is certified for ISO 45001 (Occupational Health & Safety Management System) standards, reflecting its commitment to workplace safety and employee well being. Reinforces initiatives like standardized helmets, jackets, and onsite emergency plans. Demonstrates compliance with international safety standards, boosting credibility in defense and heavy engineering sectors.

(viii) Internal control systems and their adequacy:

The Company has an internal control system designed to provide high degree of assurance regarding optimization and safeguarding of resources, quality and reliability of financial and operational information, compliance with applicable statutes and corporate policies. It is the Company's endeavor to align all its processes and controls with global best practices.

The internal audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. The internal audit department performs risk-based audits, based on an internal audit plan which is reviewed every year in consultation with statutory auditors and the Audit Committee. The Audit Committee reviews audit reports submitted by internal auditors and follow up on the implementation of corrective actions periodically.

The Statutory Auditors submit a report on internal financial controls over financial reporting along with their Audit Report on the financial statement every year. BEML being a Government Company, is subject to audit by Comptroller and Audit General of India.

A comprehensive Delegation of power exists for smooth decision making which is being periodically reviewed to align It with changing business environment and for speedier decision making. The Company has implemented an enterprise-wide ERP. The Company has end to end SAP platform to provide a robust foundation to address several emerging business needs.

(ix) Segment-Wise or Product-Wise Performance

All the applicable Accounting Standards are followed except IND AS-108 relating to Segment reporting keeping in view the nature of business and the sensitive nature of the disclosure. As the Company is engaged in defence production, an exemption from applicability of IND AS-108 was granted vide Notification No 1/2/2014-CL-V dated 23rd February, 2018 issued by Ministry of Corporate Affairs. Necessary disclosure is being made in Notes forming part of Accounts in this regard

(x) Discussion on financial performance with respect to operational performance:

(Rs. crore)

Particulars	2025-26	2024-25
a. Revenue from Operations (Incl. of other operating income)	4351	4022
b. Revenue from Operations (Incl of sale of products and services)	4154	3839
c. Value of Production	4239	3905
d. Profit before Depreciation, Interest and Tax	328	531
e. Finance costs	46	54
f. Depreciation and amortization expense	83	71
g. Profit Before Tax	199	405
h. Tax Expense	52	111
i. Profit after Tax	147	294
j. Other Comprehensive Income	(4)	2
k. Total Comprehensive Income	143	296
l. Networth	2909	2854
m. Inventory	2338	2379
n. Trade Receivables (Net)	2274	1696
Total Inventory in no. of days of VoP	201	222
Trade Receivables/ Revenue from Sale of Products and services (including GST)	176	129
Profit before Tax to Revenue from operations (a) (%)	4.57%	10.07%
Profit after Tax to Networth (%)	5.05%	10.30%

Your Company achieved Revenue from Operations of ₹ 4351 crores as against ₹ 4022 crores in the previous year, up by 8.18%. Value of Production is ₹ 4239 crores as against ₹ 3905 crores in the previous year, up by 8.55%. The Company registered a Profit before Tax of ₹ 199 crore as against Profit before Tax of ₹ 405 crore in the previous financial year, down by 50.86%.

There was no change in the nature of business of the Company during the year. Further, there was no material change/ commitment occurred affecting the financial position of the Company subsequent to the financial year ended 31.03.2026 till the date of this report.

(xi) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

Key Financial ratio	2025-26	2024-25	%age Change	Explanation
(i) Debtors Turnover	2.45 times	2.95 times	*-17.00*	*Increase in Debtors*
(ii) Inventory Turnover	1.76 times	1.66 times	*-6.00*	--
(iii) Interest Coverage Ratio	5.39 times	8.46 times	*-36.00*	*Decrease in profit*
(iv) Current Ratio	2.00 times	2.66 times	*-25.00*	*Increase in Debtors*
(v) Debt Equity Ratio	0.10 times	0.08 times	*25.00*	*Increase in borrowings*
(vi) Operating Profit Margin (%)	5.00%	11.00%	*-55.00*	*Decrease in profit*
(vii) Net Profit Ratio (%)	4.00%	8.00%	*-50.00*	*Decrease in profit*

(xii) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

Key Financial ratio	2025-26	2024-25	%age Change	Explanation
Return on net worth	5.05%	10.30%	-51.00%	Decrease in profit

(xiii) Material developments in Human Resources, Industrial Relations front, including number of people employed:

Relevant information in this regard is disclosed in the Board's Report.

(xiv) Environmental Protection and Conservation, Technological conservation, Renewable energy developments, Foreign Exchange conservation:

Relevant information in this regard is disclosed in Annexure-I to the Board's Report.

(xv) Corporate Social Responsibility and Sustainability (CSR):

Relevant information in this regard is disclosed in **Annexure-VI** to the Board's Report.

Cautionary Statement - Certain statements made in the Management Discussion and Analysis Report related to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether expressed or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

For and on behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director

Place: Mysuru
Date: 29.05.2026

Annexure-V

Business Responsibility and Sustainability Report for the Financial Year 2025-26

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L35202KA1964GOI001530
2.	Name of the Listed Entity	BEML Limited
3.	Year of incorporation	1964
4.	Registered office address	BEML Soudha, 23/1, 4th Main, S R Nagar, Bengaluru – 560027
5.	Corporate address	BEML Soudha, 23/1, 4th Main, S R Nagar, Bengaluru – 560027
6.	E-mail	cs@bemlltd.in
7.	Telephone	080-22963211
8.	Website	www.bemlindia.in
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited 2. National Stock Exchange of India Limited
11.	Paid-up Capital	Rs. 41,64,45,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Smt. Urmi Chaudhury Designation - Senior Manager, Company Secretariat Telephone - 080-22963142 Email id- urmi.chaudhury@bemlltd.in.
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone
14.	Name of assessment or assurance provider	RSJ Inspection Service Ltd
15.	Type of assessment of assurance obtained	Reasonable Assurance

II. Product/ Services

16. Details of business activities:

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing of Mining & Construction Products	Manufacturing, Supplying & after sales-service of Mining & Construction Products for Open Cast Mines, Construction segment and for exports requirements	41%
2	Manufacturing of Rail & Metro Products	Manufacturing & Supplying Metro cars to Mumbai Metropolitan Regional Development Authority and Delhi Metro Rail Corporation and Maintenance Vehicles to Indian Railways	24%
3	Manufacturing of Defence Products	Manufacturing, Supplying & after sales-service of High Mobility Vehicle for various applications, Recovery Vehicles, Aerospace components and Tank aggerates to Defence Services and other DPSUs/ Private players.	35%

17. Products/Services sold by the entity:

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Dozers/ Dump Trucks/ Excavators/ Loaders/ Water Sprinklers	28243	41%
2.	Metro Cars/ Maintenance equipment	30202	24%
3.	High Mobility Vehicles, Armoured Recovery Vehicles, Aerospace components, Mine ploughs & Tank aggregates	30400	35%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of offices	Total
National	4	36	40
International	-	-	Nil

19. Markets served by the entity:

a. Number of Locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	71 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

During 2025-26, the contribution of exports as percentage of total turnover is 4.25%

c. A brief on types of customers

As BEML Limited operates under three Business Verticals, i.e. Defence & Aerospace, Mining & Construction and Rail & Metro we supply our products for core sectors of economy.

Our domestic customers include Ministry of Defence, Ministry of Railways, Coal India Limited, Defence Public Sector Units, Indian Space Research Organisation, Defence Research Development Organisation, Metro Rail Corporations i.e. Delhi, Bengaluru, Jaipur, Mumbai, Chennai CPSEs, large private entities.

Also, our overseas customers typically are national governments, governmental companies, large private entities across the globe.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1808	1640	90.7%	168	9.3%
2.	Other than Permanent (E)	253	222	87.7%	31	12.3%
3.	**Total employees (D + E)**	**2061**	**1862**	**90.3%**	**199**	**9.7%**
WORKERS						
4.	Permanent (F)	2343	2272	97.0%	71	3.0%
5.	Other than Permanent (G)	519	504	97.1%	15	2.9%
6.	**Total workers (F + G)**	**2862**	**2776**	**97.0%**	**86**	**3.0%**

*NB : * excluding Board level Executives & CVO on deputation NB:*

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	25	23	92%	2	8.0%
2.	Other than Permanent (E)	1	1	100%	0	0.0%
3.	**Total differently abled employees (D + E)**	**26**	**24**	**92.3%**	**2**	**7.7%**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	57	52	91.2%	5	8.8%
5.	Other than Permanent (G)	0	0		0	
6.	**Total differently abled workers (F + G)**	**57**	**52**	**91.2%**	**5**	**8.8%**

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	1	11.11%
Key Management Personnel (KMP)	7	1	14.28%

22. Turnover rate for permanent employees and workers: *(Disclose trends for the past 3 years)*

Category of Personnel	2025-26			2024-25			2024-25		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.54%	6.88%	3.86%	4.27%	7.62%	4.56%	3.77%	6.08%	3.85%
Permanent Workers	0.46%	0%	0.45%	0.25%	0 %	0.24%	0.10%	0 %	0.01%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1.	Vignyan Industries Limited	Subsidiary	96.56%	No
2.	MAMC Industries Limited	Subsidiary	100%	No
3.	BEML Midwest Limited	Joint Venture	45%	No

VI. CSR Details

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

(ii) Turnover (in ₹) = ₹ 415421.72 Lakhs

(iii) Net worth (in ₹) = ₹ 290871.91 Lakhs

VII. Transparency and Disclosures Compliances

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

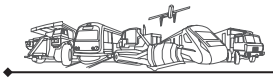
Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. https:// pgportal.gov. in/	12	1	NIL	16	NIL	NIL
Investors (other than shareholders)		NIL	NIL	NIL	NIL	NIL	NIL
Shareholders		23	NIL	NIL	26	NIL	NIL
Employees and workers		7	NIL	NIL	16	NIL	NIL
Customers		1	NIL	NIL	3	NIL	Complaints reported through emails, telephone and internal complaint handling sys
Value Chain Partners		NIL	NIL	NIL	NIL	NIL	NIL
Other (please specify) like Vendors		6	1	NIL	19	8	NIL

Note: All the above grievances were received through CPGRAMS means an on-line portal "Centralised Public Grievance Redressal and Monitoring System" managed by the Department of Administrative Reforms & Public Grievances.

The shareholders complaints are as per SEBI SCORES

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Working Capital Cycle	Risk	Elongated receivables (>140 days) and inventory (>190 days) strain liquidity.	Tighten credit control, improve collections, optimize inventory.	Negative – higher borrowing costs, reduced cash flow.
2	Customer Dependency	Risk	Heavy dependence on Coal India & government contracts exposes BEML to policy/budget cycles.	Diversify into private mining, exports, and urban infra projects.	Negative – revenue volatility; Positive if diversification succeeds.
3	Technology & Indigenisation	Opportunity	Transition into electronics/ software enhances competitiveness; metro cars indigenisation ~66%..	Invest in R&D, partnerships, skill development.	Positive – higher margins, new market entry.
4	Profitability & Margins	Risk	Input price volatility (steel, alloys, imports) impacts PBILDT margins..	Long-term contracts, hedging, vendor diversification.	Negative – margin erosion; Positive if cost control succeeds.
5	Supply Chain & Capacity Utilisation	Risk	Uneven SBU performance, supply chain disruptions delay execution..	Balanced SBU monitoring, vendor risk management, capacity alignment.	Negative – delayed revenue recognition.
6	Environmental Sustainability	Opportunity	Growing demand for EV-ready, eco-friendly mining & metro solutions.	Green R&D, renewable integration, emission compliance.	Positive – new contracts, regulatory advantage.
7	Governance & Transparency	Opportunity	Strong risk governance builds investor trust.	ISO 31000 alignment, Board-level oversight, transparent reporting.	Positive – improved credit rating, investor confidence.
8	Community & Stakeholder Engagement	Opportunity	CSR and local engagement enhance social license to operate.	CSR in education, healthcare, rural development.	Positive – smoother project execution, reputational gains.



Section B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.bemlindia.in/investors/.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001 -2015 ISO 14001 – 2015 ENI5085 for railway vehicles BS OHSAS 18001 – 2017 AS9100C – for Aerospace & Space components/ aggregates https://alumni.bemlindia.in/writereaddata/Downloads/202110081131BEML_CSR_ Policy_2021.pdf								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	At BEML, we understand the critical importance of embracing environmentally sustainable practices to secure a better future. Our commitment lies in minimizing our carbon emissions, utilizing renewable energy sources, and optimizing resource management throughout our operations. We focus on fostering eco-friendly innovations, reducing waste, and ensuring ethical sourcing, while also promoting environmental awareness among all stakeholders. By embedding sustainability into our core business strategy, we strive to effect positive change, support a healthier planet, and create a sustainable future.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	At BEML, we recognize the importance of integrating environmentally responsible practices into our operations. Our approach emphasizes reducing carbon emissions, enhancing energy efficiency, and optimizing resource utilization. We are committed to ethical sourcing, waste reduction, and fostering innovation that supports sustainability. By embedding these principles into our business strategy, we aim to contribute to long-term environmental stewardship and promote awareness across all stakeholder groups.								

Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	The Company has sincere concerns regarding ESG and is making all out efforts to mitigate ESG related challenges.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Shantanu Roy, Chairman & Managing Director, DIN: 10053283 Phone No: 080 -22963111 Email: coord@bemlltd.in
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details..	Yes, Board of Directors collectively take decisions on sustainability related issues periodically.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half Yearly/ Quarterly/ Any other)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes									Regularly								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board periodically reviews the compliance of all the principles and take rectification action on noncompliance (If any).									Periodically								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Yes, various regulatory authorities, auditors, and external agencies periodically evaluate the Company's policies to ensure compliance and effectiveness. .								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA								
It is planned to be done in the next financial year (Yes/No)	NA								
Any other reason (please specify)	NA								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Principle 1, 3, 4 & 8	55.55%
Key Managerial Personnel	1	Principle 1, 3, 7 & 8	16.67%
Employees other than BoD and KMPs	467	Principle 1, 2, 3, 4, 6, 7, 8	37.39%
Workers			14.50%

2. **Details of fines/ penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:**

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/ No)**
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL
Non-Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/ No)**
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	**Name of Regulatory/ enforcement agencies/ judicial institutions**
Not applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The Company has established a robust Whistle Blower Policy, complemented by relevant provisions embedded within the BEML Conduct, Discipline and Appeal Rules, 2019. Additionally, the Company adheres to the certified Standing Orders of 1969 for addressing instances of corruption. To further reinforce its commitment to ethical governance, BEML has also adopted the Integrity Pact, thereby promoting transparency and accountability across its operations. www.bemlindia.in/wp-content/uploads/2025/08/Viglance_manual_3.0.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable X 365)/ Cost of goods/ services procured) in the following format:

	FY 2025-26	FY 2024-25
Number of days of accounts payables	161	127

9. Open-ness of business

Parameter	Metrics	2025-26	2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	4%	4%
	b. Number of trading houses where purchases are made from	133	113
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	83%	71%

Parameter	Metrics	2025-26	2024-25
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	10.5%	8.97%
	b. Number of dealers/ distributors to whom sales are made	6	2
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	10.5%	8.97%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	-	-
	b. Sales (Sales to related parties/ Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances) – Rs. in Lakh	1813.86	1469.91
	d. Investments (Investments in related parties/ Total Investments made)	1018.91	838.91

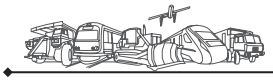
Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/ Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
13 (Through Pan-India Vendor Meet/awareness programs held by various forums/ Chambers of Commerce)	1. BEML Product Range. 2. BEML current projects under execution. 3. Vendor registration process. 4. Scopes at BEML for domestic/ MSE suppliers, benefits/incentives to MSEs & startups.	30% of value chain partners were covered under the awareness program..

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, all members of the Board are mandated to disclose details of their associated entities to facilitate the identification of related party transactions. Additionally, they are obligated to declare any potential conflicts of interest, thereby ensuring transparency and upholding the highest standards of corporate governance.



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

Essential Indicators			
1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.			
	Current Financial Year (2025-26)	**Previous Financial Year (2024-25)**	**Details of improvements in environmental and social impacts**
R&D	Nil	Nil	Nil
Capex	Nil	Nil	Nil

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company has put in place a well-devised procedure for sustainable sourcing. Company has a well-documented Purchase Manual. This Manual has been placed on the Company's website link https://bemlindia.in/wp-content/uploads/2024/11/PURCHASE-MANUAL-2024.pdf that helps in sourcing the requisites for operations and business activities in a steady, continuous, and sustainable manner. The Company has policies of long-term contracts and rate- contracts.

1. Indigenisation Drive
   - Over 90–97% indigenisation achieved in mining and defence equipment.
   - Metro cars indigenisation at ~66%, with ongoing efforts to localize more components.
   - Reduces reliance on imports, strengthens domestic supply chains.
2. Vendor Development
   - Expansion of vendor base to avoid dependency on single suppliers.
   - Encourages local MSMEs and suppliers to participate in BEML's ecosystem.
   - Transparent e-procurement systems ensure fair competition.
3. Green Procurement
   - Focus on eco-friendly materials and components.
   - Integration of renewable energy and emission-compliant technologies in manufacturing.
   - EV-ready mining equipment and energy-efficient aggregates.
4. Supply Chain Ethics
   - Vendor compliance with labour, safety, and environmental standards.
   - SAP-integrated vendor master system to prevent manipulation.
   - Vigilance oversight ensures ethical sourcing practices.

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

BEML's Purchase Manual sets out structured procurement processes to ensure steady, continuous, and sustainable sourcing. The company emphasizes long-term contracts and to stabilize supply chains.

BEML is actively pursuing indigenisation — with 90–97% localization in mining and defence equipment, and ~66% in metro cars.

The company has declared its vision of becoming a Green Company aligned with India's National Green Energy Mission.

During the year 2025-26, Eighty-four (84) % of energy requirement of BEML Limited was met through "Green Energy" projects viz. 23MW Windmill Projects and 250KWp Solar Power, resulting in mitigation of 21043 Tons (approx..) tons of carbon. Additionally, approx. 51.45 Lakh Tons of carbon is being saved yearly for the nation through our contribution to the clean urban mobility solutions being provided

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

BEML Limited has well established mechanism to channelize for disposal of waste generated during the manufacture of product/ equipment through authorized recyclers/ handlers to respective pollution control approved agencies. In addition, left out food waste used for generation of Biogas using in the Biogas plant is in turn used for light cooking application. Further, the Company has coolant recycle plant used for subsiding the heat generated during the manufacturing process. Sewage treatment plants are also established for recycling the water which is being used for production purposes. All these facilities would contribute to about 5-10% of recycling of products and waste.

eWaste Disposal across all complexes are being done from centralized location.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No) If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable

Leadership Indicators					
1. Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?					
NIC Code	**Name of Product/ Service**	**% of total Turnover contributed**	**Boundary for which the Life Cycle Perspective/ Assessment was conducted**	**Whether conducted by independent external agency (Yes/No)**	**Results communicated in public domain (Yes/ No) If yes, provide the web-link.**
NIL					

2. If there are any significant social or environmental concerns and/ or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
NA		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Nil	Nil	Nil

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

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year
	Reused	Recycled	Safely Disposed	
Plastics (including packaging)	NIL	NIL	NIL	The Company's manufacturing operations generate a significant volume of metal scrap; however, concerted engineering interventions are undertaken to minimize waste generation at the source. Reusable material is also used in packaging manufactured goods. While these recycled and reused materials contribute meaningfully to environmental conservation, their financial value is presently not being accounted for in the reporting framework.
E-waste	NIL	NIL	NIL	
Hazardous waste	NIL	NIL	NIL	
Other waste	NIL	NIL	NIL	

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	

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

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/A)
Permanent employees											
Male	**1640**	1640	100%	1640	100%	NA		28	1.71	-	-
Female	**168**	168	100%	168	100%	03	1.79	NA		-	-
Total	**1808**	1808	100%	1808	100%	03	1.79	28	1.71	-	-
Other than Permanent employees											
Male	**222**	222	100%	222	100%	NA		0		0	-
Female	**31**	31	100%	31	100%	0		0		0	-
Total	**253**	253	100%	253	100%	0		0		0	-

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/A)
Permanent workers											
Male	**2272**	2272	100%	2272	100%	NA	NA	51	2.24	0	-
Female	**71**	71	100%	71	100%	1	1.41	NA	NA	0	-
Total	**2343**	2343	100%	2343	100%	1	1.41	51	2.24	0	-
Other than Permanent workers											
Male	**504**	504	100%	504	100%	NA	NA	0	0	0	-
Female	**15**	15	100%	15	100%	0	0	0	NA	0	-
Total	**519**	519	100%	519	100%	0	0	0	0	0	-

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

	2025-26	2024-25
Cost incurred on well-being measures as a % of total revenue of the company	1.71%	1.80%

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

	FY 2025-26			FY 2024-25		
Benefits	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
Others - BEML executive superannuation pension scheme	100%	100%	Y	100%	100%	Y

Note: Employees and Workers have been considered who are on regular on-rolls in the company

3. Accessibility of workplaces

Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company has established dedicated and accessible facilities within its premises and offices to support employees and workers with disabilities, in compliance with the provisions of the Rights of Persons with Disabilities Act, 2016. This initiative underscores the Company's commitment to fostering an inclusive and equitable workplace environment.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

In accordance with the provisions of the Rights of Persons with Disabilities Act, 2016, the Company has constituted a dedicated Committee to facilitate the inclusion of individuals with disabilities in the workforce. The Committee has systematically identified suitable positions across Group 'A', Group 'B', and Group 'C' categories for the employment of persons with disabilities. Through its open recruitment drives, BEML actively encourages and provides equal opportunities for candidates with disabilities to apply for and secure employment in these identified roles, thereby reinforcing its commitment to diversity and inclusion.

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

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	36	100%	62	100%
Female	7	100%	0	-
Total	**43**	**100%**	**62**	**100%**

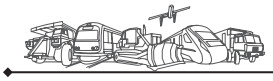
6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No *(If Yes, then give details of the mechanism in brief)*
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

The Company has established a grievance redressal mechanism as outlined in the certified standing order GB No. 278. This mechanism addresses complaints that pertain to individual workmen, specifically regarding issues such as wage payments, overtime, leave entitlements, transfers, promotions, seniority, work assignments, working conditions, job designations, and the non-extension of welfare amenities or benefits as stipulated by the rules. However, it is important to note that this process does not encompass grievances related to policy matters or those arising from disciplinary actions taken in accordance with the Certified Standing Orders of the Company. Additionally, officers within the organization are entitled to seek redress for grievances that stem from the implementation of management policies, rules, or decisions. This includes concerns related to leave, salary increments, officiating or acting arrangements, seniority, work assignments, and the non-extension of welfare benefits, as well as the interpretation of service rules, all of which are of an individual nature.

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

Category	**FY 2025-26**			**FY 2024-25**		
	Total employees/ workers in respective category (A)	**No. of employees/ workers in respective category, who are part of association(s) or Union (B)**	**% (B / A)**	**Total employees/ workers in respective category (C)**	**No. of employees/ workers in respective category, who are part of association(s) or Union (D)**	**% (D / C)**
Total Permanent Employees	**1808**	1808	100%	1843	1843	100%
- Male	1640	1640	100%	1680	1680	100%
- Female	168	168	100%	163	163	100%
Total Permanent Workers	**2343**	2343	100%	2632	2794	100%
- Male	2272	2272	100%	2553	2553	100%
- Female	71	71	100%	79	79	100%



8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/ A)	No. (C)	% (C/A)		No. (E)	% (E/ D)	No. (F)	% (F/D)
Employees										
Male	1869	342	18	1495	80	1837	1837	100	1837	100
Female	199	36	18	159	80	124	124	100	124	100
Total	**2068**	378	18	1654	80	**1961**	1961	100	1961	100
Workers										
Male	2776	1384	49.86	1666	60	2632	2632	100	2553	97
Female	86	43	50	52	60	162	162	100	79	48.76
Total	**2862**	1427	49.86	1717	60	**2794**	2794	100	2632	94.20

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1771	251	14.17%	1640	452	27.6
Female	173	27	15.61%	130	33	25.4
Total	**1994**	**278**	**13.94**	**1770**	**485**	**27.4**
Workers						
Male	2560	311	12.15%	2873	571	19.9
Female	81	17	20.99%	86	15	17.4
Total	**2641**	**328**	**13.07%**	**2959**	**586**	**19.8**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

An occupational health and safety management system has been implemented by the Company which covers all employees and workers.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company systematically identifies both hazardous and non-hazardous areas within each department. Clear guidelines on safe working practices and operational procedures

for these areas have been effectively communicated to all employees and workers. HIRA is carried out for all routine/non-routine activities. Additionally, these safety instructions are prominently displayed in relevant sections of the Company's complexes, ensuring widespread awareness and adherence to safety protocols.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the Company provides non-occupational medical and healthcare services for all employees & workers.

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

Safety Incident/ Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

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

The Company is committed to providing a healthy and safe working environment for its employees and other stakeholders, ensuring full compliance with all relevant legal and regulatory requirements. The Company actively strives to conserve natural resources and implement initiatives aimed at achieving energy efficiency, minimizing process waste, and promoting recovery, reuse, and recycling of materials. In addition, eco-friendly waste disposal practices are being developed to further support sustainability goals.

The Company is continuously taking proactive measures to reduce environmental health and safety hazards, including addressing hazardous processes. Furthermore, it invests in ongoing training and awareness programs to ensure all employees are well-informed and equipped to manage Employee Health and Safety (EHS) issues effectively.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Not Applicable	Nil	Nil	Not Applicable
Health & Safety	Nil	Nil	Not Applicable	Nil	Nil	Not Applicable

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

All possible safety measures have been taken as per the applicable Acts which are monitored by the safety officer and safety committee functioning at respective Complex/ Division.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   Yes, the company has extended the Life Insurance/ compensatory packages in the event of death of employees and workers.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The company ensures that statutory dues have been deducted and deposited in respect of contract labour.

3. **Provide the number of employees/ workers having suffered high consequence work related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	Nil	Nil	NA	NA
Workers	Nil	Nil	NA	NA

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   Yes, the Management consistently implements a comprehensive range of training programs focused on skill development, re-skilling, up-skilling, and refresher courses for all employees. These initiatives are designed to enhance job performance and ensure that employees remain employable even after superannuation. In line with the Company's policies, employees are also offered post-superannuation opportunities based on their area of expertise.

   Additionally, the Management provides specialized training to employees approaching superannuation on key topics such as Financial Management, Health Management, and well-being practices like Yoga and Meditation. These sessions also cover age-related health issues, dietary habits, and other relevant subjects, empowering employees to effectively plan and lead a fulfilling life post-retirement.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100% in respect of contract labour by Government Labour Department through the contractors
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Comprehensive health and safety protocols have been implemented to ensure the well-being of contract labourers. These measures encompass a range of initiatives designed to mitigate risks and promote a safe working environment

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

Essential Indicators

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

   Yes, based on its experience, the Company has mapped its internal and external stakeholders which includes

   (i) Government & Regulatory authorities.

   (ii) Customers

   (iii) Investors

   (iv) Employees

   (v) Local Community and other stakeholders

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual General Meeting, email, social media, press release	Annual, Quarterly, Regular	Understanding Shareholders expectations and Providing guidance on future prospects of the company
Investors	No	Investor / Analyst Meet, email, Exhibitions, social media, press release	Annual, Quarterly, Regular	Engagement with investors to brief on financial performance of the company and clarifying on their observations, providing guidance to the investors during the meeting
Customers	No	Personal Meetings and virtual communications, social media, email, website, SMS, Advertisement, Exhibitions, press release	Continuous	Understanding customer requirement and feedback and creating awareness about varied segments
Employees	No	Sampark / BEML Connect Portal, Management Communication, Periodic employees meet, email, Video Conferences, one-on-one counselling, social media, press release	Continuous	Employee engagement, Performance Management, Career Management, Employee feedbacks, suggestions, reviews and grievance redressal

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Vendor/ Contractor	No	Vendor Meet, email, calls, vendor events, social media, press release	Continuous	Vendor engagement, their feedback suggestions reviews and grievance redressal
Communities	Yes	CSR activities, social media, Site visits, press release	Continuous	Sustainable Development

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Stakeholders' Relationship Committee convenes regularly to discuss and evaluate various aspects of stakeholder engagement and satisfaction. These meetings serve as a platform for addressing concerns, sharing updates, and strategizing on initiatives that enhance stakeholder relationships. Following each meeting, a comprehensive report is prepared and presented to the Board, ensuring that all members are informed of the discussions and decisions made.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, BEML uses stakeholder consultation to support the identification and management of environmental and social topics. Inputs from customers, employees, regulators, communities, and investors are systematically incorporated into policies and activities.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   No concerns have been raised or observed during the year.

   BEML Limited's CSR policy focuses on projects and programs aimed at benefiting marginalized, disadvantaged, and underserved communities, as well as the environment. The Company has undertaken various initiatives in infrastructure development, education, and healthcare in remote areas predominantly inhabited by disadvantaged groups. Additionally, baseline surveys and need assessments have been conducted around several operational areas to gain deeper insights into community needs through structured interactions and feedback.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/ A)	Total (C)	No. of employees/ workers covered (D)	% (D/ C)
Employees						
Permanent	1815	99	5.5	Nil	Nil	Nil
Other than permanent	253	169	66.8	Nil	Nil	Nil
Total Employees	**2068**	**268**	**13**	**Nil**	**Nil**	**Nil**
Workers						
Permanent	2343	3	0.13	Nil	Nil	Nil
Other than permanent	519	377	72.64	Nil	Nil	Nil
Total Workers	**2862**	**751**	**26.24**	**Nil**	**Nil**	**Nil**

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

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/ A)	Number (C)	% (C/A)		Number (E)	% (E/ D)	Number (F)	% (F/D)
Employees										
Permanent	1808	0	0	1808	100%	1837	0	0	1837	100%
Male	1640	0	0	1640	100%	1671	0	0	1671	100%
Female	168	0	0	168	100%	166	0	0	166	100%
Other than permanent	253	0	0	253	100%	124	0	0	124	100%
Male	222	0	0	222	100%	99	0	0	99	100%
Female	31	0	0	31	100%	25	0	0	25	100%
Workers										
Permanent	2343	0	0	2343	100%	2632	0	0	2632	100%
Male	2272	0	0	2272	100%	2553	0	0	2553	100%
Female	71	0	0	71	100%	79	0	0	79	100%
Other than permanent	519	0	0	519	100%	162	0	0	162	100%
Male	504	0	0	504	100%	155	0	0	155	100%
Female	15	0	0	15	100%	7	0	0	7	100%

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

a. Median remuneration/ wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	44,55,272	NIL	NIL
Key Managerial Personnel	NIL	NIL	1	16,73,106
Employees other than BoD and KMP	1565	18,13,059	158	16,16,753
Workers	2297	7,26,693	70	7,48,382

Note:

1. Data collected for those who were on regular on-roll for the entire financial year 2025-26
2. Annual Gross salary has been considered for remuneration

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2025-26	2024-25
Gross wages paid to females as % of total wages	5.79	5.34

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, BEML has appointed a Nodal Officer specifically tasked with addressing human rights concerns that may arise from the company's operations or activities. This role is crucial for managing issues reported through the CPGRAMS Portal and other channels, ensuring that all concerns are handled swiftly and effectively. The Nodal Officer is responsible for investigating these matters thoroughly and implementing appropriate measures to mitigate any negative impacts.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Several committees have been established to address employee grievances, including those related to human rights. At BEML, the "Open Door Policy" allows employees to escalate their concerns directly to higher management if they prefer not to approach the respective committee or are dissatisfied with the committee's decision.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format

	2025-26	2024-25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	Nil
Complaints on POSH as a % of female employees/ workers	0.70%	NA
Complaints on POSH upheld	2	NA

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

The Company has a grievance redressal mechanism, complaint handling policy and whistle blower policy to protect the complainant. The whistle blower policy is available at https://www.bemlindia.in/investors/. on our website.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements are integrated into business agreements and contracts. BEML maintains a stringent policy against child labour and bonded labour, which is clearly outlined in tender conditions. The Company also ensures the timely payment of wages to both employees and contractual workers.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The relevant authorities, as designated under the Central Government Labour Acts, are responsible for conducting thorough inspections and ongoing monitoring of compliance with labor regulations at various complexes or divisions.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 9 above.

There were no significant risks / concerns arising from Human Right assessment.

Leadership Indicators

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/complaints.

The Company has not received any grievances or complaints related to human rights. However, it adopts a proactive approach to modify or adjust business processes, as necessary, to address any human rights concerns that may come to the attention of the Management.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The Company is actively engaged in regular audits and thorough due diligence processes to uphold fundamental human rights within its operations. These human rights audits are designed to provide a comprehensive overview of employee welfare and satisfaction, allowing the company to identify areas for improvement and ensure that all staff members are treated with dignity and respect.

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The contractual provisions primarily aid in evaluating value chain partners based on specific criteria. Additionally, the Central Labour Department Authorities are reviewing these criteria concerning contract labor through the respective contractors.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

There were no significant risks / concerns arising from Human Right assessment.

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

Essential Indicators

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

Parameter	FY 2025-26 (MJ)	FY 2024-25 (MJ)
From Renewable sources		
Total electricity consumption (A)	8,46,97,579	4,68,90,630
Total fuel consumption (B)	0	Nil
Energy consumption through other sources (C)	0	Nil
Total energy consumed from renewable sources (A+B+C)	**8,46,97,579**	**4,68,90,630**
From non-renewable sources	**0**	
Total electricity consumption (D)	2,91,69,564.07	3,42,00,847.91
Total fuel consumption (E)	2,93,676,56.75	2,09,22,524.55
Energy consumption through other sources (F)	0	-
Energy consumed from non-renewable sources (D+E+F)	5,85,37,217.75	5,51,23,372.46
Total energy consumed (A+B+C+D+E+F)	**14,32,34,796.8**	**10,20,14,002.46**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) **(MJ/INR Crore)**	0.00344	0.033
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP) **(MJ/ USD Million)**	0.16	0.074
Energy intensity in terms of physical output	-	-
Energy intensity *(optional)* – (MJ/ Rs. in Crore)	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No External assurance has been carried out.

2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company is not identified as designated consumer (DC).

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	2,30,671	2,37,350
(iii) Third party water	26,605	16,305
(iv) Seawater / desalinated water	**0**	**0**
(v) Others	**1,31,400**	**1,30,660**
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,48,176.30	3,84,315
Total volume of water consumption (in kilolitres)	4,48,197.57	3,84,315
Water intensity per rupee of turnover (Water consumed/ turnover) (KL/ INR Crore)	0.001079	0.0062
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)	2.31	0.00022
Water intensity in terms of physical output	0.050811	-
Water intensity *(optional)*	-	-

No independent assessment/ evaluation/ assurance has been carried out by an external agency.

4. Provide the following details related to water discharged:

Parameter	2025-26	2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	
-With treatment – please specify level of treatment	42,678	
(ii) To Groundwater	**0**	
- No treatment	**4,005,36.00**	
- With treatment – please specify level of treatment	51,303	52,200
(iii) To Seawater	0	
- No treatment	0	
- With treatment – please specify level of treatment	0	
(iv) Sent to third-parties	0	
- No treatment	0	
- With treatment – please specify level of treatment	0	
(v) Others	0	
- No treatment	630	
- With treatment – please specify level of treatment	52,458	93,601
Total water discharged (in kilolitres)	**4,014,93.66**	**1,45,801**

No independent assessment/ evaluation/assurance has been carried out by an external agency.

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

All Company complexes are equipped with Sewage Treatment Plants (STPs) with a combined capacity of approximately 900 Kilo Litres per Day (KLD) for treating domestic sewage, along with Effluent Treatment Plants (ETPs) of nearly 8 KLD capacity for managing industrial effluents. The treated water complies with regulatory standards and is effectively reused for gardening and landscaping purposes.

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	µg/m³	77.31	14.97
Sox	µg/m³	61.485	7.95
Particulate matter (PM)	µg/m³	131.15	20.1
Persistent organic pollutants (POP)	-	-	Nil
Volatile organic compounds (VOC)	-	11.23	Nil
Hazardous air pollutants (HAP)	-	Nil	Nil
Others – please specify	-	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. The Emission tests are carried out through one of the Kerala Pollution Control Board authorized agency and it is M/s. Standard Environmental & Analytical Laboratories, Cochin. SLN Testing Lab Bangalore for the Complex located at KGF

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	3,254.61	2,544.92
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	61,05.06	6,906.67
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	*MTCO2e/ INR Crore*	5.216	5.99
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	*MTCO2e/ USD Million*	**0.0000106**	**0.000000293**
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) **per crore rupee of turnover**		-	-

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

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company has undertaken various energy conservation initiatives, including the replacement of conventional MHL and CFL fittings with LED lighting, upgrading obsolete split air conditioners with energy-efficient inverter models, and replacing traditional ceiling fans with energy-saving BLDC fans. Additionally, energy-efficient equipment such as inverter-based welding machines and VFD-based welding manipulators are being utilised. The Company also promotes renewable energy through its solar power installations and operates wind energy plants with a capacity of 5 MW at Gadag and 18 MW at Bagalkote and Koppal, further reinforcing its commitment to sustainable energy practices.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	42.775	13.52
E-waste (B)	26.785	6.32
Bio-medical waste (C)	17.2825	367.15
Construction and demolition waste (D)	37	45
Battery waste (E)	18.16	12.86
Radioactive waste (F)	0	NIL
Other Hazardous waste. Please specify, if any. (G)	**85.245**	**101.1**
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	**7,628.585**	**7,325.01**
Total (A+B + C + D + E + F + G + H)	**7,855.775**	**7,871**
	0	
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (Ton/ ₹)	0.00000043	0.00000020
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.00000089	0.0000046
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – (Ton/ Rs. in Crore)		-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	Nil	**Nil**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	3647.55	4507
Total	3647.55	**4507**

Note: ***Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency***

No, any independent assessment/ evaluation/assurance has been carried out by an external agency

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

The Company is certified under ISO 14001:2015 for its Environment Management System, reflecting its commitment to sustainable and compliant environmental practices. Hazardous wastes are stored in designated hazardous waste storage areas, with used oil and other hazardous liquid materials secured using secondary containment systems. Various types of waste, including metal scraps, damaged packing wood, paint sludge, used oil, batteries, and e-waste, are carefully segregated and stored separately in the scrap yard. Disposal of these wastes is carried out through authorized waste handlers, ensuring adherence to regulatory requirements with proper documentation. Wet waste is converted into compost, while non-hazardous waste such as metal scrap and damaged packing wood is disposed of through MSTC in accordance with established guidelines. Additionally, sludge generated from sewage treatment plants is repurposed for gardening, promoting resource recovery and circular economy practices.

Different types of wastes such as Metal scraps, damaged packing woods, Paint sludges, used oil, batteries, e- waste etc are segregated and stored separately in scrap yard. The hazardous waste like Used oil, batteries, paint sludges etc are handed over to authorized recyclers as per the Pollution control Board norms. The nonhazardous wastes such as metal scraps, damaged packing woods etc are sold through MSTC as per the guide lines.

In Palakkad Complex mainly, assembly & fabrication is carried out and hence the usage of Hazardous & toxic chemicals is very minimum.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The Company is compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder. Therefore, there is no such non-compliances during the year.

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the noncompliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): For each facility/ plant located in areas of water stress, provide the following information:

(i) Name of the area - NA

(ii) Nature of operations - NA

(iii) Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Ground water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA

Parameter	FY 2025-26	FY 2024-25
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	NA	NA

No independent assessment/ evaluation/assurance has been carried out by an external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)			
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

No independent assessment/ evaluation/assurance has been carried out by an external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Rain Water harvesting	Check dams in township& Roof top Rain water harvesting inside the factory	Ground Water table is improved.
2	Go Green	Planted **1077** saplings in the last year in township & factory	Air pollution controlled.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link

The Company is having Onsite Emergency/ Emergency Preparedness Plan as per ISO 14001: 2015 and ISO 45001:2018: The main objective of the same is:

a. To overcome any emergency in its initial stage and to handle disaster in most effective manner.

b. To maintain essential supplies at the time of natural calamities and/or public disturbances.

c. To protect the environment.

d. To eliminate any chance of loss to human life.

e. To minimize damage of property in the plant and surrounding areas.

f. To preserve the evidence for use in the subsequent enquiries by the Regulatory Authorities.

g. To bring down the number of near-miss accidents to a minimum.

h. To ensure there is a proper mitigation plan for identified emergencies.

i. Roles and responsibilities of Emergency response team has been defined

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   Nil

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts**

   Nil

8. **How many Green Credits have been generated or procured:**

   a) By the listed entity - Nil

   b) By the top ten (in terms of value of purchases and sales, respectively) value chain partners – **Nil**

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

Essential Indicators

1 a. Number of affiliations with trade and industry chambers/ associations.

The Company has association with 25 trade and industry chambers and associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	CII - Confederation of Indian Industry	National
2.	FICCI - Federation of Indian Chambers of Commerce and Industry	National
3.	FIEO - Federation of Indian Export Organisation, New Delhi	National
4.	SCOPE-Standing Conference of Public Enterprises, New Delhi	National
5.	EEPC - Engineering Export Promotion Council, Kolkata	National
6.	SODET- Society of Defence Technologists	National
7.	ICEMA - Indian Construction Equipment Manufacturers' Association, New Delhi	National
8.	EFSI- Employers Federation of Southern India, Chennai	State
9.	FKCCI - Federation of Karnataka Chamber of Commerce & Industries, Bangalore	State
10.	PMA - Palakkad Management Association, Palakkad	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	brief of the case	Corrective action taken
There has been no anti-competitive conduct by the company and there are no adverse orders received from any regulator.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
	BEML Limited actively engages in initiatives that promote public interest and policy development through its participation as a stakeholder in industry bodies such as FICCI – Capital Goods Sector, CCI – PSE Council, and SODET. The Company contributes to discussions and policy frameworks related to the Capital Goods Industry, Economic Reforms, Sustainable Business Practices including Sustainable Supply Chain Management, and Defence Procurement Policy. Additionally, BEML offers its perspectives on matters concerning Securities Law and Corporate Governance through platforms such as the Confederation of Indian Industry (CII), FICCI, and SCOPE. The Company also provides feedback on newly issued policy guidelines and regularly participates in seminars and workshops to effectively communicate its viewpoints and support informed policymaking.				

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

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

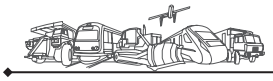
   BEML has established a comprehensive Grievance Redressal Mechanism to address concerns raised by both internal and external stakeholders. Designated Nodal Officers in each Complex or Division are responsible for resolving grievances in accordance with the timelines outlined in the Company's policy. In addition, grievances received through platforms such as CPGRAMS and the Vigilance Portal are also addressed promptly and within the stipulated time frame, ensuring transparency and accountability in stakeholder engagement.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	31%	28%
Sourced directly from within India	74%	83%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost**

Location	2025-26	2024-25
Rural	NIL	NIL
Semi-urban	NIL	NIL
Urban	NIL	NIL
Metropolitan	NIL	NIL



Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
1.	Bihar	Kalyanpur Block, East Champaran	₹ 10 Lakh
2.	Karnataka	Vijayapur District	₹ 10 Lakh

3. **a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?**

   • Yes.

   • The Company is mandated to procure a minimum of 25 percent of its total annual domestic procurement from Micro and Small Enterprises (MSEs).

   b. From which marginalized/ vulnerable groups do you procure?

   Micro & Small Enterprises

   c. What percentage of total procurement (by value) does it constitute?

   It constitutes 31% of total Local procurement from Micro & Small Enterprises during FY 2025-26.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sl. No	Intellectual Property based on tradi-tional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NIL				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
NIL		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Providing education to local population at KGF	2024	100%
2.	Mobile medical camp at KGF & Mysore	1965	100%
3.	Contribution to Armed Forces Flag Day Fund (Vocational Training Grant of Windows',)	5	100%
4.	Eradication of TB	390	100%
5.	Food Distribution to School Children for eradicating hunger-Mid day Meal Programme	2629	100%
6.	Establishing a Yatri shed for Visitors	500	100%
7.	Construction of one Block of 24 dormitory halls and 24 toilets unit's rooms for Girls Students Residential Hostel Block-1 & 2	3000	100%
8.	Purchase of 125KV Diesel Generator and Green DG set with accessories plus installation	250	100%
9.	Development of Class rooms Infrastructure	215	100%
10.	Enabling Mobility of Specially abled, by providing 3 wheeler vehicles	5	100%
11.	Jan Arogya Raksha	1925	100%
12.	Construction of 1st Floor at Swamy Dayananda Gurukulam	380	100%
13.	Government Blind School (Holistic Education Initiative, A Movement to break barriers & transform lives of Blind/Visually impaired. (1) Science experimental lab (2) Experience Centre-Assistive Technology (3) Skill development lab (4) Sports facility Football Ground (5) Setting up of Portable Swimming Pool & Providing training on swimming.)	326	100%
14.	Upgradation of Sports Infrastructure" (Basketball court from hard flooring to acrylic synthetic flooring & Volleyball Court from mud flooring to modern synthetic turf flooring)	400	100%
15.	Food habit, Awareness & Distribution of nutritious food packets for the Harekrushna Basti & Sitanatha Basti slum.	50	100%
16.	CSR fund for donation of wheelchairs and development of public utilities.	1018	100%
17.	Support for Sustainable Livelihoods Programme Preservation, Protection &Promotion of Traditional National Heritage, Arts & Culture for support.	1000	100%

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
18.	Sansad Khel Spardha	3000	100%
19	Development of infrastructure in Govt.schools	120	100%
20.	Sports Kit for 40 players & Escort (Player, Escort, Ramp Operator & Officials)	40	100%
21.	Procurement of Paediatric Upper GA Endoscope for Department of Surgical Gastroenterology	700	100%
22.	Procurement Medical and Equipment's for ECHS Polyclinics (Support for providing cash less & capless quality medical care to all Retired Military Personnel & their dependents.)	12000	100%
23	Building a Skill Centre to create job opportunities for youth and uplift families.	11200	100%
24.	To provide aids and appliances to the PWDs (Divyangjans) and Sr.Citizen	29	100%
25.	Upgrading Blood Centre Service (providing several peripheral government facilities, blood storage centres, and many private hospitals and emergency transfusion support.).	10500	100%

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

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Currently, BEML receives customer complaints and feedback through emails, letters, phone calls, and service reports. To enhance customer engagement and streamline grievance redressal, the Company has developed a dedicated Customer Complaint Handling System, which is set to be launched shortly. Post-launch, customers will be able to lodge complaints and share feedback via a mobile application and the Company's website.

   BEML ensures prompt responses through email, and its robust service network across India efficiently addresses issues related to Defence Equipment, ensuring timely resolution and customer satisfaction.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. **Number of consumer complaints**

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	1490	10	Nil	1440	8	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

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

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

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   The Company has Policy on cyber Security which is available at weblink: https://www.bemlindia.in/wp-content/uploads/2023/06/Cyber_Security_Policy.pdf

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

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches - Nil

   b. Percentage of data breaches involving personally identifiable information of customers - Nil

   c. Impact, if any, of the data breaches – Nil

Leadership Indicators

1. **Channels/ platforms where information on products and services of the entity can be accessed.**

   Information on products and services offered are available on BEML website https://www.bemlindia.in. Also, BEML is participating in various Defence exhibitions for Advertisement of products and services.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   BEML's Defence Equipment is utilized for training purposes in accordance with the Standard Operating (SO) requirements. Additionally, the Company provides specialized service and training camps for Indian Army personnel, ensuring that they are equipped with the necessary skills and knowledge to operate and maintain the Defence Equipment effectively.

3. **Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

   Customers are notified about any disruption or discontinuation of services through emails, letters, and service bulletins. BEML's effective contract management ensures that customers are kept informed about the status of supplies and any potential issues related to obsolescence. Given the high level of indigenisation of BEML products, supported by a robust supply chain and vendor ecosystem, concerns regarding disruption and discontinuation are proactively addressed. Customers are provided with ample opportunity for end-of-life procurements, ensuring smooth transitions and continued support.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, product information is displayed on BEML products in compliance with local regulations. For example, BEML Dumpers are marked with "Not Meant for Plying on Public Roads," along with appropriate reflectors and caution stickers. This information is also discussed with customers and prominently displayed on the product. Additionally, each product is supplied with a feedback form, developed by the quality and customer inspection teams, to collect valuable customer insights, which are processed according to established procedures. BEML conducts periodic consumer satisfaction surveys to assess product and service performance. Furthermore, BEML is governed by contractual obligations, and upon completion, customers issue a Performance Certificate.

For and on behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director

Place: Mysuru
Date: 29.05.2026

INDEPENDENT REASONABLE ASSURANCE STATEMENT ON BRSR CORE DISCLOSURES BEML LTD

We have been engaged by **BEML Limited** to perform an independent limited assurance engagement on the Company's BRSR Core disclosures for the reporting period FY **2025-26**. The engagement has been performed by **RSJ Inspection Service ltd**. as the independent third-party verifier, in accordance with the requirements and principles of **ISO 17029** and the applicable SEBI BRSR Core framework.

The **scope** of this assurance engagement is limited to the BRSR Core disclosures reported by BEML Limited within the defined organizational boundary comprising **Head Office, Bengaluru Complex, Mysuru Complex, KGF Complex, and Palakkad Complex.** The scope covers the BRSR Core indicators and supporting disclosures relevant to the reporting period and excludes any information outside the stated boundary or beyond the selected assurance criteria.

Roles and responsibilities

BEML's Responsibility:

Management of BEML Limited is responsible for the preparation and fair presentation of the BRSR Core disclosures, the selection and application of the reporting criteria, the maintenance of adequate internal controls and records, and the completeness and accuracy of the underlying data used in the report. Management is also responsible for ensuring that estimates, assumptions, and judgments used in the disclosures are reasonable and appropriately supported. BEML shall reproduce this statement in full and shall not make any omissions, additions or revisions.

RSJ's Responsibility:

RSJ Inspection. is responsible for planning and performing the assurance engagement, determining the nature, timing, and extent of procedures necessary under ISO 17029, obtaining sufficient appropriate evidence, evaluating whether the disclosures are materially misstated, and issuing an independent reasonable assurance conclusion based on the evidence obtained. Our role does not include preparing the disclosures or making management decisions on behalf of BEML Limited.

Our procedures included inquiry of management and relevant personnel, walkthroughs of reporting and data collection processes, review of policies and source records, selective testing of evidence, analytical review, and assessment of consistency across the reported metrics. We also evaluated whether the evidence was reliable and relevant, and whether the disclosures were coherent and free from material inconsistencies.

BRSR Principle's

The following table presents the BRSR Core attributes reviewed, the related disclosure focus, and the principle's mapping considered in the assurance scope.

BRSR Core attribute	Assurance focus	BRSR principle / disclosure mapping
Green-house gas footprint	Scope 1, Scope 2, intensity, methodology	Principle 6, relevant essential indicator questions
Water footprint	Consumption, intensity, discharge, treatment	Principle 6, relevant essential indicator questions
Energy footprint	Total energy consumed, renewable share, intensity	Principle 6, relevant essential indicator questions
Embracing circularity	Waste generation,segregation, recovery, disposal	Principle 6, relevant essential indicator questions
Employee wellbeing and safety	Safety incidents, LTIFR, fatalities, wellbeing spend	Principle 3, relevant essential indicator questions
Gender diversity	Female wages, POSH complaints, closure status	Principle 5, relevant essential indicator questions
Inclusive development	MSME sourcing, local procurement, employment support	Principle 8, relevant essential indicator questions
Customer and supplier responsibility	Data security, breach incidents, supplier fairness	Principle 9, relevant essential indicator questions
Open-ness of business	Payables, concentration, related party transaction disclosures	Principle 1, relevant essential indicator questions

Assurance methods

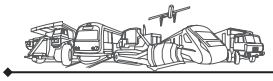
In line with ISO 17029, the engagement was planned to reduce assurance risk to an acceptable level for a reasonable assurance assignment. The methods used were designed to gather sufficient appropriate evidence through risk assessment, process understanding, evidence inspection, analytical procedures, and testing of sample data.

The evidence reviewed was assessed for relevance, reliability, completeness, and consistency. Where management estimates or judgments were used, we considered whether the assumptions were reasonable and whether the calculation methods were consistently applied across the defined reporting boundary.

Independence, Impartiality and Competence

RSJ Inspection is an Independent Assurance Provider with expertise in providing, Assurance, verification, validation in ESG domain. RSJ has implemented a comprehensive Ethics and Conduct Code across the organization to uphold the highest standards of integrity in all business activities which helps in avoiding any conflicts of interest while executing services.

No member of the assurance team has any business relationship with BEML, its Directors, Managers, or officials beyond the scope of this assignment. This verification has been conducted independently, with full assurance that no conflict of interest exists.



The assurance team brings extensive expertise in evaluating environmental, social, ethical, and health & safety information, systems, and processes. RSJ also possess a strong command on standard methodology for the assurance of Sustainability Reports, ensuring consistency, rigor, and reliability in our approach.

Limitations and Exclusions

The assurance is limited to the mentioned scope of work and excludes the information pertaining to;

- Disclosures related to BEML financial performance
- Activities and operations of BEML outside the scope and boundaries mentioned
- Compliance with any legal / regulatory requirements
- Any other information included in the BEML ESG report.
- BEML disclosed necessary information pertaining to Electricity, Energy, Water, Waste & Air Emissions of all the four complexes with limited disclosure of Head office.

Conclusion

On the basis of the work performed, and subject to the inherent limitations of a reasonable assurance engagement under ISO 17029, we conclude that the BRSR Core disclosures of BEML Limited for the period FY 2025-26 are prepared, in all material respects, in accordance with the stated reporting criteria and the applicable BRSR Core framework. It is further recommended to follow the uniform MRV framework across the sites of BEML.

This statement is intended solely for inclusion in BEML Limited's annual report and for stakeholders relying on the BRSR Core disclosures.

Mr. Ragesh Joshi
Team Leader
Place: Noida, India
Date: 28 July 2026

Mr. Sonal Saggi
Technical Reviewer
Place: Noida, India
Date: 28 July 2026

Annexure-VI

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

[Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

(1) Brief outline on CSR Policy of the Company:

The CSR Policy is formulated to commit for enhanced value-creation for the Society, shareholders, other stakeholders and the communities by taking–up activities and initiatives for sustainable growth for the Society, with environmental concern. To pursue this vision, the Company has set the objectives as under:

To ensure an increased commitment at all levels in the organization, operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

To directly or indirectly take up programs that benefit the communities in & around its Units/ Zonal offices/ Regional/ District offices/ Work Centres and results, over a period of time, in enhancing the quality of life & economic well-being of the local population.

To generate through its CSR initiatives, a community goodwill for BEML and help reinforce a positive & socially responsible image of BEML as a corporate entity.

Further, the CSR Policy and details of the projects/ programmes may be accessed on Company's website at www.bemlindia.in.

(2) Composition of CSR Committee:

Sl.No.	Name of the Director	Category	Attendance
Chairman:			
1	Shri Vikas Kakatkar[1]	Independent Director	-/-
2	Shri Bipin Kumar Gupta[2]	Independent Director	3/3
Member:			
3	Shri Siva Makutam[3]	Independent Director	2/2
4	Shri Anil Jerath	Director (Finance)	3/3
5	Shri Rajeev Kumar Gupta	Director (Rail & Metro Business)	3/3

1. Appointed as Chairman w.e.f. 17.03.2026 2. ceased to be Chairman w.e.f. 09.02.2026
3. Appointed as member w.e.f. 23.05.2025

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.

   Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on Company's website at www.bemlindia.in

4. Provide the executive summary along with web-link 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). **NA**

5. (a) Average net profit of the company as per Sub-section (5) of section 135: **₹ 355.63 crores**

(b) Two percent of average net profit of the company as per section 135(5): ₹ **7.11 crores**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

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

(e) Total CSR obligation for the financial year [(b)+ (c)-(d)]: ₹ **7.11 crores**

6. (a) Amount spent on CSR projects (both On-Going Project and Other than On-Going Project): ₹ **7.27 crores**

(b) Amount Spent on Administrative overheads: **Nil**

(c) Amount Spent on impact Assessment, if applicable: **NA**

(d) Total amount spent for the Financial year [(a)+(b)+(c)] : ₹ **7.27 crores**

(e) CSR Amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹ crores)	Amount Unspent (in ₹ Crores)				
	Total Amount transferred to Unspent CSR Account as per Sub-Section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
7.27 crores	Nil	NA	NA	Nil	NA

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ Crores)
(i)	Two percent of average net profit of the company as per Sub-Section (5) of section 135	₹ 7.11 crores
(ii)	Total amount spent for the Financial Year	₹ 7.27 crores
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.16
(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

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

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under Sub-Section (6) of section 135 (in ₹ crores)	Balance Amount in Unspent CSR Account under Sub-Section (6) of section 135 (in ₹ crores)	Amount spent in the Financial Year (in ₹ crores)	Amount transferred to any fund specified under Schedule VII as per second provision to Sub-Section (5) of section 135 if any.		Amount remaining to be spent in succeeding financial years. (in Rs. crores)	Deficiency if any
					Name of the Fund	Amount	Date of transfer.	
1	2024-25	Nil	Nil	₹ 5.94	Nil	NA	Nil	Nil
2	2023-24	Nil	Nil	₹ 5.73	Nil	NA	Nil	Nil
3	2022-23	Nil	Nil	₹ 4.28	Nil	NA	Nil	Nil
	TOTAL			**₹ 15.95**				

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

   If yes, enter the number of Capital assets created/ acquired: **NA**

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial year:

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin code of the property or asset(s)	Date of creation	CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
NA					CSR Registration Number, if applicable	Nil	NA
					NA		

   (All the fields should be captured as appearing in the revenue record. Flat no., house no., Municipal Offices/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

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

   NA

Sd/- Director (Finance)	Sd/- Chairman - CSR Committee

For and on behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director

Place: Mysuru
Date: 29.05.2026

Annexure-VII

FORM No. MR.3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026

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

To,

The Members,

BEML Limited,

CIN- L35202KA1964GOI001530

BEML Soudha 23/1, 4th Main Rd,

Sampangi Rama Nagara, Bengaluru,

Karnataka 560027

We have conducted Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BEML Limited (CIN: L35202KA1964GOI001530) (here in after called 'the Company') having its Registered Office at BEML Soudha 23/1, 4th Main S R Nagar, Bangalore, Karnataka – 560027, India. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon after considering the following facts:

i. BEML Limited is a Government Company as defined in Sec 2 (45) of the Companies Act 2013 with certain provisions of the Companies Act 2013 being exempted for Government Companies pursuant to Section 462(2) of the Companies Act, 2013 read with applicable notification issued by Ministry of Corporate Affairs from time to time.

ii. Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprise and Directions issued by the Government of India from time to time.

iii. BEML Limited manifolds in various segments of manufacturing business i.e., Defence & Aerospace, Rail & Metro, Mining & Construction etc.

iv. The securities of BEML Limited are listed on Bombay Stock Exchange and National Stock Exchange.

MANAGEMENT RESPONSIBILITY FOR SECRETARIAL COMPLIANCES

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

SECRETARIAL AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the company with respect to secretarial compliance. We have not verified the correctness and appropriateness of financial records and books of accounts of the company nor the taxation laws. This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the applicable provisions of-

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- There were no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the financial year under Report.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- There were no instances of Substantial Acquisitions of Shares and takeovers during the financial year under report.
    b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
    c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
    d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable to the Company during the Audit period.
    e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021 - Not applicable to the Company during the Audit period.
    f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015 - Not applicable to the Company during the Audit period.
    g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
    h. The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 - Not applicable to the Company during the Audit period.
    i. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
    j. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and The SEBI (Employee Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 - There were no instances of Share Based Employee Benefits and Sweat Equity during the financial year under report.
    k. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021 - There were no instances of Delisting of Equity Shares during the financial year under report.
    l. Standard Operating Process under Regulations 3(5) and 3(6) of SEBI (PIT) Regulations, 2015 for ensuring Compliance with Structured Digital Database (SDD).

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

i. With respect to The Secretarial Standards SS-1 and SS-2 issued by the ICSI and as notified by the Ministry of Corporate Affairs (MCA) and report that the Company has generally Complied with the said Standards

ii. The Listing Agreements entered into by the Company with the BSE Limited

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed above and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We further report that as per the information provided to us, the company has complied with the provisions of the other laws applicable to the company subject to the observations mentioned below: -

1. The Employees Provident Funds & Miscellaneous Provisions Act, 1952
2. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
3. The Equal Remuneration Act, 1976
4. The Employees Compensation Act, 1923
5. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.
6. The Arbitration and Conciliation Act, 1996
7. The Apprentices Act, 1961
8. The Child Labour (Prohibition and Regulation) Act, 1986
9. The Contract Labour (Regulation & Abolition Act), 1970

We have not verified the compliance of the above specific laws applicable to the company, we have relied upon the information provided by the concerned official looking after the compliances of the aforesaid laws.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors except that: -

1. As per 2nd proviso to Sec 149(1) of the Companies Act 2013 and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014, the Company was required to appoint One Women Independent Director. The Company being a Government Company, appointments of Women or Independent Directors are made based on the Orders issued by the Government of India through the Ministry of Defense. The Company has requested Government of India to issue necessary order for appointment of Women Independent Director and response from the Government of India is awaited.
2. As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/Non-Executive Directors. The composition of the Board

is not in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and not in terms of Section 149 of the Companies Act, 2013 due to non-appointment of requisite number of Independent Directors on the Board of the Company. The Company has intimated the Ministry of Defense, Government of India and awaits suitable orders.

3. There was only 1 Independent Director in the Board on 01/04/2025 till the appointment of two IDS w.e.f 17.04.2025, the committees were not constituted in line with Regn 17, 18 & 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 during the mentioned tenure of 16 days. Further, with the cessation of one ID w.e.f 09.02.2026, the constitution of the NRC Committee was not in line with the said regulation from 10.02.2026.

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were generally sent seven days in advance (except for meeting/s held at shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman / Chairman of the meeting, the decisions of the Board and Committees meetings were unanimous and no dissenting views have been recorded.

The Company has undertaken sub-division/ split of its equity shares whereby 1 (One) equity share of face value of ₹ 10/- (Rupees Ten only) each, fully paid-up, has been sub-divided into 2 (Two) equity shares of face value of ₹ 5/- (Rupees Five only) each, fully paid-up. The said sub-division was duly approved by the members of the Company at its 61st Annual General Meeting held on 29th September, 2025. Consequent to the aforesaid sub-division, the issued, subscribed and paid-up share capital of the Company stands reclassified without any change in the total paid-up share capital. The same has been duly affected and updated in the records of the Depositories.

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

For Manish Mishra & Partners,
Company Secretaries
(F.R. N. P2015UP081000)

Date- 15.05.2026
Place-Lucknow

Sd/-
CS Sukhmendra Kumar
Partner
CP. No.: 21707
M. No: A37552
UDIN: A037552H000376319
Peer Review Cert. No. 3163/2023

ANNEXURE-A

To,

The Members,

BEML Limited,

BEML Soudha 23/1, 4th Main Rd,

Sampangi Rama Nagara, Bengaluru,

Karnataka 560027

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

1) Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my 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 processes 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 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.

For Manish Mishra & Partners,

Company Secretaries

(F.R. N. P2015UP081000)

Date- 15.05.2026

Place-Lucknow

Sd/-

CS Sukhmendra Kumar

Partner

CP. No.: 21707

M. No: A37552

UDIN: A037552H000376319

Peer Review Cert. No. 3163/2023

Company's reply to the qualification by Secretarial Auditors:

Sl No.	Observation	Company's Reply
1	As per 2nd proviso to Sec 149(1) of the Companies Act 2013 and Rule 3 of the Companies (Appointment and Qualification of Directors) Rules 2014, the Company was required to appoint One Women Independent Director. The Company being a Government Company, appointments of Women or Independent Directors are made based on the Orders issued by the Government of India through the Ministry of Defense. The Company has requested Government of India to issue necessary order for appointment of Women Independent Director and response from the Government of India is awaited.	BEML Limited is a Government Company, the appointment of Directors including Independent Directors is made by Government of India through Administrative Ministry i.e., Ministry of Defence. The Company is following up with Ministry of Defence on regular intervals for the appointment of Requisite Independent Directors including Women Independent Director on its Board. Communication in this regard from Ministry is awaited.
2	As per Sec 149(4) of the Companies Act 2013 read with Regulations 17(1)(a) and 17(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, every Listed Public Company, whose Chairperson is an executive Chairperson, shall consist of 50% of the total strength of the Board as Independent Directors/Non-Executive Directors. The composition of the Board is not in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and not in terms of Section 149 of the Companies Act, 2013 due to non-appointment of requisite number of Independent Directors on the Board of the Company. The Company has intimated the Ministry of Defense, Government of India and awaits suitable orders.	

3	There was only 1 Independent Director in the Board on 01/04/2025 till the appointment of two IDS w.e.f 17.04.2025, the committees were not constituted in line with Regn 17, 18 & 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 during the mentioned tenure of 16 days. Further, with the cessation of one ID w.e.f 09.02.2026, the constitution of the NRC Committee was not in line with the said regulation from 10.02.2026.	

For and on behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director

Mysuru
29.05.2026

BEML LIMITED

BEML SOUDHA, 23/1, 4TH MAIN ROAD, S.R. NAGAR, BENGALURU-560027

Material Accounting Policies - Standalone

Note no. 1: Corporate Information:

The accompanying financial statements comprise of the financial statements of BEML Limited (the Company) for the year ended 31 March 2026. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is a Schedule-A public sector enterprise and is under the administrative control of the Department of Defence Production, Ministry of Defence. BEML manufactures and supplies defence ground support equipment such as Tatra based high mobility trucks, aircraft towing tractors etc. Under Mining and Construction business, the company manufactures and supplies equipment like bull dozers, excavators, dumpers, shovels, loaders and motor graders to various user segments and under Rail and Metro business, manufactures and supplies rail coaches, metro cars, ACEMUs, OHE cars, steel and aluminium wagons to the rail and metro sector. Information on other related party and nature of relationships of the Company is provided in Note 39C. These financial statements were authorised for issue in accordance with a resolution of the directors on 29.05.2026.

Note no. 2: Material accounting policies

2.1. Basis of preparation and Statement of Compliance

a. The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

   These financial statements for the year ended 31 March 2026 with comparatives of year ended 31 March 2025 are prepared in accordance with Ind AS.

b. The financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value:

   - Derivative financial instruments,
   - Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
   - Defined benefit and other long-term employee benefits obligations.

c. The financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Company and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

d. Preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates.

e. Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company's operating cycle is considered as twelve months for the purpose of current / non-current classification of assets and liabilities.

f. 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 profit or loss is applied prospectively in the period(s) of change. Discovery of errors result 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.

2.2 Summary of material accounting policies

A. Revenue Recognition:

Sales is exclusive of GST.

Revenue from contracts with customers:

Revenue is recognized, on the transfer of promised goods or services, by way of allocating transaction price, being amount of consideration which an entity expects/entitles in exchange for transferring promised goods or services to a customer, to the extent of performance obligation satisfied in a contract.

i. Satisfaction of performance obligation over time

a. Revenue is recognised overtime where the transfer of control of goods or services takes place over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:

- the company's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
- the company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- the company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

b. Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognized to the extent of costs incurred.

c. For measurement of satisfaction of performance obligation over time, input cost method is adopted.

ii Satisfaction of performance obligation at a point in time

a. In respect of cases where the transfer of control does not take place over time, the company recognizes 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.

c. **Bill and hold Sales**

Bill and hold sales is recognized 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.

Penalties & Liquidated damages:

Penalties, including levy of liquidated damages for delay in delivery, specified in customer contracts, are not treated as inherent part in determination of the Transaction price as per para 51AA of Ind AS 115 if the same is subject to review by customer.

Escalation:

Escalation in prices is recognized as revenue as per the escalation formula provided in the contract. In the absence of such a clause in the contract, any claim for the same is recognized on acceptance by the customer.

Duty Drawback:

Duty drawback claims on exports are accounted on preferring the claims.

Revenue from wind energy:

Revenue from generation of electricity from wind mill is recognized when the electricity is supplied to industrial electricity distribution license holder as per the terms of agreement.

Other Income

(i) Interest income:

Interest Income is recognized using the effective interest rate (EIR) on a time proportion basis and as per the terms of the relevant instrument.

(ii) Dividends:

Dividend income is recognized when the Company's right to receive the payment is established.

(iii) Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the non-cancellable lease term unless increases in rentals are in line with expected inflation.

B. Investments in associates and joint venture

The Company accounts for its interests in associates and joint ventures in the separate financial statements at cost.

C. Foreign Currencies:

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 recognized in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

D. Fair value measurement:

The Company measures certain financial instruments, such as derivatives and other items in its financial statements at fair value at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy.

E. Discontinued operation:

Classification of an operation as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit and loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

F. Government Grants:

Government Grants are recognized as follows when there is reasonable assurance that the grant will be received and all attached terms and conditions will be complied with.

(i) Grant towards meeting expenditure is recognized as income as and when the expenditure for which the grant is sanctioned is incurred.

(ii) Grant towards procurement of an asset is recognized as income in equal amounts over the expected useful life of the related asset.

(iii) Grant towards non-monetary assets are recognized at fair value and released to Statement of profit and loss over the expected useful life.

(iv) The subsidized portion of interest rate provided by the Government on loans or similar financial assistance is recognized as grant.

G. Income Taxes:

Current income tax:

Current tax assets and liabilities are measured at the amount to be recovered from or paid to the taxation authorities as per the applicable tax laws at the reporting date in Statement of profit and loss.

Deferred tax:

Deferred tax is provided using the liability 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 recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

For the items directly recognized in Equity, the current and deferred tax pertaining to such item is recognized through Equity.

H. Property, Plant & Equipment:

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost includes expenditure on acquisition of asset, present value of

expected cost for the decommissioning of an asset, cost of replacing part of Plant and Equipment and borrowing costs.

Depreciation is calculated on a straight-line basis over estimated useful lives as prescribed in schedule II of the Companies Act 2013. In respect of the following assets, useful lives are different than the useful lives indicated in Schedule II of Companies Act 2013, based on technical assessment and management estimates depending on the nature and usage of the respective assets.

(a) Special tools up to the unit value of ₹ 5,000 are charged off in the year of incurrence and Special tools to the unit value above ₹ 5,000 are amortised over a period of 3 years.

(b) Jigs and fixtures up to the unit value of ₹ 5 Lakhs are charged off in the year of incurrence and Jigs and fixtures of unit value above ₹ 5 Lakhs are amortised over a period of 3 years.

When parts of an item of property, plant and equipment have different useful lives, they are treated as separate components and depreciated over their estimated useful lives.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Any gain or loss arising out of derecognizing of an asset is included in statement of Profit and Loss of the relevant period.

Products given under No Cost No Commitment are capitalised appropriately under the relevant asset category and amortised over the useful life of that asset. They are also tested for impairment periodically.

Expenditure incurred on Developmental Projects for participating in trials, based on Request from customers, are carried forward till conclusion of the trials and will be amortised over the orders to be received. In case customer order does not forthcoming or on discontinuation of project, the balance amount will be either capitalised if further economic benefit is expected from its use or will be charged off.

I. Investment Property:

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any. The fair value of the Investment property is disclosed in the notes.

J. Intangible Assets:

(i) Intangible assets acquired are stated at acquisition cost, less accumulated amortization and accumulated impairment losses if any

(ii) Research costs are expensed as incurred

(iii) Development expenditure is recognized as Intangible assets and tested for impairment annually during the period of development

(iv) Expenditure on development of products intended for sale is included in inventory.

(v) Intangible Assets referred above includes the cost of materials, direct labour, overhead costs, borrowing costs that are directly attributable to the respective asset for its intended use.

Amortization

Intangible assets are amortized over useful economic life and assessed for impairment if any. Where it is not possible to assess the useful economic life of an intangible asset, the same is

not amortized and reviewed annually for impairment if any.

K. Borrowing Cost:

Borrowing costs directly attributable to creation of an asset are capitalized as part of the cost of the asset. General borrowing costs are capitalized by apportioning the same to qualifying assets.

L. Lease:

Contracts with third party, which give the company the right of use in respect of an identified 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.

A lease is classified at the inception date as a finance lease or an operating lease by lessor whereas lessee will follow the Single lease accounting (i.e. same as finance lease).

Company as a lessee:

Lessee will recognize right-of-use asset and lease liability, for all leases, except short term lease and leases for which underlying asset is of low value.

Short term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not contain a purchase option.

An underlying asset can be of low value only if:

(a) the lessee can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and

(b) The underlying asset is not highly dependent on, or highly interrelated with, other assets.

The initial value of lease liability shall be determined at the present value of the lease payments due. The interest rate implicit in the lease or lessee's incremental borrowing may be used to arrive at the present value of the lease payments due. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Leases will be recognized where the value of new individual asset is more than ₹ 2 Lakhs.

At the commencement date, the company as lessee measures the right of use asset at cost. The cost of “right of use” asset is determined 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 Plant, property and equipment schedule in the Balance Sheet.

Lessee would recognize depreciation expense on the right of use asset using the straight-line method from the commencement date to the end of lease term or useful life of the asset, whichever is earlier.

Company as a lessor:

In case of an operating lease, initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the leased asset. In case of finance leases, amounts due from lessees are recorded as receivables.

M. Inventory:

Inventories are valued at the lower of cost and net realizable value. Cost for the purpose of the above is accounted as under:

(i) Raw materials, Components, Stores and Spare parts: weighted average cost

(ii) Finished goods and Work in Progress: Cost of materials, labour and production overheads

Scrap is valued at estimated realizable value.

Based on ageing assessment, on a periodic basis an allowance is recognized for obsolete, non-moving inventory.

N. Impairment of non-financial assets:

The company assesses at each reporting date for impairment of asset or cash generating units (CGU). If on assessment, the asset or CGU is considered impaired they are written down to the recoverable amount.

O. Employee Benefits:

Short-term employee benefits:

Short-term employee benefits are expensed as the related service is rendered.

Defined benefit plans:

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by actuarial valuation conducted annually by a qualified actuary using the projected unit credit method.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is recognized in the 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 recognized immediately in the statement of profit and loss.

Other long-term employee benefits:

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

Defined contribution plan:

For defined contribution plans, the Company contributes to independently administered funds as per relevant scheme. These contributions are recorded in the statement of profit and loss. The Company's liability is limited to the extent of contributions made to these funds.

P. Provisions:

Provisions are recognized 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.

If the effect of the time value of money is material, provisions are discounted. Contingent liabilities and contingent assets are not recognized in the financial statements but are disclosed in the notes.

Warranty provisions:

Provision for warranty related costs are recognized on sale of product or service rendered based on historical experience and technical assessment and reviewed annually.

Onerous contracts:

A provision for onerous contracts other than construction contracts is recognized 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.

Q. Financial Assets:

Recognition and measurement:

All financial assets are recognized initially at fair value. Subsequently, financial assets are measured at fair value or amortized cost based on their classification.

Embedded derivative:

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. If the hybrid contains a host that is not an asset within the scope of Ind AS 109, the embedded derivative is separated and accounted at fair value.

Derecognition:

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

Trade and other receivables:

Receivables are initially recognized 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.

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.

Impairment of financial assets:

The recognition and measurement of impairment loss for certain financial assets within the scope of IND AS 109 is based on the concept of expected credit loss (ECL). The company follows simplified approach for recognition of impairment loss allowance on Trade Receivables. Impairment loss on contract assets are recognised only when the customer is billed in accordance with IND AS 115.

R. Financial Liabilities:

Recognition and measurement:

Financial liabilities are classified, at initial recognition, at fair value through statement of profit and loss as loans, borrowings, payables, or derivatives, as appropriate.

Financial liabilities are measured based on their classification at fair value through statement of profit and loss, amortized cost or fair value through other comprehensive income.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Trade and other payables:

Liabilities are recognized for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

S. Financial Assets and Liabilities Reclassification:

Reclassification of financial Assets and Liabilities:

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For other financial assets, a reclassification is made prospectively only if there is a change in the business model for managing those assets.

Offsetting of financial Assets and Liabilities:

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 recognized amounts and there is an intention to settle on a net basis.

T. 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 shareholders 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 profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

U. Cash dividend and non-cash distribution to equity shareholders:

The Company recognizes a liability to make cash or non-cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company.

V. 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 authorization for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

As per our report of even date attached
For G Natesan & Co,
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**
CA Varalakshmi Murali	**ANIL JERATH**	**SHANTANU ROY**
Partner	**Director (Finance)**	**Chairman & Managing Director**
Membership No.: 028863	**(DIN 09543904)**	**(DIN 10053283)**

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29.05.2026

STANDALONE FINANCIAL STATEMENTS 2025-26

BALANCE SHEET

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
I. Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	62,592.97	53,072.89
(b) Right of Use Asset	3 A	1,460.16	811.82
(c) Capital work-in-progress	4	27,632.71	10,698.59
(d) Other Intangible assets	5	3,916.83	3,693.40
(e) Intangible assets under development	6	2,119.80	-
(f) Financial assets			
(i) Investments	7	1,018.96	838.95
(ii) Loans	8	17.82	16.18
(iii) Other financial assets	9	84.96	136.69
(g) Deferred tax assets (net)	10	17,152.00	10,187.00
(h) Non-Current Assets held for sale		-	-
(i) Other non-current assets	11	8,449.52	8,331.66
Total non-current assets		1,24,445.72	87,787.19
(2) Current assets			
(a) Inventories	12	2,33,811.26	2,37,936.09
(b) Financial Assets			
(i) Investments	13	-	-
(ii) Trade receivables	14	2,27,436.51	1,69,587.81
(iii) Contract Assets	14a	71,549.81	51,301.17
(iv) Cash and cash equivalents	15	670.77	437.35
(v) Bank Balance Other than (iv) above	15a	130.85	58.09
(vi) Loans	16	1,189.85	2,345.02
(vii) Other financial assets	17	877.22	546.73
(viii) Current tax assets (Net)	17a	2,930.79	9,706.51
(c) Other current assets	18	35,569.14	24,223.25
Total current assets		5,74,166.19	4,96,142.02
Total Assets		6,98,611.91	5,83,929.21
II. Equity and Liabilities			
Equity			
(a) Equity share capital	19	4,177.22	4,177.22
(b) Other Equity		2,86,694.69	2,81,218.80
Total Equity		2,90,871.91	2,85,396.02
Liabilities			
(1)Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	-	-
(a) Lease Liability		1,499.52	907.17
(ii) Other financial liabilities	21	112.63	112.63
(b) Provisions	22	28,189.09	26,854.08
(c) Other non-current liabilities	23	91,377.10	83,941.90
Total non-current liabilities		1,21,178.34	1,11,815.79
(2)Current liabilities			
(a) Financial liabilities			
(i) Short term Borrowings	24	29,199.14	21,845.99
(a) Lease Liability		181.76	107.10
(ii) Trade payables	25		
(A) Micro & Small Enterprises		21,933.61	17,244.21
(B) Other than Micro & Small Enterprises		80,483.78	53,736.38
(iii) Contract Liability	25A	1,742.29	-
(iV) Other financial liabilities	26	45,826.76	12,346.46
(b) Other current liabilities	27	47,023.25	45,815.95
(c) Provisions	28	53,258.88	25,869.61
(d) Current tax liabilities (Net)	29	6,912.18	9,751.70
Total current liabilities		2,86,561.66	1,86,717.40
Total Equity and Liabilities		6,98,611.91	5,83,929.21

Note Nos 1 to 39 include Material Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

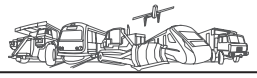
For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29-05-2026



Statement of Profit and Loss

(₹ in Lakhs)

	Particulars	Note No	For the year ended 31 March 2026	For the year ended 31 March 2025
I	Revenue from operations	30	**4,35,052.55**	4,02,222.27
II	Other income	31	2,755.35	2,490.99
III	**Total Income (I+II)**		**4,37,807.91**	4,04,713.26
IV	**Expenses**:			
	Cost of materials consumed	32	**2,31,983.66**	2,03,599.76
	Purchase of stock-in-trade	33	**-**	-
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	**(4,123.77)**	(2,124.96)
	Employee benefits expense	35	**83,506.35**	82,620.78
	Finance costs	36	**4,538.81**	5,431.08
	Depreciation and amortization expense	3,5	**8,339.17**	7,124.77
	Other expenses	37	**93,655.99**	67,519.20
	Total Expenses (IV)		**4,17,900.22**	3,64,170.63
V	Profit / (Loss) before exceptional items and tax (III-IV)		**19,907.69**	40,542.63
VI	Add/ (Less) : Exceptional items	38	**-**	-
VII	**Profit / (Loss) before tax (V-VI)**		**19,907.69**	40,542.63
VIII	**Tax expense:**			
	(1) Current tax	10 a	**12,062.15**	9,673.85
	(2) Earlier year Tax	10 a	**60.17**	289.21
	(3) Deferred tax	10 a	**(6,965.00)**	1,161.00
IX	Profit / (Loss) for the year from continuing operations (VII-VIII)		**14,750.37**	29,418.57
X	Profit / (Loss) from discontinuing operations		**-**	-
XI	Tax expense of discontinued operations		**-**	-
XII	Profit / (Loss) from discontinued operations (after tax) (X-XI)		**-**	-
XIII	**Profit / (Loss) for the year (IX+XII)**		**14,750.37**	29,418.57
XIV	**Other Comprehensive Income**			
	A(i) Items that will not be reclassified to profit or loss			
	Re-measurement of defined benefit (liability) / asset		**(595.81)**	309.30
	(ii) Income tax relating to items that will not be reclassified to profit or loss	10 b	**149.97**	(77.85)
	B(i) Items that will be reclassified to profit or loss		**-**	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		**-**	-
XV	**Total Comprehensive Income for the year (XIII+XIV)**		**14,304.53**	29,650.02
XVI	Earnings per equity share: (Face Value ₹ 5/- each) (Previous Year ₹ 10/- each) in ₹			
	Basic and diluted	**39(A)**	**17.71**	70.64

Note nos. 1 to 39 includes Material Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached

For G Natesan & Co

Chartered Accountants

Firm Registration Number: 002424S

Sd/-

CA Varalakshmi Murali

Partner

Membership No.: 028863

Place: Mysuru

Date: 29-05-2026

For and on behalf of the Board of Directors

Sd/-

ANIL JERATH

Director (Finance)

(DIN 09543904)

Sd/-

SHANTANU ROY

Chairman & Managing Director

(DIN 10053283)

Sd/-

URMI CHAUDHURY

Company Secretary

Statement of Cash Flows

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Sub items	Main items	Sub items	Main items
A. Cash flow from operating activities				
Net profit before tax and extraordinary items		**19,907.69**		40,542.63
Adjustments for				
Depreciation and amortization expense	**8,339.17**		7,124.77	
(Gain)/loss on disposal of property, plant and equipment	**(142.13)**		(267.13)	
Financing Cost	**4,538.81**		5,431.08	
Interest income	**(420.26)**		(236.21)	
Allowance for Inventory	**(4,700.34)**		2,452.43	
Allowance for bad and doubtful Trade receivables	**(1,253.77)**		(855.36)	
Allownaces for other current assets	**(588.92)**		(3,391.27)	
Allownaces for other non-current assets	**-**		-	
Allowance for Provision - current	**27,389.26**		(1,671.71)	
Allowance for Provision - non-current	**1,335.01**		3,156.27	
Actuarial gain / (loss) on Gratuity & PRMS	**(595.81)**	**33,901.02**	309.30	12,052.16
Operating Profit / (Loss) before changes in working capital		**53,808.71**		52,594.80
Adjustment for				
Inventories	**8,825.18**		(14,798.14)	
Trade receivables	**(56,594.94)**		(24,813.74)	
Other current assets	**(3,981.24)**		(2,249.81)	
Other non-current assets	**(7,082.86)**		1,108.76	
Other financial current assets	**(20,579.14)**		13,711.20	
Other financial non-current assets	**50.09**		(49.62)	
Trade payables	**31,436.81**		(4,972.62)	
Other current liabilites	**1,207.31**		(20,461.45)	
Other non-current liabilites	**7,435.20**		19,602.72	
Other financial current liabilites	**5,368.59**		1,478.95	
Other financial non-current liabilites	**592.35**		(41.93)	
Net cash flow from / (used in) operations		**(33,322.65)**		(31,485.68)
Income Tax & Deferred Tax		**(7,846.87)**		(12,167.74)
Net cash flow from / (used in) operating activities		**12,639.19**		8,941.37
B. Cash flow from investing activities				
Purchase of property, plant and equipment	**(34,296.47)**		(18,104.85)	
Proceeds from sale of property, plant and equipment	**232.83**		264.87	
Purchase of intangible assets	**(3,579.17)**		(1,231.94)	
Proceeds from sale of intangible assets	**0.01**		(0.02)	
Investments in Subsidiaries & Associates	**(180.00)**		(581.31)	
Interest Received	**420.26**		236.21	
Revaluation of Asset of Subsidiaries	**-**		-	
Repayment/Loans by/to Other Parties	**1,155.16**		(568.84)	
FDRs maturity beyond 3 months	**-**		-	
Net cash flow from / (used in) investing activities		**(36,247.38)**		(19,985.87)
C. Cash flow from financing activities				
Financing Cost	**(4,538.81)**		(5,431.08)	
Other financial liabilities	**29,928.66**		8,852.36	
Current Borrowings	**7,353.15**		15,789.89	
Dividend paid	**(8,901.40)**		(8,529.65)	
Net cash flow from / (used in) financing activities		**23,841.60**		10,681.53
Net increase/(decrease) in cash and cash equivalents		**233.41**		(362.97)
Cash and Cash Equivalents, Beginning of the year		**437.35**		800.32
Cash and Cash Equivalents, Ending of the year		**670.77**		437.35

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

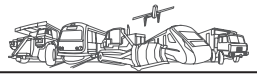
Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Place: Mysuru
Date: 29-05-2026

Sd/-
URMI CHAUDHURY
Company Secretary



Statement of Changes in Equity for the year ended 31.03.2026

A. Equity share capital

(₹ in Lakhs)

Particulars	No. of shares	Amount
Balance as on 01.04.2025	4,16,44,500	4,164.45
Changes in equity share capital during the period*	4,16,44,500	-
Balance as on 31.03.2026	**8,32,89,000**	**4,164.45**

* Split of Shares from face value ₹ 10/- per share to ₹ 5/- per share w.e.f 3rd November 2025.

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Items of OCI	Nonimara Excellence Award Reserve	Total Equity
	Capital Reserve	Share Premium	General Reserve	Retained Earnings	Other items of OCI		
Balance as on 01.04.2025	**105.66**	**61,204.07**	**1,19,033.62**	**1,27,117.41**	**(26,243.40)**	**1.44**	**2,81,218.80**
Reinstatement Adjustment on account of prior period items	-	-	-	-	-	-	-
Reinstated Balance as on 01.04.2025	**105.66**	**1,204.07**	**1,19,033.62**	**1,27,117.41**	**(26,243.40)**	**1.44**	**2,81,218.80**
Profit / (Loss) for the period	-	-	-	14,750.37	-	-	14,750.37
Other Comprehensive Income for the period	-	-	-	-	(445.84)	-	(445.84)
Transfer to - General Reserve / Retained Earnings	-	-	-	-	-	-	-
Transaction with owners - Dividend	-	-	-	(8,828.63)	-	-	(8,828.63)
Balance as on 31.03.2026	**105.66**	**61,204.07**	**1,19,033.62**	**1,33,039.15**	**(26,689.25)**	**1.44**	**2,86,694.69**

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29-05-2026

Statement of Changes in Equity for the year ended 31.03.2025

A. Equity share capital

(₹ in Lakhs)

Particulars	No. of shares	Amount
Balance as on 01.04.2024	4,16,44,500	4,164.45
Changes in equity share capital during the period	-	-
Balance as on 31.03.2025	**4,16,44,500**	**4,164.45**

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus				Items of OCI	Nonimara Excellence Award Reserve	Total Equity
	Capital Reserve	Share Premium	General Reserve	Retained Earnings	Other items of OCI		
Balance as on 01.04.2024	**105.66**	**61,204.07**	**1,19,033.62**	**1,06,235.96**	**(26,474.86)**	**1.44**	**2,60,105.90**
Reinstatement Adjustment on account of prior period items	-	-	-	-	-	-	-
Reinstated Balance as on 01.04.2024	**105.66**	**61,204.07**	**1,19,033.62**	**1,06,235.96**	**(26,474.86)**	**1.44**	**2,60,105.90**
Profit / (Loss) for the period	-	-	-	29,418.57	-	-	29,418.57
Other Comprehensive Income for the period	-	-	-	-	231.45	-	231.45
Total comprehensive income for the period	**-**	**-**	**-**	**29,418.57**	**231.45**	**-**	**29,650.02**
Transfer to - General Reserve/Retained Earnings							
Transaction with owners - Dividend	-	-	-	(8,537.12)	-	-	(8,537.12)
Balance as on 31.03.2025	**105.66**	**61,204.07**	**1,19,033.62**	**1,27,117.41**	**(26,243.40)**	**1.44**	**2,81,218.80**

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29-05-2026

Notes forming part of Financial Statements

Note 3 : Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the year	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Land										
Free Hold	1,364.69	0.73	-	1,365.42	-	-	-	-	1,365.42	1,364.69
Lease Hold	5,902.16	7.30	-	5,909.46	18.00	10.22	-	28.22	5,881.24	5,884.16
Buildings	18,225.91	4,189.26	(46.86)	22,368.32	6,294.44	874.77	(16.28)	7,152.93	15,215.39	11,931.47
Plant and Equipment	54,731.47	7,417.62	(583.51)	61,565.58	29,655.48	3,497.32	(515.34)	32,637.47	28,928.12	25,075.99
Furniture and Fixtures	1,410.82	267.31	(28.67)	1,649.46	704.11	123.74	(28.73)	799.11	850.35	706.72
Vehicles										
Given on Lease	547.00	-	(127.34)	419.67	278.00	67.61	(102.58)	243.02	176.65	269.01
Own Use	1,137.17	83.26	(106.13)	1,114.30	388.43	128.94	(101.63)	415.74	698.56	748.74
Office Equipment	957.01	468.40	(24.24)	1,401.17	628.35	100.95	(24.12)	705.18	695.99	328.66
Roads and Drains	3,855.25	971.59	27.77	4,854.61	1,898.68	276.02	-	2,174.70	2,679.90	1,956.57
Water Supply Installations	406.35	3.40	(0.01)	409.74	210.69	25.93	-	236.62	173.12	195.66
Railway sidings	1,118.63	-	0.01	1,118.64	763.05	53.97	-	817.02	301.62	355.58
Electrical Installation	3,166.77	789.92	(116.75)	3,839.94	2,341.60	222.73	(116.74)	2,447.58	1,392.36	825.18
Jigs and Fixtures	3,298.90	284.76	14.66	3,598.32	2,801.61	109.89	-	2,911.50	686.82	497.29
Special Tools	3,932.32	345.17	(0.73)	4,276.76	3,148.32	420.80	(4.41)	3,564.71	712.05	784.00
Computers and Data processing units	4,917.15	1,676.39	(134.05)	6,459.48	2,767.96	987.71	(131.57)	3,624.10	2,835.38	2,149.18
Total	**1,04,971.60**	**16,505.10**	**(1,125.84)**	**1,20,350.86**	**51,898.71**	**6,900.60**	**(1,041.40)**	**57,757.90**	**62,592.97**	**53,072.89**
Previous Year	94,958.18	11,001.09	(987.68)	1,04,971.59	46,896.77	5,991.87	(989.94)	51,898.70	53,072.90	48,061.41

Note 3A: Right of use Assets

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
ROU Assets										
Buildings	1,235.25	857.25	(43.40)	2,049.09	423.43	202.64	(37.14)	588.93	1,460.16	811.82
Total Right of use Assets	**1,235.25**	**857.25**	**(43.40)**	**2,049.09**	**423.43**	**202.64**	**(37.14)**	**588.93**	**1,460.16**	**811.82**
Previous Year	1,178.32	76.11	(19.18)	1,235.25	315.68	126.94	(19.18)	423.43	811.82	862.64

A. Carrying value of Plant & Equipment includes equipment offered to customers for trials on No Cost No Commitment (NCNC) basis ₹ 261.46 Lakhs (Previous Year - ₹ 170.64 Lakhs).

B. Property, Plant and Equipment

i) Buildings include carrying value of building at Ranchi pending registration / khatha transfer at ₹ 9.37 Lakhs (Previous Year ₹ 9.74 Lakhs)

ii) The Company has taken land measuring 1109 acres and two workshops on lease for a period of 10 years vide Lease Agreement dated 5th May 2004, w.e.f. 28.04.2004 from M/s Bharat Gold Mines Limited (BGML) (A Company under orders of winding up by BIFR) and a sum of ₹ 100 lakhs was paid as deposit (included under Note 11). The Company had incurred on the above land a sum of ₹ 1452.95 Lakhs on Buildings (with carrying value - ₹ 635.14 Lakhs) (Previous Year - ₹ 724.70 Lakhs) included in Property, Plant and Equipment as at year end.

Since BEML is under strategic Disinvestment, BEML has proposed to retain 28.35 acres of land out of 1109 Acres of land and surrender 1080.65 Acres to BGML

An amount of ₹ 70.10 Lakhs out of ₹ 170.10 lakhs (reckoning the lease amount deposit of ₹ 100 lakhs) was deposited in the Hon'ble High Court as per the order, towards purchase of the above 28.35 Acres of land @ ₹ 6.00 Lakhs / Acre, notified vide Office Memorandum no LND/CR/93/2020-21 dated 07.03.2024.

BGML authorities have informed that, action on registration of land measuring 28.35 acres in the name of M/s BEML Limited, will be taken up only after return of 1080.65 acres of land, duly surveyed, subject to the outcome of the company petition.

iii) Lease Hold Land includes land measuring 101175.92 Sq. Mtrs taken on perpetual lease from KIADB (Bangalore Aerospace, SEZ Park) at a cost of ₹ 5126.00 Lakhs (Previous Year - ₹ 5126.00 Lakhs).

iv) No Provision considered necessary for impairment of assets as the realizable value of assets technically assessed is more than the carrying cost of these assets.

v) For information on estimated capital contracts pertaining to the acquisition of property, plant and equipment, refer Note no. 39 D 2 a.

vi) Free hold at KGF does not include 114 Acres which is under reconciliation with DC, Kolar.

vii) BEML holds the title of 302.26 acres of Mysore land which was transferred to BEML Land Assets Limited on demerger in the books of accounts.

C. Amount of borrowing cost capitalised on addition of assets during the year is ₹ Nil Lakhs (Previous Year - ₹ Nil Lakhs).

D. Since there is no investment property in the Company as on 31.03.2026, fair value of investment property is Nil (Previous Year - Nil).

E. Title deeds of Immovable Properties not held in name of the Company:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	**Building**					
	Flat at Sarovar Enclave, Ranchi	10.12	Ranchi Planners Cooperative Housing Soceity	No	23-12-1987	Under dispute with state authorities.
	Flat at Ashadeep, Delhi	2.80		No	01-05-1977	Obtaining Title deeds in the name company is under progress
	Land					
	Land at BGML	0.00		No	28-04-2004	Leasehold land at BGML for which an advance of ₹ 170.10 lakhs has been paid is yet to be registered in the name of BEML Limited by BGML Authorities.

There has been no revaluation of Property, Plant and Equipment.

Note 4: Capital work-in-progress

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Building	18,382.91	5,238.42
Machinery	9,249.80	5,334.99
Others	-	125.17
Total	**27,632.71**	**10,698.59**

Capital work-in-progress (CWIP) - As at 31 March 2026

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	21994.33	4436.28	1027.31	174.80	27,632.71
Projects temporarily suspended	-	-	-	-	-
Total	**21994.33**	**4436.28**	**1027.31**	**174.80**	**27,632.71**

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Completion schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Capital work-in-progress (CWIP) - As at 31 March 2025

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	9222.99	1218.05	174.80	82.76	10,698.59
Projects temporarily suspended	-	-	-	-	-
Total	**9222.99**	**1218.05**	**174.80**	**82.76**	**10,698.59**

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Completion schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Note 5: Intangible asset

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the Period	Deduction/Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Computer software	5,086.98	1,459.37	(0.01)	6,546.34	3,526.11	690.25	-	4,216.36	2,329.97	1,560.86
Technical Know how	7,347.49	-	-	7,347.49	5,221.97	545.68	-	5,767.64	1,579.85	2,125.52
TDR against Land	7.01	-	-	7.01	-	-	-	-	7.01	7.01
Total	**12,441.48**	**1,459.37**	**(0.01)**	**13,900.84**	**8,748.08**	**1,235.93**	**-**	**9,984.01**	**3,916.83**	**3,693.40**
Previous Year	11,209.54	1,231.94	-	12,441.48	7,742.12	1,005.97	(0.02)	8,748.08	3,693.40	3,467.42

Free Hold Land measuring 3.647 acres of land, surrendered to BBMP against TDR (at cost) is ₹ 4.58 Lakhs. Free Hold Land measuring 1.937 acres of land surrendered to BBMP for which TDR yet to be received (at cost) is ₹ 2.43 Lakhs

Note 6: Intangible assets under development

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Technical Know-how	2,119.80	-
Total	**2,119.80**	**-**

Intangible assets under development - As at 31 March 2026

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	2,119.80	-	-	-	2,119.80
Projects temporarily suspended	-	-	-	-	-
Total	**2,119.80**	**-**	**-**	**-**	**2,119.80**

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

c) Completion schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Intangible assets under development - As at 31 March 2025

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Completion schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Note 7: Non-current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Investments in equity instruments - unquoted at cost		
In Equity Shares of Subsidiary Companies:		
In Vignyan Industries Limited, 2,69,376 fully paid up Equity Shares of ₹ 100 each	**252.60**	252.60
In MAMC Industries Limited, Kolkata, 50,000 fully paid up Equity Shares of ₹ 10 each [refer Note no. 11(a)]	**5.00**	5.00
Sub Total	**257.60**	257.60
In Equity Shares of Joint Venture Company:		
In BEML Midwest Ltd., 54,22,500 fully paid up Equity shares of ₹ 10 each	**542.25**	542.25
Less: Allowance for impairment of investment	**(542.25)**	(542.25)
Sub Total	**-**	-
In Equity Shares of Section 8 Companies:		
In Communication (Defence) Testing Foundation, 26131 shares of ₹ 1000 each	**261.31**	261.31
In Systems Testing and Research for Advanced Materials Foundation, 200000 shares of ₹ 100 each	**200.00**	20.00
In UAS Testing Foundation, 30000 shares of ₹ 1000 each	**300.00**	300.00
Sub Total	**761.31**	581.31
Investment in Ordinary Shares of Co-operative Societies - unquoted at cost		
In BEML Consumer Co-operative Society Ltd, KGF, 250 fully paid up shares of ₹ 10 each	**0.03**	0.03
In Gulmohar Mansion Apartments Co-operative Housing Society Limited, Bangalore, 10 fully paid up shares of ₹ 100 each.	**0.01**	0.01
In Twin Star Co-operative Housing Society Ltd, Bombay, 5 fully paid up shares of ₹ 50 each.	**0.00**	0.00
Sub Total	**0.04**	0.04
Total - unquoted at cost	**1,018.96**	838.95

Indian Accounting Standard (Ind AS) 28 - Investment in Associates

Names of Joint Ventures	Nature	% holding	Country of Incorporation
Communication (Defence) Testing Foundation	Associate	25	India
Systems Testing and Research for Advanced Materials Foundation (STREAM)	Associate	20	India
UAS Testing Foundation	Associate	20	India

a. BEML along with Midwest Granite Private Limited formed a joint venture company in 2007 to conduct excavation and extraction of mineral resources. The agreement was signed in September 2005 whereby BEML has a 45% share in the operations of the joint venture and the remaining 55% is held by Midwest Granite Private Limited. The Joint Venture Company BEML Mid West Ltd is under liquidation vide order dated 20.10.2023

of the Honourable Hyderabad bench of NCLT. As such consolidation with Company accounts / disclosure requirements under IND AS-28 (Investments in Associates and Joint Ventures) could not be complied with.

b. As per CCEA approval dtd 8th September 2021, M/s Vignyan Industries Ltd, a subsidiary of BEML is under Voluntary Liquidation and Official Liquidator has been appointed on 11.10.2021. Movable and immovable assets have been disposed off.

The movement in the allowance for impairment of investment is as follows:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Balance at the beginning of the year	**542.25**	542.25
Balance at the end of the year	**542.25**	542.25

Note 8: Non-Current - Loans

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Lease Deposits	**17.82**	16.18
Total	**17.82**	16.18

Note 9: Non-current - Other financial assets

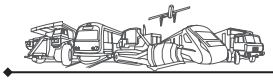
(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit with service providers	**84.96**	95.44
Application money paid to STREAM (Allotment pending)	**-**	41.25
Total	**84.96**	136.69

Note 10: Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred Tax Liabilities (DTL)		
Property, plant and equipment	**3,740.00**	3,872.00
Total DTL (A)	**3,740.00**	3,872.00
Deferred Tax Assets (DTA)		
Timing differences under the Income Tax Act,1961	**20,892.00**	14,059.00
Total DTA (B)	**20,892.00**	14,059.00
Net Total (B-A)	**17,152.00**	10,187.00



Note 10: Income taxes

The substantively enacted tax rate as on 31 March 2026 is **25.17%** and as on 31 March 2025 was **25.17%** for deferred tax purposes.

a) Amount recognised in profit or loss

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Current tax expenses:		
Current tax	**12,062.15**	9,673.85
Earlier year Tax	**60.17**	289.21
	12,122.32	9,963.06
Deferred tax (income)/expenses		
Origination and reversal of temporary differences	**(6,965.00)**	1,161.00
Total deferred tax (income)/expense	**(6,965.00)**	1,161.00
Tax expense	**5,157.32**	11,124.06

b) Amount recognised in OCI

(₹ in Lakhs)

Particulars	31 March 2026			31 March 2025		
	Before Tax	Tax (expense) benefit	Net of tax	Before Tax	Tax (expense) benefit	Net of tax
Re-measurement (losses)/gains on post employment defined benefit plans	**(595.81)**	**149.97**	**(445.84)**	309.30	(77.85)	231.45
Total	**(595.81)**	**149.97**	**(445.84)**	309.30	(77.85)	231.45

c) Reconciliation of effective income tax rate

(₹ in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operation		**19,907.69**		40,542.63
Tax using the company's domestic tax rate (Income tax)	**25.17%**	**5,010.77**	25.17%	10,204.58
Tax effect of:				
Earlier year tax	**0.30%**	**60.17**	0.71%	289.21
Non deductible expenses	**35.42%**	**7,051.38**	-1.31%	(530.73)
Deferred tax	**-34.99%**	**(6,965.00)**	2.86%	1,161.00
Total income tax expense for the year	**25.91%**	**5,157.32**	27.44%	11,124.06

d) Movement in deferred tax balances

(₹ in Lakhs)

Particulars	As on 1st April 2024	Recognised in profit or loss during 2024-25	As at 31 March 2025	Recognised in profit or loss during 2025-26	As at 31 March 2026
Property, plant and equipment & Other Intangible assets	(4,028.00)	156.00	(3,872.00)	132.00	(3,740.00)
Provision for impairment of investment	136.00	-	136.00	-	136.00
Provision for doubtful trade receivables	5,390.00	(215.00)	5,175.00	(316.00)	4,859.00
Provision for Other Current assets	2,762.00	(854.00)	1,908.00	(149.00)	1,759.00
Provision for Leave Salary	4,346.00	39.00	4,385.00	(139.00)	4,246.00
Provision for Contributory medical Scheme	1,788.00	(260.00)	1,528.00	655.00	2,183.00
Provision for Property Tax	261.00	(195.00)	66.00	252.00	318.00
Provision for pending legal cases	34.00	4.00	38.00	4.00	42.00
Provision for Onerous Contract	582.00	170.00	752.00	5,547.00	6,299.00
Provision for Unpaid Expenditure	77.00	(6.00)	71.00	979.00	1,050.00
Net deferred tax assets / (liabilities)	**11,348.00**	**(1,161.00)**	**10,187.00**	**6,965.00**	**17,152.00**

Note 11: Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Capital Advances	**170.10**	100.00
Less: Allowance for doubtful Capital Advances	**-**	-
Advances to Subsidiary - MAMC Industries Limited [refer Note no.39 (C)(ii)]	**624.01**	605.38
Advance MAMC consortium [see note (a) below]	**7,449.49**	7,375.60
Employee Advance	**124.62**	181.56
Prepayments	**55.69**	59.01
Stock - welfare items	**0.78**	-
Gold coins on Hand	**24.83**	10.11
Total	**8,449.52**	8,331.66

The Company has entered into a Consortium Agreement (MAMC Consortium) with M/s. Coal India Limited (CIL) and M/s. Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets (the assets) of M/s. Mining and Allied Machinery Corporation Limited (under liquidation - MAMC Ltd). The Consortium members agreed upon a holding pattern of 48:26:26 for BEML,CIL and DVC respectively.

The Consortium paid the bid amount of ₹ 10,000 Lakhs as per the Order of the Honourable Kolkata High Court for the assets including ₹ 4800 Lakhs contributed by BEML. The assets are in possession of the Consortium. As per the directive of the Honourable Kolkata High Court, dated 05.03.2025, the sale certificates in respect of the assets of MAMC Ltd., have been issued by the Official Liquidator in favour of the Consortium.

As per the latest valuation report furnished by registered valuer, the fair value of MAMC assets is ₹ 17786.61 Lakhs and the company's share of 48% comes to ₹ 8537.57 Lakhs which is above the total advances paid to MAMC consortium.

The Company has incorporated a wholly owned subsidiary in the name of "MAMC Industries Limited"(MIL) for the purpose of JV formation. Shareholders agreement, as duly approved by the Boards of all three members of the consortium, has been submitted to Ministry of Defence for necessary approval. After obtaining the said approval, MIL would be converted into a JV Company.

The Company 's outlay related to the consortium are:

(₹ in Lakhs)

Nature of Outlay	Presented in the Financial Statement	Amount as on 31.03.2026	Amount as on 31.03.2025
Advance to MAMC Industries Ltd.	Note 11 - Advance to related parties	624.01	605.38
BEML Contribution	Note 11 - Advance to MAMC Consortium	7,341.27	7,171.61
Receivables from Other Consortium Members	Note 11 - Advance to MAMC Consortium	108.22	203.99

Note 12: Inventories (Lower of cost and Net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials & Components	**93,618.44**	1,03,265.95
Less: Allowance for obsolescence - Raw Material	**(3,277.39)**	(4,181.42)
Raw materials & Components in Transit	**5,916.77**	2,313.22
Stores and Spares	**1,845.55**	2,381.66
Less: Allowance for obsolescence - Stores and Spares	**-**	-
Work-in-Progress	**86,414.60**	80,584.56
Less: Allowance for obsolescence - WIP	**(2,912.20)**	(4,499.87)
Finished Goods	**20,681.44**	24,586.06
Less: Allowance for obsolescence - Finished Goods	**(823.61)**	(1,644.17)
Finished Goods in Transit	**2,741.09**	3,457.44
Less: Allowance for obsolescence - Finished Goods in transit	**-**	-
Stock of Spares	**31,854.74**	34,982.72
Less: Allowance for obsolescence - Stock of Spares	**(5,183.39)**	(6,650.65)
Less: Allowance for shortages - Stock of Spares	**(61.63)**	(58.50)
Stock of Spares in Transit	**148.16**	1,051.73
Hand tools	**2,254.94**	2,184.04
Less: Allowance for obsolescence - Hand Tools	**(192.26)**	(116.21)
Scrap	**786.01**	279.55
Total	**2,33,811.26**	2,37,936.09

a. Inventories include items with sub contractors/service providers of ₹ 3715.40 Lakhs (Previous year ₹ 3748.68 Lakhs). Out of these, confirmation from the parties is awaited for ₹ 1331.16 Lakhs (Previous year ₹ 1037.71 Lakhs).

b. Raw materials in transit include ₹ 824.96 Lakhs (Previous year ₹ 1061.98 Lakhs) of materials received in the factory/depot for which quality clearance is pending.

c. The closing stock of work-in-progress and finished goods are stated at lower of standard cost, which approximates to actuals, and net realisable value. The difference between the actual cost of production and the standard cost is not material.

d. Variances arising on account of difference between standard cost and the actual cost, on account of change in the nature of inputs from bought-out to internally manufactured or vice versa, timing difference between standard cost and actual occurrence during the financial period and fluctuations in the material prices, is adjusted in the cost of production in order not to carry forward the period variances to subsequent financial period.

e. Allowance for obsolescence towards Raw materials, Stock of Spares, Work in progress, Finished goods and Handtools is based on ageing of inventory as per the Board approved provisioning norms.

Note 13: Current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Investments quoted/Unquoted	-	-
Total	-	-

Note 14: Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured		
Outstanding for period exceeding six months	**55,249.73**	41,899.69
Others	**1,91,492.45**	1,48,247.55
Sub-Total	**2,46,742.18**	1,90,147.24
Allowance for Expected Credit Loss	**(19,305.67)**	(20,559.44)
Total	**2,27,436.51**	1,69,587.81

Trade Receivable ageing schedule - As at 31 March 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,16,698.42	74,794.02	19,225.13	14,854.04	6,226.78	13,737.49	2,45,535.89
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	-	406.38	-	795.86	1,202.24
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	4.05	4.05
Sub - total	1,16,698.42	74,794.02	19,225.13	15,260.42	6,226.78	14,537.40	2,46,742.18
(vii) Provisions	794.81	1,819.32	1,325.43	2,495.26	925.07	11,945.79	19,305.67
Net Trade Receivables	1,15,903.61	72,974.71	17,899.70	12,765.16	5,301.72	2,591.61	2,27,436.51

Trade Receivable ageing schedule - As at 31 March 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	54,860.97	93,386.59	12,041.95	9,627.12	2,403.14	16,761.17	1,89,080.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	406.38	-	19.93	350.96	777.27
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit impaired	-	-	30.00	105.00	4.05	150.00	289.05
Sub - total	54,860.97	93,386.59	12,478.33	9,732.12	2,427.11	17,262.13	1,90,147.24
(vii) Provisions	110.01	2,497.14	2,209.16	1,498.52	425.21	13,819.40	20,559.44
Net Trade Receivables	54,750.96	90,889.44	10,269.17	8,233.60	2,001.90	3,442.73	1,69,587.81

For recognition of impairment provision, Expected Credit Loss has been created during the year on the Trade Receivables using simplified approach as per Ind AS 109.

The movement in the allowance for trade receivables/Expected credit loss is as follows:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Balance at the beginning of the year	**20,559.44**	21,414.80
Expected Credit loss recognised	**4,278.39**	3,982.87
Written off during the year	**(5,532.16)**	(4,838.23)
Balance at the end of the year	**19,305.67**	20,559.44

Note 14a: Contract Assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Rail & Metro	**71,549.81**	51,301.17
Total	**71,549.81**	51,301.17

Note 15: Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Banks	**670.77**	437.35
Total	**670.77**	437.35

Note 15a: Bank Balance Other than (Note 15) above

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Banks - Unclaimed/Unpaid Dividend	**130.85**	58.09
Fixed Deposits	**-**	-
Total	**130.85**	58.09

Cash and cash equivalents comprise the following:

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Banks	**670.77**	437.35
Less: Bank overdraft/Cash credit facility	**(29,199.14)**	(21,845.99)
Total	**(28,528.38)**	(21,408.64)

a. The Company earns no interest on balances with banks in current accounts.

b. Balances with banks include the following on which there were restrictions placed on use and / or held on behalf of third parties: ESCROW account balance to be distributed among consortium members ₹ 73.17 Lakhs (Previous Year - ₹ 107.39 Lakhs).

c. Out of the Cash Credit Limit of ₹ 120000 Lakhs sanctioned to the company by Consortium Bankers as a part of Secured working capital facilities, the amount drawn by the company as on 31st March 2026 is ₹ 29199.14 Lakhs (Previous Year - ₹ 21845.99 Lakhs)

Note 16: Current Loans

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Inter Corporate Loan - BEML Land Assets Limited	**1,189.85**	864.52
Secured Loans		
Loan to subsidiary - Vignyan Industries Limited	**-**	1,362.18
Interest Accured on loan to subsidiary	**-**	118.32
(secured against first charge on VIL Land (Factory, Helipad and Office Quarters))		
Total	**1,189.85**	2,345.02

Note 17: Current - Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit with service providers	**847.05**	546.73
Earnest Money Deposit	**30.17**	-
Total	**877.22**	546.73

Note 17a: Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Income Tax Refund	**1,527.60**	8,733.20
Tax Deducted at Source	**1,403.19**	973.31
Total	**2,930.79**	9,706.51

Note 18: Other Current Assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Public Utility concerns	**700.11**	640.43
Less: Allowance for doubtful Balances with Public Utility concerns	**(165.91)**	(165.91)
Advance to Vendors	**23,155.72**	12,267.75
Less: Allowance for doubtful advances to Vendors	**(3,361.05)**	(3,421.76)
Employee Advance	**200.78**	231.18
Duties and Taxes	**1,554.59**	2,294.62
Prepayments	**5,103.55**	5,915.44
Claims receivable	**10,880.79**	8,884.30
Less: Allowance for doubtful claims	**(3,462.61)**	(3,990.82)
Stock - welfare items	**-**	0.78
Gold coins on Hand	**-**	14.72
GST on stock transfers	**963.16**	1,552.51
Total	**35,569.14**	24,223.25

Note 19: Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Authorised :				
Equity Shares of ₹ 5 each (PY ₹ 10 each)	**200000000**	**10,000.00**	100000000	10,000.00
Issued :				
Equity Shares of ₹ 5 each (PY ₹ 10 each)	**83800000**	**4,190.00**	41900000	4,190.00
Subscribed :				
Equity Shares of ₹ 5 each (PY ₹ 10 each)	**83289000**	**4,164.45**	41644500	4,164.45
Paid-up :				
Equity Shares of ₹ 5 each (PY ₹ 10 each), fully paid-up	**83289000**	**4,164.45**	41644500	4,164.45
Forfeited Shares (amount originally paid) :				
Equity Shares of Paid-up value ₹ 2.5 each (PY ₹ 5 each)	**511000**	**12.77**	255500	12.77
Total		**4,177.22**		4,177.22

Rights and restrictions attached to equity shares

The company has only one class of share, i.e., equity shares having the face value of ₹ 5 per share after split w.e.f 03.11.2025 (Previous year ₹ 10 per share). Each holder of equity share is entitled to one vote per share. Dividend is paid in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the Company after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Disclosures requirement for 5 years	Number of Shares				
Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Shares allotted as fully paid up pursuant to contracts without payment being received in cash	**Nil**	Nil	Nil	Nil	Nil
Shares allotted as fully paid up by way of bonus shares	**Nil**	Nil	Nil	Nil	Nil
Shares bought back	**Nil**	Nil	Nil	Nil	Nil

Reconciliation of shares outstanding at the beginning and at the end of the period:

(₹ in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	No.of Shares	Amount	No.of Shares	Amount
Outstanding as at Opening Date	**4,16,44,500**	**4,164.45**	4,16,44,500	4,164.45
Add: Issued during the period (split from ₹ 10 to ₹ 5)	**4,16,44,500**	**-**	-	-
Less: Buy-back during the period (if any)	**-**	**-**	-	-
Outstanding as at Closing Date	**8,32,89,000**	**4,164.45**	4,16,44,500	4,164.45

Equity Shares held by shareholders having 5% or more	As at 31 March 2026		As at 31 March 2025	
Name of the shareholder	No. of Shares	% held	No. of Shares	% held
President of India	4,50,00,000	54.03%	2,25,00,000	54.03%
HDFC Trustee Company Limited	59,49,215	7.14%	3127809	7.51%

No shares of the Company is held by its subsidiaries. The Company does not have any holding company.

No shares of the Company is reserved for issue under options and contracts/commitments for the sale of shares / disinvestment.

The Board of Directors have approved an Interim Dividend of ₹ 2.50 per equity share i.e., 50% on equity shares of ₹ 5 each, on 06.02.2026 which is paid to Government of India on 18.02.2026 and to other eligible shareholders.

Shares held by promoters at the end of the year		As at 31st March 2026		% Change during the year
Sl. No.	Promoters Name	No. of Shares	% of total shares	NIL
1	President of India	4,50,00,000	54.03%	

Note 20: Non-current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Term Loan	-	-
Total	-	-
i (a) Lease Liability	1,499.52	907.17

Note 21: Non-current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit from vendors	112.63	112.63
Total	112.63	112.63

Note 22: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
for Leave Salary	10,994.36	12,353.10
for Gratuity	85.40	-
for Post retirement medical scheme	6,738.85	4,783.87
Provision-others		
for warranty	3,603.42	2,985.15
for unexpired obligations	6,767.06	6,731.96
Total	28,189.09	26,854.08

1. For movement in the provisions during the year refer Note no. 28
2. The provision for employee benefits represents annual leave and vested long service entitlements accrued.
3. Warranty provisions are recognised on a contract-by-contract basis for goods sold over the warranty period. The provision is based on estimates of probable likelihood of product failure and returns based on current sales level and past experience.
4. Provision for unexpired obligations is towards supply of Backup Spares against guaranteed availability contracts.

Note 23: Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances from customers	**91,340.13**	83,905.94
Staff related	**36.97**	35.96
Total	**91,377.10**	83,941.90

Advances from Customers include ₹ 280.17 Crs received from the Ministry of Defence (Customer) against a contract dated 31-10-2011 for supply of 204 Nos ARV WZT-3. The execution of the project is delayed due to non-supply of aggregates by the vendor. The Customer and BEML have agreed to short-close the project by reducing the quantities to be delivered. The process of refixing the sale price and ascertaining the current cost of production is underway. BEML does not have any liability towards this project other than the advance received from the customer.

Note 24: Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Repayable on demand from banks		
Secured		
Cash Credit & Short Term Loans (secured by first charge by way of hypothecation of Inventories, Bills receivable, Book Debts and all other movables both present and future)	**29,199.14**	21,845.99
Lease Liability	**181.76**	107.10
Total	**29,380.91**	21,953.09

The company has utilised the borrowings from banks and financial institutions for the purpose for which it has been taken.

Quarterly statements/Results of assets filed by the Company with banks or financial institutions are in agreement with the books of accounts and hence the need for reconciliation of differences if any does not arise.

Note 25: Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro & small enterprises	**21,933.61**	17,244.21
Total outstanding dues of other than micro & small enterprises	**80,483.78**	53,736.38
Total	**1,02,417.39**	70,980.58

Trade payables due for payment - As at 31 March 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSE	21,893.78	-	-	-	-	**21,893.78**
(ii) Others	44,249.70	34,290.84	83.73	67.79	311.58	**79,003.63**
(iii) Disputed dues - MSE	-	-	-	39.83	-	**39.83**
(iv) Disputed dues - Others	-	-	-	358.75	1,121.40	**1,480.15**
Total	**66,143.48**	**34,290.84**	**83.73**	**466.37**	**1,432.98**	**1,02,417.39**

Trade payables due for payment - As at 31 March 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSE	16,888.43	-	-	-	-	**16,888.43**
(ii) Others	26,952.33	23,922.24	506.16	152.84	583.91	**52,117.49**
(iii) Disputed dues - MSE	-	-	355.77	-	-	**355.77**
(iv) Disputed dues - Others	-	450.66	46.84	-	1,121.40	**1,618.89**
Total	**43,840.76**	**24,372.90**	**908.77**	**152.84**	**1,705.31**	**70,980.58**

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. The details of amounts outstanding to them based on available information with the Company is as under:

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Amount due and Payable at the year end		
- Principal	-	-
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	-
- Interest	-	-
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.	-	-

Note 25A: Contract Liability

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Rail & Metro	1,742.29	-
Total	1,742.29	-

Note 26: Current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit from vendors	6,036.17	2,822.39
Earnest Money Deposit from vendors	878.72	613.62
Unclaimed dividend	130.85	58.09
Financial Liabilities to Bank	38,781.02	8,852.36
Total	45,826.76	12,346.46

Note 27: Other current liabilities

(₹ in Lakhs)

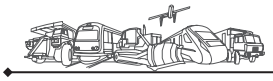
Particulars	As at 31 March 2026	As at 31 March 2025
Staff related dues	2,206.03	2,040.00
Statutory dues	10,617.51	10,039.85
Advances from customers	21,367.99	21,356.87
Service vendors	12,358.24	12,254.62
Civil contractors and Capital payments	473.48	124.61
Total	47,023.25	45,815.95

Statutory dues include an amount of ₹ 1262.56 Lakhs (Previous year ₹ 263.45 Lakhs) being Property tax demand.

Note 28: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
for Gratuity	3,390.45	2,186.76
for Leave Salary	5,875.33	5,068.06
for Performance Related Pay	3,003.84	4,025.30
for Post retirement medical scheme	2,778.94	2,118.43
for Officers Pension	1,975.23	1,941.04
Provision-others		
for pending legal cases	167.39	151.65
for warranty	4,570.84	5,483.25
for unexpired obligations	196.72	973.76
for onerous contract	25,024.15	2,987.12
for Unpaid Expenses	6,275.98	934.25
Total	53,258.88	25,869.61



Movement in Provisions

(₹ in Lakhs)

BEML	As at 01.04.2025			Additions	Utilization	Reversal	As at 31.03.2026		
	Non-current	Current	Total				Non-current	Current	Total
Gratuity	-	2,186.76	**2,186.76**	3,475.86	2,186.76	-	85.40	3,390.45	**3,475.86**
Leave Salary	12,353.10	5,068.06	**17,421.16**	4,894.40	5,445.87	-	10,994.36	5,875.33	**16,869.69**
Post retirement medical scheme	4,783.87	2,118.43	**6,902.30**	4,242.01	1,518.59	107.93	6,738.85	2,778.94	**9,517.79**
Performance Related Pay	-	4,025.30	**4,025.30**	600.00	1,462.16	159.30	-	3,003.84	**3,003.84**
Officers Pension	-	1,941.04	**1,941.04**	1,975.23	1,934.82	6.21	-	1,975.23	**1,975.23**
Pending legal cases	-	151.65	**151.65**	15.75	-	-	-	167.39	**167.39**
Warranty	2,985.15	5,483.25	**8,468.40**	4,579.99	3,424.93	1,449.20	3,603.42	4,570.84	**8,174.25**
Unexpired Obligation	6,731.96	973.76	**7,705.72**	196.72	938.66	-	6,767.06	196.72	**6,963.78**
Onerous contract	-	2,987.12	**2,987.12**	23,257.52	-	1,220.49	-	25,024.15	**25,024.15**
Unpaid Expenditure	-	934.25	**934.25**	6,275.98	295.58	638.67	-	6,275.98	**6,275.98**
Total	**26,854.08**	**25,869.61**	**52,723.71**	**49,513.47**	**17,207.37**	**3,581.79**	**28,189.09**	**53,258.88**	**81,447.97**

Note 29: Current tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for Income tax	**6,912.18**	9,751.70
Total	**6,912.18**	9,751.70

Note 30: Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Sale of products:		
Earth Moving Equipment	**75,831.31**	1,16,763.52
Rail & Metro Products	**87,425.89**	40,834.12
Defence Products	**1,34,362.57**	91,140.81
Exports (Incl. Deemed Exports)	**17,650.45**	29,881.51
Spare Parts	**87,032.91**	92,758.46
Sub-total - sale of products	**4,02,303.14**	3,71,378.43
(b) Sale of services;		
Equipment Servicing	**13,118.59**	12,545.00
Sub-total - sale of services	**13,118.59**	12,545.00
Sub-total - sale of products & services	**4,15,421.72**	3,83,923.43
(c) Other operating revenues		
Wind Energy	**1,267.87**	1,330.36
Sale of Scrap	**3,044.17**	3,084.48
Provisions written back :		
- Doubtful trade receivables & advances	**6,086.99**	6,045.12
- Onerous contract	**1,220.49**	1,306.34
- Inventory Obsolescence	**2,288.45**	-
- Warranty and unexpired obligation	**2,404.80**	1,974.55
- Others	**300.71**	607.07
Export incentives	**169.08**	351.88
Liabilities written back	**425.52**	787.11
Insurance claims	**207.45**	306.85
Recovery from Suppliers	**2,215.31**	2,505.07
Sub-total	**19,630.83**	18,298.84
(d) Inter Segment Sales	**-**	-
Revenue from operations	**4,35,052.55**	4,02,222.27

1. Revenue from operations does not include GST up to March 2026 amounting to ₹ 71203.93 Lakhs (Previous Year ₹ 78405.01 Lakhs).
2. Revenue from sale of products include ₹ 707.00 Lakhs (Previous year ₹ 118.31 Lakhs) on account of Sale of equipment on Bill and Hold basis recognised in accordance with IND AS - 115. This does not bear any custodian charges.
3. Revenue is recognized "over the period of time" on the contracts wherever transfer of control on goods/services and performance obligation satisfied over time. In case of Metro rail supply contracts for determination of transaction price for the purpose of recognizing revenue over the period of time, Input cost method has been considered. All other revenue is recognized "at a point in time" when control transfers. In Metro rail contracts where both train sets and spares are included in respect of train sets, revenue is recognised "over the period of time" basis wherever performance obligation is satisfied over time and in respect of spares revenue is recognised "at a point in time" basis.
4. Revenue from sale of products and services include revenue recognized "over the period of time" in respect of Contracts entered with Metro Rail Corporations for design, manufacture, supply, testing & commissioning of metro cars, ₹ 67647.33 Lakhs (Previous year ₹ 43963.87 Lakhs).
5. The aggregate amount of transaction price allocated to the performance obligation that are unsatisfied as of end of the reporting period are ₹ 5,55,947.05 Lakhs (previous year ₹ 4,47,133.41 Lakhs for Metro rail Contracts). The Company expects to recognize this revenue in subsequent years.
6. Following is the reconciliation of amount of revenue recognized in the statement of P&L on recognition of Contract Assets:

(₹ in Lakhs)

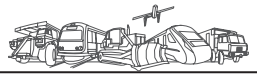
Particulars	2025-26	2024-25
Contract Asset as on 01.04.2025	**51,301.17**	65,174.39
Add: Recognized during the year	**67,647.33**	43,963.87
Total	**1,18,948.50**	1,09,138.27
Contract Assets Billed during the year	**(47,398.70)**	(57,837.10)
Contract Assets as on 31.03.2026	**71,549.80**	51,301.17

7. Following are the closing and opening balances of Receivables, Contract Assets and Contract Liabilities (which are measured under Input Cost Method):

(₹ in Lakhs)

Details	Balance as on 31.03.2026	Balance as on 31.03.2025
Receivables	22,865.75	24,840.25
Contract Assets	71,549.81	51,301.17
Contract Liability	1,742.29	-

8. Payments under the Metro Supply Contracts are released by customers upon completion of milestones of Cost centres identified in the contracts.
9. Payments are released by customers under Equipment Rehabilitation and Aggregates Repairs Contracts upon completion of Repair/Rehabilitation, delivery and acceptance of the items at Customer site as indicated in the Contract.



10. Warranties: In respect of Metro rail Contracts, Defect Liability periods wherever applicable commence from the date of taking over of Train sets by the Customers. For Defence and Mining & Construction equipments Standard Warranty is provided as per the contract terms & conditions.

Note 31: Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Other Income		
Interest Income		
- From Loans to Subsidiary	**32.87**	118.32
- From Income tax refund	**235.85**	-
- Finance income on lease deposits	**1.64**	1.49
- From loans - BLAL	**109.30**	64.53
- Others	**40.59**	51.88
Net gain on sale of property, plant and equipment	**170.47**	288.55
Foreign exchange gain	**1,513.98**	1,153.59
Other non-operating income	**650.64**	812.64
Total	**2,755.35**	2,490.99

a. Tax Deducted at Source on Income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Interest on Loan to Subsidiary	**3.29**	11.83
b) Inter Corporate Loans	**10.93**	6.45
c) Others	**1.74**	1.71

1. The company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year under Income tax Act, 1961.

2. **Details of Crypto currency or virtual currency:**

   The company has not traded in Crypto currency or virtual currency in the current financial year 2025-26.

Note 32: Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Cost of materials consumed	**2,31,983.66**	2,03,599.76

Note 33: Purchase of stock-in-trade

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of stock-in-trade	-	-

Note 34: Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Stock		
Finished goods	**26,399.32**	25,365.16
Work-in-progress	**76,084.68**	74,475.15
Reclassified to Raw materials(Stock of Spares)	**-**	(39.31)
Scrap	**279.55**	837.60
	1,02,763.56	1,00,638.60
Closing Stock		
Finished goods	**22,598.91**	26,399.32
Work-in-progress	**83,502.40**	76,084.68
Scrap	**786.01**	279.55
	1,06,887.33	1,02,763.56
(Increase) / Decrease		
Finished goods	**3,800.41**	(1,034.17)
Work-in-progress	**(7,417.72)**	(1,648.84)
Scrap	**(506.46)**	558.05
Total	**(4,123.77)**	(2,124.96)

Note 35: Employee benefits expense

(₹ in Lakhs)

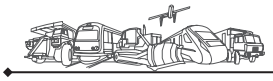
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, Wages & Bonus	**56,365.28**	59,340.48
Leave Salary	**4,894.40**	5,159.65
Contribution to:		
- Gratuity Fund	**5,943.85**	1,712.97
- Provident Fund and Other Funds	**7,616.54**	7,784.38
Post retirement medical scheme	**1,178.22**	1,373.70
Staff welfare expenses	**8136.20**	7836.41
- Less receipts	**628.13**	586.82
Net staff welfare expenses	**7,508.06**	7,249.60
Total	**83,506.35**	82,620.78

A. Indian Accounting Standard (Ind AS) 19, Disclosures on Employee Benefits are as follows:

a. Leave Salary

i. This is an unfunded employee benefit plan categorized under other long term employee benefits in terms of Ind AS 19. The obligation for compensated absence has been actuarially valued and liability provided accordingly.

Actuarial Assumptions	Current Year	Previous Year
	(Unfunded)	(Unfunded)
Mortality Table	**2006-08 (IALM)**	2006-08 (IALM)
	(Ultimate)	(Ultimate)
Discount Rate	**7.39%**	6.84%
Rate of escalation in Salary	**5.00%**	5.00%
Attrition rate	**2.00%**	2.00%



Changes in present values of Benefit Obligation are as follows:

(₹ in Lakhs)

Actuarial Assumptions	Current Year	Previous Year
Present Value of Obligation at the beginning of the year	**17,421.17**	17,268.11
Interest Cost	**1,005.36**	1,082.50
Current service cost	**2,063.29**	2,005.63
Benefits paid	**(5,445.89)**	(5,159.65)
Actuarial Gain / (Loss) on Obligation	**(1,799.55)**	(2,224.58)
Present Value of Obligation at the end of the year	**16,843.49**	17,421.17

ii. As per Government Notification on the new Labour Codes, the obligation for compensated leave of Fixed Term Employees has been actuarially valued at ₹ 26.20 Lakhs and liability provided.

b. Post Retirement Medical Scheme

1. Employees

(i) The Company has a post retirement defined medical scheme where an insurance policy is taken by the company for providing mediclaim benefits to the superannuated employees and to the spouse of the deceased employee who opt for the scheme. The Company pays 90% insurance premium and the balance 10% is paid by the superannuated employees or the spouse of the deceased employee as the case may be.

(ii) The results of the actuarial study for the obligation of the medical benefit as computed by the actuary are shown below:

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumptions		
Discount rate	**7.39%**	6.84%
Range of compensation increase	**5.00%**	5.00%
Attrition rate	**2.00%**	2.00%
Components of income statement charge		
Current Service Cost	**124.02**	-
Interest Cost	**207.68**	512.96
Total income statement charge	**331.70**	512.96
Movement in Net Defined Benefit Liability		
Net obligation at the beginning of the year	**5,965.16**	7,104.66
Employer contributions	**(689.39)**	(869.36)
Total expense recognised in Profit or Loss	**331.70**	512.96
Total amount recognised in OCI	**(3,063.79)**	783.10
Net obligation at the end of the year	**8,671.26**	5,965.16

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Reconciliation of benefit obligations		
Obligation at beginning of the year	**5,965.16**	7,104.66
Current service cost	**124.02**	-
Interest cost	**207.68**	512.96
Benefits paid directly by the company	**(689.39)**	(869.36)
Actuarial gain / (loss) on obligations	**(3,063.79)**	783.10
DBO at the end of the year	**8,671.26**	5,965.16
Re-measurements		
Actuarial gain/(loss) due to changes in financial assumptions	**229.28**	(156.59)
Actuarial gain/(loss) on account of experience adjustments	**(3,293.07)**	939.69
Total actuarial gain/(loss) recognised in OCI	**(3,063.79)**	783.10

(iii) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumptions, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)

Particulars	Current Year	Previous Year
Discount rate		
+ 1.00% discount rate	**(420.01)**	(377.74)
- 1.00% discount rate	**476.36**	418.09
Premium cost		
+ 1.00% discount rate	**488.09**	421.58
- 1.00% discount rate	**(437.36)**	(387.54)

(iv) Experience adjustments

(₹ in Lakhs)

Particulars	Current Year	Previous Year
Defined benefit obligation	**8,671.26**	5,965.16
Experience adjustment on plan liabilities	**(3,194.21)**	(939.69)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

2. Officers

For officers, from the year 2015-16 a new Post-Retirement Medical Scheme was introduced where a percentage of Basic salary and DA of officers is contributed to a separate fund and the fund arranges to provide medical insurance to retired officers. Company has contributed 3% of the Basic and DA of officers amounting to ₹ 846.53

Lakhs during FY 2025-26 (Previous year ₹ 831.87 Lakhs) for the scheme. Company has no further liability other than the contribution to the fund. Hence the scheme is a defined contribution plan and no actuarial valuation is done. The Company pays 90% insurance premium and the balance 10% is paid by the superannuated executives or the spouse of the deceased executives as the case may be.

c. Interest Rate Guarantee on Provident Fund

Provident Fund Trust of the Company has to declare interest on Provident Fund at a rate not less than that declared by the Employees' Provident Fund Organisation. In case the Trust is not able to meet the interest liability, Company has to make good the shortfall. This is a defined contributory plan and the Company has got the same actuarially valued and there is no additional liability that needs to be provided for the year.

Actuarial Assumption	Current Year	Previous Year
	(Funded)	(Funded)
Discount Rate	**7.39%**	6.84%
Rate of escalation in Salary	**5.00%**	5.00%
Interest Rate Guarantee on Provident Fund	**8.25%**	8.25%

d. Officers Pension Scheme

Based on the guidelines of Ministry of Defence, Company has implemented "BEML Executive Superannuation (Pension) Scheme" for Officers of the Company. The National Pension System (NPS) has been incorporated in the exsisting Executives Superannuation (Pension Scheme) 2007 for the Pension benefit of the Executives of the Company. The Scheme is a defined contribution plan and the contribution made is being charged off in the year of contribution. Being a defined contribution plan no actuarial valuation is done.

e. Gratuity

(i) The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

(ii) As per Government Notification on the new Labour Codes, the obligation for employee benefits as computed by actuary towards Fixed Term employees is ₹ 114.60 Lakhs.

(iii) The additional liability due to change in gratuity ceiling effect for regular employees and retirees for the period October 2025 to March 2026 has been accounted.

(iv) The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumption		
Discount rate	**7.39%**	6.84%
Range of compensation increase	**5.00%**	5.00%
Attrition rate	**2.00%**	2.00%
Expected rate of return on plan assets	**6.84%**	7.22%
Components of income statement charge		
Current service cost	**1,565.95**	1,671.92
Interest cost	**74.79**	41.05
Recognition of past service cost	**3,831.35**	-
Settlement/curtailment/termination loss	**-**	-
Total Income statement charge	**5,472.08**	1,712.97
Movements in Net liability/(assets)		
Net liability/(assets) at the beginning of the year	**2,186.74**	1,137.15
Employer contributions	**(2,186.74)**	(1,137.17)
Total expenses recognised in profit or loss	**5,472.08**	1,712.97
Total amount recognised in OCI	**2,467.98**	(473.79)
Net liability/(assets) at the end of the year	**3,004.10**	2,186.74
Reconciliation of benefit obligations		
Obligation at start of the year	**37,006.97**	39,078.87
Adjustment to opening value of benefit obligation	**-**	0.03
Current service cost	**1,565.95**	1,671.92
Interest cost	**2,316.45**	2,570.21
Change due to Ceiling effect	**3,831.35**	-
Benefits paid directly by the company	**(6,281.41)**	(6,960.93)
Actuarial gain / (loss) on obligation	**2,206.09**	(646.87)
DBO at the end of the year	**36,233.22**	37,006.97
Re-measurements		
Actuarial gain / (loss) due to changes in financial assumptions	**940.51**	(856.09)
Actuarial gain / (loss) on account of experience adjustments	**1,527.48**	382.30
Total actuarial gain / (loss) recognised in OCI	**2,467.98**	(473.79)
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**34,820.23**	37,941.86
Adjustment to opening fair value of plan assets	**-**	(0.11)
Interest on plan assets	**2,241.67**	2,529.16
Contributions made	**2,186.76**	1,137.17
Benefits paid	**(6,281.41)**	(6,960.93)
Actuarial gain/(loss) on plan assets	**261.89**	173.08
Fair value of plan assets at the end of the year	**33,229.14**	34,820.23

(v) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)

	Current Year	Previous Year
Discount rate		
Discount rate (CY +100 basis pts; PY +100 basis pts)	**(1,701.50)**	(1,725.04)
Discount rate (CY -100 basis pts; PY -100 basis pts)	**1,923.15**	1,949.85
Salary Increase		
Salary growth (CY +100 basis pts; PY +100 basis pts)	**1,103.58**	894.78
Salary growth (CY -100 basis pts; PY -100 basis pts)	**(1,229.34)**	(975.37)

(vi) Experience adjustments

(₹ in Lakhs)

	Current Year	Previous Year
Defined benefit obligation	**36,233.22**	37,006.97
Fair value of plan assets	**33,229.14**	34,820.23
(Surplus)/deficit in plan assets	**3,004.08**	2,186.74
Experience adjustment on plan liabilities	**1,527.48**	382.30
Actual return on plan assets (less) interest on plan assets	**261.89**	173.08

(vii) Investment details

The plan assets under the fund are deposited under approved securities as follows:

	Current Year	Previous Year
Investment with LIC %	**100.00**	100.00

Note 36: Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense		
On Cash Credit & Short term loans	**4,302.44**	4,829.44
On Factoring Charges	**50.52**	430.23
On TReDS Payment	**46.04**	-
Interest on ROU asset	**129.19**	88.11
Others	**10.63**	83.29
Total	**4,538.81**	5,431.08

Ind AS 23 (Borrowing Costs)

The amount of interest capitalized during the Year is ₹ NIL (Previous Year - ₹ Nil).

Note 3,5: Depreciation and Amortization Cost

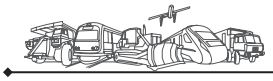
(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Property, Plant & Equipment	6,900.60	5,991.87
Right of Use Assets	202.64	126.94
Intangible Assets	1,235.93	1,005.97
Total	8,339.17	7,124.77

Note 37: Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spare parts	892.35	804.57
Consumable Tools	1,083.05	599.27
Power and fuel	3,127.32	3,537.43
Rent	298.08	246.03
Hire Charges	1,235.23	991.72
Repairs & Maintenance		
Machinery & Equipment	1,056.60	799.48
Buildings	1,959.24	1,735.82
Others	2,480.09	1,958.59
Stationery	96.63	120.43
Insurance	1,380.00	1,191.58
Rates & Taxes	1,658.75	692.54
Bank guarantee fee and other charges	647.17	859.03
Communication expenses	292.66	294.75
Commission on sales	82.54	286.90
Remuneration to Auditors (refer note 'a' below)	30.76	29.48
Legal & Professional Charges	130.71	84.36
Interest on Gratuity Payment	2.82	-
Travelling Expenses	2,085.15	2,183.20
Publicity & Public Relations	894.79	956.08
Loss on sale of property, plant and equipment	28.34	21.42
Defects & Spoilages	72.42	59.06
Works Contract Expenses	13,152.53	13,131.01
Expenses on Maintenance Contract	2,960.55	2,576.75
Sundry Direct Charges	8,015.83	6,960.79
Freight charges	3,277.29	4,018.77
Expenditure on CSR Activities	727.45	594.20
Inventory Obsolescence	1,329.55	874.08
Provision for doubtful trade receivables & advances	4,319.32	4,244.98
Provision for Onerous contract	23,257.52	2,000.11
Provision for Pending Legal cases	15.75	15.76
Warranty & Unexpired Obligations	2,225.91	1,997.96
Liquidated damages & other recoveries	6,788.78	1,847.89
Miscellaneous expenses	8,050.81	11,805.18
Total	93,655.99	67,519.20



a. Break up of Remuneration to Auditors :

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) As Auditor	**23.27**	23.10
(b) For taxation matter	**3.59**	3.59
(c) Other Services - Certification Fees	**3.36**	2.66
(d) Reimbursement of Expenses	**0.54**	0.13
Total	**30.76**	29.48

Note 38: Exceptional Items

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Income	-	-
Expenditure	-	-
Net Income/(Expenditure)	-	-

Note 39: Other Disclosures

A. Indian accounting standards (Ind AS) 33 - Earning per Share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Net Profit / (Loss) after Tax (₹ in Lakhs)	**14,750.37**	29,418.57
Average Number of Shares	**8,32,89,000**	4,16,44,500
Earnings Per Share (Basic and Diluted) - Face Value ₹5/- Per Share (Previous Year ₹10/- Per Share) (Amount in ₹)*	**17.71**	70.64

* Considering the split of shares from Face Value ₹ 10/- Per Share to ₹ 5/- Per Share w.e.f 3rd November 2025 the adjusted EPS for year ended 31st March 2025 is ₹ 35.32.

B. In terms of Notification No. S.O.802(E) dated 23-02-2018 of the Ministry of Corporate Affairs, the Board at its meeting held on 27.05.2016 has given consent with regard to non-disclosure of information as required under paragraphs 5(ii) (a) (1), 5(ii) (a) (2), 5(iii) and Para 5(viii) (a), (b), (c) and (e) of Part II to Schedule III of the Companies Act, 2013, in the Annual accounts for the Financial Year 2015-16 onwards.

C. Indian accounting standards (Ind AS) 24 - Related Party Disclosures

In accordance with the requirements of Ind AS 24, following are the details of the transactions during the year with related parties.

Name of the related party	Nature of relationship
Vignyan Industries Limited	Subsidiary (Shareholding 96.56%)
MAMC Industries Limited	Subsidiary (Shareholding 100%)
BEML Land Assets Limited	Related Party u/s 2(76) of Companies Act,2013
Communication (Defence) Testing Foundation	Associate - Section 8 Company (Shareholding 25%)
Systems Testing and Research for Advanced Materials Foundation	Associate - Section 8 Company (Shareholding 20%)
UAS Testing Foundation	Associate - Section 8 Company (Shareholding 20%)
BEML Women Welfare Foundation	Related Party
BEML PF Trust	Employee benefit and administration trust fund
BEML Gratuity Trust	Employee benefit and administration trust fund
BEML Death-cum-Retirement Benefit Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Pension) Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Benefit) Trust Fund	Employee benefit and administration trust fund
Shri. Shantanu Roy - Chairman & Managing Director	Key managerial personnel
Shri. Anil Jerath - Director (Finance)	Key managerial personnel
Shri. Debi Prasad Satpathy - Director (Human Resources) **	Key managerial personnel
Shri. Sanjay Som - Director (Mining & Construction) **	Key managerial personnel
Shri. Rajeev Kumar Gupta - Director (Rail & Metro) **	Key managerial personnel
Shri. Sachin Dighde - Director (Defence) *	Key managerial personnel
Smt. Urmi Chaudhury - Company Secretary **	Key managerial personnel

Transactions with related parties

1. The details of related party transactions entered into by the Company are as follows:

i. Name of the Subsidiary Company M/s. Vignyan Industries Limited

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31st March (at cost)	**252.60**	252.60

ii. Name of the Subsidiary Company M/s. MAMC Industries Limited (Refer Note 11)

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31 March (at cost)	**5.00**	5.00
Advances recoverable as on 31 March	**624.01**	605.38

iii. Name of the Related party M/s. BEML Land Assets Limited

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Inter Corporate loan as on 31 March	**1,189.85**	864.52
Lease Rent Paid	**98.25**	-

iv. Name of Associate Company M/s. Communication (Defence) Testing Foundation.

Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31 March (at cost)	**261.31**	261.31

v. Name of Associate Company M/s. Systems Testing and Research for Advanced Materials Foundation.

Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31 March (at cost)	**200.00**	20.00

vi. Name of Associate Company M/s. UAS Testing Foundation.

Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31 March (at cost)	**300.00**	300.00

vii. Name of the Related party M/s. BEML Women Welfare Foundation.

Details of Transactions

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Purchases made during the year	**34.86**	31.38

2. i.Remuneration to Key Managerial Personnel

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Shri. Shantanu Roy - Chairman & Managing Director	**79.15**	74.07
Shri. Ajit Kumar Srivastav - Director (Defence) **	**-**	78.07
Shri. Anil Jerath - Director (Finance)	**60.84**	60.53
Shri. Debi Prasad Satpathy - Director (Human Resources) **	**54.98**	40.91
Shri. Sanjay Som - Director (Mining & Construction) **	**54.54**	24.52
Shri. Rajeev Kumar Gupta - Director (Rail & Metro) **	**69.87**	32.32
Shri. Sachin Dighde - Director (Defence) *	**25.30**	-
Shri. Jai Gopal Mahajan - Company Secretary **	**-**	14.00
Smt. Urmi Chaudhury - Company Secretary **	**20.82**	14.32

ii. Details of remuneration of Key managerial personnel comprises the following

(₹ in Lakhs)

Shri. Shantanu Roy - Chairman & Managing Director	31 March 2026	31 March 2025
Short-term benefits	**69.19**	64.65
Post-employment benefits	**5.86**	5.55
Other long-term benefits	**4.10**	3.87
Termination benefits	**-**	-

Shri. Ajit Kumar Srivastav - Director (Defence) **	31 March 2026	31 March 2025
Short-term benefits	-	52.06
Post-employment benefits	-	3.87
Other long-term benefits	-	22.14
Termination benefits	-	-
Shri. Anil Jerath - Director (Finance)	**31 March 2026**	**31 March 2025**
Short-term benefits	**53.54**	53.56
Post-employment benefits	**4.25**	4.09
Other long-term benefits	**3.05**	2.88
Termination benefits	-	-
Shri. Debi Prasad Satpathy - Director (Human Resources) **	**31 March 2026**	**31 March 2025**
Short-term benefits	**47.73**	35.29
Post-employement benefits	**4.29**	3.28
Other long-term benefits	**2.96**	2.34
Termination benefits	-	-
Shri. Sanjay Som - Director (Mining & Construction) **	**31 March 2026**	**31 March 2025**
Short-term benefits	**47.75**	21.36
Post-employment benefits	**3.95**	1.81
Other long-term benefits	**2.84**	1.35
Termination benefits	-	-
Shri. Rajeev Kumar Gupta - Director (Rail & Metro) **	**31 March 2026**	**31 March 2025**
Short-term benefits	**60.67**	27.95
Post-employment benefits	**5.35**	2.55
Other long-term benefits	**3.85**	1.82
Termination benefits	-	-
Shri. Sachin Dighde - Director (Defence) *	**31 March 2026**	**31 March 2025**
Short-term benefits	**21.52**	-
Post-employment benefits	**2.17**	-
Other long-term benefits	**1.61**	-
Termination benefits	-	-
Shri. Jai Gopal Mahajan - Company Secretary **	**31 March 2026**	**31 March 2025**
Short-term benefits	-	12.17
Post-employment benefits	-	1.05
Other long-term benefits	-	0.78
Termination benefits	-	-

Smt. Urmi Chaudhury - Company Secretary **	31 March 2026	31 March 2025
Short-term benefits	18.16	12.46
Post-employment benefits	1.55	1.07
Other long-term benefits	1.11	0.79
Termination benefits	-	-
Total	**31 March 2026**	**31 March 2025**
Short-term benefits	318.56	279.50
Post-employment benefits	27.42	23.27
Other long-term benefits	19.52	35.97
Termination benefits	-	-

* For part of the year in FY 2025-26.

** For part of the year in FY 2024-25.

3. Considering the wide scope of the definition of Related Party under section 2(76), Relative under section 2(77) and Key Managerial Personnel under section 2(51) of Companies Act, 2013 and the requirement under Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the disclosure with respect to Related Party transactions has been restricted to Subsidiary / Associate companies and to any other Related Party as declared by Directors and Key Managerial Personnel. Accordingly, the compliance with Related Party Transactions under section 188, Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been made to the extent data is available with the Company.

D. Indian Accounting standard (Ind AS) 37 - Provisions, Contingent liabilities and Contingent assets

1. Contingent liabilities

a. Claims against the Company not acknowledged as debts.

i. Disputed statutory demands (Customs Duty, Central Excise, Sevice Tax, Sales Tax/VAT etc.,) - ₹ 22459.77 Lakhs (Previous year - ₹ 28377.93 Lakhs).

ii. Other claims - legal cases etc. ₹ 24213.19 Lakhs (Previous year - ₹ 13814.04 Lakhs).

b. Other money for which company is contingently liable - ₹ 52.89 Lakhs (Previous year - ₹ Nil).

c. Provisional Liquidated Damages on unexecuted customer orders where the delivery date has expired as of 31st March 2026 is ₹ 2240.20 Lakhs (Previous year - ₹ Nil).

2. Commitments

a. Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 16463.52 Lakhs (Previous Year ₹ 8902.49 Lakhs).

b. Uncalled liability on shares and other investments partly paid - ₹ Nil (Previous Year - ₹ Nil).

c. Other commitments (specify nature) - ₹ Nil (Previous Year - ₹ Nil).

Notes

1. The company does not expect any cash outflow in respect of above contingent Liabilities.
2. It is not practicable to estimate the timing of cash flows, if any, in respect of matters referred in I (a) above pending resolutions of the arbitration / appellate proceedings.

E. Aggregate amount of Research & Development Expenses: (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Revenue Expenditure	**21,300.84**	8,523.36
Capital Expenditure	**3,833.88**	1,545.76

The aggregate amount of Research & Development expenditure recognised as expenses during the period is as below:

a. Research & Development Revenue Expenditure: (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Material Cost	**262.54**	220.38
Employee Remuneration	**4,507.80**	5,274.17
Depreciation	**1,234.13**	1,060.70
Power and Fuel	**77.30**	133.47
Rapairs and Maintenance	**217.40**	81.71
Consumables Tools	**0.58**	0.89
Travelling	**108.07**	185.27
Other Expenses	**3,824.46**	2,627.47
Cost of High Speed Rail Design Charges	**2,119.80**	-
Cost of Sales of Prototype sold -		
5RS DM	**4,654.05**	-
VBH including Variation	**4,469.90**	-
BG 1205	**489.00**	-
BD475L	**111.47**	-
BL40TH	**107.52**	-
LAMV	**17.96**	-
MMME	**333.00**	-
Total R&D Revenue Expenditure	**22,534.97**	9,584.07
Less: Depreciation	**1,234.13**	1,060.70
Net R&D Expenditure	**21,300.84**	8,523.36
Sale Value of Prototypes sold - (5RS DM, Vande Bharat, High Speed Rail, BG 1205 and MMME)	13779.38	-

The aggregate amount of Research & Development Expenditure recognised as Capital Expenditure till 31st March 2026 is as below.

b. Research & Development Capital Expenditure

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation, amortisation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the Period	Deduction / Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Property, Plant and Equipment										
Land										
Free Hold	3.29	-	-	3.29	-	-	-	-	3.29	3.29
Lease Hold	-	-	-	-	-	-	-	-	-	-
Buildings	507.99	43.66	-	551.65	108.52	19.84	-	128.36	423.29	399.47
Plant and Equipment	1,771.43	705.80	(47.49)	2,429.74	1,038.11	141.49	(36.88)	1,142.72	1,287.02	733.32
Furniture & Fixtures	222.63	1.27	0.53	224.43	158.79	11.23	(3.43)	166.59	57.84	63.84
Vehicles										-
Given on Lease	60.80	-	7.00	67.80	32.60	3.12	2.76	38.48	29.32	28.20
Own Use	101.88	1.18	(8.14)	94.92	91.11	1.45	(6.83)	85.72	9.20	10.77
Office Equipment	87.15	11.13	(23.04)	75.24	51.14	10.19	(19.81)	41.53	33.71	36.01
Roads & Drains	22.03	-	-	22.03	1.92	2.04	-	3.96	18.07	20.11
Water Supply Installations	0.12	-	-	0.12	0.06	0.01	-	0.07	0.05	0.06
Electrical Installation	278.85	19.91	(0.11)	298.66	184.67	22.29	(0.11)	206.85	91.80	94.18
Computers and Data processing units	1,560.83	29.13	(37.73)	1,552.24	1,355.65	110.13	(42.99)	1,422.79	129.44	205.18
Intangible Assets										
Software	4,436.40	902.00	-	5,338.40	3,368.36	446.96	-	3,815.32	1,523.08	1,068.04
Technical Knowhow	5,994.67	-	-	5,994.67	5,353.49	465.38	-	5,818.87	175.80	641.18
Total	**15,048.08**	**1,714.08**	**(108.97)**	**16,653.18**	**11,744.42**	**1,234.12**	**(107.29)**	**12,871.26**	**3,781.92**	**3,303.65**
Previous Year	12,769.93	1,545.76	732.39	15,048.08	9,939.20	1,060.70	744.52	11,744.42	3,303.65	2,830.73

c. Research & Development - Intangible Asset under Development:

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Technical Knowhow - HSR	2,119.80	
Total	**2,119.80**	-

F. Ind AS 108 (Operating Segments)

Vide Notification No. S.O.802(E) dated 23-02-2018 issued by Ministry of Corporate Affairs, exempted companies engaged in Defence Production from segmental disclosure as required under Ind AS 108 (Operating Segments), accordingly the disclosure requirements under Ind AS 108 has not been made.

G. Advances, Balances with government departments, Trade Payables and receivables, Other loans and advances and deposits classified under non current and current are subject to confirmation. There are certain old balances pending review / adjustment. The management does not expect any significant impact on such review assesment.

H. Figures of previous year have been regrouped/ reclassified/ recast wherever necessary to conform to current year's presentation.

I. Disclosures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements), the required information is given as under:

(₹ in Lakhs)

Particulars	Amount as on		Maximum amount outstanding during the year ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
i. Loans and Advances in the nature of loans:				
A. To Subsidiary Companies	**624.01**	2,085.88	**624.01**	2,085.88
B. To Associates / Joint Venture	**-**	-	**-**	-
C. To Firms / Companies in which directors are interested	**1,189.85**	864.52	**1,189.85**	864.52
D. Where there is no repayment schedule or repayment beyond seven year or no interest or interest below section 186 of Companies Act, 2013	**-**	-	**-**	-
ii. Investment by the loanee (as detailed above) in the shares of BEML and its subsidiaries	**-**	-	**-**	-

J. Indian Accounting Standard (Ind AS) 116 - Leases

a) The Company as a Lessee

The Company's significant leasing arrangements are in respect of operating leases and leased office premises. These lease arrangements, run for a period of 3 Years to 10 Years and are generally renewable by mutual consent.

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Not later than one year	**-**	0.78
Later than one year but not later than five years	**-**	1.79
Later than five years	**-**	-
Total operating lease commitments	**-**	2.57

b) The Company as a Lessor

The Company provides cars to employees who are eligible and enroll into such a scheme after completion of a specific period of service. Such leases are non-cancellable in nature and have been classified as operating leases.

Below are the details of carrying amounts of such vehicles recorded as property, plant and equipment:

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Carrying value of assets	**419.67**	547.00
Accumulated depreciation	**243.02**	277.99
Depreciation expense during the year	**67.61**	73.32

Future minimum lease receipts under non-cancellable operating leases in respect of leased cars are summarised below:

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Not later than one year	**71.37**	47.79
Later than one year but not later than five years	**261.86**	199.19
Later than five years	**12.14**	41.81
Total operating lease commitments	**345.36**	288.79

c) Lease Income and Expenditure

The gross amounts of operating lease income and expenditure recognised in profit or loss is as below.

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Lease income	**56.63**	69.29
Lease expenses	**216.83**	246.03

d) Impact of Ind AS 116 - RoU Assets

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Depreciation on RoU assets during the year	**202.64**	126.94
Finance cost of Lease Liabilty	**129.19**	88.11
Rent on RoU Asset	**266.58**	178.18
Gross value of RoU Assets	**2,049.09**	1,235.25
Net book value of RoU Assets	**1,460.16**	811.82
Lease liability as of 31st March	**1,681.29**	1,014.27
Impact on profitability in the current year	**(65.25)**	(36.87)

K. Fair values and Measurement principles

a) The carrying value and fair value of financial instruments by category are as follows:

(₹ in Lakhs)

Particulars	31 March 2026		31 March 2025	
	Carrying amounts		Carrying amounts	
	Fair value through profit or loss	Other Financial Assets - Amortised Cost	Fair value through profit or loss	Other Financial Assets - Amortised Cost
Financial assets measured at fair value:				
Forward exchange contracts	-	-	-	-
Financial assets not measured at fair value:				
Loans		**1,207.67**		2,361.20
Trade Receivables		**2,27,436.51**		1,69,587.81

Particulars	31 March 2026		31 March 2025	
	Carrying amounts		Carrying amounts	
	Fair value through profit or loss	Other Financial Assets - Amortised Cost	Fair value through profit or loss	Other Financial Assets - Amortised Cost
Cash and Cash Equivalents		670.77		437.35
Other financial assets		962.18		683.42
	-	2,30,277.13	-	1,73,069.78
Financial liabilities measured at fair value:				
Forward exchange contracts				
	-	-	-	-
Financial liabilities not measured at fair value:				
Borrowings		29,199.14		21,845.99
Trade Payables		1,02,417.39		70,980.58
Other financial liabilities		47,620.68		13,473.37
	-	1,79,237.22	-	1,06,299.94

The Company has not disclosed the fair values for financial instruments, because their carrying amounts are a reasonable approximation of fair value.

b) The following table shows the fair values of assets and liabilities including their levels in the fair value hierarchy. It does not include fair value information for assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The Company's use of quoted market prices (Level 1), valuation model using observable market information as inputs (Level 2) and valuation models without observable market information as inputs (Level 3) in the valuation of securities and contracts by type of issuer was as follows:

(₹ in Lakhs)

Particulars	31 March 2026			31 March 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-
Financial liabilities measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-
	-	-	-	-	-	-

c) Measurement of fair values

Valuation techniques and significant unobservable inputs:

Particulars	Valuation technique	Significant unobservable inputs
Forward exchange contracts	The fair values is determined using unquoted forward exchange rates at the reporting date.	Not applicable

d) Transfers between the fair value hierarchy

There were no transfers in either direction in the fair value hierarchy during the year 2025-26.

L. Financial risk management

The Company is broadly exposed to credit risk, liquidity risk and market risk as a result of financial instruments.

The Company's Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Company's risk management framework. Treasury Management Team in the company takes appropriate steps to mitigate financial risks within the framework set by the top management. Derivative transactions are undertaken by a specialist team with appropriate skills and experience. Company do not trade in derivatives for speculation.

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The Company regularly follow up the receivable to minimise losses arising from credit exposure from credit customers. Credit control assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Deposits and cash balances are placed with reputable scheduled banks.

The carrying amount of financial assets represents the Company's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base. Major Customers of the company are from Government Sector and Public Sector Companies, where credit risk is relatively low.

The management has established a system under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables based on factual information as on the Balance sheet date.

The maximum exposure to credit risk for trade receivables by geographic region was as follows.

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
India	**2,26,369.23**	1,66,532.59
Other regions	**1,067.28**	3,055.22
Total Trade receivables	**2,27,436.51**	1,69,587.81

At 31 March 2026, the Company's most significant customer, accounted for ₹ 98057.77 Lakhs of the trade receivables carrying amount (31st March 2025: ₹ 40913.39 Lakhs).

The movement in the loss allowance for impairment of trade receivables are disclosed in Note No. 14

The credit quality of the financial assets is satisfactory, taking into account the allowance for doubtful trade receivables.

The Company has not received any collaterals for receivables as at reporting date.

The impairment loss allowance at 31 March 2026 related to several customers that have indication that they may not pay their outstanding balances. The Company believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on the fact that major customers are Government department, PSUs and historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or the risk that the Company will face difficulty in raising financial resources required to fulfill its commitments. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk is maintained at low levels through effective cash flow management, low borrowings and availability of adequate cash. Cash flow forecasting is performed internally by forecasts of the Company's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and to comply with loan covenants.

To ensure continuity of funding, the Company primarily uses short-term bank facilities in the nature of bank overdraft facility, cash credit facility and short-term borrowings to fund its ongoing working capital requirements needs. The Company has also availed various non-current facilities in the form of secured redeemable debentures, secured term loans, inter-corporate loans against the Company's guarantee and soft loans from the Government for expansion projects and construction and development of capital assets.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its financial liabilities and derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities and derivative financial liabilities based on the earliest date on which the Company can be required to pay.

(₹ in Lakhs)

Particulars	Contractual cash flows			Adjustments	Carrying amount
	1 year or less	1 year to 5 years	5 years or more		
31 March 2026					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	**29,199.14**	-	-	-	**29,199.14**
Trade payables	**1,02,417.39**	-	-	-	**1,02,417.39**
Other financial liabilities	**47,620.68**	-	-	-	**47,620.68**
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	1,79,237.22	-	-	-	**1,79,237.22**
31 March 2025					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	21,845.99	-	-	-	21,845.99
Trade payables	70,980.58	-	-	-	70,980.58
Other financial liabilities	13,473.37	-	-	-	13,473.37
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	1,06,299.94	-	-	-	1,06,299.94

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity / commodity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

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). The Company enters into forward derivative contracts to manage risks of loss arising due to foreign exchange exposure. During the year ended 31 March 2026, there was no change to the manner in which the Company managed or measured market risk.

(iv) Currency risk

Foreign currency risk is the risk arising from exposure to foreign currency movement that will impact the Company's future cash flows and profitability in the ordinary course of business. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities from procuring or selling in foreign currencies and obtaining finance in foreign currencies.

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes. Following is the information on derivative financial instruments to hedge the foreign exchange rate risk as on dates are as below:

31 March 2026

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

31 March 2025

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

Exposure to currency risk

The currency profile of financial assets and financial liabilities as on dates are as below:

(₹ in Lakhs)

Particulars	INR	USD	EURO	JPY	CNY	SEK	GBP	SGD	CHF	ZAR
31 March 2026										
Financial assets (A)										
Cash and cash equivalents	452.55	218.14	0.07	0.01	-	-	-	-	-	-
Current investments	-	-	-	-	-	-	-	-	-	-
Trade receivables	2,26,369.22	850.36	216.92	-	-	-	-	-	-	-
Financial liabilities (B)										
Trade payables	98,188.36	298.60	1,439.77	2,421.47	69.19	-	-	-	-	-
Other current financial liabilities	45,826.76	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	-	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	**82,806.64**	**769.89**	**(1,222.77)**	**(2,421.47)**	**(69.19)**	**-**	**-**	**-**	**-**	**-**
31 March 2025										
Financial assets (A)										

Particulars	INR	USD	EURO	JPY	CNY	SEK	GBP	SGD	CHF	ZAR
Cash and cash equivalents	334.13	103.17	0.05	-	-	-	-	-	-	-
Current investments	-	-	-	-	-	-	-	-	-	-
Trade receivables	1,66,532.59	3,022.78	32.44	-	-	-	-	-	-	-
Financial liabilities (B)										
Trade payables	69,389.58	622.11	851.66	33.29	69.19	-	14.75	-	-	-
Other current financial liabilities	12,346.46	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	-	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	**85,130.67**	**2,503.84**	**(819.17)**	**(33.29)**	**(69.19)**	**-**	**(14.75)**	**-**	**-**	**-**

The following significant exchange rates have been applied during the year. (₹ in Lakhs)

Particulars	Average rate		Year-end spot rate	
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
USD	**-**	-	**94.8200**	86.2700
EUR	**-**	-	**109.5300**	93.9000
JPY	**-**	-	**59.7800**	0.5757
GBP	**-**	-	**125.9800**	112.4800

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars, Euro, Japanese Yen, the Pound and other currencies at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss 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)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2026				
1% movement				
USD	(7.70)	7.70	(5.76)	5.76
EUR	12.23	(12.23)	9.15	(9.15)
JPY	24.21	(24.21)	18.12	(18.12)
CNY	0.69	(0.69)	0.52	(0.52)
SEK	-	-	-	-
GBP	-	-	-	-
SGD	-	-	-	-
CHF	-	-	-	-
ZAR	-	-	-	-
31 March 2025				
1% movement				
USD	(25.04)	25.04	(18.74)	18.74
EUR	8.19	(8.19)	6.13	(6.13)
JPY	0.33	(0.33)	0.25	(0.25)
CNY	0.69	(0.69)	0.52	(0.52)
SEK	-	-	-	-
GBP	0.15	(0.15)	0.11	(0.11)
SGD	-	-	-	-
CHF	-	-	-	-
ZAR	-	-	-	-

(v) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises from borrowings and loans made. Borrowings availed at fixed rates expose the Company to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

(₹ in Lakhs)

Particulars	Carrying amount	
	31 March 2026	31 March 2025
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in Lakhs)

Particulars	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	**100 bp increase**	100 bp decrease
31 March 2026				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2025				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

(vi) Equity and commodity price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices of investments. The Company has no exposure to changes in the quoted equity securities price risk as it has investments in unquoted equity instruments only. The Company does not invest in commodities and is not exposed to commodity price risk.

M. Capital Management

The Company strives to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Board of Directors seek to maintain a balance between the higher returns and levels of borrowings and the advantages and security afforded by a sound capital position.

The Company's adjusted net debt to equity ratio is as follows. (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Total borrowings [1]	**29,199.14**	21,845.99
Less: Cash and bank balances [2]	**(728.45)**	(388.06)
Adjusted net debt	**28,470.70**	21,457.94
Total equity	**2,90,871.91**	2,85,396.02
Less: Other components of equity	**(1.44)**	(1.44)
Adjusted equity	**2,90,870.47**	2,85,394.58
Adjusted net debt to adjusted equity ratio	**0.10**	0.08

1 Total borrowings comprises of long-term borrowings, short-term borrowing and bank overdraft facilities.

2 Cash and bank balances comprises of cash in hand, cash at bank and term deposits with banks excluding consortium member balances in ESCROW account, as disclosed under Note 15 (b) and balances with bank as unclaimed dividend.

N. Derivatives

Derivatives not designated as hedging instruments

The Company uses foreign currency forward contracts to manage its exposure to foreign currency fluctuations. These forward contracts are used to hedge foreign currency payables and other future transactions. However, these foreign exchange forward contracts are not designated as qualifying hedge instruments and are entered into for periods consistent with foreign currency exposure of the underlying transactions, and are generally for a term of 3 months to 12 months.

The Company has following outstanding forward contracts as on

31 March 2026 : JPY Nil (INR Nil) [Previous Year : JPY Nil (INR Nil)]

31 March 2026 : EUR Nil (INR Nil) [Previous Year : EUR Nil (INR Nil)]

31 March 2026 : USD Nil (INR Nil) [Previous Year : USD NIL (INR Nil)]

The fair value of foreign currency forward derivative is as below: (₹ in Lakhs)

Particulars	31 March 2026 INR	31 March 2025 INR
Derivative assets		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-
Derivative liabilities		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-

The Company has unhedged foreign currency exposure of ₹ 4483.32 Lakhs (31 March 2025: ₹ 3440.24 Lakhs) for payables as at reporting date.

The Company has applied the principles of Ind AS 109 for the measurement of derivative financial instruments and has classified such derivative contracts as at fair value through profit or loss.

Disclosures for Ratios :

Description of the ratio	Explanation of the items included in numerator and denominator	Period/ Year ended	Numerator (₹ in Lakhs)	Denominator (₹ in Lakhs)	Ratio	% Variance	Explanation for variance
(a) Current ratio	Current assets / Current liabilities	Mar 26	5,74,166.19	2,86,561.66	2.00	-25.00%	
		Mar 25	4,96,142.02	1,86,717.40	2.66		
(b) Debt-equity ratio	Total debt / Shareholder's equity	Mar 26	29,199.14	2,90,871.91	0.10	25.00%	
		Mar 25	21,845.99	2,85,396.02	0.08		
(c) Debt service coverage ratio	Earnings available for debt service / Debt service	Mar 26	32,785.67	4,538.81	7.22	-26.00%	
		Mar 25	53,098.48	5,431.08	9.78		
(d) Return on equity ratio ('ROE')	Net profits after taxes / Average shareholder's equity	Mar 26	14,750.37	2,88,133.96	0.05	-55.00%	
		Mar 25	29,418.57	2,74,839.57	0.11		
(e) Inventory turnover ratio	Cost of goods sold / Average inventory	Mar 26	4,15,421.72	2,35,873.67	1.76	6.00%	
		Mar 25	3,83,923.43	2,31,763.24	1.66		
(f) Trade receivables turnover ratio	Net credit sales / Average accounts receivable	Mar 26	4,86,625.75	1,98,512.16	2.45	-17.00%	
		Mar 25	4,62,328.44	1,56,753.26	2.95		
(g) Trade payables turnover ratio	Net credit purchases / Average trade payables	Mar 26	2,18,672.07	86,698.99	2.52	-16.00%	
		Mar 25	2,20,061.61	73,466.90	3.00		
(h) Net capital turnover ratio	Net sales / Average working capital	Mar 26	4,15,421.72	2,98,514.58	1.39	6.00%	
		Mar 25	3,83,923.43	2,93,377.88	1.31		
(i) Net profit ratio	Net profit / Net sales	Mar 26	14,750.37	4,15,421.72	0.04	-50.00%	
		Mar 25	29,418.57	3,83,923.43	0.08		
(j) Return on capital employed ('ROCE')	Earning before interest and taxes / Capital employed	Mar 26	24,446.50	4,12,050.25	0.06	-50.00%	
		Mar 25	45,973.71	3,97,211.80	0.12		
(k) Return on investment ('ROI')	Net Profit / Share capital	Mar 26	14,750.37	2,90,871.91	0.05	-50.00%	
		Mar 25	29,418.57	2,85,396.02	0.10		
(l) Asset turnover ratio	Total Income / Total Assets	Mar 26	4,37,807.91	6,98,611.91	0.63	-9.00%	
		Mar 25	4,04,713.26	5,83,929.21	0.69		
(m) EBITDA as a % of Revenue	EBITDA / Revenue	Mar 26	32,785.67	4,37,807.91	0.07	-46.00%	
		Mar 25	53,098.48	4,04,713.26	0.13		
(n) Trade receivables as number of days of revenue from Operation	(Trade receivables/ Revenue from Operation) * 365	Mar 26	2,27,436.51	4,86,625.75	172	27.00%	For this Ratio Revenue from Operations considered is Revenue from sale of products & Services (Incl. GST).
		Mar 25	1,69,587.81	4,62,328.44	135		
(o)Exports as a percentage of Revenue from Operation	(Exports/Revenue from Operation)	Mar 26	17,650.45	4,15,421.72	4%	-50.00%	For this Ratio Revenue from Operations considered is Revenue from sale of products & Services.
		Mar 25	29,881.51	3,83,923.43	8%		
(p)Imports as a percentage of Revenue from Operation	(Imports/Revenue from Operation)	Mar 26	49,477.56	4,15,421.72	12%	-8.00%	For this Ratio Revenue from Operations considered is Revenue from sale of products & Services.
		Mar 25	49,591.24	3,83,923.43	13%		

O. Additional Disclosures :

i. The company does not hold any benami property held under the Benami Transaction (prohibition) Act, 1988 (clause 45), hence the reporting clause on benami property in not applicable.

ii. The company does not fall under the willful defaulter category, hence the reporting clause on willful defaulter in not applicable.

iii. The company has not transacted with struck off companies in MCA during the year.

iv. The Company has complied with creation of charge and satisfaction of charge within the due dates and hence there are no non compliances to report.

v. Disclosures to CSR Activities ₹

(₹ in Lakhs)

Particulars	Amount
(a) amount required to be spent during the year	711.27
(b) amount of expenditure incurred	727.45
(c) shortfall at the end of the year	-
(d) total of previous years shortfall	-
(e) reason for shortfall	-
(f) Nature of CSR activities : 1. Donation for Providing Education to Local Population 2. Free Mobile Medical Service 3. Contribution to Armed Forces Flag Day Fund 4. Eradication of TB in assoication with Ministry of Health and Family welfare 5. Mid Day Meal Programme for eradicating hunger - The Akshaya Patra Foundation 6. Establishing a Yatri shed for visitors - Kaushalya Foundation, Patna 7. Construction of dormitory halls and toilets for girls hostel at Shri Vedic Mission Trust 8. Installation of Solar Power Backup Systems in ST Girls' Hostels at Kalinga Kusum Foundation 9. Construction of additional floor at Dayananda Gurukulam at Ananthapur 10. Distribution of 125KV Diesel Generator and Green DG set to Anju Bobby Sports Foundation	
(g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-

vi. There are no charges or satisfaction pending to be registered with ROC beyond statutory period.

vii. Company has complied with the number of layers as prescribed under section 2(87) of Companies Act read with the companies (Restriction on number of layers).

viii. During the current year as well as previous year, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

During the current year as well as previous year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our report of even date attached

For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29.05.2026

AMENDED INDEPENDENT AUDITOR'S REPORT

We are issuing this revised audit report which supersedes our earlier report dated 29 May 2026 concurring to the opinion of the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013 only with respect to certain disclosures in the financial statements as stated in the Other Matter paragraph.

To the Members M/s BEML Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of M/s. **BEML LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flow for the year then ended, and Notes to the standalone Ind AS financial statements including summary of the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India , of the state of affairs of the Company as at March 31, 2026, and Profit (Including Other Comprehensive Income), changes in Equity and its Cash Flows for the year ended on that date.

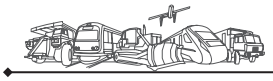
Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of this report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 on the standalone Ind AS financial statements.

Key Audit Matters

Key Audit Matters ("KAM") are those matters that, in our professional judgment, were of the most significance in our audit of the standalone Ind AS financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to the Key Audit Matter to be communicated in our report.



Key Audit Matter	How our audit addressed the Key Audit Matter
1.Provision for Onerous Contracts: The Company enters into long-term contracts for manufacture and supply of products / equipment, some of which involve extended execution cycles, customer approvals, inspection milestones and exposure to changes in material prices, labour costs, directly attributable overheads, foreign exchange rates and delivery schedules. Under Ind AS 37, a provision is recognised when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received from that contract. The assessment involves significant management judgement in estimating costs to complete, expected recoveries / escalations, costs of non-performance, expected completion timelines, and foreign currency denominated revenues and costs. We consider this matter to be a key audit matter because the amount recognised is significant and due to high degree of estimation uncertainty involved in determining the unavoidable costs and economic benefits associated with such contracts **Reference:** Note # 37: Onerous Contract Provision (Expenditure for the year - ₹ 23,257.52 lakhs. Note # 28: Provision for Onerous Contracts @ 31.03.2026 - ₹ 25,024.15 lakhs. Accounting Policy: P	Our audit procedures included the following: - Obtained an understanding of management's process and tested the design and operating effectiveness of relevant controls over identification, assessment and measurement of onerous contracts. - Tested, on a sample basis, contracts executed and under execution, including review of contract terms, pricing arrangements, delivery schedules, escalation / variation clauses, penalty clauses and foreign currency terms. - Compared management's estimated costs to complete with, bill of materials, purchase orders, service orders, latest procurement prices, technical estimates, production plans, historical cost trends and subsequent cost experience, where available. - Assessed whether the costs considered as unavoidable costs were directly related to fulfilling the contracts and were determined consistently with the requirements of Ind AS 37. - Evaluated management's assumptions relating to expected completion dates, production efficiencies, design changes if any, material and labour cost estimates, overhead absorption and expected recoveries / escalations. - Tested the exchange rates used for foreign currency denominated revenue and cost components and checked the mathematical accuracy of the computation. - Evaluated whether impairment indicators existed for assets dedicated to such contracts before recognition of the onerous contract provision. - Assessed the adequacy of the related disclosures in the standalone financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
2. Capitalisation of property, plant and equipment, intangible assets and capital work-in-progress The Company has incurred during the year substantial capital expenditure on infrastructure and capacity expansion, technology upgradation, refurbishment / improvement of existing facilities and long-gestation projects. Determining whether expenditure meets the recognition criteria for capitalisation under Ind AS 16 and Ind AS 38 involves judgement, particularly in distinguishing capital expenditure from revenue expenditure, identifying directly attributable costs, ascertaining the need for capitalisation of borrowing costs, determining the point at which an asset is ready for its intended use, and assessing the appropriateness of amounts classified as capital work-in-progress. We consider this matter to be a key audit matter because of the significance of the balances and additions during the year, and because management judgement is involved in capitalisation, commencement of depreciation / amortisation and assessment of long-outstanding capital work-in-progress. Reference: Additions to PPE & Intangible Assets during the year: ₹ 17,964.47 lakhs. CWIP @ 31.03.2026 - ₹ 27,632.71 lakhs	Our audit procedures included the following: - Obtained an understanding of management's process for initiation, approval, recording and monitoring of capital expenditure and evaluated the accounting policies adopted by the Company with reference to Ind AS 16 and Ind AS 38. - Tested the design and operating effectiveness of relevant controls over approval of capital expenditure, recording of additions, transfer from capital work-in-progress and commencement of depreciation / amortisation. - Tested, on a sample basis, additions to property, plant and equipment, intangible assets and capital work-in-progress by inspecting purchase orders, invoices, goods receipt records, work completion certificates, technical approvals, commissioning documents and trial run / readiness certificates, as applicable. - Evaluated whether expenditure was appropriately classified as capital or revenue with reference to the nature of expenditure, underlying technical assessment and the expected future economic benefits. - Assessed whether directly attributable costs and eligible borrowing costs were capitalized were consistent with the requirements of applicable Ind AS and whether items not eligible for capitalisation were expensed. - Reviewed ageing of capital work-in-progress, status of major projects, delays, cost overruns and management's assessment of impairment indicators in respect of long-pending projects. - Evaluated the appropriateness of useful lives, residual values and depreciation / amortisation commencement dates based on management's assessment and technical evaluation, where applicable. - Assessed the adequacy of the related disclosures in the standalone financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
3. Estimation and accounting of liquidated damages and other customer recoveries The Company's contracts with customers include clauses for liquidated damages in the event of delayed delivery and other recoveries for specified deficiencies. The Company's products generally involve extended manufacturing periods, design approvals and inspection by customers at various stages, which may result in delays in certain cases. Management estimates liquidated damages with reference to contractual terms, expected or actual delivery dates, period and cause of delay, customer approvals / waivers, contractual caps, correspondence with customers, past experience and subsequent settlements. Depending on the substance of the contractual terms, such amounts are accounted for as provision / expense for contracts executed during the year. The LD for contracts to be executed before the end of the financial year but delayed is stated as Contingent Liability. Other recoveries are recognised when the customer makes the deduction. We consider this matter to be a key audit matter because the amount recognised is significant and the estimate involves judgement in assessing contractual obligations, probability of levy / waiver and the appropriate accounting treatment. Reference: Liquidated Damages expensed: ₹ 6,788.78 lakhs. Liquidated Damages @ 31.03.2026 on contracts pending execution:-Contingent Liability: ₹ 2,240.20 lakhs	Our audit procedures included the following: - Obtained an understanding of management's process and tested relevant controls over identification, monitoring, estimation and accounting of liquidated damages. - Selected samples of customer contracts and inspected the relevant clauses relating to delivery obligations, liquidated damages rates, contractual caps, waiver provisions and other relevant terms. - Compared management's assessment of period of delay with production records, dispatch records, customer inspection reports, delivery documents, correspondence with customers and subsequent settlement / waiver evidence, where available. - Evaluated management's assessment of causes of delay, enforceability of liquidated damages clauses, probability of levy or waiver, and expected settlement amount. - Tested the mathematical accuracy of the computation, including period of delay, rate of liquidated damages, contractual caps and amounts already recovered / deducted by customers. - Evaluated whether the accounting treatment as provision / expense was consistent with the substance of the contracts and applicable Ind AS requirements. - Performed subsequent event procedures by reviewing post year-end customer correspondence, deductions, settlements and waivers, where relevant. - Assessed the adequacy of the related disclosures in the standalone financial statements.

Emphasis of Matter

We draw attention to Note No. 11 to the standalone financial statements regarding the company's outlay on the MAMC Consortium and the related advance to MAMC Industries Ltd.

Our opinion is not modified in respect of the above matter.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report and Management discussion and analysis but does not include the Standalone Financial Statements and auditor's report thereon, which we obtained prior to the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

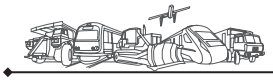
If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

When we read the Management Discussion and Analysis and Board of Directors' Report along with its Annexures, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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



In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of Standalone Financial Statements 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.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

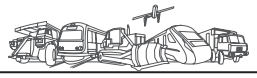
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless 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.

Other Matter

We draw attention to the fact that as on March 31, 2026, the Board of Directors of the Company comprised one Nominee Director and two Independent Directors and six Executive Directors including the Chairman & Managing Director. Subsequent to the year end and up to the date of approval of the financial statements, the cessation of tenure of the Independent Directors resulted in the Board comprising of one Government Nominee Director and six Executive Directors including the Chairman & Managing Director. The composition of the Board is not in terms of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and not in terms of section 149 of the Companies Act, 2013 due to non-appointment of requisite number of Independent Directors on the Board of the Company. The Company has intimated the Ministry of Defence, Government of India and awaits suitable orders.

Consequent to the Company incorporating certain changes in the disclosures contained in Notes to the financial statements, pursuant to the observations arising from the supplementary audit conducted by the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013, we are issuing this Amended Independent Auditor's Report, which supersedes our earlier Independent Auditor's Report dated 29 May 2026.

The aforesaid changes are restricted to disclosures in the Notes to the financial statements and do not have any impact on



the amounts reported in the Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income or the Statement of Cash Flows, or on our opinion expressed on the financial statements.

Our audit procedures subsequent to 29 May 2026 were restricted solely to the amendments to the disclosures described above.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required under 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 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 prescribed under Section 133 of the Act and the Rules made thereunder.
   e) In terms of Notification no. G.S.R.463(E)dt. 05.06.2015 issued by Ministry of Corporate Affairs, the provision of Section 164(2) of the Companies Act, 2013 in respect of disqualification of Director are not applicable to the Company.
   f) With respect to adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B;
   g) With respect to Directions issued by the Comptroller and Auditor General of India under Section 143 (5) we give our report in Annexure C:
   h) The provisions of Section 197 are not applicable to this government company (in terms of MCA Notification NO.GSR 463 (E) dated 05th June 2015) as the managerial remuneration is paid as per the appointment letter from the Government of India, and
   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. [Refer Note No. 39(D)(1)(a)(i) & (ii)]

ii) The company has made provision as required under Ind AS for material foreseeable losses on long term contracts - ₹ 23,257.52 lakhs (Previous Year - ₹ 2,000.11 lakhs). The company does not have any derivative contracts.

iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund

iv) The management has represented that, to the best of its knowledge and belief that no funds have been advanced to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

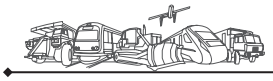
v) The management has represented that, to the best of its knowledge and belief that the company has not received any funds from any persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than those disclosed in the notes to accounts

vi) Based on the audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that that has caused us to believe that the representations under sub clause(iv) and (v) contain any material mis-statement.

vii) a. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

b. The interim dividend declared and paid by the Company during the year and until the date of this audit report for the financial years 2024-25 and 2025-26 are in accordance with section 123 of the Companies Act, 2013.

c. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.



viii) The company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For G Natesan & Co,
Chartered Accountants
FRN: 002424S

Sd/-
CA Varalakshmi Murali
Partner, M. No: 028863
UDIN: 26028863QYRURM3608
Place: Chennai
Date: 17.07.2026

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 BEML Limited

i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B)The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company, except in respect of the following properties

(Values in ₹ Lakhs)

Description of property	Gross carrying value	Whether promoter, director or their relative or employee	Period held– indicate range, where appropriate	Reason for not being held in name of company
Flat @ Sarovar Enclave, Ranchi	10.12	No	23.12.1987	Under dispute with state authorities
Flat @ Ashadeep, Delhi	2.80	No	01.05.1977	Obtaining Title deeds in the name company is under progress.
Land at BGML	0.00	No	28-04-2004	The 10 year Lease for which a Lease Deed was executed on 5.5.2004 has not been renewed. The company is in the process of purchasing 28.35 acres and surrendering the balance of 1,109 acres.

(d) In our opinion and according to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provision stated under clause 3(i)(d) of the Order are not applicable to the company.

(e) In our opinion and according to the information and explanations given to us, 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 there under. Accordingly, the provision stated under clause 3(i)(e) of the Order are not applicable to the company.

ii) (a) The inventory has been physically verified by the management during the year excluding inventories that are in the possession of sub-contractors and other third parties. In our opinion the frequency of such verification is reasonable, the coverage and procedure of such verification by the management is appropriate. The company has maintained proper records of inventory.

The discrepancies noticed on such physical verification between physical stock and book records are not material and have been properly dealt with in the books of accounts.

(b) According to the information and explanation given to us, the company has been sanctioned funded working capital limits of ₹ 1,500 crores and non-funded working capital limits of ₹ 4,000 crores from the banking sector. The audited/ Limited Review Financial Statements are submitted to the banks as and when sought for by them. Such statements are in agreement with the books of accounts.

iii) According to the information and explanations given to us, the company has not provided any security and/or stood guarantee during the year to any of its subsidiaries.

The Company has provided advance in the nature of loans during the year totalling to ₹ 18.63 lakhs (Previous year ₹ 122.36 lakhs) to its subsidiaries. The balance outstanding as at 31.03.2026 in respect of loans to these subsidiaries is ₹ 624.01 lakhs (Previous year ₹ 2,085.88 lakhs).

The loans provided during the year and outstanding as at 31.03.2026 are not prejudicial to the interest of the company. The company has not specified any terms of repayment as regards principal and interest and therefore the reporting under clauses (c), (d) and (e) are not applicable. The company has granted an advance in the nature of loan to a related party without specifying terms or period of repayment. The balance outstanding as at 31.03.2026 is ₹ 1,189.85 lakhs (Previous year ₹ 864.52 lakhs) All the advances in the nature of loans granted to related parties as defined in clause (76) of Section 2 of the Companies Act 2013 are without specifying any terms or period of repayment.

iv) According to the information and explanations given to us, the company being a Government company, the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security, are not applicable.

v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and hence compliance with the directives issued by the Reserve Bank of India and the provisions of Section

73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended with regard to acceptance of deposits are not applicable to the Company.

vi) According to the information and explanations given to us, the Central Government has specified maintenance of Cost Records by the Company under Section 148 (1) (d) of the Companies Act, 2013. We have broadly reviewed these records and are of the opinion that prima facie, the prescribed accounts and records are made and maintained. However, we have not carried out any detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) (a) According to the information and explanations given to us and on the basis of examination of books of accounts and records the company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and all other statutory dues to the appropriate authorities.

(b) The following table provides the statutory dues referred to in sub-clause (a) which have not been paid on account of disputes, the amounts involved and the forum where dispute is pending:

Name of the Statue	Nature of Disputed Tax	Amount including interest & penalty (in ₹ Lakhs)	Period to which the amount relates	Forum where Dispute is Pending
Central Excise, Service Tax, GST and Customs				
Central Excise Act 1944	Excise Cases other than NCCD	9,669.55	Aug 2007 to Feb 2013	CESTAT
	National Calamity Contingency Duty (NCCD)	2,622.93	Apr 2013 to Jun 2017	CESTAT
Service Tax Act, 1944	Service Tax Cases	2,221.92	October 2010 to Jun 17	Commissioner & CESTAT
CGST Act, 2017	GST	5,306.30	2017-18 & 2022-23	Appellate Authority
The Customs Act, 1962	Customs Duty	1,570.64	April 2006 to Mar 2020	Commissioner & CESTAT
Sub Total - Excise, Service Tax, GST & Customs		**21,391.34**		
Commercial Tax – State Wise				
Karnataka Commercial Tax	Sales Tax / CST / VAT	375.27	2010-11 & 2012 -13	Joint Commissioner (Appeal)
Maharashtra Commercial Tax	Sales Tax / CST / VAT	286.32	2007-08 to 2008-09	Maharashtra ST Tribunal
West Bengal Commercial Tax	Sales Tax / CST / VAT	22.50	2017 – 18	First Appellate authority

Name of the Statue	Nature of Disputed Tax	Amount including interest & penalty (in ₹ Lakhs)	Period to which the amount relates	Forum where Dispute is Pending
Jharkhand Commercial Tax	Sales Tax / CST / VAT	150.38	2006-07 to 2016-17	First Appellate authority.
Madhya Pradesh Commercial Tax	Sales Tax / CST / VAT	101.11	2014-15 to 2017-18	Deputy Commissioner. (Satna)
Sub Total - Sales Taxes		**935.58**		
Income Tax Act				
Income Tax Act, 1961	Defaults under TDS Provisions	95.32	2010-11	National Faceless Appeal Centre
Income Tax Act, 1961	Defaults under TDS Provisions	37.53	2012-13	National Faceless Appeal Centre
Sub total		**132.85**		
Grand total		**22,459.77**		
Amount Deposited Under Protest	**Excise, Service Tax, GST & Customs**	2,061.91		
	Sales Tax / VAT	845.55		
Total		**2,907.46**		

viii) In our opinion and according to the explanations given to us, no transactions that are not recorded in the books of accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) (a) According to the information and explanations given to us and based on our audit we are of the opinion that the Company has not defaulted in repayment of borrowings from banks. There are no loans.

(b) According to the information and explanations given to us, the company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(c) The company has not received any term loans during the financial year under report.

(d) The funds raised on short term basis have not been utilised for long term purposes.

(e) According to the information and explanations given to us the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanation given to us and procedures performed by us , we report that the company has not raised the loans during the year on the pledge of securities held in the subsidiaries.

x) (a) According to the information and explanation given to us, The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x) (a) of the order is not applicable to the company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the order is not applicable to the company.

xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub- section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) In our opinion and according to the explanation given to us, no whistle-blower complaints were received by the company during the year.

xii) (a) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) (a), (b) and (c) of the Order is not applicable to the Company.

xiii) According to the information and explanations furnished to us, and based on our examination of books and records, we are of the opinion that all transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details have been disclosed in the standalone financial statements as per applicable Accounting Standards.

xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.

(b) All the reports of the Internal Auditors relating to the financial year 2025-26 and received up to the date of this report, were considered by the Statutory Auditor:

xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

xvi) (a) The Company is not required to be registered under Section 45-1 A of the Reserve Bank of India Act 1934 (2 of 1934).

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities;

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;

(d) The company does not belong to any group.

xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditor during the year.

xix) In our opinion, and according to the explanation given to us, and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors' and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is 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.

xx) (a) In our opinion and according to the explanation given to us, the company does not have any unspent CSR amount in respect of other than ongoing projects at the end of the year. Hence no amount is transferred to the Fund specified under schedule VII in respect of other than ongoing projects.

(b) In our opinion and according to the explanation given to us, the company does not have any unspent CSR amount in respect of ongoing projects at the end of the year. Hence no amount is transferred to the Fund specified under schedule VII in respect of ongoing projects.

xxi) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) report of the subsidiary company (to which this order is applicable) included in the consolidated financial statements.

For G Natesan & Co,

Chartered Accountants,

FRN: 002424S

Sd/-

CA Varalakshmi Murali

Partner, M. No: 028863

UDIN: 26028863QYRURM3608

Place: Chennai

Date: 17.07.2026

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2 (f) under "**Report on Other Legal and Regulatory Requirements" section of our report to the** Members of BEML Limited on the Ind AS Standalone Financial Statements for the year ended March 31, 2026.

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the Internal Financial Controls with reference to Ind AS Standalone Financial Statements of BEML Limited ("the Company") as at March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility:

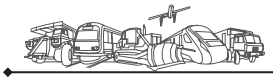
The Company's Management is responsible for establishing and maintaining Internal Financial Controls with reference to Financial Statements based on the internal financial control over financial reporting criteria established by the Company considering the essential components of control stated in the "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 with reference to Financial Statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" (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 with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Financial Statements included obtaining an understanding of Internal Financial Controls with reference to Financial Statements, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement 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 Controls with reference to Financial Statements.



Meaning of Internal Financial Controls with reference to Financial Statements:

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Standalone Financial Statements:

Because of the inherent limitations of Internal Financial Controls with reference to Ind AS Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Financial Statements to future periods are subject to the risk that the Internal Financial Controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and explanations given to us, the Company has, in all material respects, adequate Internal Financial Controls with reference to Financial Statements and such Internal Financial Controls with reference to Financial Statements were operating effectively as at March 31, 2026, based on Internal Financial Controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in "Guidance Note on Audit of Internal Financial Controls over Financial Reporting " issued by the Institute of Chartered Accountants of India.

For G Natesan & Co,
Chartered Accountants,
FRN: 002424S

Sd/-
CA Varalakshmi Murali
Partner, M. No: 028863
UDIN: 26028863QYRURM3608
Place: Chennai
Date: 17.07.2026

ANNEXURE-C TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2 (g) under **"Report on Other Legal and Regulatory Requirements" section of our report to the** Members of BEML Limited

Report on the directions under sub-section 5 of Section 143 of the Companies Act, 2013

According to the information and explanations furnished to us and based on audit of the accounts of BEML Limited for the year ended 31.03.2026, we report hereunder on the directions given by the Comptroller and Auditor General of India.

Direction	Report	Impact
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.	The investments made by PF Trust have been values @ Cost which includes premium/discount wherever applicable. In our opinion the valuation methodology is reasonable and consistent with generally accepted fair valuation principles. PRMS is covered by a policy, Gratuity Trusts' funds are invested with LIC.	**NIL**

Direction	Report	Impact
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 empaneled 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.	The company has a system in place to process the accounting transactions through the IT system. The review of this system and controls that are significant to cyber security has been done by Information Security Auditing Organizations empaneled by Cert-In during the financial year. The IS Auditor has sent in its observations and the company has implemented the recommendation. According to the information and explanations given to us the IS Auditors have not observed any material discrepancy. We have reviewed the system and controls which are significant to the company's financial reporting process. No material discrepancies have been observed on such review. The company does not process any accounting transactions outside the IT system.	**NIL**
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 utilised 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.	No such funds were received by the company.	**NIL**

Direction	Report	Impact
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?	The company has identified risk areas, formulated risk management policy considering global best practices to mitigate the identified risks. The company has no data assets.	**NIL**
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.	According to the information and explanations given to us and based on our audit we report that the company is generally complying with various controlling bodies and statutes except the following: Composition of Board of Directors: The company has not complied with rules and regulations of SEBI and Ministry of Corporate Affairs with respect to appointment of Independent Directors.	**NIL**

For G Natesan & Co,
Chartered Accountants,
FRN: 002424S

Sd/-
CA Varalakshmi Murali
Partner, M. No: 028863
UDIN: 26028863QYRURM3608
Place: Chennai
Date: 17.07.2026

By Speed Post
Confidential

Insp-1/BEMLAccs/2025-26/26-27/191

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

30.07.2026

दिनांक / DATE _____

To
Shantanu Roy,
Chairman and Managing Director,
BEML Limited,
BEML Soudha, S.R. Nagar,
Bangalore – 560 027.

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 **BEML Limited, Bengaluru** for the year ended 31 March 2026.

I forward "**Nil Comments**" Certificates of the Comptroller and Auditor General of India under section 143(6)(b) on the Financial Statements of **BEML Limited, Bengaluru** for the year ended 31 March 2026.

It may please be ensured that the comments are:

(i) Printed in toto without any editing;

(ii) Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index; and

(iii) Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully.

K Jyothi Priya

(K. Jyothi Priya)
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 BEML LIMITED, BENGALURU FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of **BEML Limited, Bengaluru** 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 Revised Audit Report dated 17 July 2026, which supersedes their earlier Audit Report dated 29 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **BEML Limited, Bengaluru** 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 auditors and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditor's report under section 143(6) (b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sudha Rajan

(Sudha Rajan)
Director General of Audit, Defence - Commercial

Place: Bengaluru
Date: 30 July 2026

BEML LIMITED
BEML SOUDHA, 23/1, 4TH MAIN ROAD, S.R. NAGAR, BENGALURU-560027

Material Accounting Policies - Consolidated

Note no. 1: Corporate Information:

The accompanying consolidated financial statements comprise of the financial statements of BEML Limited (the Company), its subsidiaries viz., Vignyan Industries Ltd and MAMC Industries Ltd (referred collectively as the 'Group') and the Groups interest in associates and Joint ventures for the year ended 31 March 2026.The Group manufactures and supplies defence ground support equipment such as Tatra based high mobility trucks, aircraft towing tractors etc. Under Mining and Construction business, the Group manufactures and supplies equipment like bull dozers, excavators, dumpers, shovels, loaders and motor graders to various user segments and under Rail and Metro business, manufactures and supplies rail coaches, metro cars, ACEMUs, OHE cars, steel and aluminium wagons to the rail and metro sector. Information on other related party and nature of relationships of the Group is provided in Note 39C. These financial statements were authorised for issue in accordance with a resolution of the directors on **29.05.2026**.

Note no. 2: Consolidated material accounting policies

2.1. Basis of preparation and Statement of Compliance

a. The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules,2015 notified under section 133 of the Companies Act,2013 (the 'Act') and other relevant provisions of the Act.

These financial statements for the year ended 31 March 2026 with comparatives of year ended 31 March 2025 are prepared in accordance with Ind AS

b. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit and other long-term employee benefits obligations.

c. The financial statements are presented in Indian Rupee (INR) which is the functional and the presentation currency of the Group and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

d. Preparation of the financial statements, in conformity with Ind AS, requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates.

e. Assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the

nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group's operating cycle is considered as twelve months for the purpose of current / non-current classification of assets and liabilities.

f. The Group 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 profit or loss is applied prospectively in the period(s) of change. Discovery of errors result 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.

g. Basis of Consolidation:

(i) Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Non-controlling interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

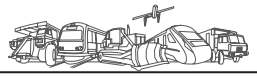
Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Equity accounted investees: The Group's interests in equity accounted investees comprise interests in associates and joint ventures.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

(iv) Transactions eliminated on consolidation: Intra group balances and transactions and any unrealized income and expenses arising from intra group transactions, are eliminated. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.



2.2 Summary of consolidated material accounting policies

A. Revenue Recognition:

Sales is exclusive of GST.

Revenue from contracts with customers:

Revenue is recognized, on the transfer of promised goods or services, by way of allocating transaction price, being amount of consideration which an entity expects/entitles in exchange for transferring promised goods or services to a customer, to the extent of performance obligation satisfied in a contract.

i. Satisfaction of performance obligation over time

a. Revenue is recognised overtime where the transfer of control of goods or services takes place over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:

- the Group's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- the Group's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.

b. Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognized to the extent of costs incurred.

c. For measurement of satisfaction of performance obligation over time, input cost method is adopted.

ii Satisfaction of performance obligation at a point in time

a. In respect of cases where the transfer of control does not take place over time, the Group recognizes 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 Group has transferred physical possession of the asset
- the customer has legal title to the asset
- the customer has accepted the asset
- when the Group has a present right to payment for the asset
- the Group 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.

c. Bill and hold Sales

Bill and hold sales is recognised when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the Group does not have the ability to use the product or to direct it to another customer

Penalties & Liquidated damages:

Penalties, including levy of liquidated damages for delay in delivery, specified in customer contracts, are not treated as inherent part in determination of the Transaction price as per para 51AA of Ind AS 115 if the same is subject to review by customer.

Escalation:

Escalation in prices is recognized as revenue as per the escalation formula provided in the contract. In the absence of such a clause in the contract, any claim for the same is recognized on acceptance by the customer.

Duty Drawback:

Duty drawback claims on exports are accounted on preferring the claims.

Revenue from wind energy:

Revenue from generation of electricity from wind mill is recognized when the electricity is supplied to industrial electricity distribution license holder as per the terms of agreement.

Other Income

(i) Interest income:

Interest Income is recognized using the effective interest rate (EIR) on a time proportion basis and as per the terms of the relevant instrument.

(ii) Dividends:

Dividend income is recognized when the Group's right to receive the payment is established.

(iii) Rental income:

Rental income arising from operating leases is accounted for on a straight-line basis over the non-cancellable lease term unless increases in rentals are in line with expected inflation.

B. Investments in associates and joint venture

The Group accounts for its interests in associates and joint ventures in the separate financial statements at cost.

C. Foreign Currencies:

Transactions in foreign currencies are initially recorded by the Group 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 recognized in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

D. Fair value measurement:

The Group measures certain financial instruments, such as derivatives and other items in its financial statements at

fair value at each balance sheet date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy.

E. Discontinued operation:

Classification of an operation as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit and loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

F. Government Grants:

Government Grants are recognized as follows when there is reasonable assurance that the grant will be received and all attached terms and conditions will be complied with.

(i) Grant towards meeting expenditure is recognized as income as and when the expenditure for which the grant is sanctioned is incurred.

(ii) Grant towards procurement of an asset is recognized as income in equal amounts over the expected useful life of the related asset.

(iii) Grant towards non-monetary assets are recognized at fair value and released to Statement of profit and loss over the expected useful life.

(iv) The subsidized portion of interest rate provided by the Government on loans or similar financial assistance is recognized as grant.

G. Income Taxes:

Current income tax:

Current tax assets and liabilities are measured at the amount to be recovered from or paid to the taxation authorities as per the applicable tax laws at the reporting date in Statement of profit and loss.

Deferred tax:

Deferred tax is provided using the liability 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 recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

For the items directly recognized in Equity, the current and deferred tax pertaining to such item is recognized through Equity.

H. Property, Plant & Equipment:

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses if any. Cost includes expenditure on acquisition of asset, present value of expected cost for the decommissioning of an asset, cost of replacing part of Plant and Equipment and borrowing costs.

Depreciation is calculated on a straight-line basis over estimated useful lives as prescribed in schedule II of the companies Act 2013. In respect of the following assets, useful lives are different than the useful lives indicated in Schedule II of Companies Act 2013, based on technical assessment and management estimates depending on the nature and usage of the respective assets.

(a) Special tools up to the unit value of ₹ 5,000 are charged off in the year of incurrence and Special tools to the unit value above ₹ 5,000 are amortised over a period of 3 years.

(b) Jigs and fixtures up to the unit value of ₹ 5 Lakhs are charged off in the year of incurrence and Jigs and fixtures of unit value above ₹ 5 Lakhs are amortised over a period of 3 years.

When parts of an item of property, plant and equipment have different useful lives, they are treated as separate components and depreciated over their estimated useful lives.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Any gain or loss arising out of derecognizing of an asset is included in statement of Profit and Loss of the relevant period.

Products given under No Cost No Commitment are capitalised appropriately under the relevant asset category and amortised over the useful life of that asset. They are also tested for impairment periodically.

Expenditure incurred on Developmental Projects for participating in trials, based on Request from customers, are carried forward till conclusion of the trials and will be amortised over the orders to be received. In case customer order does not forthcoming or on discontinuation of project, the balance amount will be either capitalised if further economic benefit is expected from its use or will be charged off.

I. Investment Property:

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any. The fair value of the Investment property is disclosed in the notes.

J. Intangible Assets:

(i) Intangible assets acquired are stated at acquisition cost, less accumulated amortization and accumulated impairment losses if any

(ii) Research costs are expensed as incurred

(iii) Development expenditure is recognized as Intangible assets and tested for impairment annually during the period of development

(iv) Expenditure on development of products intended for sale is included in inventory.

(v) Intangible Assets referred above includes the cost of materials, direct labour, overhead costs, borrowing costs that are directly attributable to the respective asset for its intended use.

Amortization

Intangible assets are amortized over useful economic life and assessed for impairment if any. Where it is not possible to assess the useful economic life of an intangible asset, the same is not amortized and reviewed annually for impairment if any.

K. Borrowing Cost:

Borrowing costs directly attributable to creation of an asset are capitalized as part of the cost of the asset. General borrowing costs are capitalized by apportioning the same to qualifying assets.

L. Lease:

Contracts with third party, which give the Group the right of use in respect of an identified 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.

A lease is classified at the inception date as a finance lease or an operating lease by lessor whereas lessee will follow the Single lease accounting (i.e. same as finance lease).

Group as a lessee:

Lessee will recognize right-of-use asset and lease liability, for all leases, except short term lease and leases for which underlying asset is of low value.

Short term lease is a lease that, at the commencement date, has a lease term of 12 months or less and does not contain a purchase option.

An underlying asset can be of low value only if:

(a) the lessee can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and

(b) The underlying asset is not highly dependent on, or highly interrelated with, other assets.

The initial value of lease liability shall be determined at the present value of the lease payments due. The interest rate implicit in the lease or lessee's incremental borrowing may be used to arrive at the present value of the lease payments due. The lease liability is subsequently measured by **increasing** the carrying amount to reflect interest on the lease liability and **reducing** the carrying amount to reflect the lease payments made.

Leases will be recognized where the value of new individual asset is more than ₹ 2 Lakhs.

At the commencement date, the Group as lessee measures the right of use asset at cost. The cost of "right of use" asset is determined 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 Plant, property and equipment schedule in the Balance Sheet.

Lessee would recognize depreciation expense on the right of use asset using the straight-line method from the commencement date to the end of lease term or useful life of the asset, whichever is earlier.

Group as a lessor:

In case of an operating lease, initial direct costs incurred in negotiating and arranging the lease are added to the carrying amount of the leased asset. In case of finance leases, amounts due from lessees are recorded as receivables.

M. Inventory:

Inventories are valued at the lower of cost and net realizable value. Cost for the purpose of the above is accounted as under:

(i) Raw materials, Components, Stores and Spare parts: weighted average cost

(ii) Finished goods and Work in Progress: Cost of materials, labour and production overheads

Scrap is valued at estimated realizable value.

Based on ageing assessment, on a periodic basis an allowance is recognized for obsolete, non-moving inventory.

N. Impairment of non-financial assets:

The Group assesses at each reporting date for impairment of asset or cash generating units (CGU). If on assessment, the asset or CGU is considered impaired they are written down to the recoverable amount.

O. Employee Benefits:

Short-term employee benefits:

Short-term employee benefits are expensed as the related service is rendered.

Defined benefit plans:

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by actuarial valuation conducted annually by a qualified actuary using the projected unit credit method.

Actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is recognized in the 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 recognized immediately in the statement of profit and loss.

Other long-term employee benefits:

The Group's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

Defined contribution plan:

For defined contribution plans, the Group contributes to independently administered funds as per relevant scheme. These contributions are recorded in the statement of profit and loss. The Group's liability is limited to the extent of contributions made to these funds.

P. Provisions:

Provisions are recognized when the Group 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.

If the effect of the time value of money is material, provisions are discounted. Contingent liabilities and contingent assets are not recognized in the financial statements but are disclosed in the notes.

Warranty provisions:

Provision for warranty related costs are recognized on sale of product or service rendered based on historical experience and technical assessment and reviewed annually.

Onerous contracts:

A provision for onerous contracts other than construction contracts is recognized when the expected benefits to be derived by the Group 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.

Q. Financial Assets:

Recognition and measurement:

All financial assets are recognized initially at fair value. Subsequently, financial assets are measured at fair value or amortized cost based on their classification.

Embedded derivative:

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. If the hybrid contains a host that is not an asset within the scope of Ind AS 109, the embedded derivative is separated and accounted at fair value.

Derecognition:

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

Trade and other receivables:

Receivables are initially recognized 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.

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.

Impairment of financial assets:

The recognition and measurement of impairment loss for certain financial assets within the scope of IND AS 109 is based on the concept of expected credit loss (ECL). The company follows simplified approach for recognition of impairment loss allowance on Trade Receivables. Impairment loss on contract assets are recognised only when the customer is billed in accordance with IND AS 115.

R. Financial Liabilities:

Recognition and measurement:

Financial liabilities are classified, at initial recognition, at fair value through statement of profit and loss as loans, borrowings, payables, or derivatives, as appropriate.

Financial liabilities are measured based on their classification at fair value through statement of profit and loss, amortized cost or fair value through other comprehensive income.

Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Trade and other payables:

Liabilities are recognized for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

S. Financial Assets and Liabilities Reclassification:

Reclassification of financial Assets and Liabilities:

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For other financial assets, a reclassification is made prospectively only if there is a change in the business model for managing those assets.

Offsetting of financial Assets and Liabilities:

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 recognized amounts and there is an intention to settle on a net basis.

T. Earnings per share:

The Group 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 shareholders of the Group 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 profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

U. Cash dividend and non-cash distribution to equity shareholders:

The Group recognizes a liability to make cash or non-cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Group.

V. 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 authorization 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

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As per our report of even date attached
For G Natesan & Co,
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**
CA Varalakshmi Murali	**ANIL JERATH**	**SHANTANU ROY**
Partner	**Director (Finance)**	**Chairman & Managing Director**
Membership No.: 028863	**(DIN 09543904)**	**(DIN 10053283)**

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29.05.2026

CONSOLIDATED FINANCIAL STATEMENTS 2025-26

Consolidated Balance Sheet

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
I. Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	62,996.87	53,485.80
(b) Right of Use Asset	3A	1,460.16	811.82
(c) Capital work-in-progress	4	27,632.71	10,698.59
(d) Intangible assets	5	3,916.83	3,693.39
(e) Intangible assets under development	6	2,119.80	-
(f) Financial assets			
(i) Investments	7	761.35	581.35
(ii) Loans	8	17.82	16.18
(iii) Other financial assets	9	84.96	136.69
(g) Deferred tax assets (net)	10	17,152.00	10,187.00
(h) Non-Current Assets held for sale		-	5,237.00
(i) Other non-current assets	11	7,825.51	7,726.28
Total non-current assets		1,23,968.01	92,574.10
(2) Current assets			
(a) Inventories	12	2,33,811.26	2,37,936.09
(b) Financial Assets			
(i) Investments	13	-	-
(ii) Trade receivables	14	2,27,436.51	1,69,587.81
(iii) Contract Assets	14a	71,549.81	51,301.17
(iv) Cash and cash equivalents	15	677.19	437.63
(v) Bank Balance Other than (iv) above	15a	3,032.06	58.47
(vi) Loans	16	1,189.85	864.52
(vii) Other financial assets	17	877.22	546.73
(viii) Current tax assets (Net)	17a	2,930.79	9,709.68
(c) Other current assets	18	35,582.17	24,227.66
Total current assets		5,77,086.85	4,94,669.76
Total Assets		7,01,054.86	5,87,243.86
II. Equity and Liabilities			
Equity			
(a) Equity share capital	19	4,177.22	4,177.22
(b) Other Equity		2,89,203.35	2,84,560.87
Equity attributable to equity holders of the parent		2,93,380.57	2,88,738.09
Non-controlling interests		(69.98)	(49.19)
Total Equity		2,93,310.59	2,88,688.90
Liabilities			
(1)Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	-	-
(a) Lease Liability		1,499.52	907.17
(ii) Other financial liabilities	21	112.63	112.63
(b) Provisions	22	28,189.09	26,854.08
(c) Other non-current liabilities	23	91,377.10	83,941.90
Total non-current liabilities		1,21,178.34	1,11,815.79
(2)Current liabilities			
(a) Financial liabilities			
(i) Short term Borrowings	24	29,199.14	21,845.99
i(a) Lease Liability		184.68	109.83
(ii) Trade payables	25		
(A) Micro & Small Enterprises		21,933.61	17,244.21
(B) Other than Micro & Small Enterprises		80,484.64	53,751.37
(iii) Contract Liability	25A	1,742.29	-
(iv) Other financial Liabilities	26	45,827.13	12,347.04
(b) Other current liabilities	27	47,023.37	45,819.42
(c) Provisions	28	53,258.88	25,869.61
(d) Current tax liabilities (Net)	29	6,912.18	9,751.70
Total current liabilities		2,86,565.93	1,86,739.17
Total Equity and Liabilities		7,01,054.86	5,87,243.86

Note Nos 1 to 39 include Material Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

Place: Mysuru
Date: 29.05.2026

For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Consolidated Statement of Profit and Loss

(₹ in Lakhs)

	Particulars	Note No	For the year ended 31 March 2026	For the year ended 31 March 2025
I	Revenue from operations	30	4,35,052.55	4,02,222.27
II	Other income	31	2,944.23	2,372.71
III	**Total Income (I+II)**		4,37,996.78	4,04,594.98
IV	**Expenses:**			
	Cost of materials consumed	32	2,31,983.66	2,03,599.76
	Purchase of stock-in-trade	33	-	-
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	34	(4,123.77)	(2,124.96)
	Employee benefits expense	35	83,506.35	82,620.78
	Finance costs	36	4,538.81	5,431.08
	Depreciation and amortization expense	3,5	8,348.18	7,133.78
	Other expenses	37	93,787.39	67,558.42
	Total Expenses (IV)		4,18,040.62	3,64,218.86
V	Profit/(Loss) before exceptional items and tax (III-IV)		19,956.16	40,376.12
VI	Add/ (Less) : Exceptional items	38	-	-
VII	**Profit/(Loss) before tax (V-VI)**		19,956.16	40,376.12
VIII	**Tax expense:**			
	(1) Current tax	10 a	12,724.62	9,673.85
	(2) Earlier year tax	10 a	60.17	289.21
	(3) Deferred tax	10 a	(6,965.00)	1,161.00
IX	Profit/(Loss) for the year from continuing operations (VII-VIII)		14,136.37	29,252.05
X	Profit/(Loss) from discontinuing operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-
XIII	**Profit/(Loss) for the year (IX+XII)**		14,136.37	29,252.05
XIV	**Other Comprehensive Income**			
	A(i) Items that will not be reclassified to profit or loss			
	Re-measurement of defined benefit (liability)/asset		(595.81)	309.30
	(ii) Income tax relating to items that will not be reclassified to profit or loss	10 b	149.97	(77.85)
	B(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	**Total Comprehensive Income for the year (XIII+XIV)**		13,690.53	29,483.50
	Profit for the year		14,136.37	29,252.05
	Attributable to:			
	Equity holders of the Group		14,157.16	29,257.45
	Non-controlling interests		(20.79)	(5.40)
	Total Comprehensive Income for the year		13,690.53	29,483.50
	Attributable to:			
	Equity holders of the Group		13,711.32	29,488.90
	Non-controlling interests		(20.79)	(5.40)
XVI	Earnings per equity share: (Face Value ₹ 5/- each) (Previous Year ₹ 10/- each) in ₹			
	Basic and diluted	39(A)	16.97	70.24

Note nos. 1 to 39 includes Material Accounting Policies and Other Notes to Accounts annexed herewith form part of the financial statement.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29.05.2026

Consolidated Statement of Cash Flows

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Sub items	Main items	Sub items	Main items
A. Cash flow from operating activities				
Net profit before tax and extraordinary items		**19,956.16**		40,376.12
Adjustments for				
Depreciation and amortization expense	**8,348.18**		7,133.78	
(Gain)/loss on disposal of property, plant and equipment	**(142.13)**		(267.13)	
Financing Cost	**4,538.81**		5,431.08	
Interest income	**(387.39)**		(117.90)	
Allowance for Inventory	**(4,700.34)**		2,452.43	
Allowance for bad and doubtful Trade receivables	**(1,253.77)**		(855.36)	
Allownaces for other current assets	**(588.92)**		(3,391.27)	
Allownaces for other non-current assets	**-**		-	
Allowance for Provision - current	**27,389.26**		(1,671.71)	
Allowance for Provision - non-current	**1,335.01**		3,156.27	
Adjustment in Retained Earnings	**(240.20)**		989.00	
Actuarial gain/(loss) on Gratuity & PRMS	**(595.81)**	**33,702.71**	309.30	13,168.49
Operating Profit/(Loss) before changes in working capital		**53,658.87**		53,544.60
Adjustment for				
Inventories	**8,825.18**		(14,798.14)	
Trade receivables	**(56,594.94)**		(24,813.74)	
Other current assets	**(3,986.70)**		(2,254.17)	
Other non-current assets	**(7,064.23)**		1,109.13	
Other financial current assets	**(20,579.13)**		13,711.25	
Other financial non-current assets	**50.09**		(49.62)	
Trade payables	**31,422.67**		(4,966.24)	
Other current liabilites	**1,203.96**		(20,460.91)	
Other non-current liabilites	**7,435.20**		19,602.72	
Other financial current liabilites	**5,368.58**		1,478.99	
Other financial non-current liabilites	**592.35**		(41.93)	
Net cash flow from / (used in) operations		**(33,326.97)**		(31,482.67)
Income Tax & Deferred Tax		**(8,509.35)**		(12,167.74)
Net cash flow from/(used in) operating activities		**11,822.55**		9,894.19
B. Cash flow from investing activities				
Purchase of property, plant and equipment	**(34,518.50)**		(18,104.86)	
Proceeds from sale of property, plant and equipment	**5,469.83**		264.87	
Purchase of intangible assets	**(3,579.17)**		(1,231.94)	
Proceeds from sale of intangible assets	**0.01**		(0.02)	
Investments in subsidiaries & Associates	**(180.00)**		(581.31)	
Interest Received	**387.39**		117.90	
Revaluation of Asset of Subsidiaries	**222.01**		(989.00)	
Loans to Other Parties	**(325.33)**		(434.18)	
FDRs maturity beyond 3 months	**(2,900.84)**		0.35	
Net cash flow from/(used in) investing activities		**(35,424.60)**		(20,958.19)
C. Cash flow from financing activities				
Financing Cost	**(4,538.81)**		(5,431.08)	
Other financial liabilities	**29,928.66**		8,852.36	
Current Borrowing	**7,353.15**		15,789.89	
Dividend paid	**(8,901.39)**		(8,512.03)	
Net cash flow from/(used in) financing activities		**23,841.61**		10,699.15
Net increase/(decrease) in cash and cash equivalents		**239.56**		(364.85)
Cash and Cash Equivalents, Beginning of the year		**437.63**		802.47
Cash and Cash Equivalents, Ending of the year		**677.19**		437.63

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

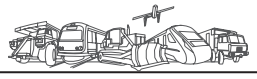
Place: Mysuru
Date: 29.05.2026

For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary



Consolidated Statement of Changes in Equity for the year ended 31.03.2026

A. Equity share capital

(₹ in Lakhs)

Particulars	No. of shares	Amount
Balance as on 01.04.2025	4,16,44,500	4,164.45
Changes in equity share capital during the period*	4,16,44,500	-
Balance as on 31.03.2026	**8,32,89,000**	**4,164.45**

* Split of shares from Face Value ₹ 10/- Per Share to ₹ 5/- Per Share w.e.f 3rd November 2025.

B. Other equity

(₹ in Lakhs)

	Reserves and Surplus					Items of OCI				
Particulars	Capital Reserve	Capital Reserve on Consolidation	Share Premium	General Reserve	Retained Earnings	Other items of OCI	Nonimara Excellence Award Reserve	Total attributable to Equity holders of the Group	Non-controlling interests	Total Equity
Balance as on 01.04.2025	**105.66**	**26.60**	**61,204.07**	**1,18,997.02**	**1,30,469.48**	**(26,243.40)**	**1.44**	**2,84,560.87**	**(49.19)**	**2,84,511.68**
Reinstatement Adjustment on account of prior period items	-	-	-	-	(18.19)	-	-	(18.19)	-	**(18.19)**
Reinstated Balance as on 01.04.2025	**105.66**	**26.60**	**61,204.07**	**1,18,997.02**	**1,30,451.29**	**(26,243.40)**	**1.44**	**2,84,542.68**	**(49.19)**	**2,84,493.49**
Revaluation adjustment of assets and liabilities	-	-	-	-	(222.01)	-	-	(222.01)	-	**(222.01)**
Profit/(Loss) for the Period	-	-	-	-	14,157.16	-	-	14,157.16	(20.79)	**14,136.37**
Other Comprehensive Income for the Period	-	-	-	-	-	(445.84)	-	(445.84)	-	**(445.84)**
Transfer to - General Reserve/Retained Earnings	-	-	-	-	-	-	-	-	-	-
Transaction with owners- Dividend	-	-	-	-	(8,828.63)	-	-	(8,828.63)	-	**(8,828.63)**
Balance as on 31.03.2026	**105.66**	**26.60**	**61,204.07**	**1,18,997.02**	**1,35,557.81**	**(26,689.25)**	**1.44**	**2,89,203.35**	**(69.98)**	**2,89,133.37**

Notes:

1) M/s VIL, a subsidiary company is under liquidation and hence all assets are carried at realizable values and liabilities at actuals. All the items of M/s VIL equity is grouped under reatined earings. Since on liquidation all are considered as distributable profits.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

Place: Mysuru
Date: 29.05.2026

For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31.03.2025

A. Equity share capital

(₹ in Lakhs)

Particulars	No. of shares	Amount
Balance as on 01.04.2024	4,16,44,500	4,164.45
Changes in equity share capital during the period	-	-
Balance as on 31.03.2025	**4,16,44,500**	**4,164.45**

B. Other equity

(₹ in Lakhs)

	Reserves and Surplus					Items of OCI				
Particulars	Capital Reserve	Capital Reserve on Consolidation	Share Premium	General Reserve	Retained Earnings	Other items of OCI	Nonimara Excellence Award Reserve	Total attributable to Equity holders of the Group	Non-controlling interests	Total Equity
Balance as on 01.04.2024	**105.66**	**26.60**	**61,204.07**	**1,18,997.02**	**1,08,760.17**	**(26,474.86)**	**1.44**	**2,62,620.10**	**(43.79)**	**2,62,576.31**
Reinstatement Adjustment on account of prior period items	-	-	-	-	-	-	-	-	-	-
Reinstated Balance as on 01.04.2024	**105.66**	**26.60**	**61,204.07**	**1,18,997.02**	**1,08,760.17**	**(26,474.86)**	**1.44**	**2,62,620.10**	**(43.79)**	**2,62,576.31**
Revaluation adjustment of assets and liabilities	-	-	-	-	989.00	-	-	989.00	-	**989.00**
Profit/(Loss) for the Period	-	-	-	-	29,257.45	-	-	29,257.45	(5.40)	**29,252.05**
Other Comprehensive Income for the Period	-	-	-	-	-	231.45	-	231.45	-	**231.45**
Transfer to - General Reserve/Retained Earnings	-	-	-	-	-	-	-	-	-	-
Transaction with owners- Dividend	-	-	-	-	(8,537.12)	-	-	(8,537.12)	-	**(8,537.12)**
Balance as on 31.03.2025	**105.66**	**26.60**	**61,204.07**	**1,18,997.02**	**1,30,469.50**	**(26,243.40)**	**1.44**	**2,84,560.88**	**(49.19)**	**2,84,511.68**

Notes:

1) M/s VIL, a subsidiary company is under liquidation and hence all assets are carried at realizable values and liabilities at actuals. All the items of M/s VIL equity is grouped under reatined earings. Since on liquidation all are considered as distributable profits.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

Sd/-
CA Varalakshmi Murali
Partner
Membership No.: 028863

Place: Mysuru
Date: 29.05.2026

For and on behalf of the Board of Directors

Sd/-
ANIL JERATH
Director (Finance)
(DIN 09543904)

Sd/-
SHANTANU ROY
Chairman & Managing Director
(DIN 10053283)

Sd/-
URMI CHAUDHURY
Company Secretary

Notes forming part of Financial statements

Notes 3 : Consolidated property, Plant & equipment

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Land										
Free Hold	6,601.69	0.73	(5,237.00)	1,365.42	-	-	-	-	1,365.42	1,364.69
Lease Hold	6,405.17	7.30	-	6,412.47	108.10	19.23	-	127.33	6,285.14	6,297.07
Buildings	18,225.91	4,189.26	(46.86)	22,368.32	6,294.44	874.77	(16.28)	7,152.93	15,215.39	11,931.47
Plant and Equipment	54,731.47	7,417.62	(583.51)	61,565.58	29,655.48	3,497.32	(515.34)	32,637.47	28,928.12	25,075.99
Furniture and Fixtures	1,410.82	267.31	(28.67)	1,649.46	704.11	123.74	(28.73)	799.11	850.35	706.72
Vehicles	-	-	-		-	-	-			-
Given on Lease	547.00	-	(127.34)	419.67	278.00	67.61	(102.58)	243.02	176.65	269.01
Own Use	1,137.17	83.26	(106.13)	1,114.30	388.43	128.94	(101.63)	415.74	698.56	748.74
Office Equipment	957.01	468.40	(24.24)	1,401.17	628.35	100.95	(24.12)	705.18	695.99	328.66
Roads and Drains	3,855.25	971.59	27.77	4,854.61	1,898.68	276.02	-	2,174.70	2,679.90	1,956.57
Water Supply Installations	406.35	3.40	(0.01)	409.74	210.69	25.93	-	236.62	173.12	195.66
Railway sidings	1,118.63	-	0.01	1,118.64	763.05	53.97	-	817.02	301.62	355.58
Electrical Installation	3,166.77	789.92	(116.75)	3,839.94	2,341.60	222.73	(116.74)	2,447.58	1,392.36	825.18
Jigs and Fixtures	3,298.90	284.76	14.66	3,598.32	2,801.61	109.89	-	2,911.50	686.82	497.29
Special Tools	3,932.32	345.17	(0.73)	4,276.76	3,148.32	420.80	(4.41)	3,564.71	712.05	784.00
Computers and Data processing units	4,917.15	1,676.39	(134.05)	6,459.48	2,767.96	987.71	(131.57)	3,624.10	2,835.38	2,149.18
Total Tangible Assets	**1,10,711.61**	**16,505.10**	**(6,362.84)**	**1,20,853.87**	**51,988.80**	**6,909.61**	**(1,041.40)**	**57,857.01**	**62,996.87**	**53,485.80**
Previous Year	95,461.19	11,001.09	(987.68)	1,05,474.60	46,977.86	6,000.88	(989.94)	51,988.80	53,485.81	48,483.33

Note 3A: Consolidated Right of use Assets

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the Period	Deduction/Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2026
RoU Assets										
Buildings	1,235.25	857.25	(43.40)	2,049.09	423.43	202.64	(37.14)	588.93	1,460.16	811.82
Total Right of use Assets	**1,235.25**	**857.25**	**(43.40)**	**2,049.09**	**423.43**	**202.64**	**(37.14)**	**588.93**	**1,460.16**	**811.82**
Previous Year	1,178.32	76.11	(19.18)	1,235.25	315.68	126.94	(19.18)	423.43	811.82	862.64

A. Carrying value of Plant & Equipment includes equipment offered to customers for trials on No Cost No Commitment (NCNC) basis ₹ 261.46 Lakhs (Previous Year - ₹ 170.64 Lakhs).

B. Property, Plant and Equipment

i) Buildings include carrying value of building at Ranchi pending registration / khatha transfer at ₹ 9.37 Lakhs (Previous Year ₹ 9.74 Lakhs)

ii) The Group has taken land measuring 1109 acres and two workshops on lease for a period of 10 years vide Lease Agreement dated 5th May 2004, w.e.f. 28.04.2004 from M/s Bharat Gold Mines Limited (BGML) (A Company under orders of winding up by BIFR) and a sum of ₹ 100 lakhs was paid as deposit (included under Note 11). The Company had incurred on the above land a sum of

₹ 1452.95 Lakhs on Buildings (with carrying value - ₹ 635.14 Lakhs) (Previous Year - ₹ 724.70 Lakhs) included in Property, Plant and Equipment as at year end.

Since BEML is under strategic Disinvestment, BEML has proposed to retain 28.35 acres of land out of 1109 Acres of land and surrender 1080.65 Acres to BGML.

An amount of ₹ 70.10 Lakhs out of ₹ 170.10 lakhs (reckoning the lease amount deposit of ₹ 100 lakhs) was deposited in the Hon'ble High Court as per the order, towards purchase of the above 28.35 Acres of land @ ₹ 6.00 Lakhs / Acre, notified vide Office Memorandum no LND/CR/93/2020-21 dated 07.03.2024.

BGML authorities have informed that, action on registration of land measuring 28.35 acres in the name of M/s BEML Limited, will be taken up only after return of 1080.65 acres of land, duly surveyed, subject to the outcome of the company petition.

iii) Lease Hold Land includes land measuring 101175.92 Sq. Mtrs taken on perpetual lease from KIADB (Bangalore Aerospace, SEZ Park) at a cost of ₹ 5126.00 Lakhs (Previous Year - ₹ 5126.00 Lakhs).

iv) No Provision considered necessary for impairment of assets as the realizable value of assets technically assessed is more than the carrying cost of these assets.

v) For information on estimated capital contracts pertaining to the acquisition of property, plant and equipment, refer Note no. 39 D 2a.

vi) Free hold at KGF does not include 114 Acres which is under reconciliation with DC,Kolar.

vii) In respect of subsidiary company M/s MIL -

a) The land is taken on lease from Urban development dept, Govt of West bengal for a period of 60 (sixty) years on 7th March 2011. This has been capitalised in the books of the company. As per Clause no 25 and other clauses in the lease deed with Govt of West Bengal, the company has to start the factory within two years from date of signing of lease deed. However, the company could not start the factory within the stipulated time. Hence the Govt. of West Bengal reserves the right to cancel the lease and take back the lease land. However there is no demand/notice from Govt of West Bengal in this regard till date.

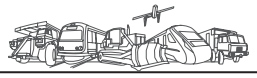
b) Leasehold land financed by BEML Limited on behalf of MAMC and as registered in the name of Company is under consortium arrangement with BEML, CIL and DVC and shall revert to JV company if and when formed with approval of the Government.

viii) Group holds the title of 302.26 acres of Mysore land which was transferred to BEML Land Assets Limited on demerger in the books of accounts.

ix) VIL Sale of land made on 27.06.2025 for Factory land at ₹ 25 crs, Helipad land at ₹ 21.15 crs & Guest house land at ₹ 4 crs and accordingly Land held for sale is adjusted by revaluing the land.

C. Amount of borrowing cost capitalised on addition of assets during the year is ₹ Nil Lakhs (Previous Year - ₹ Nil Lakhs).

D. Since there is no investment property in the group as on 31.03.2026, fair value of investment property is Nil (Previous Year - Nil).



E. Title deeds of Immovable Properties not held in name of the group:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	**Building**					
	Flat at Sarovar Enclave, Ranchi	10.12	Ranchi Planners Cooperative Housing Soceity	No	23-12-1987	Under dispute with state authorities.
	Flat at Ashadeep, Delhi	2.80		No	01-05-1977	Obtaining Title deeds in the name company is under progress.
	Land					
	Land at BGML	0.00		No	28-04-2004	Leasehold land at BGML for which an advance of ₹ 170.10 lakhs has been paid is yet to be registered in the name of BEML Limited by BGML Authorities.

There has been no revaluation of Property, Plant and Equipment.

Note 4: Capital work-in-progress

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Building	18,382.91	5,238.42
Machinery	9,249.80	5,334.99
Others	-	125.17
Total	**27,632.71**	**10,698.59**

Capital work-in-progress (CWIP) - As at 31 March 2026

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	21994.33	4436.28	1027.31	174.80	27,632.71
Projects temporarily suspended	-	-	-	-	-
Total	**21994.33**	**4436.28**	**1027.31**	**174.80**	**27,632.71**

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Completion schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Capital work-in-progress (CWIP) - As at 31 March 2025

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	9222.99	1218.05	174.80	82.76	10,698.59
Projects temporarily suspended	-	-	-	-	-
Total	**9222.99**	**1218.05**	**174.80**	**82.76**	**10,698.59**

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

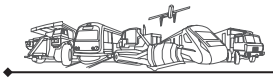
(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Completion schedule:

(₹ in Lakhs)

Particulars	CWIP for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-



Note 5: Consolidated Other Intangible assets

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/ Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Computer software	5,086.98	1,459.37	(0.01)	6,546.34	3,526.11	690.25	-	4,216.36	2,329.97	1,560.86
Technical Know how	7,347.49	-	-	7,347.49	5,221.97	545.68	-	5,767.64	1,579.85	2,125.52
TDR against Land	7.01	-	-	7.01	-	-	-	-	7.01	7.01
Total Intangible Assets	**12,441.48**	**1,459.37**	**(0.01)**	**13,900.84**	**8,748.08**	**1,235.93**	**-**	**9,984.01**	**3,916.83**	**3,693.39**
Previous Year	11,209.54	1,231.94	-	12,441.48	7,742.12	1,005.97	(0.02)	8,748.08	3,693.40	3,467.42

Free Hold Land measuring 3.647 acres of land, surrendered to BBMP against TDR (at cost) is ₹ 4.58 Lakhs. Free Hold Land measuring 1.937 acres of land surrendered to BBMP for which TDR yet to be received (at cost) is ₹ 2.43 Lakhs

Note 6: Intangible assets under development

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Technical Know-how	2,119.80	-
Total	**2,119.80**	**-**

Intangible Assets under development - As at 31 March 2026

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	2,119.80	-	-	-	2,119.80
Projects temporarily suspended	-	-	-	-	-
Total	**2,119.80**	**-**	**-**	**-**	**2,119.80**

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

c) Completion schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Intangible assets under development - As at 31 March 2025

a) Ageing Schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

b) Whose completion is overdue or has exceeded its cost compared to its original plan:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

c) Completion schedule:

(₹ in Lakhs)

Particulars	Intangible assets under development for the period of				
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

Note 7: Non-current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Investments in equity instruments - unquoted at cost		
In Equity Shares of Joint Venture Company:		
In BEML Midwest Ltd., 54,22,500 fully paid up Equity shares of ₹ 10 each	**542.25**	542.25
Less: Allowance for impairment of investment	**(542.25)**	(542.25)
Sub Total	**-**	-
In Equity Shares of Section 8 Companies:		
In Communication (Defence) Testing Foundation, 26131 shares of ₹ 1000 each	**261.31**	261.31
In Systems Testing and Research for Advanced Materials Foundation, 200000 shares of ₹ 100 each	**200.00**	20.00
In UAS Testing Foundation, 30000 shares of ₹ 1000 each	**300.00**	300.00
Sub Total	**761.31**	581.31
Investment in Ordinary Shares of Co-operative Societies - unquoted at cost		
In BEML Consumer Co-operative Society Ltd, KGF, 250 fully paid up shares of ₹ 10 each	**0.03**	0.03
In Gulmohar Mansion Apartments Co-operative Housing Society Limited, Bangalore, 10 fully paid up shares of ₹ 100 each.	**0.01**	0.01
In Twin Star Co-operative Housing Society Ltd, Bombay, 5 fully paid up shares of ₹ 50 each.	**0.00**	0.00
	0.04	0.04
Total - Unquoted at cost	**761.35**	581.35

Indian Accounting Standard (Ind AS) 28 - Investment in Associates

Names of Joint Ventures	Nature	% holding	Country of Incorporation
Communication (Defence) Testing Foundation	Associate	25	India
Systems Testing and Research for Advanced Materials Foundation (STREAM)	Associate	20	India
UAS Testing Foundation	Associate	20	India

a. BEML along with Midwest Granite Private Limited formed a joint venture company in 2007 to conduct excavation and extraction of mineral resources. The agreement was signed in September 2005 whereby BEML has a 45% share in the operations of the joint venture and the remaining 55% is held by Midwest Granite Private Limited. The Joint

Venture Company BEML Mid West Ltd is under liquidation vide order dated 20.10.2023 of the Honourable Hyderabad bench of NCLT. As such consolidation with Company accounts / disclosure requirements under IND AS-28 (Investments in Associates and Joint Ventures) could not be complied with.

b. As per CCEA approval dtd 8th September 2021, M/s Vignyan Industries Ltd, a subsidiary of BEML is under Voluntary Liquidation and Official Liquidator has been appointed on 11.10.2021. Movable and immovable assets have been disposed off.

The movement in the allowance for impairment of investment is as follows:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Balance at the beginning of the year	**542.25**	542.25
Balance at the end of the year	**542.25**	542.25

Note 8: Non-Current - Loans

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Lease Deposits	**17.82**	16.18
Total	**17.82**	16.18

Note 9: Non-current - Other financial assets

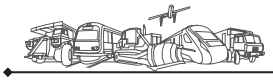
(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit with service providers	**84.96**	95.44
Application money paid to STREAM (Allotment pending)	**-**	41.25
Total	**84.96**	136.69

Note 10: Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred Tax Liabilities (DTL)		
Property, plant and equipment	**3,740.00**	3,872.00
Total DTL (A)	**3,740.00**	3,872.00
Deferred Tax Assets (DTA)		
Timing differences under the Income Tax Act,1961	**20,892.00**	14,059.00
Total DTA (B)	**20,892.00**	14,059.00
Net Total (B-A)	**17,152.00**	10,187.00



Note 10: Income taxes

The substantively enacted tax rate as on 31 March 2026 is 25.17% and as on 31 March 2025 was 25.17% for deferred tax purposes.

a) Amount recognised in profit or loss

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Current tax expenses:		
Current tax	**12,724.62**	9,673.85
Earlier year Tax	**60.17**	289.21
	12,784.79	9,963.06
Deferred tax (income)/expenses		
Origination and reversal of temporary differences	**(6,965.00)**	1,161.00
Total deferred tax (income)/expense	**(6,965.00)**	1,161.00
Tax expense	**5,819.79**	11,124.06

b) Amount recognised in OCI

(₹ in Lakhs)

Particulars	31 March 2026			31 March 2025		
	Before Tax	Tax (expense) benefit	Net of tax	Before Tax	Tax (expense) benefit	Net of tax
Re-measurement (losses)/gains on post employment defined benefit plans	**(595.81)**	**149.97**	**(445.84)**	309.30	(77.85)	231.45
Total	**(595.81)**	**149.97**	**(445.84)**	309.30	(77.85)	231.45

c) Reconciliation of effective income tax rate

(₹ in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operation		**19,956.16**		40,376.12
Tax using the company's domestic tax rate (Income tax)	**25.17%**	**5,022.97**	25.17%	10,162.67
Tax effect of:				
Earlier year tax	**0.30%**	**60.17**	0.72%	289.21
Non deductible expenses	**38.59%**	**7,701.66**	-1.21%	(488.82)
Deferred tax	**-34.90%**	**(6,965.00)**	2.88%	1,161.00
Total income tax expense for the year	**29.16%**	**5,819.79**	27.55%	11,124.06

d) Movement in deferred tax balances

(₹ in Lakhs)

Particulars	As on 1st April 2024	Recognised in profit or loss during 2024-25	As at 31 March 2025	Recognised in profit or loss during 2025-26	As at 31 March 2026
Property, plant and equipment & Other Intangible assets	(4,028.00)	156.00	(3,872.00)	132.00	(3,740.00)
Provision for impairment of investment	136.00	-	136.00	-	136.00
Provision for doubtful trade receivables	5,390.00	(215.00)	5,175.00	(316.00)	4,859.00
Provision for Other Current assets	2,762.00	(854.00)	1,908.00	(149.00)	1,759.00
Provision for Leave Salary	4,346.00	39.00	4,385.00	(139.00)	4,246.00
Provision for Contributory medical Scheme	1,788.00	(260.00)	1,528.00	655.00	2,183.00
Provision for Property Tax	261.00	(195.00)	66.00	252.00	318.00
Provision for pending legal cases	34.00	4.00	38.00	4.00	42.00
Provision for Onerous Contract	582.00	170.00	752.00	5,547.00	6,299.00
Provision for Unpaid Expenditure	77.00	(6.00)	71.00	979.00	1,050.00
Net deferred tax assets / (liabilities)	**11,348.00**	**(1,161.00)**	**10,187.00**	**6,965.00**	**17,152.00**

Note 11: Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Capital Advances	**170.10**	100.00
Less: Allowance for doubtful Capital Advances	**-**	-
Advances to Subsidiary - MAMC Industries Limited [refer Note no.39 (C)(ii)]	**-**	-
Advance MAMC consortium [see note (a) below]	**7,449.49**	7,375.60
Employee Advance	**124.62**	181.56
Prepayments	**55.69**	59.01
Stock - welfare items	**0.78**	-
Gold coins on Hand	**24.83**	10.11
Total	**7,825.51**	7,726.28

The Group has entered into a Consortium Agreement (MAMC Consortium) with M/s. Coal India Limited (CIL) and M/s. Damodar Valley Corporation (DVC) on 08.06.2010 for acquiring specified assets (the assets) of M/s. Mining and Allied Machinery Corporation Limited (under liquidation - MAMC Ltd). The Consortium members agreed upon a holding pattern of 48:26:26 for BEML,CIL and DVC respectively.

The Consortium paid the bid amount of ₹ 10,000 Lakhs as per the Order of the Honourable Kolkata High Court for the assets including ₹ 4800 Lakhs contributed by BEML. The assets are in possession of the Consortium. As per the directive of the Honourable Kolkata High Court, dated 05.03.2025, the sale certificates in respect of the assets of MAMC Ltd., have been issued by the Official Liquidator in favour of the Consortium.

As per the latest valuation report furnished by registered valuer, the fair value of MAMC assets is ₹ 17786.61 Lakhs and the company's share of 48% comes to ₹ 8537.57 Lakhs which is above the total advances paid to MAMC consortium.

The Group's outlay related to the consortium are:

(₹ in Lakhs)

Nature of Outlay	Presented in the Financial Statement	Amount as on 31.03.2026	Amount as on 31.03.2025
Advance to MAMC Industries Ltd.	Note 11 - Advance to related parties	624.01	605.38
BEML Contribution	Note 11 - Advance to MAMC Consortium	7,341.27	7,171.61
Receivables from Other Consortium Members	Note 11 - Advance to MAMC Consortium	108.22	203.99

Note 12: Inventories (Lower of cost and Net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials & Components	**93,618.44**	1,03,265.95
Less: Allowance for obsolescence - Raw Material	**(3,277.39)**	(4,181.42)
Raw materials & Components in Transit	**5,916.77**	2,313.22
Stores and Spares	**1,845.55**	2,381.66
Less: Allowance for obsolescence - Stores and Spares	**-**	-
Work-in-Progress	**86,414.60**	80,584.56
Less: Allowance for obsolescence - WIP	**(2,912.20)**	(4,499.87)
Finished Goods	**20,681.44**	24,586.06
Less: Allowance for obsolescence - Finished Goods	**(823.61)**	(1,644.17)
Finished Goods in Transit	**2,741.09**	3,457.44
Less: Allowance for obsolescence - Finished Goods in transit	**-**	-
Stock of Spares	**31,854.74**	34,982.72
Less: Allowance for obsolescence - Stock of Spares	**(5,183.39)**	(6,650.65)
Less: Allowance for shortages - Stock of Spares	**(61.63)**	(58.50)
Stock of Spares in Transit	**148.16**	1,051.73
Hand tools	**2,254.94**	2,184.04
Less: Allowance for obsolescence - Hand Tools	**(192.26)**	(116.21)
Scrap	**786.01**	279.55
Total	**2,33,811.26**	2,37,936.09

a. Inventories include items with sub contractors/service providers of ₹ 3715.40 Lakhs (Previous year ₹ 3748.68 Lakhs). Out of these, confirmation from the parties is awaited for ₹ 1331.16 Lakhs (Previous year ₹ 1037.71 Lakhs)

b. Raw materials in transit include ₹ 824.96 Lakhs (Previous year ₹ 1061.98 Lakhs) of materials received in the factory/depot for which quality clearance is pending.

c. The closing stock of work-in-progress and finished goods are stated at lower of standard cost, which approximates to actuals, and net realisable value. The difference between the actual cost of production and the standard cost is not material.

d. Variances arising on account of difference between standard cost and the actual cost, on account of change in the nature of inputs from bought-out to internally manufactured or vice versa, timing difference between standard cost and actual occurrence during the financial period and fluctuations in the material prices, is adjusted in the cost of production in order not to carry forward the period variances to subsequent financial period.

e. Allowance for obsolescence towards Raw materials, Stock of Spares, Work in progress, Finished goods and Handtools is based on ageing of inventory as per the Board approved provisioning norms.

Note 13: Current Investments

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Investments quoted/Unquoted	-	-
Total	-	-

Note 14: Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured		
Outstanding for period exceeding six months	**55,249.73**	41,899.69
Others	**1,91,492.45**	1,48,247.55
Sub-Total	**2,46,742.18**	1,90,147.24
Allowance for Expected Credit Loss	**(19,305.67)**	(20,559.44)
Total	**2,27,436.51**	1,69,587.81

Trade Receivable ageing schedule - As at 31 March 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,16,698.42	74,794.02	19,225.13	14,854.04	6,226.78	13,737.49	2,45,535.89
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	-	406.38	-	795.86	1,202.24
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit impaired	-	-	-	-	-	4.05	4.05
Sub - total	1,16,698.42	74,794.02	19,225.3	15,260.42	6,226.78	14,537.40	2,46,742.18
(vii) Provisions	794.81	1,819.32	1,325.43	2,495.26	925.07	11,945.79	19,305.67
Net Trade Receivables	1,15,903.61	72,974.71	17,899.70	12,765.16	5,301.72	2,591.61	2,27,436.51

Trade Receivable ageing schedule - As at 31 March 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	54,860.97	93,386.59	12,041.95	9,627.12	2,403.14	16,761.17	1,89,080.93
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – Credit impaired	-	-	406.38	-	19.93	350.96	777.27
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – Credit impaired	-	-	30.00	105.00	4.05	150.00	289.05
Sub - total	54,860.97	93,386.59	12,478.33	9,732.12	2,427.11	17,262.13	1,90,147.24
(vii) Provisions	110.01	2,497.14	2,209.16	1,498.52	425.21	13,819.40	20,559.44
Net Trade Receivables	54,750.96	90,889.44	10,269.7	8,233.60	2,001.90	3,442.73	1,69,587.81

For recognition of impairment provision, Expected Credit Loss has been created during the year on the Trade Receivables using simplified approach as per Ind AS 109.

The movement in the allowance for trade receivables/Expected credit loss is as follows:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Balance at the beginning of the year	**20,559.44**	21,414.80
Expected Credit loss recognised	**4,278.39**	3,982.87
Written off during the year	**(5,532.16)**	(4,838.23)
Balance at the end of the year	**19,305.67**	20,559.44

Note 14a: Contract Assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Rail & Metro	**71,549.81**	51,301.17
Total	**71,549.81**	51,301.17

Note 15: Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Banks	**677.19**	437.63
Total	**677.19**	437.63

Note 15a: Bank Balance Other than (Note 15) above

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Banks - Unclaimed/Unpaid Dividend	**131.22**	58.47
Fixed Deposits	**2,900.84**	-
Total	**3,032.06**	58.47

Cash and cash equivalents comprise the following:

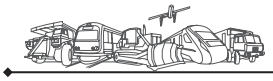
(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Banks	**677.19**	437.63
Less: Bank overdraft/Cash credit facility	**(29,199.14)**	(21,845.99)
Total	**(28,521.96)**	(21,408.37)

a. The Group earns no interest on balances with banks in current accounts.

b. Balances with banks include the following on which there were restrictions placed on use and / or held on behalf of third parties : ESCROW account balance to be distributed among consortium members ₹ 73.17 Lakhs (Previous Year - ₹ 107.39 Lakhs).

c. Out of the Cash Credit Limit of ₹ 120000 Lakhs sanctioned to the company by Consortium Bankers as a part of Secured working capital facilities, the amount drawn by the company as on 31st March 2026 is ₹ 29199.14 Lakhs (Previous Year - ₹ 21845.99 Lakhs).



Note 16: Current Loans

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Inter Corporate Loan - BEML Land Assets Limited	**1,189.85**	864.52
Secured Loans		
Loan to subsidiary - Vignyan Industries Limited	**-**	-
Interest Accured on loan to subsidiary	**-**	-
Total	**1,189.85**	864.52

Note 17: Current - Other financial assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit with service providers	**847.05**	546.73
Earnest Money Deposit	**30.17**	-
Total	**877.22**	546.73

Note 17a: Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Income Tax Refund	**1,527.60**	8,736.37
Tax Deducted at Source	**1,403.19**	973.31
Total	**2,930.79**	9,709.68

Note 18: Other Current Assets

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with Public Utility concerns	**700.11**	640.43
Less: Allowance for doubtful Balances with Public Utility concerns	**(165.91)**	(165.91)
Advance to Vendors	**23,155.72**	12,267.75
Less: Allowance for doubtful advances to Vendors	**(3,361.05)**	(3,421.76)
Employee Advance	**200.78**	231.18
Duties and Taxes	**1,554.59**	2,294.62
Prepayments	**5,103.55**	5,915.45
Claims receivable	**10,893.82**	8,888.72
Less: Allowance for doubtful claims	**(3,462.61)**	(3,990.82)
Stock - welfare items	**-**	0.78
Gold coins on Hand	**-**	14.72
GST on stock transfers	**963.16**	1,552.51
Total	**35,582.17**	24,227.66

Note 19: Equity share capital

(₹ in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Authorised :				
Equity Shares of ₹ 5 each (PY ₹ 10 each)	**200000000**	**10,000.00**	100000000	10,000.00
Issued :				
Equity Shares of ₹ 5 each (PY ₹ 10 each)	**83800000**	**4,190.00**	41900000	4,190.00
Subscribed :				
Equity Shares of ₹ 5 each (PY ₹ 10 each)	**83289000**	**4,164.45**	41644500	4,164.45
Paid-up :				
Equity Shares of ₹ 5 each (PY ₹ 10 each), fully paid-up	**83289000**	**4,164.45**	41644500	4,164.45
Forfeited Shares (amount originally paid) :				
Equity Shares of Paid-up value ₹ 2.5 each (PY ₹ 5 each)	**511000**	**12.77**	255500	12.77
Total		**4,177.22**		4,177.22

Rights and restrictions attached to equity shares

The group has only one class of share, i.e., equity shares having the face value of ₹ 5 per share after split w.e.f 03.11.2025 (Previous year ₹ 10 per share). Each holder of equity share is entitled to one vote per share. Dividend is paid in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the group, equity shareholders will be entitled to receive remaining assets of the group after distribution of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Disclosures requirement for 5 years	Number of Shares				
Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Shares allotted as fully paid up pursuant to contracts without payment being received in cash	**Nil**	Nil	Nil	Nil	Nil
Shares allotted as fully paid up by way of bonus shares	**Nil**	Nil	Nil	Nil	Nil
Shares bought back	**Nil**	Nil	Nil	Nil	Nil

Reconciliation of shares outstanding at the beginning and at the end of the period:

(₹ in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	No.of Shares	Amount	No.of Shares	Amount
Outstanding as at Opening Date	**4,16,44,500**	**4,164.45**	4,16,44,500	4,164.45
Add: Issued during the period (split from ₹ 10 to ₹ 5)	**4,16,44,500**	**-**	-	-
Less: Buy-back during the period (if any)	**-**	**-**	-	-
Outstanding as at Closing Date	**8,32,89,000**	**4,164.45**	4,16,44,500	4,164.45

Equity Shares held by shareholders having 5% or more	As at 31 March 2026		As at 31 March 2025	
Name of the shareholder	No. of Shares	% held	No. of Shares	% held
President of India	4,50,00,000	54.03%	2,25,00,000	54.03%
HDFC Trustee Company Limited	59,49,215	7.14%	31,27,809	7.51%

No shares of the group is held by its subsidiaries. The Company does not have any holding company.

No shares of the group is reserved for issue under options and contracts/commitments for the sale of shares / disinvestment.

The Board of Directors have approved an Interim Dividend of ₹ 2.50 per equity share i.e., 50% on equity shares of ₹ 5 each, on 06.02.2026 which is paid to Government of India on 18.02.2026 and to other eligible shareholders.

Shares held by promoters at the end of the year		As at 31 March 2026		% Change during the year
Sl. No.	Promoters Name	No. of Shares	% of total shares	NIL
1	President of India	4,50,00,000	54.03%	

Note 20: Non-current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Term Loan	-	-
Total	-	-
i (a) Lease Liability	1,499.52	907.17

Note 21: Non-current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit from vendors	112.63	112.63
Total	112.63	112.63

Note 22: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
for Leave Salary	10,994.36	12,353.10
for Gratuity	85.40	-
for Post retirement medical scheme	6,738.85	4,783.87
Provision-others		
for warranty	3,603.42	2,985.15
for unexpired obligations	6,767.06	6,731.96
Total	28,189.09	26,854.08

1. For movement in the provisions during the year refer Note no. 28
2. The provision for employee benefits represents annual leave and vested long service entitlements accrued.
3. Warranty provisions are recognised on a contract-by-contract basis for goods sold over the warranty period. The provision is based on estimates of probable likelihood of product failure and returns based on current sales level and past experience.
4. Provision for unexpired obligations is towards supply of Backup Spares against guaranteed availability contracts.

Note 23: Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Advances from customers	**91,340.13**	83,905.94
Staff related	**36.97**	35.96
Total	**91,377.10**	83,941.90

Advances from Customers include ₹ 280.17 Crs received from the Ministry of Defence (Customer) against a contract dated 31-10-2011 for supply of 204 Nos ARV WZT-3. The execution of the project is delayed due to non-supply of aggregates by the vendor. The Customer and BEML have agreed to short-close the project by reducing the quantities to be delivered. The process of refixing the sale price and ascertaining the current cost of production is underway. BEML does not have any liability towards this project other than the advance received from the customer.

Note 24: Current Borrowings

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Repayable on demand from banks		
Secured		
Cash Credit & Short Term Loans (secured by first charge by way of hypothecation of Inventories, Bills receivable, Book Debts and all other movables both present and future)	**29,199.14**	21,845.99
Lease Liability	**184.68**	109.83
Total	**29,383.83**	21,955.82

The group has utilised the borrowings from banks and financial institutions for the purpose for which it has been taken.

Quarterly statements/Results of assets filed by the group with banks or financial institutions are in agreement with the books of accounts and hence the need for reconciliation of differences if any does not arise.

Note 25: Trade Payables

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro & small enterprises	**21,933.61**	17,244.21
Total outstanding dues of other than micro & small enterprises	**80,484.64**	53,751.37
Total	**1,02,418.25**	70,995.58

Trade payables due for payment - As at 31 March 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSE	21,893.78	-	-	-	-	**21,893.78**
(ii) Others	44,249.70	34,291.70	83.73	67.79	311.58	**79,004.49**
(iii) Disputed dues - MSE	-	-	-	39.83	-	**39.83**
(iv) Disputed dues - Others	-	-	-	358.75	1,121.40	**1,480.15**
Total	**66,143.48**	**34,291.70**	**83.73**	**466.37**	**1,432.98**	**1,02,418.25**

Trade payables due for payment - As at 31 March 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSE	16,888.43	-	-	-	-	**16,888.43**
(ii) Others	26,952.33	23,937.24	506.16	152.84	583.91	**52,132.48**
(iii) Disputed dues - MSE	-	-	355.77	-	-	**355.77**
(iv) Disputed dues - Others	-	450.66	46.84	-	1,121.40	**1,618.89**
Total	**43,840.76**	**24,387.89**	**908.77**	**152.84**	**1,705.31**	**70,995.58**

Micro and Small Enterprises (MSE)

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

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Amount due and Payable at the year end		
- Principal	-	-
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	-
- Interest	-	-
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.	-	-

Note 25A: Contract Liability

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Rail & Metro	**1,742.29**	-
Total	**1,742.29**	-

Note 26: Current - Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deposit from vendors	6,036.17	2,822.59
Earnest Money Deposit from vendors	878.72	613.62
Unclaimed dividend	131.23	58.47
Financial Liabilities to Bank	38,781.02	8,852.36
Total	45,827.13	12,347.04

Note 27: Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Staff related dues	2,206.03	2,040.00
Statutory dues	10,617.51	10,043.17
Advances from customers	21,367.99	21,356.87
Service vendors	12,358.36	12,254.76
Civil contractors and Capital payments	473.48	124.61
Total	47,023.37	45,819.42

Statutory dues include an amount of ₹ 1262.56 Lakhs (Previous year ₹ 263.45 Lakhs) being property tax demand.

Note 28: Provisions

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
for Gratuity	3,390.45	2,186.76
for Leave Salary	5,875.33	5,068.06
for Performance Related Pay	3,003.84	4,025.30
for Post retirement medical scheme	2,778.94	2,118.43
for Officers Pension	1,975.23	1,941.04
Provision-others		
for pending legal cases	167.39	151.65
for warranty	4,570.84	5,483.25
for unexpired obligations	196.72	973.76
for onerous contract	25,024.15	2,987.12
for Unpaid Expenses	6,275.98	934.25
Total	53,258.88	25,869.61

Movement in Provisions

(₹ in Lakhs)

BEML	As at 01.04.2025			Additions	Utilization	Reversal	As at 31.03.2026		
	Non-current	Current	Total				Non-current	Current	Total
Gratuity	-	2,186.76	**2,186.76**	3,475.86	2,186.76	-	85.40	3,390.45	**3,475.86**
Leave Salary	12,353.10	5,068.06	**17,421.16**	4,894.40	5,445.87	-	10,994.36	5,875.33	**16,869.69**
Post retirement medical scheme	4,783.87	2,118.43	**6,902.30**	4,242.01	1,518.59	107.93	6,738.85	2,778.94	**9,517.79**
Performance Related Pay	-	4,025.30	**4,025.30**	600.00	1,462.16	159.30	-	3,003.84	**3,003.84**
Officers Pension	-	1,941.04	**1,941.04**	1,975.23	1,934.82	6.21	-	1,975.23	**1,975.23**
Pending legal cases	-	151.65	**151.65**	15.75	-	-	-	167.39	**167.39**
Warranty	2,985.15	5,483.25	**8,468.40**	4,579.99	3,424.93	1,449.20	3,603.42	4,570.84	**8,174.25**
Unexpired Obligation	6,731.96	973.76	**7,705.72**	196.72	938.66	-	6,767.06	196.72	**6,963.78**
Onerous contract	-	2,987.12	**2,987.12**	23,257.52	-	1,220.49	-	25,024.15	**25,024.15**
Unpaid Expenditure	-	934.25	**934.25**	6,275.98	295.58	638.67	-	6,275.98	**6,275.98**
Total	**26,854.08**	**25,869.61**	**52,723.71**	**49,513.47**	**17,207.37**	**3,581.79**	**28,189.09**	**53,258.88**	**81,447.97**

Note 29: Current tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for Income tax	**6,912.18**	9,751.70
Total	**6,912.18**	9,751.70

Note 30: Revenue from Operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Sale of products:		
Castings	**-**	-
Earth Moving Equipment	**75,831.31**	1,16,763.52
Rail & Metro Products	**87,425.89**	40,834.12
Defence Products	**1,34,362.57**	91,140.81
Exports (Incl. Deemed Exports)	**17,650.45**	29,881.51
Spare Parts	**87,032.91**	92,758.46
Sub-total - sale of products	**4,02,303.14**	3,71,378.43
(b) Sale of services;		
Equipment Servicing	**13,118.59**	12,545.00
Sub-total - sale of services	**13,118.59**	12,545.00
Sub-total - sale of products & services	**4,15,421.72**	3,83,923.43
(c) Other operating revenues		
Wind Energy	**1,267.87**	1,330.36
Sale of Scrap	**3,044.17**	3,084.48
Provisions written back :		
- Doubtful trade receivables & advances	**6,086.99**	6,045.12
- Onerous contract	**1,220.49**	1,306.34
- Inventory Obsolescence	**2,288.45**	-
- Warranty and unexpired obligation	**2,404.80**	1,974.55
- Others	**300.71**	607.07
Export incentives	**169.08**	351.88
Liabilities written back	**425.52**	787.11
Insurance claims	**207.45**	306.85
Recovery from Suppliers	**2,215.31**	2,505.07
Sub-total	**19,630.83**	18,298.84
(d) Inter Segment Sales	**-**	-
Revenue from operations	**4,35,052.55**	4,02,222.27

1. Revenue from operations does not include GST up to March 2026 amounting to ₹ 71203.93 Lakhs (Previous Year ₹ 78405.01 Lakhs).
2. Revenue from sale of products include ₹ 707.00 Lakhs (Previous year ₹ 118.31 Lakhs) on account of Sale of equipment on Bill and Hold basis recognised in accordance with IND AS - 115. This does not bear any custodian charges.

3. Revenue is recognized "over the period of time" on the contracts wherever transfer of control on goods/services and performance obligation satisfied over time. In case of Metro rail supply contracts for determination of transaction price for the purpose of recognizing revenue over the period of time, Input cost method has been considered. All other revenue is recognized "at a point in time" when control transfers. In Metro rail contracts where both train sets and spares are included in respect of train sets, revenue is recognised "over the period of time" basis wherever performance obligation is satisfied over time and in respect of spares revenue is recognised "at a point in time" basis.

4. Revenue from sale of products and services include revenue recognized "over the period of time" in respect of Contracts entered with Metro Rail Corporations for design, manufacture, supply, testing & commissioning of metro cars, ₹ 67647.33 Lakhs (Previous year ₹ 43963.87 Lakhs).

5. The aggregate amount of transaction price allocated to the performance obligation that are unsatisfied as of end of the reporting period are ₹ 5,55,947.05 Lakhs (previous year ₹ 4,47,133.41 Lakhs for Metro rail Contracts). The Company expects to recognize this revenue in subsequent years.

6. Following is the reconciliation of amount of revenue recognized in the statement of P&L on recognition of Contract Assets:

(₹ in Lakhs)

Particulars	2025-26	2024-25
Contract Asset as on 01.04.2025	**51,301.17**	65,174.39
Add: Recognized during the year	**67,647.33**	43,963.87
Total	**1,18,948.50**	1,09,138.27
Contract Assets Billed during the year	**(47,398.70)**	(57,837.10)
Contract Assets as on 31.03.2026	**71,549.80**	51,301.17

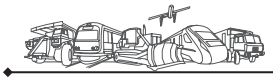
7. Following are the closing and opening balances of Receivables, Contract Assets and Contract Liabilities (which are measured under Input Cost Method):

(₹ in Lakhs)

Details	Balance as on 31.03.2026	Balance as on 31.03.2025
Receivables	**22865.75**	24840.25
Contract Assets	**71549.81**	51301.17
Contract Liability	**1742.29**	-

8. Payments under the Metro Supply Contracts are released by customers upon completion of milestones of Cost centres identified in the contracts.

9. Payments are released by customers under Equipment Rehabilitation and Aggregates Repairs Contracts upon completion of Repair/Rehabilitation, delivery and acceptance of the items at Customer site as indicated in the Contract.



10. Warranties: In respect of Metro rail Contracts, Defect Liability periods wherever applicable commence from the date of taking over of Train sets by the Customers. For Defence and Mining & Construction equipments Standard Warranty is provided as per the contract terms & conditions.

Note 31: Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Other Income		
Interest Income		
- From Loans to Subsidiary	-	-
- From Income tax refund	235.85	-
- Finance income on lease deposits	1.64	1.49
- From loans - BLAL	109.30	64.53
- Others	40.59	51.88
Net gain on sale of property, plant and equipment	170.47	288.55
Foreign exchange gain	1,513.98	1,153.59
Other non-operating income	872.39	812.67
Total	2,944.23	2,372.71

a. Tax Deducted at Source on Income

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Interest on Loan to Subsidiary	3.29	11.83
b) Inter Corporate Loans	10.93	6.45
c) Others	1.74	1.71

1. The group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year under Income tax Act, 1961.

2. **Details of Crypto currency or virtual currency:**

   The group has not traded in Crypto currency or virtual currency in the current financial year 2025-26.

Note 32: Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Cost of materials consumed	2,31,983.66	2,03,599.76

Note 33: Purchase of stock-in-trade

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of stock-in-trade	-	-

Note 34: Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Stock		
Finished goods	**26,399.32**	25,365.16
Work-in-progress	**76,084.68**	74,475.15
Reclassified to Raw materials(Stock of Spares)	**-**	(39.31)
Scrap	**279.55**	837.60
	1,02,763.56	1,00,638.60
Closing Stock		
Finished goods	**22,598.91**	26,399.32
Work-in-progress	**83,502.40**	76,084.68
Scrap	**786.01**	279.55
	1,06,887.33	1,02,763.56
(Increase) / Decrease		
Finished goods	**3,800.41**	(1,034.17)
Work-in-progress	**(7,417.72)**	(1,648.84)
Scrap	**(506.46)**	558.05
Total	**(4,123.77)**	(2,124.96)

Note 35: Employee benefits expense

(₹ in Lakhs)

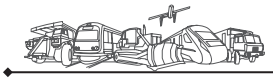
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, Wages & Bonus	**56,365.28**	59,340.48
Leave Salary	**4,894.40**	5,159.65
Contribution to:		
- Gratuity Fund	**5,943.85**	1,712.97
- Provident Fund and Other Funds	**7,616.54**	7,784.38
Post retirement medical scheme	**1,178.22**	1,373.70
Staff welfare expenses	**8,136.20**	7,836.41
- Less receipts	**628.13**	586.82
Net staff welfare expenses	**7,508.06**	7,249.60
Total	**83,506.35**	82,620.78

A. Indian Accounting Standard (Ind AS) 19, Disclosures on Employee Benefits are as follows:

a. Leave Salary

i. This is an unfunded employee benefit plan categorized under other long term employee benefits in terms of Ind AS 19. The obligation for compensated absence has been actuarially valued and liability provided accordingly.

Actuarial Assumptions	Current Year	Previous Year
	(Unfunded)	(Unfunded)
Mortality Table	**2006-08 (IALM)**	2006-08 (IALM)
	(Ultimate)	(Ultimate)
Discount Rate	**7.39%**	6.84%
Rate of escalation in Salary	**5.00%**	5.00%
Attrition rate	**2.00%**	2.00%



Changes in present values of Benefit Obligation are as follows: (₹ in Lakhs)

Actuarial Assumptions	Current Year	Previous Year
Present Value of Obligation at the beginning of the year	**17,421.17**	17,268.11
Interest Cost	**1,005.36**	1,082.50
Current service cost	**2,063.29**	2,005.63
Benefits paid	**(5,445.89)**	(5,159.65)
Actuarial Gain / (Loss) on Obligation	**(1,799.55)**	(2,224.58)
Present Value of Obligation at the end of the year	**16,843.49**	17,421.17

ii. As per Government Notification on the new Labour Codes, the obligation for compensated leave of Fixed Term Employees has been actuarially valued at ₹ 26.20 Lakhs and liability provided.

b. Post Retirement Medical Scheme

1. Employees

(i) The Group has a post retirement defined medical scheme where an insurance policy is taken by the group for providing mediclaim benefits to the superannuated employees and to the spouse of the deceased employee who opt for the scheme. The Group pays 90% insurance premium and the balance 10% is paid by the superannuated employees or the spouse of the deceased employee as the case may be.

(ii) The results of the actuarial study for the obligation of the medical benefit as computed by the actuary are shown below:

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumptions		
Discount rate	**7.39%**	6.84%
Range of compensation increase	**5.00%**	5.00%
Attrition rate	**2.00%**	2.00%
Components of income statement charge		
Current Service Cost	**124.02**	-
Interest Cost	**207.68**	512.96
Total income statement charge	**331.70**	512.96
Movement in Net Defined Benefit Liability		
Net obligation at the beginning of the year	**5,965.16**	7,104.66
Employer contributions	**(689.39)**	(869.36)
Total expense recognised in Profit or Loss	**331.70**	512.96
Total amount recognised in OCI	**(3,063.79)**	783.10
Net obligation at the end of the year	**8,671.26**	5,965.16

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Reconciliation of benefit obligations		
Obligation at beginning of the year	**5,965.16**	7,104.66
Current service cost	**124.02**	-
Interest cost	**207.68**	512.96
Benefits paid directly by the company	**(689.39)**	(869.36)
Actuarial gain / (loss) on obligations	**(3,063.79)**	783.10
DBO at the end of the year	**8,671.26**	5,965.16
Re-measurements		
Actuarial gain/(loss) due to changes in financial assumptions	**229.28**	(156.59)
Actuarial gain/(loss) on account of experience adjustments	**(3,293.07)**	939.69
Total actuarial gain/(loss) recognised in OCI	**(3,063.79)**	783.10

(iii) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumptions, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)

Particulars	Current Year	Previous Year
Discount rate		
+ 1.00% discount rate	**(420.01)**	(377.74)
- 1.00% discount rate	**476.36**	418.09
Premium cost		
+ 1.00% discount rate	**488.09**	421.58
- 1.00% discount rate	**(437.36)**	(387.54)

(iv) Experience adjustments

(₹ in Lakhs)

Particulars	Current Year	Previous Year
Defined benefit obligation	**8,671.26**	5,965.16
Experience adjustment on plan liabilities	**(3,194.21)**	(939.69)

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

2. Officers

For officers, from the year 2015-16 a new Post-Retirement Medical Scheme was introduced where a percentage of Basic salary and DA of officers is contributed to a separate fund and the fund arranges to provide medical insurance to retired officers. Group has contributed 3% of the Basic and DA of officers amounting to ₹ 846.53 Lakhs

during FY 2025-26 (Previous year ₹ 831.87 Lakhs) for the scheme. Group has no further liability other than the contribution to the fund. Hence the scheme is a defined contribution plan and no actuarial valuation is done. The Group pays 90% insurance premium and the balance 10% is paid by the superannuated executives or the spouse of the deceased executive as the case may be.

c. Interest Rate Guarantee on Provident Fund

Provident Fund Trust of the Group has to declare interest on Provident Fund at a rate not less than that declared by the Employees' Provident Fund Organisation. In case the Trust is not able to meet the interest liability, Group has to make good the shortfall. This is a defined contributory plan and the group has got the same actuarially valued and there is no additional liability that needs to be provided for the year.

Particulars	Current Year	Previous Year
	(Funded)	(Funded)
Discount Rate	**7.39%**	6.84%
Rate of escalation in Salary	**5.00%**	5.00%
Interest Rate Guarantee on Provident Fund	**8.25%**	8.25%

d. Officers Pension Scheme

Based on the guidelines of Ministry of Defence, Group has implemented "BEML Executive Superannuation (Pension) Scheme" for Officers of the Group. The National Pension System (NPS) has been incorporated in the exsisting Executives Superannuation (Pension Scheme) 2007 for the Pension benefit of the Executives of the Group. The Scheme is a defined contribution plan and the contribution made is being charged off in the year of contribution. Being a defined contribution plan no actuarial valuation is done.

e. Gratuity

(i) The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

(ii) As per Government Notification on the new Labour Codes, the obligation for employee benefits as computed by actuary towards Fixed Term employees is ₹ 114.60 Lakhs.

(iii) The additional liability due to change in gratuity ceiling effect for regular employees and retirees for the period October 2025 to March 2026 has been accounted.

(iv) The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

(₹ in Lakhs)

Actuarial study analysis	Current Year	Previous Year
Principal actuarial assumption		
Discount rate	**7.39%**	6.84%
Range of compensation increase	**5.00%**	5.00%
Attrition rate	**2.00%**	2.00%
Expected rate of return on plan assets	**6.84%**	7.22%
Components of income statement charge		
Current service cost	**1,565.95**	1,671.92
Interest cost	**74.79**	41.05
Recognition of past service cost	**3,831.35**	-
Settlement/curtailment/termination loss	**-**	-
Total Income statement charge	**5,472.08**	1,712.97
Movements in Net liability/(assets)		
Net liability/(assets) at the beginning of the year	**2,186.74**	1,137.15
Employer contributions	**(2,186.74)**	(1,137.17)
Total expenses recognised in profit or loss	**5,472.08**	1,712.97
Total amount recognised in OCI	**2,467.98**	(473.79)
Net liability/(assets) at the end of the year	**3,004.10**	2,186.74
Reconciliation of benefit obligations		
Obligation at start of the year	**37,006.97**	39,078.87
Adjustment to opening value of benefit obligation	**-**	0.03
Current service cost	**1,565.95**	1,671.92
Interest cost	**2,316.45**	2,570.21
Change due to Ceiling effect	**3,831.35**	-
Benefits paid directly by the company	**(6,281.41)**	(6,960.93)
Actuarial gain / (loss) on obligation	**2,206.09**	(646.87)
DBO at the end of the year	**36,233.22**	37,006.97
Re-measurements		
Actuarial gain / (loss) due to changes in financial assumptions	**940.51**	(856.09)
Actuarial gain / (loss) on account of experience adjustments	**1,527.48**	382.30
Total actuarial gain / (loss) recognised in OCI	**2,467.98**	(473.79)
Change in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**34,820.23**	37,941.86
Adjustment to opening fair value of plan assets	**-**	(0.11)
Interest on plan assets	**2,241.67**	2,529.16
Contributions made	**2,186.76**	1,137.17
Benefits paid	**(6,281.41)**	(6,960.93)
Actuarial gain/(loss) on plan assets	**261.89**	173.08
Fair value of plan assets at the end of the year	**33,229.14**	34,820.23

(v) Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

(₹ in Lakhs)

	Current Year	Previous Year
Discount rate		
Discount rate (CY +100 basis pts; PY +100 basis pts)	**(1,701.50)**	(1,725.04)
Discount rate (CY -100 basis pts; PY -100 basis pts)	**1,923.15**	1,949.85
Salary Increase		
Salary growth (CY +100 basis pts; PY +100 basis pts)	**1,103.58**	894.78
Salary growth (CY -100 basis pts; PY -100 basis pts)	**(1,229.34)**	(975.37)

(vi) Experience adjustments

(₹ in Lakhs)

	Current Year	Previous Year
Defined benefit obligation	**36,233.22**	37,006.97
Fair value of plan assets	**33,229.14**	34,820.23
(Surplus)/deficit in plan assets	**3,004.08**	2,186.74
Experience adjustment on plan liabilities	**1,527.48**	382.30
Actual return on plan assets (less) interest on plan assets	**261.89**	173.08

(vii) Investment details

The plan assets under the fund are deposited under approved securities as follows:

		Current Year	Previous Year
Investment with LIC	%	**100.00**	100.00

Note 36: Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense		
On Cash Credit & Short term loans	**4,302.44**	4,829.44
On Factoring Charges	**50.52**	430.23
On TReDS Payment	**46.04**	-
Interest on ROU asset	**129.19**	88.11
Others	**10.63**	83.29
Total	**4,538.81**	5,431.08

Ind AS 23 (Borrowing Costs)

The amount of interest capitalized during the Year is ₹ NIL (Previous Year - ₹ Nil).

Note 3,5: Depreciation and Amortization Cost

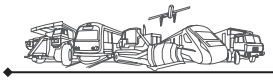
(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Property, Plant & Equipment	**6,909.61**	6,000.88
Right of Use Assets	**202.64**	126.94
Intangible Assets	**1,235.93**	1,005.97
Total	**8,348.18**	7,133.78

Note 37: Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spare parts	**892.35**	804.57
Consumable Tools	**1,083.05**	599.27
Power and fuel	**3,127.32**	3,537.43
Rent	**298.27**	246.22
Hire Charges	**1,235.23**	991.72
Repairs & Maintenance		
Machinery & Equipment	**1,056.60**	799.48
Buildings	**1,959.24**	1,735.82
Others	**2,480.09**	1,958.59
Stationery	**96.63**	120.43
Insurance	**1,380.00**	1,191.58
Rates & Taxes	**1,690.93**	702.60
Bank guarantee fee and other charges	**647.22**	859.05
Communication expenses	**292.66**	294.75
Commission on sales	**82.54**	286.90
Remuneration to Auditors (refer note 'a' below)	**31.69**	30.38
Legal & Professional Charges	**190.28**	87.06
Interest on Gratuity Payment	**2.82**	-
Travelling Expenses	**2,085.15**	2,183.20
Publicity & Public Relations	**920.26**	968.27
Loss on sale of property, plant and equipment	**28.34**	21.42
Defects & Spoilages	**72.42**	59.06
Works Contract Expenses	**13,152.53**	13,131.01
Expenses on Maintenance Contract	**2,960.55**	2,576.75
Sundry Direct Charges	**8,015.83**	6,960.79
Freight charges	**3,277.29**	4,018.77
Expenditure on CSR Activities	**727.45**	594.20
Inventory Obsolescence	**1,329.55**	874.08
Provision for doubtful trade receivables & advances	**4,319.32**	4,244.98
Provision for Onerous contract	**23,257.52**	2,000.11
Provision for Pending Legal cases	**15.75**	15.76
Warranty & Unexpired Obligations	**2,225.91**	1,997.96
Liquidated damages & other recoveries	**6,788.78**	1,847.89
Foreign exchange loss / (gain)	**-**	-
Miscellaneous expenses	**8,063.83**	11,818.33
Total	**93,787.39**	67,558.42



a. Break up of Remuneration to Auditors :

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) As Auditor	**24.20**	24.00
(b) For taxation matter	**3.59**	3.59
(c) Other Services - Certification Fees	**3.36**	2.66
(d) Reimbursement of Expenses	**0.54**	0.13
Total	**31.69**	30.38

Note 38: Exceptional Items

(₹ in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Income	-	-
Expenditure	-	-
Net Income/(Expenditure)	-	-

Note 39: Other Disclosures

A. Indian accounting standards (Ind AS) 33 - Earning per Share

Particulars	Current Year	Previous Year
Net Profit / (Loss) after Tax (₹ in Lakhs)	**14,136.37**	29,252.05
Average Number of Shares	**8,32,89,000**	4,16,44,500
Earnings Per Share (Basic and Diluted) - Face Value ₹ 5/- Per Share (Previous Year ₹ 10/- Per Share) (Amount in ₹)*	**16.97**	70.24

* Considering the split of shares from Face Value ₹ 10/- Per Share to ₹ 5/- Per Share w.e.f 3rd November 2025 the adjusted EPS for year ended 31st March 2025 is ₹ 35.12.

B. In terms of Notification No. S.O.802(E) dated 23-02-2018 of the Ministry of Corporate Affairs, the Board at its meeting held on 27.05.2016 has given consent with regard to non-disclosure of information as required under paragraphs 5(ii) (a) (1), 5(ii) (a) (2), 5(iii) and Para 5(viii) (a), (b), (c) and (e) of Part II to Schedule III of the Companies Act, 2013, in the Annual accounts for the Financial Year 2015-16 onwards.

C. **Indian accounting standards (Ind AS) 24 - Related Party Disclosures**

In accordance with the requirements of Ind AS 24, following are the details of the transactions during the year with related parties.

Name of the related party	Nature of relationship
BEML Land Assets Limited	Related Party u/s 2(76) of Companies Act,2013
Communication (Defence) Testing Foundation	Associate - Section 8 Company (Shareholding 25%)
Systems Testing and Research for Advanced Materials Foundation	Associate - Section 8 Company (Shareholding 20%)
UAS Testing Foundation	Associate - Section 8 Company (Shareholding 20%)
BEML Women Welfare Foundation	Related Party
BEML PF Trust	Employee benefit and administration trust fund
BEML Gratuity Trust	Employee benefit and administration trust fund
BEML Death-cum-Retirement Benefit Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Pension) Fund Trust	Employee benefit and administration trust fund
BEML Executive Superannuation (Benefit) Trust Fund	Employee benefit and administration trust fund
Shri. Shantanu Roy - Chairman & Managing Director	Key managerial personnel
Shri. Anil Jerath - Director (Finance)	Key managerial personnel
Shri. Debi Prasad Satpathy - Director (Human Resources) **	Key managerial personnel
Shri. Sanjay Som - Director (Mining & Construction) **	Key managerial personnel
Shri. Rajeev Kumar Gupta - Director (Rail & Metro) **	Key managerial personnel
Shri. Sachin Dighde - Director (Defence) *	Key managerial personnel
Smt. Urmi Chaudhury - Company Secretary **	Key managerial personnel

Transactions with related parties

i. Name of the Related party M/s. BEML Land Assets Limited

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Inter Corporate loan as on 31 March	**1,189.85**	864.52
Lease Rent Paid	**98.25**	-

ii. Name of Associate Company M/s. Communication (Defence) Testing Foundation.

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31 March (at cost)	**261.31**	261.31

iii. Name of Associate Company M/s. Systems Testing and Research for Advanced Materials Foundation.

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31 March (at cost)	**200.00**	20.00

iv. Name of Associate Company M/s. UAS Testing Foundation.

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Equity Investment held as on 31 March (at cost)	**300.00**	300.00

v. Name of the Related party M/s. BEML Women Welfare Foundation.

Details of Transactions (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Purchases made during the year	**34.86**	31.38

2. i.Remuneration to Key Managerial Personnel

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Shri. Shantanu Roy - Chairman & Managing Director	**79.15**	74.07
Shri. Ajit Kumar Srivastav - Director (Defence) **	**-**	78.07
Shri. Anil Jerath - Director (Finance)	**60.84**	60.53
Shri. Debi Prasad Satpathy - Director (Human Resources) **	**54.98**	40.91
Shri. Sanjay Som - Director (Mining & Construction) **	**54.54**	24.52
Shri. Rajeev Kumar Gupta - Director (Rail & Metro) **	**69.87**	32.32
Shri. Sachin Dighde - Director (Defence) *	**25.30**	-
Shri. Jai Gopal Mahajan - Company Secretary **	**-**	14.00
Smt. Urmi Chaudhury - Company Secretary **	**20.82**	14.32

ii. Details of remuneration of Key managerial personnel comprises the following

(₹ in Lakhs)

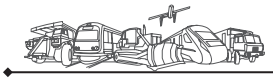
Shri. Shantanu Roy - Chairman & Managing Director	31 March 2026	31 March 2025
Short-term benefits	**69.19**	64.65
Post-employment benefits	**5.86**	5.55
Other long-term benefits	**4.10**	3.87
Termination benefits	**-**	-
Shri. Ajit Kumar Srivastav - Director (Defence) **	**31 March 2026**	**31 March 2025**
Short-term benefits	**-**	52.06
Post-employment benefits	**-**	3.87
Other long-term benefits	**-**	22.14
Termination benefits	**-**	-
Shri. Anil Jerath - Director (Finance)	**31 March 2026**	**31 March 2025**
Short-term benefits	**53.54**	53.56
Post-employment benefits	**4.25**	4.09
Other long-term benefits	**3.05**	2.88
Termination benefits	**-**	-
Shri. Debi Prasad Satpathy - Director (Human Resources) **	**31 March 2026**	**31 March 2025**
Short-term benefits	**47.73**	35.29
Post-employement benefits	**4.29**	3.28
Other long-term benefits	**2.96**	2.34
Termination benefits	**-**	-

Shri. Sanjay Som - Director (Mining & Construction) **	31 March 2026	31 March 2025
Short-term benefits	47.75	21.36
Post-employment benefits	3.95	1.81
Other long-term benefits	2.84	1.35
Termination benefits	-	-
**Shri. Rajeev Kumar Gupta - Director (Rail & Metro) ** **	**31 March 2026**	**31 March 2025**
Short-term benefits	60.67	27.95
Post-employment benefits	5.35	2.55
Other long-term benefits	3.85	1.82
Termination benefits	-	-
Shri. Sachin Dighde - Director (Defence) *	**31 March 2026**	**31 March 2025**
Short-term benefits	21.52	-
Post-employment benefits	2.17	-
Other long-term benefits	1.61	-
Termination benefits	-	-
Shri. Jai Gopal Mahajan - Company Secretary **	**31 March 2026**	**31 March 2025**
Short-term benefits	-	12.17
Post-employment benefits	-	1.05
Other long-term benefits	-	0.78
Termination benefits	-	-
Smt. Urmi Chaudhury - Company Secretary **	**31 March 2026**	**31 March 2025**
Short-term benefits	18.16	12.46
Post-employment benefits	1.55	1.07
Other long-term benefits	1.11	0.79
Termination benefits	-	-
Total	**31 March 2026**	**31 March 2025**
Short-term benefits	297.04	279.50
Post-employment benefits	25.25	23.27
Other long-term benefits	17.91	35.97
Termination benefits	-	-

* For part of the year in FY 2025-26.

** For part of the year in FY 2024-25.

3. Considering the wide scope of the definition of Related Party under section 2(76), Relative under section 2(77) and Key Managerial Personnel under section 2(51) of Companies Act, 2013 and the requirement under Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the disclosure with respect to Related Party transactions has been restricted to Subsidiary / Associate companies and to any other Related Party as declared by Directors and Key Managerial Personnel. Accordingly, the compliance with Related Party Transactions under section 188, Ind AS 24 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been made to the extent data is available with the group.



D. Indian Accounting standard (Ind AS) 37 - Provisions, Contingent liabilities and Contingent assets

1. Contingent liabilities

a. Claims against the group not acknowledged as debts.

i. Disputed statutory demands (Customs Duty, Central Excise, Sevice Tax, Sales Tax/VAT etc.,) - ₹ 22459.77 Lakhs (Previous year - ₹ 28377.93 Lakhs).

ii. Other claims - legal cases etc. ₹ 24213.19 Lakhs (Previous year - ₹ 13814.04 Lakhs).

b. Other money for which group is contingently liable - ₹ 52.89 Lakhs (Previous year - ₹ Nil).

c. Provisional Liquidated Damages on unexecuted customer orders where the delivery date has expired as of 31st March 2026 is ₹ 2240.20 Lakhs (Previous year - ₹ Nil).

d. CR No. 8/2014 Vignyan Industries Workers Union filed the Application on 23.05.2025 with Central Government Industrial Tribunal cum Labour Court, Bengaluru seeking compensation of Rs. 15,00,000 to each of the applicants / contract workers. Case was posted for further evidence of VIL's witness. The matter was posted for cross examination on 17.04.2026 and evidence is closed. Case posted for final arguments/ hearing on 18.05.2026.

2. Commitments

a. Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 16463.52 Lakhs (Previous Year ₹ 8902.49 Lakhs).

b. Uncalled liability on shares and other investments partly paid - ₹ Nil (Previous Year - ₹ Nil).

c. Other commitments (specify nature) - ₹ Nil (Previous Year - ₹ Nil).

d. MoD has directed BEML Ltd to initiate process for closure vide letter dated 07-07-2020 in accordance with the provisions of DPE Guidelines dtd. 14.06.2018 on time bound closure of sick /loss making CPSE. MOD vide letter dated 10 Sep 2021 intimated the decision of Union Cabinet for voluntary Liquidation of Vignyan Industries Limited.

e. As per the approval of CCEA dtd 10th September 2021, the Company is under Voluntary Liquidation and Official Liquidator has been appointed on 12.10.2021.

Notes

1. The group does not expect any cash outflow in respect of above contingent Liabilities.
2. It is not practicable to estimate the timing of cash flows, if any, in respect of matters referred in I (a) above pending resolutions of the arbitration / appellate proceedings.

E. Aggregate amount of Research & Development Expenses:

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Revenue Expenditure	**21,300.84**	8,523.36
Capital Expenditure	**3,833.88**	1,545.76

The aggregate amount of Research & Development expenditure recognised as expenses during the period is as below:

a. Research & Development Revenue Expenditure:

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Material Cost	262.54	220.38
Employee Remuneration	4,507.80	5,274.17
Depreciation	1,234.13	1,060.70
Power and Fuel	77.30	133.47
Rapairs and Maintenance	217.40	81.71
Consumables Tools	0.58	0.89
Travelling	108.07	185.27
Other Expenses	3,824.46	2,627.47
Cost of High Speed Rail Design Charges	2,119.80	-
Cost of Sales of Prototype sold -		
5RS DM	4,654.05	-
VBH including Variation	4,469.90	-
BG 1205	489.00	-
BD475L	111.47	-
BL40TH	107.52	-
LAMV	17.96	-
MMME	333.00	-
Total R&D Revenue Expenditure	22,534.97	9,584.07
Less: Depreciation	1,234.13	1,060.70
Net R&D Expenditure	21,300.84	8,523.36
Sale Value of Prototypes sold - (5RS DM, Vande Bharat, High Speed Rail, BG 1205 and MMME)	13,779.38	-

The aggregate amount of Research & Development Expenditure recognised as Capital Expenditure till 31st March 2026 is as below.

b. Research & Development Capital Expenditure

(₹ in Lakhs)

Particulars	Gross carrying value				Accumulated depreciation, amortisation and impairment				Net Carrying value	
	As at 01.04.2025	Additions during the Period	Deduction / Re-classification & Adjustments during the Period	As at 31.03.2026	As at 01.04.2025	For the Period	Deduction/Re-classification & Adjustments during the Period	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
Property, Plant and Equipment										
Land										
Free Hold	3.29	-	-	3.29	-	-	-	-	3.29	3.29
Lease Hold	-	-	-	-	-	-	-	-	-	-
Buildings	507.99	43.66	-	551.65	108.52	19.84	-	128.36	423.29	399.47
Plant and Equipment	1,771.43	705.80	(47.49)	2,429.74	1,038.11	141.49	(36.88)	1,142.72	1,287.02	733.32
Furniture & Fixtures	222.63	1.27	0.53	224.43	158.79	11.23	(3.43)	166.59	57.84	63.84
Vehicles										-
Given on Lease	60.80	-	7.00	67.80	32.60	3.12	2.76	38.48	29.32	28.20
Own Use	101.88	1.18	(8.14)	94.92	91.11	1.45	(6.83)	85.72	9.20	10.77
Office Equipment	87.15	11.13	(23.04)	75.24	51.14	10.19	(19.81)	41.53	33.71	36.01
Roads & Drains	22.03	-	-	22.03	1.92	2.04	-	3.96	18.07	20.11
Water Supply Installations	0.12	-	-	0.12	0.06	0.01	-	0.07	0.05	0.06
Electrical Installation	278.85	19.91	(0.11)	298.66	184.67	22.29	(0.11)	206.85	91.80	94.18
Computers and Data processing units	1,560.83	29.13	(37.73)	1,552.24	1,355.65	110.13	(42.99)	1,422.79	129.44	205.18
Intangible Assets										
Software	4,436.40	902.00	-	5,338.40	3,368.36	446.96	-	3,815.32	1,523.08	1,068.04
Technical Knowhow	5,994.67	-	-	5,994.67	5,353.49	465.38	-	5,818.87	175.80	641.18
Total	**15,048.08**	**1,714.08**	**(108.97)**	**16,653.18**	**11,744.42**	**1,234.12**	**(107.29)**	**12,871.26**	**3,781.92**	**3,303.65**
Previous Year	12,769.93	1,545.76	732.39	15,048.08	9,939.20	1,060.70	744.52	11,744.42	3,303.65	2,830.73

c. Research & Development - Intangible Asset under Development:

(₹ in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Technical Knowhow - HSR	2,119.80	
Total	**2,119.80**	-

F. Ind AS 108 (Operating Segments)

Vide Notification No. S.O.802(E) dated 23-02-2018 issued by Ministry of Corporate Affairs, exempted companies engaged in Defence Production from segmental disclosure as required under Ind AS 108 (Operating Segments), accordingly the disclosure requirements under Ind AS 108 has not been made.

G. Advances, Balances with government departments, Trade Payables and receivables, Other loans and advances and deposits classified under non current and current are subject to confirmation. There are certain old balances pending review / adjustment. The management does not expect any significant impact on such review assesment.

H. Figures of previous year have been regrouped/ reclassified/ recast wherever necessary to conform to current year's presentation.

I. Disclosures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements), the required information is given as under:

(₹ in Lakhs)

Particulars	Amount as on		Maximum amount outstanding during the year ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
i. Loans and Advances in the nature of loans:				
A. To Subsidiary Companies	-	-	-	-
B. To Associates / Joint Venture	-	-	-	-
C. To Firms / Companies in which directors are interested	**1,189.85**	864.52	**1,189.85**	864.52
D. Where there is no repayment schedule or repayment beyond seven year or no interest or interest below section 186 of Companies Act, 2013	-	-	-	-
ii. Investment by the loanee (as detailed above) in the shares of BEML and its subsidiaries	-	-	-	-

J. Indian Accounting Standard (Ind AS) 116 - Leases

a) The Group as a Lessee

The Group's significant leasing arrangements are in respect of operating leases and leased office premises. These lease arrangements, run for a period of 3 Years to 10 Years and are generally renewable by mutual consent.

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Not later than one year	-	0.78
Later than one year but not later than five years	-	1.79
Later than five years	-	-
Total operating lease commitments	-	**2.57**

b) The Group as a Lessor

The Group provides cars to employees who are eligible and enroll into such a scheme after completion of a specific period of service. Such leases are non-cancellable in nature and have been classified as operating leases.

Below are the details of carrying amounts of such vehicles recorded as property, plant and equipment:

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Carrying value of assets	**419.67**	547.00
Accumulated depreciation	**243.02**	277.99
Depreciation expense during the year	**67.61**	73.32

Future minimum lease receipts under non-cancellable operating leases in respect of leased cars are summarised below:

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Not later than one year	**71.37**	47.79
Later tha one year but not later than five years	**261.86**	199.19
Later than five years	**12.14**	41.81
Total operating lease commitments	**345.36**	288.79

c) Lease Income and Expenditure

The gross amounts of operating lease income and expenditure recognised in profit or loss is as below.

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Lease income	**56.63**	69.29
Lease expenditure	**216.83**	246.03

d) Impact of Ind AS 116 - RoU Assets

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Depreciation on RoU assets during the year	**202.64**	126.94
Finance cost of Lease Liabilty	**129.19**	88.11
Rent on ROU Asset	**266.58**	178.18
Gross value of RoU Assets	**2,049.09**	1,235.25
Net book value of RoU Assets	**1,460.16**	811.82
Lease liability as of 31st March	**1,681.29**	1,014.27
Impact on profitability in the current year	**(65.25)**	(36.87)

K. Fair values and Measurement principles

a) The carrying value and fair value of financial instruments by category are as follows:

(₹ in Lakhs)

Particulars	31 March 2026		31 March 2025	
	Carrying amounts		Carrying amounts	
	Fair value through profit or loss	Other Financial Assets - Amortised Cost	Fair value through profit or loss	Other Financial Assets - Amortised Cost
Financial assets measured at fair value:				
Forward exchange contracts	-	-	-	-
Financial assets not measured at fair value:				
Loans		1,207.67		880.71
Trade Receivables		2,27,436.51		1,69,587.81
Cash and Cash Equivalents		677.19		437.63
Other financial assets		962.18		683.42
	-	2,30,283.55	-	1,71,589.56
Financial liabilities measured at fair value:				
Forward exchange contracts	-	-	-	-
Financial liabilities not measured at fair value:				
Borrowings		29,199.14		21,845.99
Trade Payables		1,02,418.25		70,995.58
Other financial liabilities		47,623.97		13,476.67
	-	1,79,241.37	-	1,06,318.24

The Group has not disclosed the fair values for financial instruments, because their carrying amounts are a reasonable approximation of fair value.

b) The following table shows the fair values of assets and liabilities including their levels in the fair value hierarchy. It does not include fair value information for assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The Group's use of quoted market prices (Level 1), valuation model using observable market information as inputs (Level 2) and valuation models without observable market information as inputs (Level 3) in the valuation of securities and contracts by type of issuer was as follows:

(₹ in Lakhs)

Particulars	31 March 2026			31 March 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-
Financial liabilities measured at fair value:						
Forward exchange contracts	-	-	-	-	-	-

c) Measurement of fair values

Valuation techniques and significant unobservable inputs:

Particulars	Valuation technique	Significant unobservable inputs
Forward exchange contracts	The fair values is determined using unquoted forward exchange rates at the reporting date.	Not applicable

d) Transfers between the fair value hierarchy

There were no transfers in either direction in the fair value hierarchy during the year 2025-26.

L. Financial risk management

The Group is broadly exposed to credit risk, liquidity risk and market risk as a result of financial instruments.

The Group's Board of Directors has the overall responsibility for the establishment, monitoring and supervision of the Group's risk management framework. Treasury Management Team in the group takes appropriate steps to mitigate financial risks within the framework set by the top management. Derivative transactions are undertaken by a specialist team with appropriate skills and experience. Group do not trade in derivatives for speculation.

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from credit exposures from customers, cash and cash equivalents held with banks and current and non-current debt investments.

The Group regularly follow up the receivable to minimise losses arising from credit exposure from credit customers. Credit control assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Deposits and cash balances are placed with reputable scheduled banks.

The carrying amount of financial assets represents the Groupy's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Trade Receivables

The Group’s exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the management also considers the factors that may influence the credit risk of its customer base. Major Customers of the group are from Government Sector and Public Sector Companies, where credit risk is relatively low.

The management has established a system under which each new customer is analysed individually for creditworthiness before the Group’s standard payment and delivery terms and conditions are offered. The Group’s review includes external ratings, if they are available, and in some cases bank references.

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables based on factual information as on the Balance sheet date.

The maximum exposure to credit risk for trade receivables by geographic region was as follows.

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
India	**2,26,369.23**	1,66,532.59
Other regions	**1,067.28**	3,055.22
Total Trade receivables	**2,27,436.51**	1,69,587.81

At 31 March 2026, the Group's most significant customer, accounted for ₹ 98057.77 Lakhs of the trade receivables carrying amount (31st March 2025: ₹ 40913.39 Lakhs).

The movement in the loss allowance for impairment of trade receivables are disclosed in Note No. 14

The credit quality of the financial assets is satisfactory, taking into account the allowance for doubtful trade receivables.

The Group has not received any collaterals for receivables as at reporting date.

The impairment loss allowance at 31 March 2026 related to several customers that have indication that they may not pay their outstanding balances. The Group believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on the fact that major customers are Government department, PSUs and historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset, or the risk that the Group will face difficulty in raising financial resources required to fulfill its commitments. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity risk is maintained at low levels through effective cash flow management, low borrowings and availability of adequate cash. Cash flow forecasting is performed internally by forecasts of the Group's liquidity requirements to ensure that it has sufficient cash to meet operational needs, to fund scheduled investments and to comply with loan covenants.

To ensure continuity of funding, the Group primarily uses short-term bank facilities in the nature of bank overdraft facility, cash credit facility and short-term borrowings to fund its ongoing working capital requirements needs. The Group has also availed various non-current facilities in the form of secured redeemable debentures, secured term loans, inter-corporate loans against the Group's guarantee and soft loans from the Government for expansion projects and construction and development of capital assets.

Exposure to liquidity risk

The table below details the Group's remaining contractual maturity for its financial liabilities and derivative financial liabilities. The contractual cash flows reflect the undiscounted cash flows of financial liabilities and derivative financial liabilities based on the earliest date on which the Group can be required to pay.

(₹ in Lakhs)

Particulars	Contractual cash flows			Adjustments	Carrying amount
	1 year or less	1 year to 5 years	5 years or more		
31 March 2026					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	**29,199.14**	-	-	-	**29,199.14**
Trade payables	**1,02,418.25**	-	-	-	**1,02,418.25**
Other financial liabilities	**47,623.97**	-	-	-	**47,623.97**
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	1,79,241.37	-	-	-	**1,79,241.37**
31 March 2025					
Non-derivative financial liabilities					
Non-current Borrowings	-	-	-	-	-
Current Borrowings	21,845.99	-	-	-	21,845.99
Trade payables	70,995.58	-	-	-	70,995.58
Other financial liabilities	13,476.67	-	-	-	13,476.67
Derivative financial instruments					
Forward exchange contracts					
- Outflow	-	-	-	-	-
- Inflow	-	-	-	-	-
	1,06,318.24	-	-	-	1,06,318.24

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity / commodity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by the management.

The Group’s activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rate movements (refer to notes below on currency risk and interest risk). The Group enters into forward derivative contracts to manage risks of loss arising due to foreign exchange exposure. During the year ended 31 March 2026, therewas no change to the manner in which the Group managed or measured market risk.

(iv) Currency risk

Foreign currency risk is the risk arising from exposure to foreign currency movement that will impact the Group's future cash flows and profitability in the ordinary course of business. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities from procuring or selling in foreign currencies and obtaining finance in foreign currencies.

The Group is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Group is Indian Rupee. The Group uses forward exchange contracts to hedge its currency risk, mostly with a maturity of less than one year from the reporting date.

The Group does not use derivative financial instruments for trading or speculative purposes. Following is the information on derivative financial instruments to hedge the foreign exchange rate risk as on dates are as below:

31 March 2026

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

31 March 2025

(₹ in Lakhs)

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of recognized (liabilities) / assets	Forward contract	NIL	NIL	NIL	NIL
Hedges of highly probable forecast transactions		NIL	NIL	NIL	NIL

Exposure to currency risk

The currency profile of financial assets and financial liabilities as on dates are as below:

(₹ in Lakhs)

Particulars	INR	USD	EURO	JPY	CNY	SEK	GBP	SGD	CHF	ZAR
31 March 2026										
Financial assets (A)										
Cash and cash equivalents	458.97	218.14	0.07	0.01	-	-	-	-	-	-
Current investments	-	-	-	-	-	-	-	-	-	-
Trade receivables	2,26,369.22	850.36	216.92	-	-	-	-	-	-	-
Financial liabilities (B)	-	-	-	-	-	-	-	-	-	-
Trade payables	98,189.22	298.60	1,439.77	2,421.47	69.19	-	-	-	-	-
Other current financial liabilities	45,827.13	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	-	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	**82,811.83**	**769.89**	**(1,222.77)**	**(2,421.47)**	**(69.19)**	**-**	**-**	**-**	**-**	**-**
31 March 2025										
Financial assets (A)										

Particulars	INR	USD	EURO	JPY	CNY	SEK	GBP	SGD	CHF	ZAR
Cash and cash equivalents	334.41	103.17	0.05	-	-	-	-	-	-	-
Current investments	-	-	-	-	-	-	-	-	-	-
Trade receivables	1,66,532.59	3,022.78	32.44	-	-	-	-	-	-	-
Financial liabilities (B)										
Trade payables	69,404.58	622.11	851.66	33.29	69.19	-	14.75	-	-	-
Other current financial liabilities	12,346.46	-	-	-	-	-	-	-	-	-
Current maturities of long term debt	-	-	-	-	-	-	-	-	-	-
Net exposure to currency risk (A-B)	**85,115.96**	**2,503.84**	**(819.17)**	**(33.29)**	**(69.19)**	**-**	**(14.75)**	**-**	**-**	**-**

The following significant exchange rates have been applied during the year. (₹ in Lakhs)

Particulars	Average rate		Year-end spot rate	
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
USD	**-**	-	**94.82**	86.27
EUR	**-**	-	**109.53**	93.90
JPY	**-**	-	**59.78**	0.58
GBP	**-**	-	**125.98**	112.48

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars, Euro, Japanese Yen, the Pound and other currencies at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss 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)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
31 March 2026				
1% movement				
USD	(7.70)	7.70	(5.76)	5.76
EUR	12.23	(12.23)	9.15	(9.15)
JPY	24.21	(24.21)	18.12	(18.12)
CNY	0.69	(0.69)	0.52	(0.52)
SEK	-	-	-	-
GBP	-	-	-	-
SGD	-	-	-	-
CHF	-	-	-	-
ZAR	-	-	-	-
31 March 2025				
1% movement				
USD	(25.04)	25.04	(18.74)	18.74
EUR	8.19	(8.19)	6.13	(6.13)
JPY	0.33	(0.33)	0.25	(0.25)
CNY	0.69	(0.69)	0.52	(0.52)
SEK	-	-	-	-
GBP	0.15	(0.15)	0.11	(0.11)
SGD	-	-	-	-
CHF	-	-	-	-
ZAR	-	-	-	-

(v) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

Exposure to interest rate risk

The Group's interest rate risk arises from borrowings and loans made. Borrowings availed at fixed rates expose the Group to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

(₹ in Lakhs)

Particulars	Carrying amount	
	31 March 2026	31 March 2025
Fixed-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	-	-
	-	-

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in Lakhs)

Particulars	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	**100 bp increase**	100 bp decrease
31 March 2026				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-
31 March 2025				
Financial assets	-	-	-	-
Financial liabilities	-	-	-	-
Total Variable-rate instruments	-	-	-	-
Cash flow sensitivity (net)	-	-	-	-

(vi) Equity and commodity price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices of investments. The Group has no exposure to changes in the quoted equity securities price risk as it has investments in unquoted equity instruments only. The Group does not invest in commodities and is not exposed to commodity price risk.

M. Capital Management

The Group strives to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Board of Directors seek to maintain a balance between the higher returns and levels of borrowings and the advantages and security afforded by a sound capital position.

The Group's adjusted net debt to equity ratio is as follows. (₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Total borrowings [1]	**29,199.14**	21,845.99
Less: Cash and bank balances [2]	**(3,636.08)**	(388.70)
Adjusted net debt	**25,563.07**	21,457.29
Total equity	**2,93,310.59**	2,88,688.90
Less: Other components of equity	**(68.54)**	(47.75)
Adjusted equity	**2,93,242.05**	2,88,641.15
Adjusted net debt to adjusted equity ratio	**0.09**	0.07

1 Total borrowings comprises of long-term borrowings, short-term borrowing and bank overdraft facilities.

2 Cash and bank balances comprises of cash in hand, cash at bank and term deposits with banks excluding consortium member balances in ESCROW account, as disclosed under Note 15 (b) and balances with bank as unclaimed dividend.

N. Derivatives

Derivatives not designated as hedging instruments

The Group uses foreign currency forward contracts to manage its exposure to foreign currency fluctuations. These forward contracts are used to hedge foreign currency payables and other future transactions. However, these foreign exchange forward contracts are not designated as qualifying hedge instruments and are entered into for periods consistent with foreign currency exposure of the underlying transactions, and are generally for a term of 3 months to 12 months.

The Group has following outstanding forward contracts as on

31 March 2026 : JPY Nil (INR Nil) [Previous Year : JPY Nil (INR Nil)]

31 March 2026 : EUR Nil (INR Nil) [Previous Year : EUR Nil (INR Nil)]

31 March 2026 : USD Nil (INR Nil) [Previous Year : USD NIL (INR Nil)]

The fair value of foreign currency forward derivative is as below: (₹ in Lakhs)

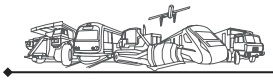
Particulars	31 March 2026 INR	31 March 2025 INR
Derivative assets		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-
Derivative liabilities		
Foreign exchange forward contracts (JPY)	-	-
Foreign exchange forward contracts (EUR)	-	-
Foreign exchange forward contracts (USD)	-	-
Total	-	-

The Group has unhedged foreign currency exposure of ₹ 4483.32 Lakhs (31 March 2025: ₹ 3440.24 Lakhs) for payables as at reporting date.

The Group has applied the principles of Ind AS 109 for the measurement of derivative financial instruments and has classified such derivative contracts as at fair value through profit or loss.

Disclosures for Ratios :

Description of the ratio	Explanation of the items included in numerator and denominator	Period/ Year ended	Numerator (₹ in Lakhs)	Denominator (₹ in Lakhs)	Ratio	% Variance	Explanation for variance
(a) Current ratio	Current assets / Current liabilities	Mar-26	5,77,086.85	2,86,565.93	2.01	-24%	
		Mar-25	4,94,669.76	1,86,739.17	2.65		
(b) Debt-equity ratio	Total debt / Shareholder's equity	Mar-26	29,199.14	2,93,310.59	0.1	25%	
		Mar-25	21,845.99	2,88,688.90	0.08		
(c) Debt service coverage ratio	Earnings available for debt service / Debt service	Mar-26	32,843.16	4,538.81	7.24	-26%	
		Mar-25	52,940.97	5,431.08	9.75		
(d) Return on equity ratio ('ROE')	Net profits after taxes / Average shareholder's equity	Mar-26	14,136.37	2,90,999.74	0.05	-55%	
		Mar-25	29,252.05	2,77,721.21	0.11		
(e) Inventory turnover ratio	Cost of goods sold / Average inventory	Mar-26	4,15,421.72	2,35,873.67	1.76	6%	
		Mar-25	3,83,923.43	2,31,763.24	1.66		
(f) Trade receivables turnover ratio	Net credit sales / Average accounts receivable	Mar-26	4,86,625.75	1,98,512.16	2.45	-17%	
		Mar-25	4,62,328.44	1,56,753.26	2.95		
(g) Trade payables turnover ratio	Net credit purchases / Average trade payables	Mar-26	2,18,672.07	86,706.91	2.52	-16%	
		Mar-25	2,20,061.61	73,478.70	2.99		
(h) Net capital turnover ratio	Net sales / Average working capital	Mar-26	4,15,421.72	2,99,225.75	1.39	6%	
		Mar-25	3,83,923.43	2,91,962.40	1.31		
(i) Net profit ratio	Net profit / Net sales	Mar-26	14,136.37	4,15,421.72	0.03	-63%	
		Mar-25	29,252.05	3,83,923.43	0.08		
(j) Return on capital employed ('ROCE')	Earning before interest and taxes / Capital employed	Mar-26	24,494.98	4,14,488.93	0.06	-45%	
		Mar-25	45,807.19	4,00,504.69	0.11		
(k) Return on investment ('ROI')	Net Profit / Share capital	Mar-26	14,136.37	2,93,310.59	0.05	-50%	
		Mar-25	29,252.05	2,88,688.90	0.1		
(l) Asset turnover ratio	Total Income / Total Assets	Mar-26	4,37,996.78	7,01,054.86	0.62	-10%	
		Mar-25	4,04,594.98	5,87,243.86	0.69		
(m) EBITDA as a % of Revenue	EBITDA / Revenue	Mar-26	32,843.16	4,37,996.78	0.07	-46%	
		Mar-25	52,940.97	4,04,594.98	0.13		
(n) Trade receivables as number of days of revenue from Operation	(Trade receivables/ Revenue from Operation) * 365	Mar-26	2,27,436.51	4,86,625.75	172	27%	For this Ratio Revenue from Operations considered is Revenue from sale of products & Services (Incl. GST).
		Mar-25	1,69,587.81	4,62,328.44	135		
(o)Exports as a percentage of Revenue from Operation	(Exports/Revenue from Operation)	Mar-26	17,650.45	4,15,421.72	4%	-50%	For this Ratio Revenue from Operations considered is Revenue from sale of products & Services.
		Mar-25	29,881.51	3,83,923.43	8%		
(p)Imports as a percentage of Revenue from Operation	(Imports/Revenue from Operation)	Mar-26	49,477.56	4,15,421.72	12%	-8%	For this Ratio Revenue from Operations considered is Revenue from sale of products & Services.
		Mar-25	49,591.24	3,83,923.43	13%		



O. Additional Disclosures :

i. The Group does not hold any benami property held under the Benami Transaction (prohibition) Act, 1988 (clause 45), hence the reporting clause on benami property in not applicable.

ii. The Group does not fall under the willful defaulter category, hence the reporting clause on willful defaulter in not applicable.

iii. The Group has not transacted with struck off companies in MCA during the year.

iv. The Group has complied with creation of charge and satisfaction of charge within the due dates and hence there are no non compliances to report.

v. Disclosures to CSR Activities

(₹ in Lakhs)

Particulars	Amount
(a) amount required to be spent during the year	708.73
(b) amount of expenditure incurred	727.45
(c) shortfall at the end of the year	-
(d) total of previous years shortfall	-
(e) reason for shortfall	-
(f) Nature of CSR activities : 1. Donation for Providing Education to Local Population 2. Free Mobile Medical Service 3. Contribution to Armed Forces Flag Day Fund 4. Eradication of TB in assoication with Ministry of Health and Family welfare 5. Mid Day Meal Programme for eradicating hunger - The Akshaya Patra Foundation 6. Establishing a Yatri shed for visitors - Kaushalya Foundation, Patna 7. Construction of dormitory halls and toilets for girls hostel at Shri Vedic Mission Trust 8. Installation of Solar Power Backup Systems in ST Girls' Hostels at Kalinga Kusum Foundation 9. Construction of additional floor at Dayananda Gurukulam at Ananthapur 10. Distribution of 125KV Diesel Generator and Green DG set to Anju Bobby Sports Foundation	
(g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	-
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	-

vi. There are no charges or satisfaction pending to be registered with ROC beyond statutory period.

vii. Group has complied with the number of layers as prescribed under section 2(87) of Companies Act read with the companies (Restriction on number of layers).

viii. During the current year as well as previous year, 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 Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

During the current year as well as previous year, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
CA Varalakshmi Murali	**ANIL JERATH**	**SHANTANU ROY**
Partner	**Director (Finance)**	**Chairman & Managing Director**
Membership No.: 028863	**(DIN 09543904)**	**(DIN 10053283)**

Sd/-
URMI CHAUDHURY
Company Secretary

Place: Mysuru
Date: 29.05.2026

Form AOC-I

Part "A" : Subsidiaries

Statement pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 relating to Subsidiaries

Sl. No.	Name of Subsidiary Company	Vignyan Industries Limited	MAMC Industries Limited
1	Reporting period of the Subsidiary Company	31.03.2026	31.03.2026
2	Reporting currency of Foreign Subsidiary	-	-
3	Exchange rate as on 31.03.2026	-	-
4	Share Capital (₹ in Lakhs)	278.97	5.00
5	Reserves & Surplus (₹ in Lakhs)	2,640.32	(228.02)
6	Total Assets (₹ in Lakhs)	2,920.52	404.03
7	Total Liabilities (₹ in Lakhs)	1.23	627.05
8	Investments (₹ in Lakhs)	-	-
9	Turnover Gross (₹ in Lakhs)	-	-
10	Profit before taxation (₹ in Lakhs)	58.07	(9.60)
11	Provision for taxation (₹ in Lakhs)	662.48	-
12	Profit after taxation (₹ in Lakhs)	(604.41)	(9.60)
13	Proposed Dividend	-	-
14	% of Shareholding	96.56%	100.00%

Note:

a. MAMC Industries Ltd is yet to commence operation.

b. As per CCEA approval dtd 8th September 2021, M/s Vignyan Industries Ltd, a subsidiary of BEML is under Voluntary Liquidation and Official Liquidator has been appointed on 11.10.2021.

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associate / Joint Ventures	
1	Latest audited Balance Sheet Date	Not Applicable
2	Shares of Associate / Joint Ventures held by the company on the year end	
	No.	
	Amount of Investment in Associates / Joint Venture	
	Extend of Holding %	
3	Description of how there is significant influence	
4	Reason why the associate / joint venture is not consolidated	
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

As per our report of even date attached
For G Natesan & Co
Chartered Accountants
Firm Registration Number: 002424S

For and on behalf of the Board of Directors

Sd/-	Sd/-	Sd/-
CA Varalakshmi Murali	**ANIL JERATH**	**SHANTANU ROY**
Partner	**Director (Finance)**	**Chairman & Managing Director**
Membership No.: 028863	**(DIN 09543904)**	**(DIN 10053283)**

Sd/-
URMI CHAUDHURY
Company Secretary

Place : Mysuru
Date : 29.05.2026

Independent Auditors' Report

We are issuing this revised audit report which supersedes our earlier report dated 29 May 2026 concurring to the opinion of the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013 only with respect to certain disclosures in the financial statements as stated in the Other Matter paragraph.

To the Members M/s BEML Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **M/s. BEML Limited** ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March 2026, and the consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow for the year then ended, and notes to the Consolidated IND AS financial statements, including a summary of Material Accounting Policy Information and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and on consideration of report of other auditors on Standalone Financial Statements and other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, of consolidated profit including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) 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 Consolidated Ind AS Financial Statements section of our report.

We are independent of the Group and in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated 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 and the evidence obtained by other auditors in terms of their reports referred to in the "Other matter section" below is

sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

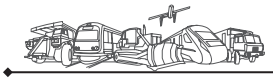
We draw attention to Note No. 11 to the consolidated Ind AS financial statements regarding the holding company's outlay on the MAMC Consortium.

We draw attention to Note 3B(vii)(a) to the consolidated Ind AS financial statements regarding possibility of surrender of the leased land due to non-compliance by the subsidiary company MAMC Industries Ltd to the terms of allotment by the Government of West Bengal.

Our opinion is not modified in respect of the above matters.

Key Audit Matters

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



Key Audit Matter	How our audit addressed the Key Audit Matter
1.Provision for Onerous Contracts: The Group enters into long-term contracts for manufacture and supply of products / equipment, some of which involve extended execution cycles, customer approvals, inspection milestones and exposure to changes in material prices, labour costs, directly attributable overheads, foreign exchange rates and delivery schedules. Under Ind AS 37, a provision is recognised when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received from that contract. The assessment involves significant management judgement in estimating costs to complete, expected recoveries / escalations, costs of non-performance, expected completion timelines, and foreign currency denominated revenues and costs. We consider this matter to be a key audit matter because the amount recognized is significant and due to high degree of estimation uncertainty involved in determining the unavoidable costs and economic benefits associated with such contracts **Reference:** Note # 37: Onerous Contract Provision (Expenditure for the year - ₹ 23,257.52 lakhs. Note # 28: Provision for Onerous Contracts @ 31.03.2026 - ₹ 25,024.15 lakhs. Accounting Policy: P	Our audit procedures included the following: - Obtained an understanding of management's process and tested the design and operating effectiveness of relevant controls over identification, assessment and measurement of onerous contracts. - Tested, on a sample basis, contracts executed and under execution, including review of contract terms, pricing arrangements, delivery schedules, escalation / variation clauses, penalty clauses and foreign currency terms. - Compared management's estimated costs to complete with, bill of materials, purchase orders, service orders, latest procurement prices, technical estimates, production plans, historical cost trends and subsequent cost experience, where available. - Assessed whether the costs considered as unavoidable costs were directly related to fulfilling the contracts and were determined consistently with the requirements of Ind AS 37. - Evaluated management's assumptions relating to expected completion dates, production efficiencies, design changes if any, material and labour cost estimates, overhead absorption and expected recoveries /escalations. - Tested the exchange rates used for foreign currency denominated revenue and cost components and checked the mathematical accuracy of the computation. - Evaluated whether impairment indicators existed for assets dedicated to such contracts before recognition of the onerous contract provision. - Assessed the adequacy of the related disclosures in the standalone financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
2. Capitalization of property, plant and equipment, intangible assets and capital work-in-progress The Group has incurred during the year substantial capital expenditure on infrastructure and capacity expansion, technology upgradation, refurbishment / improvement of existing facilities and long-gestation projects. Determining whether expenditure meets the recognition criteria for capitalisation under Ind AS 16 and Ind AS 38 involves judgement, particularly in distinguishing capital expenditure from revenue expenditure, identifying directly attributable costs, ascertaining the need for capitalisation of borrowing costs, determining the point at which an asset is ready for its intended use, and assessing the appropriateness of amounts classified as capital work-in-progress. We consider this matter to be a key audit matter because of the significance of the balances and additions during the year, and because management judgement is involved in capitalisation, commencement of depreciation / amortisation and assessment of long-outstanding capital work-in-progress. Reference: Additions to PPE & Intangible Assets during the year: Rs 17,964.47 lakhs. CWIP @ 31.03.2026-Rs 27,632.71 lakhs	Our audit procedures included the following: - Obtained an understanding of management's process for initiation, approval, recording and monitoring of capital expenditure and evaluated the accounting policies adopted by the Company with reference to Ind AS 16 and Ind AS 38. - Tested the design and operating effectiveness of relevant controls over approval of capital expenditure, recording of additions, transfer from capital work-in-progress and commencement of depreciation / amortisation. - Tested, on a sample basis, additions to property, plant and equipment, intangible assets and capital work-in-progress by inspecting purchase orders, invoices, goods receipt records, work completion certificates, technical approvals, commissioning documents and trial run / readiness certificates, as applicable. - Evaluated whether expenditure was appropriately classified as capital or revenue with reference to the nature of expenditure, underlying technical assessment and the expected future economic benefits. - Assessed whether directly attributable costs and eligible borrowing costs were capitalized were consistent with the requirements of applicable Ind AS and whether items not eligible for capitalisation were expensed. - Reviewed ageing of capital work-in-progress, status of major projects, delays, cost overruns and management's assessment of impairment indicators in respect of long-pending projects. - Evaluated the appropriateness of useful lives, residual values and depreciation / amortization commencement dates based on management's assessment and technical evaluation, where applicable. - Assessed the adequacy of the related disclosures in the standalone financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
3. Estimation and accounting of liquidated damages and other customer recoveries The Company's contracts with customers include clauses for liquidated damages in the event of delayed delivery and other recoveries for specified deficiencies. The Company's products generally involve extended manufacturing periods, design approvals and inspection by customers at various stages, which may result in delays in certain cases. Management estimates liquidated damages with reference to contractual terms, expected or actual delivery dates, period and cause of delay, customer approvals / waivers, contractual caps, correspondence with customers, past experience and subsequent settlements. Depending on the substance of the contractual terms, such amounts are accounted for as provision / expense for contracts executed during the year. The LD for contracts to be executed before the end of the financial year but delayed is stated as Contingent Liability. Other recoveries are recognized when the customer makes the deduction. We consider this matter to be a key audit matter because the amount recognised is significant and the estimate involves judgement in assessing contractual obligations, probability of levy / waiver and the appropriate accounting treatment. Reference: Liquidated Damages expensed: ₹6,788.78 lakhs. Liquidated Damages @ 31.03.2026 on contracts pending execution:-Contingent Liability: ₹ 2,240.20 lakhs	Our audit procedures included the following: - Obtained an understanding of management's process and tested relevant controls over identification, monitoring, estimation and accounting of liquidated damages. - Selected samples of customer contracts and inspected the relevant clauses relating to delivery obligations, liquidated damages rates, contractual caps, waiver provisions and other relevant terms. - Compared management's assessment of period of delay with production records, dispatch records, customer inspection reports, delivery documents, correspondence with customers and subsequent settlement / waiver evidence, where available. - Evaluated management's assessment of causes of delay, enforceability of liquidated damages clauses, probability of levy or waiver, and expected settlement amount. - Tested the mathematical accuracy of the computation, including period of delay, rate of liquidated damages, contractual caps and amounts already recovered / deducted by customers. - Evaluated whether the accounting treatment as provision / expense was consistent with the substance of the contracts and applicable Ind AS requirements. - Performed subsequent event procedures by reviewing post year-end customer correspondence, deductions, settlements and waivers, where relevant. - Assessed the adequacy of the related disclosures in the standalone financial statements.

Key Audit Matter	How our audit addressed the Key Audit Matter
4. Accounting treatment of subsidiary under liquidation One of the subsidiaries included in the consolidated financial statements is under liquidation and a liquidator has been appointed. The subsidiary has disposed of substantially all its operating assets and its remaining assets primarily comprise bank fixed deposits pending settlement of certain employee-related litigations and ultimate distribution to shareholders. The subsidiary's financial statements have been prepared on a going concern basis and have been considered for consolidation by the Holding Company. Management has represented that the impact of liquidation proceedings does not materially affect the Group's ability to continue as a going concern.	Our audit procedures included evaluation of the status of liquidation proceedings, review of pending litigations, assessment of disclosures in the consolidated financial statements and consideration of the component auditor's report.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report included in the Annual Report but does not include the Consolidated Financial Statements and auditor's report thereon, which we obtained prior to the date of this auditors' report, and the Management Discussion and Analysis and Board of Directors' Report along with its Annexures, which is expected to be made available to us after that date.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair

view of the consolidated financial position, consolidated financial performance, including consolidated other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group, in accordance with the IND AS specified under section 133 of the Act and accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective companies 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the group to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements of the Group, 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

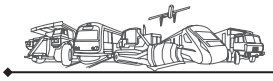
Act,2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the holding company.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Holding Company and/or its Subsidiaries and to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

1. We did not review the financial information of the two subsidiaries included in the audited consolidated financial results, whose financial information reflects total assets of ₹ 2,920.52 lakhs as at March 31, 2026 and, total revenues of ₹ 221.75 lakhs for the year ended March 31, 2026 for Vignyan Industries Limited and total revenue loss of ₹ 9.60 lakhs for the year ended March 31, 2026, and total assets of ₹ 404.03 lakhs as at March 31, 2026 for MAMC Industries Limited as considered in the Statement. This financial information has been audited by other auditors whose reports have been furnished to us and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us.

2. The Holding Company has made investments in Communication (Defence) Testing Foundation, UAS Testing Foundation and Systems Testing and Research for Advanced Materials Foundation, which are not-for-profit companies registered under Section 8 of the Companies Act, 2013. These entities have not been considered for consolidation in the consolidated financial statements, as the Holding Company does not exercise control over these entities nor does it have rights to variable returns from its involvement, other than the equity investment.

3. The Holding Company held a 45% share in the operations of a JV Company M/s. BEML Mid-West Ltd at a cost of ₹ 542.25 lakhs. The Honourable Hyderabad Bench of NCLT vide its order dated 20.10.2023 has directed liquidation of the JV company in accordance with Chapter III of the IBC Code. A Resolution Professional has been appointed. The Holding Company ceased to have any control or influence over the JV company and therefore ceased to be an associate.

4. We draw attention to the fact that as on March 31, 2026, the Board of Directors of the Holding Company comprised one Nominee Director and two Independent Directors and six Executive Directors including the Chairman & Managing Director. Subsequent to the year end and up to the date of approval of the financial statements, the cessation of tenure of the Independent Directors resulted in the Board comprising of one Government Nominee Director and six Executive Directors including the Chairman & Managing Director. The composition of the Board is not in terms of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and not in terms of section 149 of the Companies Act, 2013 due to non-appointment of requisite number of Independent Directors on the Board of the Holding Company. The Company has intimated the Ministry of Defence, Government of India and awaits suitable orders.

5. Consequent to the Holding Company incorporating certain changes in the disclosures contained in Notes to the financial statements, pursuant to the observations arising from the supplementary audit conducted by the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013, we are issuing this Amended Independent Auditor's Report, which supersedes our earlier Independent Auditor's Report dated 29 May 2026.

   The aforesaid changes are restricted to disclosures in the Notes to the financial statements and do not have any impact on the amounts reported in the Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income or the Statement of Cash Flows, or on our opinion expressed on the financial statements.

   Our audit procedures subsequent to 29 May 2026 were restricted solely to the amendments to the disclosures described above.

   Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirement

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 of the aforesaid consolidated Ind AS financial statements.

b) In our opinion proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as appears from our examination of those books and the report of the other auditors;

c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued there under;

e) As per notification No. GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the Holding Company and its Subsidiaries.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in the "Annexure A".

g) The provisions of Section 197 are not applicable to the holding company (in terms of MCA Notification NO.GSR 463 (E) dated 05th June 2015) as the managerial remuneration is paid as per the appointment letter from the Government of India, and no director remuneration was paid by the subsidiary companies, and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - [Refer Note 39(D)(1)(a)(i) & (ii)].

ii. The Group has made provisions as required under Ind AS for material foreseeable losses on long-term contracts- ₹ 23,257.52 lakhs (Previous Year - ₹ 2,000.11 lakhs). The Group does not have any derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The respective managements of the Holding Company and its Subsidiaries have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its Subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Holding Company and its Subsidiary have represented that, to the best of their knowledge and belief, no funds have been received by the Holding Company and its Subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures performed by us that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above contain any material misstatement.

v. a) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act as applicable to the extent it applies to payment of dividend. No dividend has been declared by the subsidiary companies.

b) The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report for the financial years 2024-25 and 2025-26 are in accordance with section 123 of the Companies Act, 2013.

(c) The Board of Directors of the holding company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance

with section 123 of the Act, as applicable to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks and that performed by the auditors of one of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, the holding company and one of its subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit and the auditor of one of the subsidiaries did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention. The auditor of the other subsidiary has reported that the subsidiary has not used any accounting software that has a feature of recording audit trail.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and issued by auditors of the companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For G Natesan & Co,
Chartered Accountants,
FRN: 002424S

Sd/-
CA Varalakshmi Murali
Partner, M. No: 028863
UDIN: 26028863WDHMDL7973
Place: Chennai
Date: 17.07.2026

Annexure A to the Independent Auditors' Report (Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to consolidated financial statements of M/s. BEML Limited ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") as of March 31, 2026 in conjunction with our audit of the consolidated IND AS financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries which are companies incorporated in India is responsible for establishing and maintaining Internal Financial Controls with reference to Consolidated Financial Statements based on the internal financial control over financial reporting criteria established by the Company considering the essential components of 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 with reference to Consolidated Financial Statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, 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 Group's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountancy of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other Auditors in terms of their Reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system with reference to Financial Statements of the Group.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

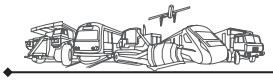
Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best our information and according to the explanation given to us and based on the consideration of the reports of the other auditors, the Group has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3) (i) of the act on the adequacy and operating



effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to subsidiaries as at 31-03-2026 which are companies incorporated in India, is based on the corresponding report of the auditor of such companies incorporated in India.

For G Natesan & Co,
Chartered Accountants,
FRN: 002424S

Sd/-
CA Varalakshmi Murali
Partner, M. No: 028863
UDIN: 26028863WDHMDL7973
Place: Chennai
Date: 17.07.2026

By Speed Post
Confidential

Insp-1/BEMLAccs/2025-26/26-27/191

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

30.07.2026

दिनांक / DATE _____

To
Shantanu Roy,
Chairman and Managing Director,
BEML Limited,
BEML Soudha, S.R. Nagar,
Bangalore – 560 027.

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 **BEML Limited, Bengaluru** for the year ended 31 March 2026.

I forward "**Nil Comments**" Certificates of the Comptroller and Auditor General of India under section 143(6)(b) on the Financial Statements of **BEML Limited, Bengaluru** for the year ended 31 March 2026.

It may please be ensured that the comments are:

(i) Printed in toto without any editing;

(ii) Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index; and

(iii) Placed before the AGM as required under Section 143(6) (b) of the Companies Act, 2013.

The receipt of this letter may please be acknowledged.

Yours faithfully.

K. Jyothi Priya

(K. Jyothi Priya)
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) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BEML LIMITED, BENGALURU FOR THE YEAR ENDED 31 MARCH 2026

The preparation of consolidated financial statements of **BEML Limited, Bengaluru** 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 auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 17 July 2026, which supersedes their earlier Audit Report dated 29 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **BEML Limited, Bengaluru** for the year ended 31 March 2026 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of BEML Limited, Bengaluru and Vignyan Industries Limited, Tarikere for the year ended on that date. **Further, section 139(5) and 143(6)(b) of the Act are not applicable to BEML Midwest Limited, Hyderabad, being private entity for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditor nor conducted the supplementary audit of this Company.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

In view of the revisions made in the Statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to statutory auditor's report under section 143(6) (b) read with section 129(4) 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: 30 July 2026

Corporate Data

BOARD OF DIRECTORS:

FUNCTIONAL DIRECTORS:

Shri Shantanu Roy
Chairman & Managing Director

Shri Debi Prasad Satpathy
Director (HR)

Shri Rajeev Kumar Gupta
Director (Rail & Metro Business)

Shri Sanjay Som
(Director (Mining & Construction Business)

Shri Sachin Dighde
Director (Defence Business)

Government Nominee Director:

Dinesh Mahur

Additional Secretary (DP) & CVO
Ministry of Defence

Independent Directors:

Smt. Promila Kundara

Shri. Shankar Lal Agarwal

Shri. Karunakaran Nambiar K

CHIEF VIGILANCE OFFICER

Shri Sajid Farid Shapoo

EXECUTIVE DIRECTORS

1. Shri Sundaresan S
2. Shri Ganesh Govinda Raju Macharla
3. Shri Yogananda G
4. Shri Om Prakash Singh
5. Shri K Shekhar
6. Shri Akhil Kumar
7. Commdr. Raghupati Gopal Krishna Rao

CHIEF GENERAL MANAGERS:

8. Shri Praveen Kumar Mathpal
9. Shri Abenezer Samir Khess
10. Shri Shivakumar Hg
11. Shri Sandeep Manohar Matey
12. Shri Subrahmanyeswara Rao T T
13. Shri Shobit Gupta
14. Shri Vasudeva Talari
15. Shri Lingaraj V Viraktamath
16. Shri Patil R A S
17. Smt. Gayathri PV
18. Shri Aparup Sinha
19. Shri Murali Mohan G
20. Brig. T Srinivasa Rao (RETD)
21. Brig. Vivek Kohar (RETD)
22. Shri Paritosh Pandey
23. Shri Sudharshan M
24. Shri Basavaraj N Navalgund
25. Shri Vidhyadharan M.K
26. Shri Subramani R
27. Shri Anbazhagan P
28. Shri Jitendra Kumar
29. Shri Ajeet Pratap Srivastava
30. Shri C V Mallikarjuna Reddy
31. Smt. Shobha Sivasankaran

GENERAL MANAGERS:

32. Smt. Neena Singh
33. Shri Rajaiah G
34. Shri Ganesh D S
35. Shri Manohar Motagi
36. Shri Hemant Kumar T
37. Shri Asok Ram
38. Shri Jayakumar H C
39. Shri Chandra Shekhar Singh
40. Shri Bhagepalli Mohan Gururaj
41. Shri A Pandian
42. Shri Babu Reddy G
43. Shri Shaik Anwar Basha
44. Shri Thirunavukarasan S
45. Shri A Santhosh Kumar
46. Shri Prabhakar S
47. Shri Prabhakar G

BANKERS:

1. State Bank of India
2. Canara Bank
3. Axis Bank
4. Bank of Baroda
5. Bank of India
6. Indian Bank
7. IDBI Bank
8. HDFC Bank
9. Union Bank of India
10. Deutsche Bank
11. Federal Bank
12. ICICI Bank

STATUTORY AUDITORS:

M/s. G Natesan & Co,

Chartered Accountants

Chennai

COST AUDITORS:

M/s R M Bansal and Co.,

Cost Accountants

Bengaluru

SECRETARIAL AUDITORS:

M/s. MMA & Partners (Formerly known as M/s Manish Mishra & Associates)

Practicing Company Secretaries

Lucknow

REGISTRAR & SHARE TRANSFER AGENT:

M/s Kfin Technologies Limited

Hyderabad

OFFICES:

Registered, Corporate Office,

"BEML SOUDHA",

No. 23/1, 4th Main,

Sampangiramanagar

Bengaluru – 560027

CIN No. L35202KA1964GOI001530

Trading & Marketing Division:

"BEML SOUDHA",

No. 23/1, 4th Main,

Sampangiramanagar

Bengaluru – 560027

International Business Division

Flat No. E,F,G,H, Vandana 11th Floor,

11 Tolstory Marg, Cannought Place,

New Delhi, 110001

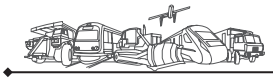
UNITS:

Bengaluru Complex:

P B No. 7501

New Tippasandra Post

Bengaluru - 560075



KGF Complex:

BEML Nagar

Kolar Gold Fields - 563115

Mysuru Complex:

Belvadi Post

Mysore - 570018

Palakkad Complex:

KINFRA Park

Menon Para Road

Kanjikode East

Palakkad -678621

Subsidiary Companies:

Vignyan Industries Limited

Haliyur, BH Road,

Tarikere Post -577228

MAMC Industries Limited

No. 35/1-A, Taratala Road

Kolkata -700088

Joint Venture Company:

BEML Midwest Limited

C-91, BEML Janatha Flats,

Punjagutta, Hyderabad- 560082

Zonal Offices:

1. Nagpur
2. Kolkata
3. Hyderabad

Regional Offices:

1. Bilaspur
2. Hyderabad
3. Kolkata
4. Mumbai
5. Nagpur
6. New Delhi
7. Ranchi
8. Sambalpur
9. Singrauli
10. Chennai

District Offices:

1. Ahmedabad
2. Asansol
3. Bacheli
4. Bhilai
5. Bhubaneswar
6. Chandrapur
7. Dhanbad
8. Guwahati
9. Hospet
10. Jammu
11. Kothagudem
12. Leh
13. Neyveli
14. Ramagundam
15. Udaipur
16. Pune
17. Vishakapatnam

Service Centres:

1. Bilaspur
2. Hyderabad
3. Kolkata
4. Singrauli

Activity Centres

1. Bhopal
2. Itanagar
3. Kochi
4. Maihar
5. Panjim
6. Likabali

Warehouse for Defence:

1. Pune

BEML
Beyond Possibilities

Powering India's Future

Through Indigenous Engineering

From cutting-edge combat platforms to next-gen mobility systems.
BEML delivers innovation built for a stronger India.



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बी ई एम एल
BEML
Beyond Possibilities



BEML LIMITED

Schedule 'A' Company under Ministry of Defence, Govt. of India

Regd. Corporate Office:

BEML Soudha, 23/1, 4th Main, SR Nagar, Bangalore, India - 560 027

T: +91 80 2296 3142 | 2296 3211

Email: cs@bemlltd.in