

2025-26

5th ANNUAL REPORT



BLAL

BEML LAND ASSETS LIMITED

BEML LAND ASSETS LIMITED

(CIN: L70109KA2021G01149486)

Schedule 'C' Company under Ministry of Defence, GoI

www.blal.in

CORPORATE VISION, MISSION AND VALUES



VISION

"To be the most trusted and innovative asset management company in India, recognized for our commitment to excellence, and the ability to navigate dynamic financial markets. We aspire to contribute significantly to the growth and prosperity of our clients, employees, and stakeholders through sustainable investment practices."



MISSION

"To empower individuals and institutions in India to achieve their financial goals by providing superior asset management solutions. We are committed to delivering consistent returns, fostering financial literacy, and building lasting partnerships based on trust and transparency."



VALUES

- **Integrity:** We adhere to the highest ethical standards, conducting ourselves with honesty and transparency. We prioritize the interests of our clients and stakeholders above all else.
- **Client-Centricity:** Our clients are at the center of everything we do. We strive to understand their unique needs, provide personalized solutions, and build long-term relationships based on trust and reliability.
- **Excellence:** We pursue excellence in all aspects of our operations, from investment strategies to client service. We set high standards for ourselves and continuously strive to exceed expectations.
- **Teamwork:** We recognize the strength of collaboration and encourage diversity. By fostering a collaborative and inclusive work environment, we leverage the collective expertise and talents of our team to deliver superior results.
- **Continuous Learning:** We encourage a culture of continuous learning and development, both individually and collectively. Staying informed about market trends, regulatory changes, and industry best practices is essential to our success.



Chairman's Message



Dear Shareholders,

It gives me great pleasure to present the 5th Annual Report of BEM Land Assets Limited (BLAL). The year under review has been one of steady progress and important milestones as we continued to strengthen the foundations of the Company and advance our long-term vision. With a strategically located and geographically diversified land portfolio, BLAL is uniquely positioned to participate in India's next phase of urban and infrastructure-led growth.

As the nation continues to invest in modern infrastructure, urban transformation, and economic development, we see significant opportunities to create value through the responsible management and development of our land assets. Guided by a commitment to sustainability, transparency, and good governance, we are laying the groundwork for a future-ready enterprise that can contribute meaningfully to the evolving urban landscape while delivering long-term value to our stakeholders.

The progress achieved during the year reflects our focus on building a strong platform for growth, unlocking the potential of our assets, and positioning BLAL to capitalize on emerging opportunities in a rapidly transforming economy. As we move forward, we remain confident in our ability to translate our vision into tangible outcomes and create lasting value for generations to come.

Strengthening the Foundation for Future Growth

A key priority for the Company has been the transfer of title deeds pertaining to its properties, a critical step in enabling the effective management, development, and





One of our key initiatives is the proposed development of approximately 88 acres of land in Bengaluru, for which a pre-feasibility study is currently underway. Conceived as an "Urban Oasis," this development is envisioned as a vibrant destination that integrates culture, leisure, commerce, and community experiences within a thoughtfully planned environment.

The project seeks to create a one-stop destination that enriches the urban fabric and enhances the quality of life while contributing to the city's long-term development. We believe such developments can serve as catalysts for economic activity, employment generation, and sustainable urban growth.

Positioned for India's Urban Transformation

India's real estate sector has evolved into a key pillar of the nation's economic development. Driven by urbanization, infrastructure expansion, industrial growth, and rising demand across residential, commercial, and industrial segments, the sector has become an important catalyst for investment and employment generation.

The sector continues to benefit from strong policy support and sustained investments in highways, freight corridors, waterways, airports, metro rail networks, and other critical infrastructure projects. In addition, the emergence of City Economic Regions (CERs) is creating integrated hubs that combine employment, housing, and social infrastructure, driving urban expansion beyond traditional city boundaries.

Simultaneously, the rapid development of industrial clusters in Tier-2 and Tier-3 cities is creating new growth corridors and expanding demand for both rental and ownership-driven real estate.

These developments present a favourable environment for companies such as BLAL, which possess strategically located land assets capable of supporting future urban and economic growth.

Transparency, Governance and Responsible Development

India's real estate sector has undergone a significant transformation in recent years, characterized by stronger regulatory oversight, enhanced financial discipline, and increased digital transparency.

Developers today operate within a framework of greater accountability, supported by robust compliance mechanisms and improved governance standards. These reforms have strengthened confidence among homebuyers, investors, and other stakeholders, resulting in a more transparent and resilient industry.



BLAL is fully aligned with these evolving standards. We remain committed to conducting our business with the highest levels of integrity, transparency, and accountability. These principles are fundamental to our operating philosophy and essential to building long-term stakeholder trust.

Sustainable Growth and Asset Optimization

At BLAL, our vision is to emerge as a trusted and leading real estate company by creating sustainable, innovative, and value-driven developments that enhance communities and enrich lives.

In pursuit of this vision, the Company is focused on the optimal utilization of its available assets. We have identified opportunities to offer certain land parcels on lease for commercial activities, thereby enabling revenue generation while ensuring productive utilization of available resources.

At the same time, we continue to explore additional avenues for monetization and development of registered properties, subject to the approval of the Board, DIPAM, and the Administrative Ministry. Our objective is to create long-term value while ensuring prudent asset management and sustainable growth.

Environmental stewardship remains integral to our approach. We are committed to promoting sustainable conservation of natural resources and encouraging their efficient utilization in all future development initiatives.

The Road Ahead

As we look to the future, BLAL stands at the threshold of a new phase of growth and opportunity. With a strong and diversified asset portfolio, growing operational momentum, progressing title transfers, and emerging development prospects, the Company is well positioned to unlock significant value in the years ahead.

Our focus remains on responsible development, disciplined execution, and sustainable growth. We are committed to leveraging our land assets in a manner that aligns with market opportunities while upholding the highest standards of governance and stakeholder responsibility.

We remain confident that the foundations we are building today will enable BLAL to create enduring value and contribute meaningfully to India's evolving urban and economic landscape.



Partners in Our Progress

I would like to express my sincere gratitude to the Government of India, the Ministry of Defence, the Department of Investment and Public Asset Management (DIPAM), and all our stakeholders for their continued trust, guidance, and support. Their confidence and encouragement continue to inspire us as we pursue our long-term vision.

I also place on record my deep appreciation to my fellow Board Members and the dedicated employees of BEM Land Assets Limited. Their professionalism, commitment, and unwavering efforts have enabled the Company to advance confidently and seize emerging opportunities.

We further express our gratitude to the Indian Army, the Indian Navy, the Indian Air Force, and all allied administrative and defence establishments for their continued support and encouragement.

As we move forward, we remain guided by a clear purpose—to unlock the potential of our assets responsibly, create sustainable value, and contribute to India's growth story. The opportunities before us are significant, and with a strong foundation in place, we are confident in our ability to transform vision into reality and build a lasting legacy for future generations.

Warm Regards,

Sd/-

Shantanu Roy

Chairman & Managing Director
BEM Land Assets Limited





BOARD OF DIRECTORS



Shri Shantanu Roy
Chairman & Managing Director

Shri Shantanu Roy (DIN: 10053283) assumed charge as the Chairman and Managing Director of BEML Land Assets Limited on February 01st, 2024 and subsequently his tenure extended by Ministry of Defence from 01st February 2026 up to one year, bringing with him over 33 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 Land Assets Limited towards a future defined by innovation, sustainability, and global competitiveness.

**BOARD OF DIRECTORS**

Shri Anil Jerath,
Non-Executive Director



Shri Anil Jerath (DIN-09543904) is appointed as Non-Executive Director on the Board of the Company w.e.f. 01.02.2024. Subsequently Ministry of Defence extended the tenure of appointment of Shri Anil Jerath (DIN-09543904) as Non-Executive Director on the Board of BLAL w.e.f. 01.02.2026 upto the date of his superannuation, i.e., 31.08.2026. He is a Cost & Management Accountant from the Institute of Cost Accountants of India. Before joining BEML, he has worked as the Additional Director at Chhattisgarh State Electricity Board (CSEB), Raipur and has worked at Bharat Aluminium Company Limited (BALCO), Korba. He has rich & varied experience of 35 years in Government, Public & Private Sectors with wide exposure in all aspects of Accounting & Financial Management, Accounts Finalisation and Audit, Tax Planning and Tax Management, analysing the financial viability of new ventures/new projects and forecast the amount of project finance/fund requirement, conceptualizing and implementing financial procedures including working capital management, internal financial controls and target costing. He is also a Director (Finance) on the Board of M/s BEML LIMITED.

**BOARD OF DIRECTORS****Smt. Rolley Mahendra Varma**

Government Nominee Director



Smt. Rolley Mahendra Varma (DIN:09579478) appointed as a Government Nominee Director by Ministry of Defence w.e.f. 27.04.2026 in place of shri Rakesh Kumar Government Nominee Director whose term expired on 31.01.2026.

She is a Science Graduate and holds a Masters in Journalism. She joined IOFS cadre, Ministry of Defence, Ordnance Factory Board in the year 1994. She is currently posted as Head of Indigenisation Division, Department of Defence Production, Ministry of Defence. In addition, she had served in various capacities in the Ministry of Defence, Ordnance Factory Board, Ministry of Information and Broadcasting, Central Vigilance Commission, Niti Aayog and Small Arms Factory, Kanpur. She has a vast and rich experience of over 32 years in wide array of fields like financial matters of employees, vigilance matters, functioning of media units, policy matters related to infrastructure connectivity and mobility, etc.



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**BOARD'S REPORT TO SHAREHOLDERS FOR FY 2025-26**

Your Board of Directors have pleasure in presenting the 05th Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31.03.2026 as under:

FINANCIAL RESULTS

(₹ in Lakhs)		
Particulars	2025-26	2024-25
Revenue from Operations	98	-
Value of Production	-	-
Profit / (Loss) before Depreciation, Interest and Tax	(205)	(291)
Finance costs	109	77
Depreciation and amortization expense	9	8
Profit / (Loss) Before Tax	(323)	(375)
Tax Expense (Deferred Tax)	324	-
Other Comprehensive Income	-	-
Total Comprehensive Income / (Loss) of the year	1	(375)
Net worth	112	111

REVENUE FROM OPERATIONS

Your Company has entered a MOU for leasing of properties at Bangalore and Mysore with BEM Land Assets Limited and started earning rental income w.e.f. 01.01.2026 onwards Quarterly lease rent of Rs. 98.25 lakhs (per quarter) are received and accounted during the year.

TRANSFER TO GENERAL RESERVE

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

DIVIDEND

During the year under review, no dividend is declared on the Equity Shares as the Company has incurred loss.

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

There was no change in the Authorized and Paid-up Share Capital of the Company during the year under review.

FINANCE

The day-to-day expenditure and statutory payments are met through inter-corporate loan taken from BEML Limited as per the approval by the Board of Directors of both the Companies.

INTERNAL FINANCIAL CONTROLS

There are adequate Internal Control Systems present in the Company. The adequacy of Internal Financial Controls over financial reporting is covered by the Statutory Auditors in their Independent Auditor's Report.

FIXED DEPOSITS

The Company has not accepted any deposits during the year and there is no unpaid deposits and/ or interest on deposits as on 31.03.2026.

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 financial statements.

DEMERGER OF IDENTIFIED SURPLUS ASSETS FROM BEML LIMITED TO BEML LAND ASSETS LIMITED

As part of proposed strategic disinvestment of BEML Limited (BEML), based on the advice of Inter-Ministerial Group, Government of India, BEML had 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 which are not part of BEML strategic disinvestment. For demerger, transfer and vesting of identified surplus/ non-core assets, BEML incorporated "BEML Land Assets Limited" (BLAL) on 15.07.2021.

Later on, Petition was filed with Ministry of Corporate Affairs (MCA) for approval of Scheme of Arrangement and on 28.07.2022, MCA had passed order approving the Scheme of Arrangement for demerger of "BEML Land Assets Limited" (Resulting Company). In terms of Scheme of Arrangement, the identified surplus/non-core assets of BEML had been transferred at its book value to BEML Land Assets Limited on the appointed day of demerger that is on 25.08.2022.





In compliance with MCA order, BEM Limited had fixed 09.09.2022 as record date for issuing shares of Resulting Company in the ratio of 1:1 to all shareholders of BEM Limited whose name were recorded in the Register of Members on the above said date. Further, the said shares were listed on both stock exchanges (BSE & NSE) and trading has started on 19.04.2023.

The President of India, through the Department of Defence Production, Ministry of Defence, currently holds a 54.03% equity stake in BLAL. The Company has been classified as a Schedule 'C' CPSE as of 22.01.2024, in accordance with Department of Public Enterprises guidelines for categorizing CPSEs created for asset management post-disinvestment.

Company's properties are located in 12 Cities and 10 States across India. The title for transfer of the said properties are in progress. Central Government has amended section 8G of the Indian Stamp Act, 1899 granting exemption on payment of stamp duty for transfer of title deeds from one Government company to another Government company in the demerger process. Pursuant to the above, all State Governments have granted exemption from stamp duty except Government of Karnataka (GoK) which has granted 50% exemption and hence taken up with GoK once again for 100% stamp duty exemption. Notably, the title registration for properties in Bhopal (Madhya Pradesh) New Delhi , Chennai , Goa and Kochi have been completed successfully on 21.03.2025, 08.04.2025 , 21.05.2025, 31.12.2025 and 28.04.2026 respectively.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Your Company being a listed CPSE, the President of India is vested with the power to appoint / extend the term of appointment of the Directors of the Company from time to time and also shall determine the terms of office of such Directors. Accordingly, the term of appointment of the following Directors has been extended, appointed and ceased to be a Director on the Board of your Company as per the directives of the President of India:

(A) Extension of Chairman and Managing Director:

(i) Shri Shantanu Roy (DIN: 10053283):

Initially, The term of appointment has been extended as Chairman & Managing Director (CMD) on the Board of BEM Land Assets Limited (BLAL) w.e.f. 01.02.2025 for a period of one year and accordingly the tenure has ended on 31.01.2026.

Later on, The Ministry of Defence (MoD) vide letter No. 8(2)/2019 -D(BEML)/(M&P) dated 07.05.2026, communicated the extension of the additional charge of Shri Shantanu Roy (DIN-10053283) CMD of BEM limited as Chairman & Managing Director (CMD) on the Board of BEM Land Assets Limited (BLAL) for a period of one year to be reckoned w.e.f. 01.02.2026 to 31.01.2027

(ii) Shri Anil Jerath (DIN: 09543904):

Initially, the term of appointment has been extended as Non-Executive Director of the Board of BEML Land Assets Limited (BLAL) w.e.f. 01.02.2025 for a period of one year and accordingly the tenure has ended on 31.01.2026.

Later on, The Ministry of Defence (MoD) vide letter No.8(2)/2019-D(BEML) dt. 16.02.2026, communicated the extension of additional charge of the post of Director, BLAL to Shri Anil Jerath, Director (Finance), BEML Limited w.e.f. 01.02.2026 to 31.08.2026

(iii) Appointment of Rolley Mahendra Varma (DIN: 09579478)

Vide The President of India vide letter No.8(32)/2019-D/(Coord/DDP) dated 27.04.2026 Smt Rolley M. Varma (DIN: 09579478) appointed w.e.f 27.04.2026 in place of Shri Rakesh Kumar (DIN:10503071) Government Nominee Director whose term expired on 31.01.2026.

(iv) Dr. M.V. Natesan (DIN: 09408491), Independent Director

Dr. M.V. Natesan (DIN: 09408491) has been Appointed as Independent Director of the Company and assumed the charge w.e.f. 17.04.2025 and his tenure has ended on 17th April, 2026.

The aforesaid appointments would be placed before the shareholders in the ensuing AGM for approval. Further, no Director shall retire by rotation during the period under review.

(v) KMP - Appointment and Cessation :

Appointment of Smt. Bharti Ramchandani as Company Secretary and Compliance Officer on 21.04.2026 in place of Mr. Ravisekhar Rao S V whose Tenure completed on 20.04.2026 as Company Secretary and Compliance officer.

NUMBER OF MEETINGS OF BOARD

During the year, four meetings were held on 30.04.2025, 30.07.2025, 03.11.2025 and 23.01.2026 respectively. Requirements on number and frequency of meetings, in terms of Section 173(1) of the Companies Act, 2013, Regulation 17(2) of the Listing Regulations and Para 3.3.1 of the DPE Guidelines, were complied with in full.



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 had 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 and loss 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.

CONSTITUTION OF BOARD COMMITTEES

In view of the appointment of Dr. M.V. Natesan as an Independent Director on the Board of the Company w.e.f. 17.04.2025, your Company has constituted mandatory Board Committees viz., Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee during April 2025. The independent Director was ceased to be a Director of the Company w.e.f. 17.04.2026 and hence the said committees become inoperative.

ENTERPRISE RISK MANAGEMENT

Your company has formulated Risk Management policy and the same is placed on the website of the Company at <https://www.blal.in/wp-content/uploads/2023/01/08.Risk-Management-Policy-final.pdf>.

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. The said policy is placed on the web-site of the Company at https://www.blal.in/wp-content/uploads/2023/01/06.BLAL_RPT.pdf.

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-I**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The details on conservation of energy and technology absorption are not applicable since the Company business is to lease out its properties as on date. The foreign exchange earnings and outgo is nil during the FY 2025-26.

MANPOWER

The number of employees of the Company as on 31.03.2026 stood at 3. Out of 3 employees, one employee is posted on deputation basis from BEML and two employees are appointed on contract basis.

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.

PROHIBITION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

There were no complaints received under the Sexual Harassment of Women at Work Place (Prevention, Prohibition, and Redressal) Act, 2013 during the year 2025-26. Internal Complaints Committee (ICC) has not been constituted as required under Section 4(1) of the said Act, as there were only 3 employees in the Company during the year.

WHISTLE BLOWER POLICY

Your Company has formulated “Vigil Mechanism/ Whistle Blower Policy” for directors and employees to report genuine concerns 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, The said policy is placed on the Company's website <https://www.blal.in/wp-content/uploads/2023/01/05.-Vigil-Mechanism-AND-WHISTLE-BLOWER-Policy.pdf>.



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 Board's Report.

CORPORATE GOVERNANCE REPORT

A Report on Corporate Governance (CG) compliance is included in the Board's Report in terms of Regulation 34 of the Listing Regulations and Chapter 8 of the DPE Guidelines. M/s MMA and partners, Practicing Company Secretaries has issued a Compliance Certificate on the same. The aforesaid report on Corporate Governance along with Compliance Certificate is placed at **Annexure-II**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Report on Management Discussion and Analysis Report in terms of Regulation 34 of Listing Regulations and Chapter 7 of the DPE Guidelines is placed at **Annexure-III**.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

As per SEBI Circular, top 1,000 companies by market capitalization at the end of the calendar year i.e., 31st December, 2025 to publish BRSR in the annual report in terms of Regulation 34 of the Listing Regulations. Since the Company ranked at 1,695 as per BSE and 1,695 as per NSE based on average market capitalization as on 31.12.2025, the said Report is not published in the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Since the Company is yet to earn profit, the Corporate Social Responsibility Committee is not constituted as required under the provisions of Section 135 of the Companies Act, 2013.

STATUTORY AUDITORS

M/s N. Tatia and Associates, Chartered Accountants were appointed by Comptroller & Auditor General of India as Statutory Auditors for the year 2025-26.

COST AUDITORS

Provisions of Section 148 of the Companies Act, 2013 are not applicable to the Company for the financial year ended 31.03.2026. Hence, the Company has not appointed any cost auditor.

SECRETARIAL AUDITORS

Your Company had appointed M/s. MMA and partners, Lucknow, (PCS) to undertake the Secretarial Audit of the Company for the year 2025-26 in terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report issued by the PCS and the replies to the observations made in the said Report are annexed to the Board's Report as **Annexure-IV**. In addition, an Annual Secretarial Compliance Report issued by the PCS has been filed with the stock exchanges within the due date for the financial year 2025-26.

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 statements of the Company are appended at Page No. 83 and 85 to the annual report.

FRAUDS REPORTED BY AUDITORS

No frauds are reported by the auditors which fall under the purview of sub-section 12 of section 143 of the 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:

- i. 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.
- ii. No application made or any proceeding pending under Insolvency and Bankruptcy Code, 2016 as at the end of the Financial Year 2025-26.
- iii. 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 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 on Company's website at www.blal.in.

ACKNOWLEDGEMENTS

Your Directors express their sincere thanks to the Government of India, Administrative Ministry, the Ministry of Defence, DIPAM, BEM Land Assets Limited, State Government of Karnataka, Chhattisgarh, Goa, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, New Delhi, Tamil Nadu, West Bengal and for their valued support and guidance.

Your Directors wish to thank the Comptroller and Auditor General of India, the Principal Director of Commercial Audit, Statutory Auditors, Secretarial Auditors, Bankers, Shareholders and Employees for their valued support and co-operation.

For and on behalf of the Board

Sd/-

Chairman and Managing Director
Bengaluru
Date: 18.05.2026

Annexure-I

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: BEML Limited (common directors)
- (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: BEML Limited (common directors)
- (b) Nature of contracts / arrangements / transactions: MOU Entered on 20th January, 2026
- (c) Duration of contracts / arrangements / transactions: Annual lease for 99 years
- (d) Salient terms of the contracts or arrangements or transactions including the value, Lease for 99 years
Price escalation: Initial 5 years No escalation thereafter it will be decided Mutually
Payment term: Payable quarterly in advance Rs. 98.25 Lakhs per quarter aggregating to Rs. 393 lakhs per annum Plus GST.
- (e) Date(s) of approval by the Board: 25th Board Meeting dated (30.07.2025)
- (f) Amount paid as advances, if any: BEML shall pay advance rent on quarterly basis as above along with applicable GST against the Invoice of BLAL on or before 7th day of each Quarter, from the date of receipt of Invoice from BLAL, to the Bank Account of BLAL. Hence No rental advance/ security Deposit received.

For and on behalf of the Board of Directors

Sd/-

Chairman and Managing Director
Bengaluru



REPORT ON CORPORATE GOVERNANCE

(1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages ethical business conduct and attainment of highest level of transparency, accountability and equity in all facets of operations and all its interactions with its stakeholders including shareholders, employees, bankers, auditors and the Government. The Company constantly endeavours to achieve the highest levels of standards of corporate governance in order to enhance the long-term stakeholders' value and maintain good standards of Corporate Governance.

(2) BOARD OF DIRECTORS

(a) Composition

As on 31st March, 2026 the Board of Directors consisted 3 Directors, of whom, 1 Whole-time Chairman & Managing Director, 1 Non-executive Director, 1 independent Director. Company has been continuously requesting Ministry of Defence (MoD) to appoint the requisite Independent Directors including Woman Director on the Board of the Company.

(ii) Meetings and Attendance

During the year, four meetings were held on 30.04.2025, 30.07.2025, 03.11.2025 and 23.01.2026 respectively. Requirements on number and frequency of meetings, in terms of Section 173(1) of the Companies Act, 2013, Regulation 17(2) of the Listing Regulations and Para 3.3.1 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 during the FY 2025-26 are given below:

Sl. No.	Name of the Director (Director Identification Number)	Attendance at Board meetings / Total meetings after appointment as Director	Whether attended last AGM (Yes/ No/ NA)	No. of other directorships held	No. of Committee memberships in other companies	Listed entities where the person is a director and the category of directorship
1.	Shri Shantanu Roy (Chairman and Managing Director)* (DIN: 10053283)	4/4	Yes	1	-	BEM Limited – Chairman and Managing Director
2.	Shri Anil Jerath, Non Executive Director** (DIN: 09543904)	4/4	Yes	1	1	BEM Limited – Director (Finance)
3.	Shri Rakesh Kumar, Govt Nominee Director (DIN: 10503071)	4/4	Yes	-	-	
4.	Dr. Mundasseril Velayudhan Natesan (DIN: 09408491)	4/4	Yes	-	-	

***Extension of term of appointment of CMD from 01.02.2026**

****Extension of term of appointment of Non-executive Director from 01.02.2026**

Note:

-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 Stakeholders Relationship Committee

(3) DIRECTORS' SHAREHOLDING

None of the Directors are holding equity shares in your Company as on 31.03.2026.

(4) 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 also provided with necessary documents, brochures and reports to keep the Directors abreast of the necessary information relating to the Company.

Further, the aforesaid policy is placed on the Company's web-site <https://www.blal.in/wp-content/uploads/2023/01/1.-BLAL-Familiarization-Policy-Training.pdf> in terms of Regulation 46 of the Listing Regulations.

(5) CODE OF CONDUCT AND FAIR DISCLOSURE TO REGULATING, MONITORING AND REPORT TRADING BY INSIDERS IN BLAL SECURITIES

The Board of Directors of your Company had approved "Code of Conduct and Fair Disclosure for Regulating, Monitoring and Report trading by Insiders in BLAL Securities" of the Company on the basis of unpublished price sensitive information, pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, and the same is placed on the Company's website <https://www.blal.in/wp-content/uploads/2023/01/3.-Revised-BLAL-Code-of-Coduct-and-Fair-Disclosure.pdf>. 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 Structured 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 Key Managerial Personnel comply with the aforesaid code of internal procedures and conduct for prevention of Insider Trading in terms of DPE Guidelines.

(6) CEO / CFO CERTIFICATION

The Chairman & Managing Director and Chief Financial Officer, have issued necessary certificate to the Board of Directors with respect to the financial statements for the year 2025-26 in terms of Regulation 17 of the Listing Regulations. The said certificate was reviewed and taken on record by the Board in its meeting held on 18.05.2026.

(7) BOARD COMMITTEES

Your Company constituted mandatory Committees such as Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

Since sufficient number of Directors are not available to form full Board as per the SEBI LODR, this matter has been periodically taken up with Administrative Ministry (MoD), and the appointments are still under process.

(a) AUDIT COMMITTEE

Company is required to constitute the Audit Committee in terms of the provisions of section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and Chapter 4 of the DPE Guidelines. Audited Committee constituted on 23.04.2025

(b) NOMINATION & REMUNERATION COMMITTEE

Company is required to constitute the Nomination & Remuneration Committee in terms of the provisions of section 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations and Chapter 5 of DPE Guidelines. Nomination & Remuneration Committee constituted on 23.04.2025

(c) STAKEHOLDERS RELATIONSHIP COMMITTEE

Company is required to constitute the Stakeholders Relationship Committee in terms of the provisions of section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. Stakeholders Relationship constituted on 23.04.2025.

(d) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility Committee is not constituted as per the provisions of

Section 135 of the Companies Act, 2013, since the Company is yet to earn sufficient profits.

(e) RISK MANAGEMENT COMMITTEE

Constitution of Risk Management Committee is not applicable in terms of Regulation 21 of the Listing Regulations, since BLAL shall not fall under top 1,000 listed entities determined on the basis of market capitalization as at the end of the December, 2025.

(8) 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 would be formalized through a letter of appointment setting out the terms and conditions of their appointment, which inter-alia, includes remuneration and reimbursement 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://www.blal.in/wp-content/uploads/2023/01/02.Terms-of-Appointment-of-Independent-Director.pdf> in terms of Schedule IV and Regulation 46 of the Listing Regulations.

The Chairman & Managing Director and Non-Executive Director shall not draw any remuneration from the Company. The details of Remuneration paid to Key Managerial Personnel during the year are:

	Rs. in lakhs	
<i>Name of KMP (Shri / Smt)</i>	2025-26	2024-25
Shri K Masilamani	12.68	12.00
Shri Ravisekhar Rao S V	15.33	12.00

Government Nominee/ Independent Directors compensation:

- (a) Government Nominee Director is 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) Independent Director will be paid a sitting fee of Rs.10,000 per meeting of Board/ Committee of Board. None of the Independent Directors had pecuniary relationship or transaction with the Company. Appointment of Independent Directors is under process by Ministry of Defence.

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

(9) GENERAL BODY MEETINGS

Details of last Annual General Meetings held are as follows:

Year	Location	Date & Time
2024-25	Through VC at Registered Office, BEML Soudha, Bengaluru	01.09.2025, 11.00 Hours
2023-24	Through VC at Registered Office, BEML Soudha, Bengaluru	16.09.2024, 12.00 Hours
2022-23	Through VC at Registered Office, BEML Soudha, Bengaluru	18.03.2024, 11.00 Hours
2021-22	Through VC at Registered Office, BEML Soudha, Bengaluru	02.08.2022, 12.00 Hours

(10) 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://blal.in/financials/>.
- (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 Kannada newspaper, being the regional language in terms of Regulation 47 of the Listing Regulations.
- (c) 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 www.blal.in.
- (d) 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.

(e) Company's Website:

The website of the Company, www.blal.in gives comprehensive information including the details of vision, mission and values, management, 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, investor complaints, complaints status, and other material events or information relating to the Company.

(11) POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

Your Company has no subsidiary and hence "Policy for Determining Material Subsidiaries" has not been formulated.

(12) 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.blal.in/wp-content/uploads/2023/01/06.BLAL_RPT.pdf. Further, the details of related party transactions as required under Ind-AS 24 issued by the Institute of Chartered Accountants of India is given in Note Other Disclosures 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 Designed Executive under Related Party Transactions Policy.
- b) Your Company has formulated "Vigil Mechanism/ Whistle Blower Policy" for directors and employees to report genuine concerns 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. The said policy is placed on the Company's website <https://www.blal.in/wp-content/uploads/2023/01/05.-Vigil-Mechanism-AND-WHISTLE-BLOWER-Policy.pdf>.
- c) The Company has prepared the financial statements based on the applicable Ind-AS issued by the Institute of Chartered Accountants of India from time to time.
- d) The Company has complied with Presidential Directives, if any, issued by the Central Government during the year and also in the previous years.



- e) Company is under non-compliance with regulations 17-20 of SEBI (LODR) Regulations, 2015 during FY 2025-26 due to non-appointment of Independent Directors including Woman Director on the Board and non-constitution of mandatory Board Committees and for the same, BSE and NSE have imposed a penalty of Rs.59,44,840 (Including 18% GST) for the year 2025-26 upto 31st December, 2025 and for 31st March, 2026 penalties is yet to come. In respect of penalty so imposed, the Company has applied to BSE & NSE seeking wavier of fine and Stock Exchanges have informed that first to comply with requirements and then apply for seeking waiver of fines. Further, Administrative Ministry has been requested at regular intervals to appoint requisite directors on the Board.
- f) A certificate was issued by 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. However, disqualification of appointment of directors shall not apply to Government companies under the Companies Act, 2013.
- g) Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor of the Company is ₹0.25 lakhs (excluding tax).
- h) 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.
- i) Key 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.
- j) 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.
- k) The expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management were – NIL.
- l) There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.
- m) Overhead expenses comprising of Personnel, Administrative and Depreciation for the year is Rs.312.24 lakhs. Further, the Financial Expenses for the year is Rs.109.30.lakhs.
- n) There were no items of income and expenditure arising out of transactions of exceptional nature. During the year, the Company has entered into a MOU with BEML

Limited for leasing of immovable properties in Bangalore and Mysore and received lease rent of Rs.98.25 lakhs

- o) There were no complaints received under the Sexual Harassment of Women at Work Place (Prevention, Prohibition, and Redressal) Act, 2013 during the year 2025-26. Internal Complaints Committee (ICC) has not been constituted as required under Section 4(1) of the said Act, as there were only 3 employees in the Company during the year.

(13) 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://blal.in/stock-exchange-filings/>. The said report is issued by a Practicing Company Secretary, after reconciliation, confirming that the share capital issued in physical and demat form tally with the issued, paid-up, listed and admitted share capital of the Company and also the Register of Members is up-to-date and that 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.

(14) YEARLY COMPLIANCE CERTIFICATES

- (a) A compliance certificate in terms of Reg.7(3) of Listing Regulations: Omitted by SEBI vide Notification dated 12.12.2024.
- (b) Issue of yearly compliance certificate by RTA and PCS under Regulation 40(9 &10) of the Listing Regulations: Omitted by SEBI vide Notification dated 12.12.2024.

(15) GENERAL SHAREHOLDER INFORMATION

- (i) Corporate Identification Number (CIN) of your Company: L70109KA2021GOI149486.
- (ii) The 05th Annual General Meeting for the year 2025-26 is scheduled on Monday 31st August, 2026 at 11.30 Hours at the Registered of the Company at BEML Soudha, Bengaluru through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

MCA vide General Circular No.09/2024 dated 19.09.2024, in continuation to the General Circular No.20/2020 dated 05.05.2020, General Circular



No.02/2022 dated 05.05.2022, General Circular No.10/2022 dated 28.12.2022 and General Circular No.03/2025 dated 22.09.2025 after due examination, it has been decided to allow companies whose AGMs are due in the year 2024 or 2025, to conduct their AGMs through VC or OAVM on or before 30th September, 2026 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No.20/2020 dated 05.05.2020. Accordingly, the Annual Report and Notice of AGM shall be sent by email to the members and to all other persons so entitled and the AGM will be held through VC/OAVM.

Further, the Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 03.10.2024 has relaxed the applicability of regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) for Annual General Meetings (AGMs) and regulation 44(4) of the LODR Regulations for general meetings (in electronic mode) held till September 30, 2025 based on MCA General Circular as mentioned above. However, in terms of Regulation 36(1)(c) of LODR Regulations, Company will send hard copy of full Annual Report to those shareholders who request for the same by sending a request letter at Company's Registered Office or by email to cs@blal.in.

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

<i>Quarter/ Year ending</i>	<i>On or before</i>
30.06.2026	14.08.2026
30.09.2026	14.11.2026
31.12.2026	14.02.2027
31.03.2027	30.05.2027
06 th Annual General Meeting	30.09.2027

(iv) The Register of Members and Share Transfer Books shall remain closed from 21st August, 2026 to 31st August, 2026 both days inclusive).

(v) 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.

(vi) Stock Code:	BSE	543898
	NSE	BLAL

(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) during May, 2025.

(viii) Details for non-compliances:

Company is under non-compliance with regulations 17-20 of SEBI (LODR) Regulations, 2015 during FY 2025-26 due to non-appointment of Independent Directors (two numbers) including Woman Director on the Board and non-constitution of mandatory Board Committees as per the SEBI LODR and for the same, BSE and NSE have imposed a penalty of Rs.59.44 lakhs (Including 18% GST) for the year 2025-26 upto 31.12.2025. 04th quarter ended March penalty is still awaited from stock exchange. In respect of penalty so imposed, the Company has applied to BSE & NSE seeking wavier of fine and Stock Exchanges have informed that first to comply with requirements and then apply for seeking waiver of fines. Further, Administrative Ministry has been requested at regular intervals for appointment of requisite directors on the Board.

(ix) 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.
- ♦ The Company has Non-executive Director on the Board
- ♦ Company has a Government Nominee (Woman) Director w.e.f 27.04.2026.
- ♦ Process of communicating with shareholders is very robust and the procedure has been explained under "Means of Communication".

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

M/s Integrated Registry Management Services Private Limited, a SEBI registered Registrar and Share Transfer Agent (RTA) is engaged as the Company's RTA. The contact details of the RTA are as under:

M/s Integrated Registry Management Services Private Limited

CIN: U74900TN2015PTC101466

No.30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560 003

Ph: 080-23460815/818 E-mail: giri@integratedindia.in, customercare@integratedindia.in

Website: www.integratedindia.in



(xi) Shareholding pattern as on 31.03.2026:

Sl. No	Description	No. of Cases	Total Shares	% Equity
1	Government of India	1	2,25,00,000	54.03
2	Mutual Funds	1	29,17,295	7.01
3	Banks & Insurance Companies	6	4,92,075	1.18
4	NBFCs	3	9,316	0.02
5	Foreign Portfolio Investors	2	5,365	0.01
6	Resident Individuals	66947	1,09,58,827	26.32
7	IEPF	1	66,243	0.16
8	NRIs	1,467	3,16,886	0.76
9	Bodies Corporate	398	22,31,453	5.36
10	Any Others	1770	21,47,040	5.16
Total		70,596	4,16,44,500	100.00

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

Sl. No.	Name of the shareholder	No. of shares	% holding
1	HDFC MUTUAL FUND-HDFC DIVIDEND YIELD FUND & HDFC TRUSTEE CO LTD A/C HDFC BALANCED ADV FUND	29,17,295	7.01
2	VARA FUTURE LLP	12,55,255	3.01
3	TEJAL SHREYANS MEHTA	4,98,542	1.20
4	ASG TRADING PVT LTD.	4,15,734	1.00
5	PACE STOCK BROKING SERVICES PVT LTD	3,66,906	0.88
6	NATIONAL INSURANCE COMPANY LTD	3,53,094	0.85
7	SHREE STOCKVISION SECURITIES LTD	2,02,489	0.49
8	PACE COMMODITY BROKERS PRIVATE LIMITED	1,81,508	0.44
9	NIRMALA GUPTA	1,68,422	0.40
10	TRIPAT KAUR	1,59,999	0.38
Total		53,25,169	15.65

(xiii) 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	70,319	99.61	77,57,716	18.63
5001-10000	161	0.23	11,91,675	2.86
10001-20000	47	0.07	6,14,688	1.48
20001-30000	16	0.02	3,84,799	0.92
30001-40000	14	0.02	4,96,907	1.19
40001-50000	7	0.01	3,08,910	0.74
50001-100000	14	0.02	10,37,740	2.49
100001 & Above	18	0.02	2,98,52,065	71.68
Total	70,596	100.00	4,16,44,500	100.00

(xiv) Details of Demat Suspense Account and Unclaimed Suspense Account for the year 2025-26:

Sl. No.	Particulars	No of cases	No of shares
1	Outstanding shares at the beginning of the year	480	81,121
2	Shares transferred to the suspense account during the year	-	-
3	Number of shareholders approached	6	800
4	Number of shares transferred from the suspense account during the year	6	800
5	Outstanding at the end of the year	474	80,321
6	Voting rights frozen	474	80,321

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

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

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

(xviii) Address for correspondence with the Company:

Smt. Bharti Ramchandani,
Company Secretary & Compliance officer,
M/s. BEML Land Assets Limited,
BEML Soudha, No. 23/1,
4th Main, S.R. Nagar,
Bengaluru - 560 027, Karnataka State, India.



(xix) 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 electronically.

Company is 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'.

(xx) Details of Compliance with mandatory requirements and adoption of non-mandatory requirements

Mandatory Requirements:

The company is in compliance with all the mandatory requirements related to Corporate Governance, except Regulation 17-20 of Listing Regulations applicable for minimum number of Independent Directors including Woman Director on the Board and constitution of mandatory Board Committees.

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 newspapers.

(xxi) Code of Conduct

the Board of Directors of your Company has laid down a 'Code of Conduct and Business Ethics for Board Members and Senior Management' in terms of Regulation 17 of the Listing Regulations and Chapter 3 of the DPE Guidelines, and the same is also placed on the Company's website, https://www.blal.in/wp-content/uploads/2023/01/04.Code-for-BoD_and_Senior_Executives_BLAL.pdf as required under Regulation 46 of the said Regulations. Board Members and Key Managerial Personnel i.e., Directors and Key Managerial Personnel have affirmed compliance with the said Code. A declaration to this effect signed by the Chairman & Managing Director produced hereunder:

To the Members of BEML Land Assets Limited,

I, Shantanu Roy, Chairman & Managing Director of the Company, hereby declare that the Board of Directors and Key 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

Bengaluru

Sd/-

SHANTANU ROY

Chairman & Managing Director

(xxii) Compliance with Corporate Governance:

Your Company submitted quarterly compliance report on Corporate Governance as per prescribed format to the BSE and NSE and also on half-yearly / yearly basis to BSE and NSE, within the stipulated period from the close of each quarter. From quarter ended 31.12.2025, Corporate Governance Report and Investors' Grievance Report are merged with Integrated Filing (Governance) which has been filed with BSE and NSE periodically.

Compliance of the conditions of Corporate Governance have also been audited by a Practicing Company Secretary (PCS) and after being satisfied of the above compliances, PCS has 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

Place: Bengaluru

Date: 18-05-2026

Sd/-

Shantanu Roy

Chairman & Managing Director



Annexure-II

CEO / CFO CERTIFICATION FOR THE YEAR ENDED 31ST MARCH, 2026

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Board of Directors
BEM Land Assets Limited

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, 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 that:
- (1) there are no significant changes in internal control over financial reporting during the year;
 - (2) there are certain changes in accounting policies during the year, and
 - (3) there are 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 BEM Land Assets Limited

Sd/-

K.MASILAMANI

Chief Financial Officer

Sd/-

SHANTANU ROY

Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members,
BEML Land Assets Limited,
CIN-L70109KA2021GO1149486
BEML Soudha 23/1, 4th Main Rd,
Sampangi RamaNagara, Bengaluru,
Karnataka 560027**

We have examined the compliance of Corporate Governance by BEML Land Assets Limited (CIN:L70109KA2021GO1149486) (hereinafter called 'the Company') having its Registered Office at "BEML Soudha 23/1, 4 Main S R Nagar, Bangalore KA 560027., for the Financial Year 2025-2026 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 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 Defence. 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 aforesaid requirement has not been met by the Company.
3. The Company has not constituted Audit Committee as per Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

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.

Date-11-05-2026
Place-Lucknow

For MMA & Partners,
Company Secretaries
(F.R. N. P2015UP081000)

Sd/-
CS Sukhmendra Kumar
Partner
CP. No.: 21707
M. No: A37552
UDIN: A037552H000328031
Peer Review Cert. No. 3163/2023

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Industry Structure

The real estate sector stands as a vital pillar of the global economy, encompassing a broad spectrum of activities involving property development, transactions, management, and financing. Core stakeholders such as development companies, real estate agencies, property management firms, REITs, construction companies, and mortgage lenders each play a critical role in driving the sector's growth and resilience.

Recent advancements underscore the industry's dynamic evolution, with key trends emerging in the form of technology integration, sustainable construction, co-living models, affordable housing, urban renewal, and ESG-centric investing. These developments reflect the sector's responsiveness to changing consumer demands, environmental considerations, and technological progress.

In the Indian context, the domestic real estate sector is a significant contributor to the economy. Since FY 2011–12, it has consistently contributed approximately 11% to the Gross Value Added (GVA) and is closely intertwined with nearly 50% of India's GDP through its linkages with allied industries such as steel, cement, power, and infrastructure. The sector is not only crucial for supporting urbanization and infrastructure expansion but also in capitalizing on India's demographic dividend. It remains a substantial source of government revenues and a catalyst for socio-economic progress.

While the sector grapples with challenges such as regulatory complexities, liquidity pressures, and market fluctuations, it offers tremendous scope for growth—particularly in affordable housing, technological innovation, and sustainable urban development. As India continues its economic ascent, real estate remains pivotal to employment generation, infrastructure enhancement, and nationwide development.

Company's Insight

Government of India has proposed for disinvestment of 26% of its shareholding in the equity share capital of BEML Limited, which involves undertaking and implementing the Demerger of identified surplus/ non-core assets of the BEML Limited. For demerger, transfer and vesting of identified surplus/ non-core assets, BEML Land Assets Limited (BLAL) was incorporated on 15.07.2021.



On 28.07.2022, MCA had passed order approving the Scheme of Arrangement for demerger of "BEM Land Assets Limited" (Resulting Company). In terms of Scheme of Arrangement, the identified surplus and non-core assets of BEM had been transferred at its book value to BEM Land Assets Limited on the appointed day of demerger that is on 25.08.2022.

In compliance with MCA order, BEM Limited had fixed 09.09.2022 as record date for issuing shares of Resulting Company in the ratio of 1:1 and same were issued to all shareholders whose name were recorded in the Register of Members of BEM on the above said date. Further, the said shares were listed on both stock exchanges (BSE & NSE) and trading therein has started on 19.04.2023.

The President of India, through the Department of Defence Production, Ministry of Defence, currently holds a 54.03% equity stake in BLAL. The Company has been classified as a Schedule 'C' CPSE as of 22.01.2024, in accordance with Department of Public Enterprises guidelines for categorizing CPSEs created for asset management post-disinvestment.

Company's properties are located in 12 Cities and 10 States across India. The title for transfer of the said properties are in progress. Central Government has amended section 8G of the Indian Stamp Act, 1899 granting exemption on payment of stamp duty for transfer of title deeds from one Government company to another Government company in the demerger process. Pursuant to the above, all State Governments have granted exemption from stamp duty except Government of Karnataka, which is under process. Notably, the title registration for properties in Bhopal, Madhya Pradesh and Delhi have been completed successfully on 21.03.2025 and 08.04.2025 respectively.

- ♦ Bhopal, Chittod Apartments (7 Flats- 7,017 sq.ft. Built up area), Madhya Pradesh - Registration completed on 21.03.2025.
- ♦ New Delhi, Greater Kailash (Guest House) (3,173 sq.ft. Land Area & 5,300 sq.ft. Built up Area) - Registration completed on 08.04.2025.
- ♦ Chennai, Supriya Apartments (2000 Sq. Ft. built up area) -Registration completed on 21.05.2025
- ♦ Panjim Goa, Victor Building, Fontainhas, (3 Flats & Two shops 24/5 & 24/5-3360 Sq. ft built up area)-Registration completed on 31.12.2025
- ♦ Kochi Kerela (Land & Building) 6970 sq. ft. (Land area) 3918 sq. ft.(Built up area) Registration completed on 28th April, 2026.



OPPORTUNITIES & CHALLENGES

Opportunities

India's policy ecosystem continues to nurture the growth of the real estate sector. Government-led initiatives such as:

- ♦ Housing for All
- ♦ Smart Cities Mission
- ♦ Make in India
- ♦ Start-up India
- ♦ Relaxed FDI Norms
- ♦ Ease of Doing Business

Key opportunities for BLAL's land portfolio include:

1. Rising Urban Housing Demand, especially in tier-I and tier-II cities.
2. Land Consolidation amid growing scarcity of vacant land in urban centers.
3. Infrastructure-Linked Development through strategic government and private sector partnerships.

Real estate is a leading employment generator, offering a wide array of job opportunities across skill levels—from construction workers and civil engineers to urban planners, architects, and project managers.

Revenue from real estate development remains a significant fiscal contributor, supporting both central and state government initiatives while enhancing urban infrastructure and quality of life.

RISKS AND CONCERNS

While the outlook remains positive, several sectoral risks and operational challenges must be addressed:

★ Title Registration:

Although BLAL legally owns the land parcels post-demerger, titles are still recorded under BEML in certain jurisdictions. The Company is actively pursuing title transfers through registrars, sub-registrars, and land records authorities in respective states. This process may require additional legal compliance and documentation.



★ Land Use Conversion

Some assets currently fall under industrial or mixed-use zoning. To optimize development potential, BLAL may need to obtain approvals for change of land use (CLU) from local and state regulatory bodies.

★ Funding Constraints

The real estate lending environment remains bifurcated. While top-tier developers continue to access capital, others face difficulty amid tighter monetary policies and risk-averse lending. With the Reserve Bank of India potentially moving toward monetary tightening to manage inflation, the real estate sector may experience short-term liquidity constraints, rising cost of funds, and margin pressure due to ongoing input cost inflation.

OUTLOOK

The Indian real estate sector is poised for steady growth. Rapid urbanization, rising disposable incomes, and favorable demographics will continue to support demand in both residential and commercial segments. Key trends shaping the sector's future include:

- ♦ Smart Cities and Integrated Townships
- ♦ Digital Transformation in Real Estate Services
- ♦ Green Buildings and Sustainable Design
- ♦ Growth in Co-living and Shared Spaces

Real estate continues to be one of the most trusted investment avenues for Indian households, valued for its potential to deliver capital appreciation, rental income, and financial security.

As India advances toward becoming a \$5 trillion economy, the real estate sector will remain central to achieving this vision. With strong governance, policy stability, and a focus on sustainable urban development, BLAL is well-positioned to unlock the potential of its land assets and contribute meaningfully to India's economic and social development journey.

SEGMENT-WISE PERFORMANCE

The Company does not have any other segment.



FINANCIAL PERFORMANCE

The discussion on financial performance is as below:

(₹ in Lakhs)		
Particulars	2025-26	2024-25
Revenue from Operations	98	-
Value of Production	-	-
Profit before Depreciation, Interest and Tax	(205)	(291)
Finance costs	109	77
Depreciation and amortization expense	9	8
Profit Before Tax	(323)	(375)
Tax Expense	324	-
Other Comprehensive Income	-	-
Total Comprehensive Income	1	(375)
Net worth	112	111

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.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

BLAL has in place adequate internal financial controls with reference to financial reporting in compliance with the provisions of Section 134(5)(e) of the Companies Act, 2013 and such internal financial controls were operating effectively during the year. The Statutory Auditors submit a report on internal financial controls over financial reporting along with their Audit Report on the financial statements every year.

HUMAN RESOURCE DEVELOPMENT

As on 31.03.2026, the Company has Three (3) employees. Out of three employees, one employee is posted on deputation basis and two employees on contract basis.



CAUTIONARY STATEMENT

Statements made in the Management Discussion & Analysis Report describing the Company's objective, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Actual results may differ from such expectations, projections and so on whether express or implied. The Company does not undertake any obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

For and on behalf of the Board of Directors

Place: Bengaluru

Date: 18-05-2026

Sd/-

SHANTANU ROY

Chairman & Managing Director

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 Land Assets Limited,
CIN-L70109KA2021GO1149486
BEML Soudha 23/1, 4th Main Rd,
Sampangi RamaNagara, Bengaluru,
Karnataka 560027

We have conducted Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BEML Land Assets Limited (CIN: L70109KA2021GO1149486) (hereinafter called 'the Company') having its Registered Office at "BEML Soudha 23/1, 4 Main S R Nagar, Bengaluru KA 560027 IN. 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 Land Assets 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. BEML Land Assets Limited was incorporated for the purpose of demerger of Identified Surplus / Non-core Assets as a part of Strategic Disinvestment of BEML initiated by Government of India.
- iii. 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.
- iv. BEML Land Assets Limited securities 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 RESPONSIBILITY

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company nor 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
- 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 and NSE 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 Company has not Complied with following provisions of the Companies Act, 2013 and SEBI (LODR), Regulations 2015-

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 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 Defence. 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 aforesaid requirement has not been met by the Company.
3. The Company has not constituted Audit Committee as per Regulation 18, of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except as stated above from point no 1 to 3 of the above observation.

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. 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 MMA & Partners,
Company Secretaries
(F.R. N. P2015UP081000)

Date-11-05-2026
Place-Lucknow

Sd/-
CS Sukhmendra Kumar
Partner
CP. No.: 21707
M. No: A37552
UDIN: A037552H000327886
Peer Review Cert. No. 3163/2023



Annexure-A

To,
The Members,
BEM Land Assets Limited,
BEM Soudha 23/1, 4th Main Rd,
Sampangi RamaNagara, 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 as conducted the affairs of the Company.

For MMA & Partners,
Company Secretaries
(F.R. N. P2015UP081000)

Date-11-05-2026
Place-Lucknow

Sd/-
CS Sukhmendra Kumar
Partner
CP. No.: 21707
M. No: A37552
UDIN: A037552H000327886
Peer Review Cert. No. 3163/2023

Company's reply to the comments of Secretarial Auditors:

S.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 Woman Director. The Company being a Government Company, appointments of Woman or Independent Directors are made based on the Orders issued by the Government of India through the Ministry of Defence. The Company has requested Government of India to issue necessary orders for appointment of Woman Independent Director and response from the Government of India is awaited.	Appointment of Woman Independent Director is still under process by Ministry of Defence. However, President of India has appointed one Independent Director, who assumed the charge of the post w.e.f. 17.04.2025.
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 aforesaid requirement has not been met by the Company.	After appointment of Independent Director on the Board w.e.f. 17.04.2025, Company complies with 50% of the total strength of the Board comprises of Non-Executive / Independent Directors.
3	The Company has not constituted Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as per Regulation 18, 19 & 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	During the Financial year we have constituted all the mandatory committees on 23rd April, 2025

Place: Bengaluru
Date: 18.05.2026

For and on behalf of the Board of Directors

Sd/-
Shantanu Roy
Chairman & Managing Director



SIGNIFICANT ACCOUNTING POLICIES

Note no. 1: Corporate Information:

- 1.1. BEM Land Assets Limited a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Registered office of the Company is located in Bangalore, Karnataka, India. The Company is a Schedule C public sector enterprise and is under the control of the Department of Defence Production, Ministry of Defence. The object is to monetise the demerged assets – Land and Buildings from BEM to BLAL as per the approved Scheme of Arrangement. Its shares are listed in two recognised Stock Exchanges – BSE and NSE.
- 1.2. The accompanying financial statements comprise of the financial statements of BEM Land Assets Ltd. (BLAL) (the Company) for the period ended 31st March, 2026

Note no. 2: Significant 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 period ended 31st March 2026 are prepared in accordance with Ind AS.
- b. The financial statements have been prepared on historical cost basis. 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.
- c. 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.
- d. 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. The Company's operating cycle is considered as twelve months for the purpose of current / non-current classification of assets and liabilities.

- e. 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.
- f. 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 significant accounting policies:

A. 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.

Any gain or loss arising out of derecognizing of an asset is included in statement of Profit and Loss of the relevant period.

B. 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.

Contingent liabilities and contingent assets are not recognized in the financial statements but are disclosed in the notes.

C. 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.

**D. 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.

E. 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.

F. Investment Property:

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss if any. The fair value of the property is ascertained through a registered valuer.

Registration charges incurred on transfer of title deeds from BEML to BLAL is capitalised with the concerned assets and depreciated as per the policy

3.0 Revenue Recognition

3.1 Sales is exclusive of GST

3.2 Revenue Income is recognised in the Statement of Profit and Loss when:

3.2.1 The income generating activities have been carried out on the basis of a binding agreement

3.2.2 The income can be measured reliably

3.2.3 It is probable that the economic benefits associated with the transaction will flow to the Company

3.2.4 Costs relating to the transaction can be measured reliably

3.3 Revenue is recognised when the performance obligation has been satisfied,



which happens upon the transfer of control to the customer / lessee at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods and services.

3.4 Rental income arising from leases is accounted for on a straight line basis over the non-cancellable lease term unless increase

4.0 Trade Receivable

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are recognized initially at fair value. They are subsequently measured at amortised cost using the effective interest method, net of provision for impairment. The carrying value less impairment provision of trade receivables, are assumed to be approximate to their fair values.

5.0 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

6.0 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

7.0 Deferred Tax Asset or Liability

Deferred Tax Asset or Liability is created as per the Accounting Standard



As per our report of even date attached

For N.Tatia & Associates

Chartered Accountants

Firm Registration Number: 0110675

Sd/-

Partner

Membership No.: FCA 214249

Date : 18.5.2026

Place: Bengaluru

For and on behalf of Board of Directors

Sd/-

K.MASILAMANI

Chief Financial Officer

Sd/-

SHANTANU ROY

Chairman and Managing Director
(DIN 10053283)

Sd/-

BHARTI

RAMCHANDANI

Company Secretary &
Compliance Officer

FINANCIAL STATEMENTS 2025-26

**BEM LAND ASSETS LIMITED**

BEM SOUDHA, 23/1, 4TH MAIN ROAD, S.R. NAGAR, BENGALURU-560027

Balance Sheet

(₹ in Lakhs)

Particulars	Note No.	As at 31st Mar. 2026	As at 31st Mar. 2025
I. Assets			
(1) Non-current assets			
(a) Property, Plant and Equipment		-	-
(b) Capital work-in-progress		-	-
(c) Investment Property	1	973.19	963.42
(d) Other Intangible assets		-	-
(e) Intangible assets under development		-	-
(f) Financial assets			
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other financial assets - capex advance		-	-
(g) Deferred tax assets (net)		324.36	-
(h) Other non-current assets	2	1.04	9.41
Total non-current assets		1,298.58	972.83
(2) Current assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Contract Assets		-	-
(iv) Cash and cash equivalents	3	1.85	0.75
(v) Bank Balance Other than (iv) above		-	-
(vi) Loans		-	-
(vii) Other financial assets		-	-
(viii) Current tax assets (Net)		-	-
(c) Other current assets	4	9.90	11.92
Total current assets		11.75	12.67
Total Assets		1,310.33	985.50
II. Equity and Liabilities			
Equity			
(a) Equity share capital	5	4,164.45	4,164.45
(b) Other Equity		(4,052.22)	(4,053.29)
Total Equity		112.23	111.16
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) (a) Lease Liability			
(ii) Other financial liabilities	6	1,189.85	864.52
(b) Provisions		-	-
(c) Other non-current liabilities		-	-
Total non-current liabilities		1,189.85	864.52

(2) Current liabilities			
(a) Financial liabilities			
(i) Short term Borrowings		-	-
(i) (a) Lease Liability			
(ii) Trade payables			
(A) Micro & Small Enterprises		-	-
(B) Other than Micro & Small Enterprises		-	-
(iii) Other financial liabilities		-	-
(b) Other current liabilities	7	8.25	9.82
(c) Provisions		-	-
(d) Current tax liabilities (Net)		-	-
Total current liabilities		8.25	9.82
Total Equity and Liabilities		1,310.33	985.50
Notes includes Significant Accounting Policies and other Notes to Accounts annexed herewith form part of the financial statement.			

As per our report of even date attached

For and on behalf of the Board of Directors

For N.Tatia & Associates

Chartered Accountants

Firm Registration Number: 0110675

Sd/-

CA Nidhi Tatia

Partner

Membership No.: FCA 061355

Date : 18.05.2026

Place: Bengaluru

Sd/-

K.MASILAMANI

Chief Financial Officer

Sd/-

SHANTANU ROY

Chairman and Managing Director

DIN: 10053283

Sd/-

BHARTI RAMCHANDANI

Company Secretary & Compliance Officer



BEM LAND ASSETS LIMITED

BEM SOUDHA, 23/1, 4TH MAIN ROAD, S.R. NAGAR, BENGALURU-560027

Statement of Profit and Loss

(₹ in Lakhs)

Particulars	Note No	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
I Revenue from operations	8	98.25	-
II Other income		-	-
III Total Income (I+II)		98.25	-
IV Expenses:			
Cost of materials consumed		-	-
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress		-	-
Employee benefits expense	9	53.77	47.92
Finance costs	10	109.30	76.54
Depreciation and amortization expense	1	8.53	7.55
Other expenses	11	249.94	242.72
Total Expenses (IV)		421.54	374.73
V Profit / (Loss) before exceptional items and tax (III-IV)		(323.29)	(374.73)
VI Add/ (Less) : Exceptional items		-	-
VII Profit / (Loss) before tax (V-VI)		(323.29)	(374.73)
VIII Tax expense:			
(1) Current tax (MAT)		-	-
(2) Deferred tax		324.36	-
IX Profit / (Loss) for the year from continuing operations (VII-VIII)		1.07	(374.73)
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)		1.07	(374.73)
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
- Re-measurement of defined benefit (liability) / asset		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
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)		1.07	(374.73)
XVI Earnings per equity share: (₹10/- each) in ₹			
Basic and diluted	12	0.00	(0.90)
Notes includes Significant Accounting Policies and other Notes to Accounts annexed herewith form part of the financial statement.			

As per our report of even date attached

For and on behalf of the Board of Directors

For N.Tatia & Associates

Chartered Accountants

Firm Registration Number: 0110675

Sd/-
CA Nidhi Tatia
Partner

Membership No.: FCA 061355

Date : 18.05.2026

Place: Bengaluru

Sd/-
K.MASILAMANI
Chief Financial OfficerSd/-
SHANTANU ROY
Chairman and Managing Director
DIN: 10053283Sd/-
BHARTI RAMCHANDANI
Company Secretary & Compliance Officer

BEML LAND ASSETS LIMITED

BEML SOUDHA, 23/1, 4TH MAIN ROAD, S.R. NAGAR, BENGALURU-560027

Statement of Cash Flows

(₹ in Lakhs)

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
A. Cash flow from operating activities		
Net profit before tax and extraordinary items	(323.29)	(374.73)
Adjustments for		
Depreciation and amortization expense	8.53	7.55
Financing Cost	109.30	76.54
Operating Profit / (Loss) before changes in working capital	(205.45)	(290.63)
Adjustment for		
Other Non-current assets	8.37	(9.21)
Other current assets	2.02	(4.16)
Other Non-current liabilities	325.33	434.18
Other current liabilities	(1.57)	(35.81)
Cash generated from operations	128.70	94.36
Direct taxes (paid) / refunded	-	-
Net cash flow from / (used in) operating activities	128.70	94.36
B. Cash flow from investing activities		
Investments in Land & Building	(9.77)	(10.92)
Depreciation and amortization expense	(8.53)	(7.55)
Net cash flow from / (used in) investing activities	(18.30)	(18.47)
C. Cash flow from financing activities		
Issue of Equity shares	-	-
Financing Cost	(109.30)	(76.54)
Adjustment in retained earnings - Prior Period	-	-
Adjustments for Assets transferred on demerger and Equity Shares issued	-	-
Fees & Stamp Duty for Increase in Authorized capital	-	-
Additional investments Investment in BEML	-	-
Net cash flow from / (used in) financing activities	(109.30)	(76.54)
Net increase/(decrease) in cash and cash equivalents	1.10	(0.65)
Cash and Cash Equivalents, Beginning of the year	0.75	1.39
Cash and Cash Equivalents, Ending of the year (Refer Note 3 a)	1.85	0.75

As per our report of even date attached

For N.Tatia & Associates

Chartered Accountants

Firm Registration Number: 011067S

For and on behalf of the Board of Directors

Sd/-
CA Nidhi Tatia
Partner
Membership No.: FCA 061355
Date : 18.05.2026
Place: Bengaluru

Sd/-
K.MASILAMANI
Chief Financial Officer

Sd/-
SHANTANU ROY
Chairman and Managing Director
DIN: 10053283

Sd/-
BHARTI RAMCHANDANI
Company Secretary & Compliance Officer

BEML LAND ASSETS LIMITED

Statement of Changes in Equity for the period ended 31.03.2026

A. Equity share capital

Particulars	No. of shares	(₹ in Lakhs) Amount
Balance as on 01.04.2025 (₹ 10 each)	41,644,500	4,164.45
Changes in equity share capital during the year		
Cancellation of Shares	-	-
Fresh Issue of Shares	-	-
Balance as on 31.03.2026	41,644,500	4,164.45

Shareholding of promoters

Shares held by promoters at the end of the period				Changes during the year
Sl.no.	Promoter Name	No. of shares	% of total shares	
1	President of India (GOI)	22,500,000	54.03%	-

B. Other equity

Particulars	Reserves and Surplus			Items of OCI Other items of OCI	Nonimara Excellence Award	Debtenture Redemption Reserve	Total Equity
	Capital Reserve	Share Premium	General Reserve				
Balance as on 01.04.2025	1.00						(4,053.29)
Reinstatement Adjustment on account of prior period items							-
Reinstated Balance as on 01.04.2025	1.00	-	-	-	-	-	(4,053.29)
Profit / (Loss) for the year							1.07
Other Comprehensive Income							-
Total comprehensive income for the year	1.00	-	-	-	-	-	(4,052.22)
Adjustments for difference between Equity Capital & Book Value of Assets transferred on De-merger							-
Fees & stamp duty charges for Increase in Authorized capital							-
Cancellation of Investment in BEML							-
- Debtenture Redemption Reserve							-
- General Reserve							-
Transaction with owners							-
- Dividend							-
- Tax on Dividend							-
Balance as on 31.03.2026	1.00	-	-	-	-	-	(4,052.22)

As per our report of even date attached

For N.Tatia & Associates

Chartered Accountants

Firm Registration Number: 0110675

Sd/-

CA Nidhi Tatia

Partner

Membership No.: FCA 061355

Date : 18.05.2026

Place: Bengaluru

For and on behalf of the Board of Directors

Sd/-

K. MASILAMANI

Chief Financial Officer

Sd/-

SHANTANU ROY

Chairman and Managing Director

DIN: 10053283

Sd/-

BHARTI RAMCHANDANI

Company Secretary & Compliance Officer

BEML LAND ASSETS LIMITED

Statement of Changes in Equity for the period ended 31.03.2025

A. Equity share capital		(` in Lakhs)	
Particulars	No. of shares	Amount	
Balance as on 01.04.2024	41,644,500	4,164.45	
Changes in equity share capital during the year			
Cancellation of shares Rs. 1 each			
Fresh issue of shares (1:1) Rs10 each			
Balance as on 31.03.2025	41,644,500	4,164.45	

Shareholding of promoters

Shares held by promoters at the end of the period				Changes during the year
Sl.no.	Promoter Name	No. of shares	% of total shares	
1	President of India (GOI)	22,500,000	54.03%	-

B. Other equity		Reserves and Surplus					Items of OCI	Nonimara	Debtenture	Total Equity
Particulars	Capital Reserve	Share Premium	General Reserve	Retained Earnings			of OCI	Excellence Award	Redemption Reserve	
Balance as on 01.04.2024	1.00			(3,679.56)						(3,678.56)
Reinstatement Adjustment on account of prior period items										-
Reinstated Balance as on 01.04.2024	1.00	-	-	(3,679.56)			-	-	-	(3,678.56)
Profit / (Loss) for the Year				(374.73)						(374.73)
Other Comprehensive Income										-
Total comprehensive income for the year	1.00	-	-	(4,054.29)			-	-	-	(4,053.29)
Adjustments for difference between Equity Capital & Book Value of Assets transferred on De-merger										-
Fees & stamp duty charges for Increase in Authorized capital										-
Cancellation of Investment in BEML										-
Transfer to										-
- Debtenture Redemption Reserve										-
- General Reserve										-
Transaction with owners										-
- Dividend										-
- Tax on Dividend										-
Balance as on 31.03.2025	1.00	-	-	(4,054.29)			-	-	-	(4,053.29)

As per our report of even date attached
For N.Tatia & Associates
Chartered Accountants
Firm Registration Number: 0110675

Sd/-
CA Nidhi Tatia
Partner
Membership No.: FCA 061355
Date : 18.05.2026
Place: Bengaluru

For and on behalf of the Board of Directors

Sd/-
K.MASILAMANI
Chief Financial Officer

Sd/-
SHANTANU ROY
Chairman and Managing Director
DIN: 10053283

Sd/-
BHARTI RAMCHANDANI
Company Secretary & Compliance Officer



Note 1: Investment Property

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Investment Property - Land	647.30	646.25
Investment Property - Building	353.93	336.68
Less: Depreciation on Investment Property - Building	(28.05)	(19.51)
Total	973.19	963.42

1. Land & Buildings have been carried as Investment property as per Ind AS-40 and cost model has been adopted for valuation.
2. Land parcels and immovable assets (buildings) have been transferred at Book Value from BEML to BLAL. Buildings have been depreciated as per Companies Act, 2013 adopting straight line method. Useful life is considered 60 years for building. Depreciation is provided on monthly basis, No. of days less than 15 days is ignored, as the impact is immaterial.
3. The process of transfer of title deeds from BEML to BLAL have been initiated. Title transfer for the Property at Bhopal has been completed on 21.03.2025, property at New Delhi on 8.4.2025, Property at Chennai on 21.05.2025 and Property at Goa on 31.12.2025 and are in the name of BLAL. Registration of remaining properties are in progress. Registration charges incurred have been capitalised with the existing concerned assets and are depreciated up to the remaining useful life of the building assets, subject to (2) above.

Relevant Line item in the Balance Sheet	Description of item of Property	Carrying value (Rs in lakhs) Gross value before depreciation	Title deeds held in the name of	Whether title deed holder is a promoter director or relatives of director or promoter or employee of the promoter / director	Property held since which date
Investment property	Land Assets at Bengaluru, Mysuru, Ranchi, Asansol & Bilaspur	371.72	BEML Limited	No	25th August, 2022
Investment property	Building Assets at Bengaluru, Mysuru,, Kolkata, Mumbai and Kochi	305.96	BEML Limited	No	25th August, 2022
Investment property	Bhopal, MP Nagar - 7 flats	12.20	BLAL (title transfer regd on 21.03.2025)	No	25th August, 2022
Investment property	New Delhi, Greater Kailash, Guest House	289.40	BLAL (title transfer regd on 08.04.2025)	No	25th August, 2022
Investment property	Chennai, Sterling Road, Nungambakkam	6.81	BLAL (title transfer regd on 21.05.2025)	No	25th August, 2022
Investment property	Goa, Victor Building Flats, Panaji Goa	15.14	BLAL (title transfer regd on 31.12.2025)	No	25th August, 2022
	Total	1001.23			

Note 2: Other non-current assets

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Advances	0.84	9.21
Security Deposits	0.20	0.20
Total	1.04	9.41

Note 3: Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Balances with Banks	1.85	0.75
Total	1.85	0.75

Note 3a: Bank Balance Other than (Note 3) above

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Balances with Banks - Unclaimed Dividend	-	-
Total	-	-

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

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Balances with Banks	1.85	0.75
Total	1.85	0.75

Note 4: Other Current Assets

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Indirect Taxes - GST	0.07	11.92
TDS Receivable	9.83	-
Total	9.90	11.92

Note 5: Equity share capital

Particulars	As at 31st Mar. 2026		As at 31st Mar. 2025	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Authorised : Equity Shares of ₹10 each (PY ₹10 each)	50000000	5,000.00	50000000	5,000.00
Issued : Equity Shares of ₹10 each (PY ₹10 each)	41644500	4,164.45	41644500	4,164.45
Subscribed : Equity Shares of ₹10 each (PY ₹10 each)	41644500	4,164.45	41644500	4,164.45
Paid-up : Equity Shares of ₹10 each, fully paid-up (PY ₹10 each)	41644500	4,164.45	41644500	4,164.45
Total		4,164.45		4,164.45

Note 6: Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Loan from BEML	1,189.85	864.52
Total	1,189.85	864.52

Note 7: Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
Other payables		
a. Statutory dues	2.99	2.13
b. Advances from BEML Ltd	-	-
c. Other Payables	5.26	7.69
Total	8.25	9.82

Note 7A: Provisions

(₹ in Lakhs)

Particulars	As at 31st Mar. 2026	As at 31st Mar. 2025
	-	-
Total	-	-

**Note 8: Revenue from Operation**

(₹ in Lakhs)

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
Lease rent from BEML	98.25	-
Total	98.25	-

Note 9: Employee benefits expense

(₹ in Lakhs)

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
Salaries, Wages & Bonus	53.77	47.92
Total	53.77	47.92

Note 10: Finance costs

(₹ in Lakhs)

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
Interest expense on ICD	109.30	64.50
Interest expense on property tax	-	12.04
Total	109.30	76.54

Note 11: Other expenses

(₹ in Lakhs)

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
Bank Charges	0.01	0.01
Remuneration to Auditors (refer note 'a' below)	0.40	0.37
License & Taxes (Property tax)	216.72	212.32
Miscellaneous expenses - (refer note 'b' below)	32.81	30.02
Total	249.94	242.72

a. Break up of Remuneration to Auditors :

(₹ in Lakhs)

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
(a) As Auditor	0.25	0.23
(b) Other Services and out of pocket exp	0.15	0.14
Total	0.40	0.37

b. Break up of Miscellaneous Expenses:

(₹ in Lakhs)

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
(a) Filing fee & related certification Expenses	1.24	1.62
(b) Insurance - properties / others	0.09	0.20
(c) Fees and charges for Stock Exchanges, Depositories and RTA	19.41	18.67
(d) Printing Exp	0.59	0.63
(e) Advertisement Expenses	1.35	2.19
(f) Board sitting fee	1.00	-
(g) Directors / Staff travelling & Conveyance	1.05	-
(h) Valuation charges - HUDCO	6.50	-
(i) Legal expenses	0.50	-
(j) Other misc expenses	1.09	6.72
Total	32.81	30.03

Note 12: Earning per Share**Indian Accounting standard (Ind AS) 33 – Earning per Share**

Particulars	For the period ended 31st Mar. 2026	For the period ended 31st Mar. 2025
Net Profit / (Loss) after Tax (₹ in Lakhs)	1.07	(374.73)
Average Number of Shares	41644500	41644500
Earnings Per Share (Basic and Diluted) –	0.00	(0.90)
Face Value ₹10/- Per Share (Previous year ₹10/- Per share) (Amount in ₹)		

OTHER DISCLOSURES

1. The Company's Equity shares have been listed in BSE and NSE Stock Exchanges on 19th April 2023.
2. The Accounts of the company has been prepared in accordance with Ind AS.
3. The Investment Property (Land & Buildings) has been valued at Cost and difference between Cost of Acquisition & Equity Share Capital has been adjusted against Retained Earnings.
4. The amount paid by BEML Ltd on behalf of BLAL has been treated as Inter-Corporate Loan and interest on the same has been applied as approved by the Board of BEML & BLAL. The loan is repayable on demand hence IND AS 109 is not applicable.
5. There are no permanent employees on the rolls of the company and hence no actuarial valuation has been done for the FY 2025-26.
6. The Company has not traded in Crypto Currency or Virtual Currency in the current financial year 2025-26
7. The company has commenced its business activities effective from 1.1.2026)During the quarter, the Company has commercialized its land parcels located at Mysore and Bangalore by executing operating lease agreements for Rs 393 Lakhs per annum. Rental income from these operating leases is recognized as revenue on a straight-line basis over the lease term. Accordingly, an amount of Rs 98.25 Lakhs has been recognized as Lease Rental Income for the year ended 31st March, 2026.
8. BSE and NSE have sent letters indicating penalty amount for non-compliance of certain regulations. Company is going to apply for waiver after ensuring compliance. Regulation 102 of SEBI LODR provides that SEBI has power to relax strict enforcement of the regulations, if satisfied the non-compliance is caused due to factors beyond control of the Company.

INDIAN ACCOUNTING STANDARD (IndAS) 33 - EARNING PER SHARE

PARTICULARS	₹ in lakhs FY 2025-26	₹. in lakhs FY 2024-25
Net profit / (loss) after tax (₹. in lakhs)	1.07	(374.73)
Average number of shares	41644500	41644500
Earnings per share (basic and diluted) - Face value ₹.10/- per share	0.00	-0.9

INDIAN ACCOUNTING STANDARD (IndAS) 24 - RELATED PARTY DISCLOSURE

In accordance with the requirements of IndAS 24, the following are the details of the related parties for the FY 2025-26

1) Shri Shantanu Roy - Chairman and Managing Director	Key Managerial Personnel
2) Shri Anil Jerath - Non-executive Director	Non-executive Director
3) Shri Rakesh Kumar, Govt Nominee Director (up to 31.1.2026)	Govt Nominee Director
4) Shri K.Masilamani, Chief Financial Officer	Key Managerial Personnel
5) Shri Ravisekhar Rao SV - Company Secretary & Compliance Officer	Key Managerial Personnel

REMUNERATION TO KEY MANAGERIAL PERSONNEL

	₹ in lakhs FY 2025-26	₹. in lakhs FY 2024-25
1) Shri K.Masilamani, Chief Financial Officer	12.68	12.00
2) Shri Ravisekhar Rao - Company Secretary & Compliance Officer	15.33	12.00

RELATED PARTY - AS PER SEC 2(76) of the companies act 2013**BEML LIMITED**

PARTICULARS	₹ in lakhs FY 2025-26	₹. in lakhs FY 2024-25
(1) Inter Corporate loan as on 31 st March (loan taken from BEML Limited)	1,189.85	864.52

**(2) Transaction with related party;**

During the year BLAL has entered into MOU on 20th January, 2026 with BEML Limited for usage of land parcels at Mysuru and Bangaluru with an agreed operating lease rent for Rs. 393 lakhs per annum payable quarterly in advance. Accordingly, an amount of Rs. 98.25 lakhs has been recognized as Lease Rental Income for the 04th quarter ended 31st March, 2026.

98.25

NIL

ADDITIONAL NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2026

a) Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small, and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to unpaid as at the year end together with interest paid or payable as required under the said Act have not been given.

b) Expenses are accounted on accrual basis and provision is made for any known losses and liabilities. Prepaid and outstanding expenses are provided wherever material.

c) Prior period figures, if any, are reclassified as per the Guidance Note provided by ICAI.

The network of the Company has been substantially eroded due to the losses incurred by the Company as the project of the Company is under process. The losses have been funded by the Company by way of Loan by the related party. After completion of the project, the Company will have sufficient profits to offset the losses.

	As at	
	31-Mar-26	31-Mar-25
CONTINGENT LIABILITIES		
Claims against the Company not acknowledged as debts	-	-
Guarantees given by Company	-	-
Other money for which the Company is contingently liable	-	-
Contingent liability in respect of pending allotment of land	-	-

DETAILS OF UTILISATION OF BORROWINGS

The Company has not availed any borrowings from banks and financial institutions.

INCOME & EXPENDITURE IN FOREIGN CURRENCY

Income : NIL

Expenditure : NIL

AGEING SCHEDULE OF CAPITAL WORK-IN-PROGRESS	Nil	Nil
COMPLETION SCHEDULE OF CAPITAL WORK-IN-PROGRESS WHICH IS OVERDUE OR HAS EXCEEDED THE COST	Nil	Nil

DETAILS OF BENAMI PROPERTY HELD

There are no proceedings that have been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibitions) Act, 1988.

ADDITIONAL DISCLOSURES WITH RESPECT TO LOANS AND ADVANCESLoans repayable on demand:

Type of borrower	₹ in lakhs	
	As at 31.03.2026	As at 31.03.2025
Amount of loan or advance in the nature of loan outstanding(%)		Amount of loan or advance in the nature of loan outstanding(%)
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties	1190 (100%)	865(100%)

Loans provided without specifying any terms or period of repayment:

Type of borrower	As at 31.03.2026	As at 31.03.2025
	Amount of loan or advance in the nature of loan outstanding (%)	Amount of loan or advance in the nature of loan outstanding (%)
Promoter	Nil	Nil
Directors		
KMPs		
Related parties		
DETAILS OF SECURITY OF CURRENT ASSETS AGAINST BORROWINGS		
Security of assets against borrowings	Nil	Nil
WILFUL DEFAULTER		
The Company does not have any borrowing and has not been declared as wilful defaulter by any bank or financial institution or any other lender.		
RELATIONSHIP WITH STRUCK OFF COMPANIES		
The details of the transactions with companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956 are as under:		
Nature of transactions with struck off company	As at 31.03.2026	As at 31.03.2025
	Balance	Balance
Investment in securities	Nil	Nil
Receivables	Nil	Nil
Payables	Nil	Nil
Shares held by struck off company	Nil	Nil
The Company has no relationship with any of the Struck Off Companies	Nil	Nil
DETAILS OF CHARGES OR SATISFACTION YET TO BE REGISTERED WITH REGISTRAR OF COMPANIES		
The Company has availed the borrowings (ICD Laon) which need not to be charged with registrar of companies under companies act 2013	Nil	Nil
DETAILS OF COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES		
The Company has complied with the number of layers prescribed under clause (87) of the Section 2 of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017.		
COMPLIANCE WITH APPROVED SCHEME(S) OR ARRANGEMENTS	Not applicable	
DETAILS OF UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM	Nil	Nil
The Company has borrowed the loan and the same has been utilized as per the terms and conditions.		
PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES AS AT THE REPORTING DATE		
i. Unhedged foreign currency payable/Receivables	Currency type	Amount in hundreds
(a) Assets		
Trade receivables/ Payables	USD	-
March 31, 2026	USD	-
March 31, 2026		
DETAILS OF UNDISCLOSED INCOME		
	Nil	Nil

**AGGREGATE AMOUNT OF RESEARCH AND DEVELOPMENT EXPENSES**

There are no R&D expenditure incurred during the Financial Year 2025-26 (PY NIL)

DISCLOSURE OF RATIOS	FY 2025-26	FY 2024-25
Debt to Equity Ratio	10.60	7.78
Debt Service Coverage Ratio	(0.16)	(0.31)
Interest Service Coverage Ratio	(1.96)	(3.90)
Current Ratio	1.42	1.29

FINANCIAL RISK MANAGEMENT - Not applicable

CAPITAL MANAGEMENT - Not applicable

CSR PROVISIONS - Not applicable

COMPANY'S CONTRIBUTION TO THE EXCHEQUERS

The Company's contribution to the Central and State Exchequer were to the order of ₹. 14.92 lakhs during the year by way of GST, TDS. etc (PY ₹. 10.05 lakhs)

INDIAN ACCOUNTING STANDARD (Ind AS 107) - FINANCIAL INSTRUMENTS	₹ in lakhs FY 2025-26	₹ in lakhs FY 2024-25
Financial Assets not valued at fair value - cash & cash equivalents	1.85	0.75
Financial Liabilities not valued at fair value - Inter Corporate Loan	1,189.85	864.52

INDIAN ACCOUNTING STANDARD (IndAS) 108 Operating Segments - not applicable

INDIAN ACCOUNTING STANDARD (IndAS) 12 Deferred tax

Consequent to the operationalization of the land leases and the resulting profitability, the Company has evaluated the recognition of Deferred Tax Assets (DTA) in accordance with Ind AS 12 (Income Taxes). Based on the virtual certainty of future taxable income backed by the executed long-term operating lease agreements for the Mysore and Bangalore properties, the Company has recognized a Deferred Tax Asset of Rs.324.36Lakhs during the year ended 31st March, 2026. Accounting policies has been revised to accommodate to the above.

INDIAN ACCOUNTING STANDARD (Ind AS) 116 LEASES

There are no operating or Financial Lease arrangements in the Company. However, the Company entered into a MOU with BEM Land Assets Limited for leasing of BLAL properties at Bangalore and Mysore.

DISCLOSURE AS REQUIRED UNDER SEBI (LODR) REGULATIONS 2015	₹ in lakhs 31.03.2026	₹ in lakhs 31.03.2025
Loans and Advances in the nature of loan - Inter Corporate Loan	1189.85	864.52
Maximum amount outstanding during the year ended	1243.13	864.52

As per our report of even date attached

For N.Tatia & Associates

Chartered Accountants

Firm Registration Number: 0110675

Sd/-

CA Nidhi Tatia

Partner

Membership No.: FCA 061355

Date : 18.05.2026

Place: Bengaluru

For and on behalf of the Board of Directors

Sd/-

K.MASILAMANI

Chief Financial Officer

Sd/-

SHANTANU ROY

Chairman and Managing Director

DIN: 10053283

Sd/-

BHARTI RAMCHANDANI

Company Secretary & Compliance Officer

INDEPENDENT AUDITORS' REPORT

To the members of **BEML LAND ASSETS LTD**

Report on the Audit of Standalone Indian Accounting Standards (Ind AS) Financial Statements

Pursuant to the updation in Shareholder Fund / Net worth in UDIN input data, new UDIN has been generated and our earlier Auditors Report dated 18.05.2026 have been revised. Hence this Report supersedes our earlier Auditors Report dated 18th May 2026.

Opinion

We have audited the accompanying Standalone Quarterly /Annual Ind AS Financial Statements of BEML LAND ASSETS LTD ("the Company -BLAL"), which comprise the standalone Balance Sheet as at March 31,2026, Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the Indian Accounting Standards ("Ind AS") Financial Statements, including a summary of significant accounting policies and other explanatory information for the Quarter/year ended March 31 2026.

In our opinion and to the best of our information and according to the explanations given to us, subject to the significance of the matter discussed in the Emphasis of Matter the aforesaid 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 Ind AS prescribed under section 133 read with the 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 31st March, 2026 and its Loss and its cash flows for the year ended on that date.

Emphasis of Matter:

Fair Valuation of Investment Property

We draw attention to Land & Buildings where they have been carried as Investment property as per Ind AS-40. Cost model has been adopted for valuation of Investment properties under Ind AS 40. The fair value of the property is Rs. 2,32,537 Lakhs as per the report of a certified valuer Dt 22 Oct 2022.

In line with the disclosure requirements under Ind AS-40 Standard and as per the Accounting Policy no 2.2 requires all entities to measure the fair value of investment property for the purpose of disclosure even though they are required to follow the cost model. However, as per para 53 of Ind AS 40, in exceptional cases, if the fair value of the investment property is not reliably measurable on a continuing basis, the entity shall make the disclosures required by paragraph 79(e) that the reason why the fair value



cannot be measured reliably.

Company has initiated the valuation of assets during the Financial Year 2026-27 as the registration of ownership titles for the majority of properties is currently in progress from BEML Ltd to BLAL.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified u/s 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code and of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters.

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the 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 be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

We draw attention to the following points:

Non-Compliance with Provision of the Companies Act, 2013 and SEBI (LODR), Regulations 2015:



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 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 Defence. **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 aforesaid requirement has not been met by the Company during the financial year 2025-26.**

3. During the Financial Year 2025-26, **the Company has not constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee as per Regulation 18, 19 & 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and Sec 177 & 178 of the Companies Act 2013. An Audit Committee, Nomination and Remuneration Committee and Shareholders Relationship Committee were constituted during the FY 2025-26 but requirement of two independent directors on the audit committee is not met as per the Companies Act, 2013 and SEBI listing regulation. One independent director was ceased to be the director with effect from 17.04.2026 and consequently all the set committees ceased to exist**

4.Penalty for Non-compliance Stock Exchange

The Company has been in non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial years 2023-24 and 2024-25. For the financial year 2023-24, the Company was non-compliant with Regulations 17 to 20 and 33, and for the financial year 2024-25, the Company continued to be non-compliant with Regulations 17 to 20.and for the financial year 2025-26, the Company continued to be non-compliant with Regulations 17 to 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

In respect of the above non-compliances, Stock Exchanges have imposed penalties amounting to Rs. 95.77 lakhs (including GST) for FY 2023-24 and Rs. 95.70 lakhs (including GST) for FY 2024-25, and Rs. 78.99 lakhs (including GST) for the FY 2025-26 aggregating to Rs. 270.46 lakhs as on March 31, 2026 (including an estimate for the fourth quarter of FY 2025-26).



It has also been informed that the penalty is expected to continue for upcoming quarters until three Independent Directors, including one Woman Director, are appointed by the Ministry on the Board of BEML Land Assets Limited. In respect of penalty so imposed, the Company has been submitting applications periodically to BSE & NSE seeking waiver of fines and reply is awaited. Further, Company has written letters to Ministry of Defence to take necessary action for the appointment of requisite number of Executive Directors and Independent Directors including woman director on Board for ensuring compliance. Regulation 102 of SEBI (LODR) provides for relaxation of penalty charges if SEBI is satisfied that the non-compliance is caused due to factors affecting a class of entities but being beyond the control of these entities.

5. Land registration:

It has been reported that out of Land Parcels 401.356 acres at Mysore as per schedule 1 of the Scheme of arrangement identified for Demerger, the unused portion of the Township has been taken back by KIADB and 302.284 acres have been transferred to BLAL. Further registration of property with respect to Bhopal and Delhi and Chennai Building – Flats at Supriya Estate and Goa Flats – Victor Building – 3 Flats and 2 shops, Kochi-Land with building is completed as on 21.3.2025 and 8.4.2025 and 21.05.2025 and 31.12.2025 and 28.04.2026 respectively. Further other properties registration is under progress.

6. Status of transfer of title of properties to BEML LAND ASSETS LTD from BEML Ltd

The transfer of title from BEML Ltd to BLAL Land Assets Ltd is under progress. As per amended Indian Stamp Act (Section 8G). Stamp duty charges are exempted. All State Governments have granted exemption from stamp duty. However, The Commerce & Industries department that the cabinet has advised to restrict to 50% stamp duty and 100% registration fees exemption, as already granted vide notification dated 12.02.2025. however, company has taken up the matter with Govt of Karnataka for 100% exemption on stamp duty.



Relevant Line item in the Balance Sheet	Description of item of Property	Carrying value (Rs in lakhs) Gross value before depreciation	Title deeds held in the name of	Whether title deed holder is a promoter director or relatives of director or promoter or employee of the promoter / director	Property held since which date
Investment property	Land Assets at Bengaluru, Mysuru, Ranchi, Asansol & Bilaspur	371.72	BEML Limited	No	25th August, 2022
Investment property	Building Assets at Bengaluru, Mysuru,, Kolkata, Mumbai and Kochi	305.96	BEML Limited	No	25th August, 2022
Investment property	Bhopal, MP Nagar - 7 flats	12.20	BLAL (title transfer regd on 21.03.2025)	No	25th August, 2022
Investment property	New Delhi, Greater Kailash, Guest House	289.40	BLAL (title transfer regd on 08.04.2025)	No	25th August, 2022
Investment property	Chennai, Sterling Road, Nungambakkam	6.81	BLAL (title transfer regd on 21.05.2025)	No	25th August, 2022
Investment property	Goa, Victor Building Flats, Panaji Goa	15.14	BLAL (title transfer regd on 31.12.2025)	No	25th August, 2022
	Total	1001.23			



7. Rental Income is recognised for only certain properties utilized by BEML Ltd.

As a part of strategic disinvestment of BEML and the scheme of arrangement approved by Ministry of Corporate Affairs, the identified surplus/ non-core assets of BEML have been demerged from BEML to BEML Land Assets Limited (BEML LAND ASSETS LTD). The properties have already been transferred in the Books from BEML Ltd. to BEML Land Assets Ltd. However, transfer of title of property is under process. The title transfer of the Bhopal property and Delhi Property and Chennai Building – Flats at Supriya Estate - building assets and Goa Flats – Victor Building – 3 Flats and 2 Shops, Kochi-Land with building in favour of BLAL was completed on 21.03.2025, 08.04.2025, 21.05.2025, 31.12.2025 and on 28.04.2026 respectively.

BEML Limited has taken in-principle approval for utilizing the BEML LAND ASSETS LTD properties by BEML in its 394th Board Meeting held on 23rd March 2023 which was approved by 17th Board Meeting of BEML Land Assets Ltd. Presently, the above said properties are maintained by BEML Ltd. It was proposed to continue utilization of the above properties by BEML Ltd instead of keeping the properties vacant.

The 'day to day expenses' viz., repairs and maintenance, security charges, electricity, water charges etc. is borne by BEML Ltd. A Memorandum of Understanding (MoU) had been signed with BEML Limited on 20.01.2026 which is effective from 01.01.2026 and leasing out 302.26 acres of land in Mysuru and 36 Acres of land in Bengaluru at ₹. 3.93 Crs per annum payable at ₹.98.25 lakhs on quarterly basis and ₹.81,25,000 (₹.95,87,500 with GST) invoice raised on 20th jan 2026 of Bengaluru property and ₹.17,00,000 (₹.20,06,000 inclusive GST) raised on 17th Feb 2026 of Mysuru property. Valuation of rent has arrived as per the Property valuation has been carried out by Housing and Urban Development Corporation Ltd (Hudco), The same has been relied for the purpose of the audit. During the tenure of usage, BEML will pay the property tax on behalf of BEML Land Assets Limited and account the same as a loan to BEML Land Assets Limited. **However, the following discrepancies exist –**

1. The Lease arrangement with BEML Ltd is executed by way of Unregistered MoU dated 20.01.2026 and not a formal registered Lease Agreement.
2. There is no clause related to payment of Rent Deposit in the aforesaid MoU which raises concerns on Default Risk. **However, terms of payment of lease rent is quarterly in advance on or before 7th day of each quarter.**

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report There on

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 (as amended).

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 Ind AS financial statements the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosure, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or cease operations or has no realistic alternative but to do so.



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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance but is not a guarantee that an audit conducted in accordance with SAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

Auditor's responsibilities for the audit of the standalone financial statements

Our responsibility is to express an opinion on these financial statements based on our audit. We have considered the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on

whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e) As per notification No.GSR 463(F) dated 5th June 2015 issued by MCA, Government of India, provisions of section 164(2) of the Companies Act, 2013 relating to disqualification of directors are applicable to the Company, being a Government Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Reporting "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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 following pending litigations with respect to the assets transferred from BEML as confirmed by the Legal Team:

Sl No	Reference Number	Issue	Pending Before
1	RFA 1117/2013 Ramaiah vs. Bayyamma & Others	Title dispute	High Court of Karnataka
2	WP.58481/2015 Vijayaraj K.B vs State of Karnataka & Ors	Sought relief from the State Government	High Court of Karnataka
3	WP. 8279/2018 Jayaram vs State of Karnataka & Ors	Sought relief from the State Government	High Court of Karnataka
4	MA 28/2006 BEML vs BCC Asst. Revenue Officer	Excess property tax levied by BCC and challenged by BEML.	City Civil Court Bengaluru
5	OS 275/25	Sought relief from the State Government	City Civil Court - Civil Judge Senior Division Ranchi

Impact on financial position- we do not have legal opinion to assess the impact on financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any materials for useable losses.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities (the "Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the "Ultimate Beneficiaries of funds advanced, loaned or investment") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries of funds advanced, loaned or invested.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity (ies), including foreign entities (the "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that their presentations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not proposed, declared or paid any interim or final dividend during the year.



vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2026.

For N. Tatia & Associates
Chartered Accountants
Firm Registration Number: 011067S

Sd/-
Nidhi Tatia
Partner
Membership No.: FCA 061355
Peer Review No. 016257
UDIN No- 26061355BSVFCA2526

Date: 01-06-2026
Place- Bangalore

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(I) The Company has maintained proper records showing full particulars, including quantitative details and situation of properties, and relevant details of right-of-use of assets.

(ii) The properties were not physically verified by the management during the year.

(iii) According to the information and explanations given to us, the records examined by us and based on the examination of the Minutes & Documents provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are in the process of being transferred from BEML Ltd to BEML Land Assets Ltd.

(iv) The Company has not revalued any of its properties (including right-of-use of assets) during the year.

(v) According to information and explanation given to us no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(a) According to information and explanation given to us, the company does not have any inventories.

(b) The Company has not been sanctioned working capital limits from banks on the basis of security of current assets.

The Company has not made any investment provided, any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, Firm's, LLP's or any other parties. Accordingly, the provision of clause 3 (iii) of the order are not applicable.

According to the information and explanation given to us, the Company has not granted during the year any loans, secured or unsecured, nor made investments, furnished guarantees or provided security to any party covered by provisions of sections 185 and 186 of the Companies Act, 2013. Hence reporting on whether there is a compliance with



the said provisions does not arise.

According to information and explanations given to us, the Company has not accepted any deposits during the year and there are no unclaimed deposits as at March 31st 2026 to which the provisions of section 73 to 76 or any other relevant provisions of the Companies Act are applicable. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under section 148 of the Companies Act, 2013 are not applicable to the Company.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

Sales tax, Service tax, duty of Excise and Value Added Tax are not applicable to the Company. Hence the reporting under clause (vii)(a) of the Order, with respect to these statutory dues, is not applicable.

The Company has been in non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial years 2023-24 and 2024-25. For the financial year 2023-24, the Company was non-compliant with Regulations 17 to 20 and 33, and for the financial year 2024-25, the Company continued to be non-compliant with Regulations 17 to 20. and for the financial year 2025-26, the Company continued to be non-compliant with Regulations 17 to 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

In respect of the above non-compliances, Stock Exchanges have imposed penalties amounting to ₹.95.77 lakhs (including GST) for FY 2023-24 and ₹.95.70 lakhs (including GST) for FY 2024-25, and ₹.78.99 lakhs (including GST) for the FY 2025-26 aggregating to ₹.270.46 lakhs as on March 31, 2026 (including an estimate for the fourth quarter of FY 2025-26).

It has also been informed that the penalty is expected to continue for upcoming quarters until three Independent Directors, including one Woman Director, are appointed by the Ministry on the Board of BEML Land Assets Limited. In respect of penalty so imposed, the Company has been submitting applications periodically to BSE & NSE seeking wavier of fines and reply is awaited. Further, Company has written letters to Ministry of Defence to take necessary action for the appointment of requisite number of Executive Directors and Independent Directors including woman director on Board for ensuring compliance. Regulation 102 of SEBI (LODR) provides for relaxation of penalty charges if SEBI is satisfied that the non-compliance is caused due to factors affecting a class of entities but being beyond the control of these entities.

(b) Apart from above there are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31st March, 2026.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has borrowed an amount of ₹.282.70 Lakhs from BEML during the year & Total interest for the year is ₹.109.30 lakhs.

There is no stipulation with regard to repayment of principal and interest and thus there are no overdue amounts of loans from BEML.

(b) The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

(c) The Company has not taken any term loans during the year or raised any funds and short term loans except Clause (a) above.

(d) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (e)(f) of the Order is not applicable.

(x) (a) The Company has not made any public offer of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company as been noticed or reported during the year.



(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act, 2013 for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The provisions of section 177 of the Companies Act, 2013 is applicable as it is a listed Company.

(xiv) The company does not have an internal audit system. The company has commenced the business operations from 01.01.2026.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses during the financial year covered by our audit.

(xviii) There has been no resignation of the Company statutory auditors during the year, hence clause (xviii) of the order is not applicable.

(xix) 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material

uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company is not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year.

(xxi) The accounts reported being standalone financials, hence the provision of clause (xxi) of the order is not applicable.

(xxii) -Provision to Rule 3(1) companies (Accounts) Rules 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1 2023. Based on our examination included test check, the company has used 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 the relevant transactions recorded in the software. Further during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For N. Tatia & Associates
Chartered Accountants
Firm Registration Number: 011067S

Sd/-

Nidhi Tatia
Partner
Membership No.: FCA 061355
Peer Review No. 016257
UDIN No - 26061355BSVFCA2526

Date: 01-06-2026
Place - Bangalore



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statement of

BEM LAND ASSETS LTD ("the Company") as of 31st March, 2026

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2026, based on the criteria for internal financial control with reference to standalone financial statement established by the respective 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.

For N. Tatia & Associates
Chartered Accountants
Firm Registration Number: 011067S

Sd/-

Nidhi Tatia
Partner
Membership No.: FCA 061355
Peer Review No. 016257
UDIN No- 26061355BSVFCA2526

Date: 01-06-2026
Place - Bangalore

Annexure "C" to the Independent Auditors' Report

Directions under section 143(5) of the Companies Act, 2013. ("the Act") On the directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act, 2013,

Based on the verification of records of the Company and information and explanations given to us, we report that:

1	DIRECTIONS	AUDITORS COMMENTS
	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 company has only 3 employees of which one employee is on deputation from BEML Ltd so her retirement benefit is taken care by BEML Ltd and other 2 Employees are (retired and redeployed employees) on contractual basis with consolidated pay hence this clause is not applicable to BLAL
	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 Organisations 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 uses SAP ERP Software for processing accounting transactions. As per information and explanations given to us, and based on our audit on test basis, there are no accounting transactions processed outside the IT System However, Sales invoice format has been created outside the ERP and later on accounted in ERP... no instances of lack of integrity of accounts and no financial implications has been noted/ reported. There is no impact on the accounts and financial statement of the company Cyber security audit has not been conducted by Cert-In empanelled auditing organisation during the FY 2025-26.



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.	As per information and explanations given to us, the Company, during the year of audit, has not received/receivable of funds for specific schemes from Central/State agencies. There is no impact on the accounts and financial statement of the company.
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 formulated and adopted Risk Management Policy. We are of the opinion that the Company faces the following Risks – Default Risk – 1. The Lease arrangement with BEM Ltd as per point (7) of the Auditors Report is executed by way of Unregistered MoU dated 20.01.2026 and not a formal registered Lease Agreement. 2. There is no clause related to payment of Rent Deposit in the aforesaid MoU which raises concerns on Default Risk. Regulatory Risk – a. In terms of Non compliances highlighted in Clause of the Auditors Report, the Company is exposed to various Regulatory Risks.
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.	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 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 Defence. 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 aforesaid requirement has not been met by the Company during the financial year 2025-26. 3. During the Financial Year 2025-26, the Company has not constituted the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee as per Regulation 18, 19 & 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and Sec 177 & 178 of the Companies Act 2013. and accordingly an Audit Committee, Nomination and Remuneration Committee and Shareholders Relationship Committee were constituted during the FY 2025-26 Requirement of two independent directors on the audit committee is not met as per the Companies Act and SEBI listing regulation. one independent director was ceased to be the director with effect from 17.04.2026 and consequently all the set committees ceased to Exist
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For N. Tatia & Associates
Chartered Accountants
Firm Registration Number: 011067S

Sd/-

Nidhi Tatia
Partner
Membership No.: FCA 061355
Peer Review No. 016257
UDIN No- 26061355BSVFCA2526

Date: 01-06-2026
Place - Bangalore

स्पोडपोस्ट द्वारा
गोपनीय

नि-1/बी.एल.ए.एल.लेखा/25-26/2026-27/134

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



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

सेवा में,
श्री शांतनु रॉय,
अध्यक्ष एवं प्रबंध निदेशक,
बीईएमएल भूमि संपत्ति लिमिटेड,
बीईएमएल सौधा, एस.आर. नगर,
बेंगलूर - 560027.

दिनांक / DATE 21-7-2026

महोदय,

विषय: कम्पनी अधिनियम 2013 की धारा 143(6)(b) के तहत भारत के नियंत्रक
एवं महालेखापरीक्षक की टिप्पणियाँ।

मैं 31 मार्च 2026 को समाप्त वर्ष बीईएमएल भूमि संपत्ति लिमिटेड, बेंगलूर के लेखाओं पर कंपनी
अधिनियम 2013 की धारा 143(6)(b) के तहत भारत के नियंत्रक एवं महालेखापरीक्षक का "शून्य
टिप्पणी प्रमाण पत्र" अंग्रेषित करता हूँ।

कृपया सुनिश्चित करें कि टिप्पणियाँ

1. बिना कोई राशोधन किये पूर्ण रूप से छापी जाये।
2. सूचि में उचित संकेत के साथ कंपनी की वार्षिक रिपोर्ट में सांविधिक लेखापरीक्षकों की
रिपोर्ट के आगे रखा जाये।
3. कंपनी अधिनियम 2013 की धारा 143(6)(b) के तहत आवश्यकतानुसार वार्षिक आम
बैठक में रखा जाये।

कृपया पत्र की पावती भेजें।

भवदीय

(अरुण कुमार वीएम)
निदेशक

संलग्न: यथोपरि

By Speed Post
Confidential

Insp-1/BLALAccs/25-26/2026-27/134

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



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,
Doddumavalli, Sudhamanagar, Bengaluru-560002

दिनांक / DATE 21.07.2026

To,
Shri Shantanu Roy,
Chairman and Managing Director,
BEML Land Assets Limited,
BEML Soudha, S.R. Nagar,
Bangalore – 560 027

Sir,

Sub: Comments of the Comptroller and Auditor General of India under section 143(6) (b) of the Companies Act, 2013 on the Financial Statements of **BEML Land Asset Limited, Bengaluru** for the year ended 31 March 2026.

I forward Nil Comments Certificate of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of **BEML Land Asset Limited, Bengaluru** for the year ended 31 March 2026.

It may please be ensured that the comments are:

- (i) Printed into without any editing;
- (ii) Placed before the AGM as required under Section 143(6)(b) of the Companies Act, 2013; and
- (iii) Placed next to the Statutory Auditors' Report in the Annual Report of the Company with proper indication in the index.

The receipt of this letter may please be acknowledged.

Yours faithfully,

(Arun Kumar VM)
Director

Encl: As above.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BEML LAND ASSETS LIMITED, BENGALURU FOR THE YEAR ENDED 31 MARCH 2026

The preparation of financial statements of **BEML Land Assets 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 Audit Report dated 01 June 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **BEML Land Assets 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 auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to 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)

Director General of Audit, Defence - Commercial

Place: Bengaluru

Date: 21 July 2026



CORPORATE DATA

BOARD OF DIRECTORS:

Shri Shantanu Roy
Chairman and Managing Director

Shri Anil Jerath
Non-Executive Director

Smt. Rolley Mahendra Varma
Government Nominee Director
(w.e.f. 27th April, 2026)

Shri M.V. Natesan
Independent Director (up to 17th April, 2026)

Smt. Bharti Ramchandani
Company Secretary & Compliance Officer
(w.e.f. 21st April, 2026)

Shri K. Masilamani
Chief Financial Officer

BANKERS

State Bank of India,
Overseas Branch
No.65, St Marks Rd, Bengaluru

STATUTORY AUDITORS

M/s. N.Tatia & Associates
Chartered Accountants
Bengaluru

SECRETARIAL AUDITORS

M/s. MMA & Partners,
Practising Company Secretaries
Lucknow

REGISTRAR & SHARE TRANSFER AGENT:

M/s Integrated Registry Management Services Private Limited
Registered Office: 2nd Floor, Kences Towers, Ramakrishna Street,
North Usman Road, T. Nagar, Chennai - 600 017 TN.
E-mail: giri@integratedindia.in, customercare@integratedindia.in
Website: www.integratedindia.in

BEML Land Assets Limited

(CIN: L70109KA2021GOI149486)
Schedule 'C' Company under Ministry of Defence

"BEML SOUDHA", REGISTERED OFFICE:

No. 23/1,4th Main, Sampangiramanagar, Bengaluru - 560 027
Ph: 080-22963140, Email: cs@blal.in. Website: www.blal.in



BEML LAND ASSETS LIMITED

(CIN: L70109KA2021GOI149486)

Schedule 'C' Company under Ministry of Defence, Gol

LIST OF CITIES WHERE BLAL PROPERTIES ARE LOCATED:

S.NO.	STATE	CITY
1	Karnataka	Bengaluru
		Mysuru
2	Chhattisgarh	Bilaspur
3	Goa	Panjim
4	Jharkhand	Ranchi
5	Kerala	Kochi
6	Madhya Pradesh	Bhopal
7	Maharashtra	Mumbai
8	New Delhi	New Delhi
9	Tamil Nadu	Chennai
10	West Bengal	Asansol
		Kolkata



BLAL

BEML LAND ASSETS LIMITED

BEML LAND ASSETS LIMITED

(CIN: L70109KA2021GOI149486)

Schedule 'C' Company under Ministry of Defence, Gol

BEML Soudha, #23/1, 4th Main,

SR Nagar, Bengaluru-560 027

Karnataka, India

✉ cs@blal.in

💬 **080-2296 3140**

🌐 www.blal.in