

National Stock Exchange of India Ltd. Listing Compliance Department Exchange Plaza, Bandra - Kurla Complex, Bandra (East), MUMBAI - 400 051  <b>Symbol: BLAL</b>	The BSE Limited Listing Compliance Department P.J. Towers, 26th Floor, Dalal Street, MUMBAI - 400 001  <b>Scrip code: 543898</b>
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Dear Sir / Madam,

**Sub:** Revised Independent Auditors Report for the Financial year 2025-26

**Ref:** Our letter dated CS/SEs/179 dated 18.05.2026 Outcome of Board Meeting held on 18<sup>th</sup> May, 2026 for declaration of financial results as on year ended and 04<sup>th</sup> Quarter ended on 31<sup>st</sup> March, 2026.

This is to inform you that pursuant to the Updation in shareholders Fund/Net worth in UDIN input data, new UDIN has been generated and our earlier Auditors Report dated 18.05.2026 have been revised.

There is no impact in the Financial data uploaded on 18<sup>th</sup> May, 2026.

Yours faithfully

For BEML LAND ASSETS LIMITED

BHARTI

RAMCHANDANI

Digitally signed by  
BHARTI RAMCHANDANI  
Date: 2026.06.02  
16:21:07 +05'30'

Bharti Ramchandani  
Company Secretary & Compliance Officer  
ICSI Mem. No.F11561

Encl: As above

### 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 18<sup>th</sup> 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 Auditors' 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 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 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.

#### 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	a) Land Assets at Bengaluru, Mysuru, Ranchi, Asansol & Bilaspur	647.30	BEML Limited	No	25th August, 2022
Investment property	Building Assets at Bengaluru, Mysuru, Kolkata, Mumbai,	353.93	BEML Limited	No	25th August, 2022
Investment property	Bhopal and New Delhi and Chennai Building – Flats at Supriya Estate - building assets and Goa Flats – Victor Building – 3 Flats and 2 Shops, Kochi-Land (as on date)		BLAL	No	25th August, 2022

## 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, 8-4 -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 Rs.3.93 Crs per annum payable at Rs.98.25 lakhs on quarterly basis and 81,25,000 (95,87,500 with GST) invoice raised on 20<sup>th</sup> Jan 2026 of Bengaluru property and 17,00,000 (20,06,000 inclusive GST) raised on 17<sup>th</sup> 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 7<sup>th</sup> day of each quarter.**

#### **Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including 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. Bayamma & 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 - <b>Civil Judge Senior Division Ranchi</b>

***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.



# N. Tatia & Associates

Chartered Accountants



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: 0110675

A handwritten signature in blue ink, appearing to read 'Nidhi Tatia', with a horizontal line underneath.

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 Rs. 95.77 lakhs (including GST) for FY 2023-24 and Rs. 95.70 lakhs (including GST) for FY 2024-25, and 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 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.



# N. Tatia & Associates

Chartered Accountants



(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 Rs 282.70 Lakhs from BEML during the year & Total interest for the year is Rs 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.



# N. Tatia & Associates

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(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



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 BEML 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.

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 be come in adequate 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



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
	<p>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.</p>	<p>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</p>
	<p>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.</p> 	<p>The Company uses SAP ERP Software for processing accounting transactions.</p> <p>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.</p> <p>There is no impact on the accounts and financial statement of the company</p> <p>Cyber security audit has not been conducted by Cert-In empanelled auditing organisation during the FY 2025-26.</p>

<p>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.</p>	<p>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.</p> <p>There is no impact on the accounts and financial statement of the company</p>
<p>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?</p>	<p>The company has formulated and adopted Risk Management Policy. We are of the opinion that the Company faces the following Risks –</p> <p>Default Risk –</p> <ol style="list-style-type: none"> <li>1. The Lease arrangement with BEML 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.</li> <li>2. There is no clause related to payment of Rent Deposit in the aforesaid MoU which raises concerns on Default Risk.</li> </ol> <p>Regulatory Risk –</p> <ol style="list-style-type: none"> <li>a. In terms of Non compliances highlighted in Clause of the Auditors Report, the Company is exposed to various Regulatory Risks.</li> </ol>
<p>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.</p>	<ol style="list-style-type: none"> <li>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. <b>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.</b></li> <li>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</li> </ol>



# N. Tatia & Associates

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		<p>requirement has not been met by the Company during the financial year 2025-26.</p> <p>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 &amp; 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and Sec 177 &amp; 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</p>
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For N. Tatia & Associates  
Chartered Accountants  
Firm Registration Number: 011067S



Nidhi Tatia  
Partner  
Membership No.: FCA 061355  
Peer Review No. 016257  
UDIN No- **26061355BSVFCA2526**  
Date: 01-06-2026  
Place- Bangalore