

RESILIENT GROWTH.

Engineering India's
Defence Edge.



RATING

MANAGEMENT	★★★★★
BUSINESS	★★★★★
FINANCIALS	★★★★★
VALUATION	★★★★

Ranking 1 to 5, denoting lowest and 5 highest

24-11-2025

CMP: ₹402.90

Rating: BUY

Range: ₹399 - ₹407

FIN2RESEARCH
Investment Advisor Pvt. Ltd.



QUALITY. TECHNOLOGY. INNOVATION.

BHARAT ELECTRONICS LIMITED

Sector: Capital Goods

Stock Info :	
Mkt Cap (₹ in Cr)	2,94,510.99
52-Weeks Low/High	240/436
Traded Volume (lakhs)	236.96
No. of Equity Shares (Cr)	373.00
Face Value (Rs.)	1.00
NSE Code	BEL
BSE Code	500049
Free Float Market Cap (Cr)	1,43,906.32

Source: NSE/BSE

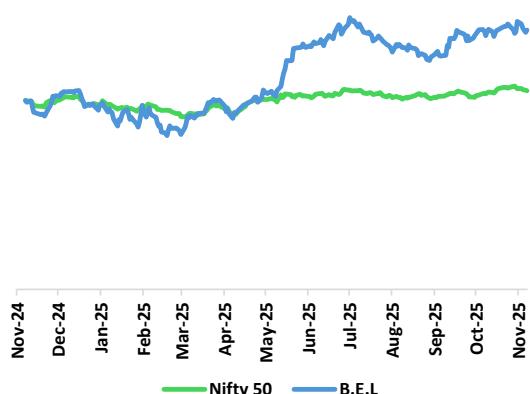
Particulars	FY24	FY25
Current Ratio	1.54	1.76
EPS	5.50	7.23
BV per share	22.0	26.95
EBITDA Margin	25.00	29.00
ROCE	36.44	39.22
RoE	27.10	29.56
Net Profit Ratio	20.28	22.97

Source: Company

Particulars	% of Total Shares
Central Government	51.14
Mutual Funds/UTI	15.02
FPIs	17.56
Individuals	9.33
Others	6.95
Total	100.00

Source: Company, NSE, BSE

Stock Performance



About Company:

Bharat Electronics Limited (BEL) stands as a leading aerospace and defence electronics company that has been instrumental in advancing India's self-reliance in critical defence technologies and indigenous capabilities. Established in 1954 as a Government of India enterprise under the Ministry of Defence, BEL has evolved into India's premier defence equipment manufacturer, revolutionizing the Indian defence sector with cutting-edge electronics solutions and systems over the past seven decades. With a formidable presence across multiple locations and operating through 29 Strategic Business Units strategically positioned at nine manufacturing complexes across India—including Bengaluru, Ghaziabad, Pune, Machilipatnam, Panchkula, Chennai, Kotdwara, Hyderabad, and Navi Mumbai—BEL has established itself as a versatile company with diverse multi-technology and multi-product capabilities, tank electronics, gun and weapon system upgrades, and precision-guided electronic fuzes.

Key Highlights:

□ Profitability Expansion with Enhanced Margin Profile: The company reported Profit Before Tax (PBT) of ₹3,023 crore up in Q2 FY26, representing a growth of 21.5% compared to ₹2,488 crore in the comparable period of FY25. Profit After Tax (PAT) reached ₹2,255 crore in H1 FY26, up 20.77% from ₹1,867 crore in H1 FY25, demonstrating superior bottom-line expansion compared to top-line growth, indicating operational leverage and improved cost management. EBITDA margin expanded significantly to 30.15% (H1 FY26) from 27.26% (H1 FY25), a 289 basis point improvement, reflecting the company's commitment to cost optimization, indigenization initiatives, and improved operational efficiency across its manufacturing complexes.

□ The company's order book position strengthened further during the quarter. As of October 31, 2025, the order book stood at ₹75,600 crore (compared to ₹74,453 crore as of October 1, 2025), providing strong multi-year revenue visibility and execution runway. The company acquired orders worth ₹12,539 crore till October 1, 2025, which increased to ₹14,750 crore by October 31, 2025, in H1 FY26, also ₹27,000+ crore order inflows in FY26 (excluding QRSAM) and approximately ₹57,000 crore including QRSAM order expected by March 2026. The company continues to execute major defence programs effectively, with strong contributions from LRSAM (Long Range Surface to Air Missile) for Navy (approximately ₹5,000 crore pending order book), Electronic Fuzes (₹4,500 crore pending), BMP-II Tank Upgrades (₹3,000 crore pending), and Akash Army System (₹2,700 crore pending). The top 7 orders comprise approximately ₹25,000 crore of the ₹74,000+ crore order book, demonstrating concentrated delivery focus and predictable revenue streams. Defence continues to dominate the revenue composition at approximately 90% of total business, with non-defence contributing 10%, maintaining the company's established strategic positioning aligned with India's defence modernization priorities and government procurement focus.

□ Beyond its dominant defence portfolio, BEL has strategically diversified into promising non-defence segments including Homeland Security, Smart City Solutions, Cyber Security, Software Solutions, Electronic Voting Machines (EVMs), Rail and Metro Solutions, Space Electronics, Solar Power Plants, and Healthcare Solutions. The company has established a global footprint through its international marketing offices in New York (USA), Muscat (Oman), Colombo (Sri Lanka), and across ASEAN countries, enabling it to tap into emerging export markets and expand its reach for proven defence and non-defence products. As a strong advocate of India's "AtmaNirbhar Bharat Abhiyaan" and "Make in India" initiatives, BEL has been at the forefront of indigenous design and manufacturing capabilities, demonstrating India's prowess in developing world-class defence electronics.

Key Risks:

□ Supply Chain Disruptions and Input Component Constraints: due to the tumultuous geopolitical environment and global supply chain complexities, the industry faces potential delays in receiving critical input materials and components.

Rating: BUY
Range: ₹399 - ₹407
Target 1/2: ₹431/₹491
Expected Upside Potential: 22%


Price: The price is moving above all the key moving averages (9, 12, 26). The moving averages are aligned in a bullish stacking formation (9-day MA > 12-day EMA > 26-day EMA), with all slopes directed upwards. This hierarchical arrangement demonstrates robust technical strength across multiple timeframes—short-term, medium-term, and long-term—confirming a healthy, well-structured uptrend.

Momentum Indicator Strength: The RSI (14) stands at a healthy level of 64.01, placing it in the optimal momentum zone between 50 and 70. This indicates that bullish momentum remains intact and well-established without excessive overbought conditions.

Bollinger Band: The Bollinger Band envelope with settings (20, 2) spans from ₹363.9 (lower band) to ₹437.9 (upper band), positioning signals strong bullish conviction, as the price is operating well within the upper portion of the volatility range.

BEL exhibits a compelling bullish signal with demonstrable strength in the technical trend. The stock is characterized by a bullish moving average alignment, healthy RSI momentum without overbought extremes, price trading in the upper band of the volatility envelope, and multiple support levels anchoring the downside.

Disclaimer

RATING SCALE: DEFINITION OF RATINGS

- **BUY** –We expect the stock to deliver more than 10%-20% returns over the next 9 months.
- **ACCUMULATE** –We expect the stock to deliver 5% -12% returns over the next 9 months.
- **REDUCE** –We expect the stock to deliver 0% -5% returns over the next 9 months.
- **SELL** –We expect the stock to deliver negative returns over the next 9 months.
- **NR** –Not Rated. Fin2Research is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
- **RS** –Rating Suspended. Fin2Research has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.
- **NA** –Not Available or Not Applicable. The information is not available for display or is not applicable.
- **NM** –Not Meaningful. The information is not meaningful and is therefore excluded. **NOTE** –Our target prices are with a 9-month perspective. Returns stated in the rating scale are our internal benchmark.

DISCLAIMER ANALYST CERTIFICATION:

I Amit Negi Research Analyst, author, and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above-mentioned Analyst of this report has not received any compensation from the companies mentioned in the report in the preceding twelve months and does not serve as an officer, director, or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

Investments in the securities market are subject to market risks. Read all the related documents carefully before investing. Registration granted by Sebi and certification from NISM in no way guarantee the performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum, or risk-free return to the investors. Fin2research Investment Advisor Private Limited (FIA) is the source of information and opinions in this report, which may be subject to change at any time. Any and all content in this report is confidentially sourced only for that intended audience and may not be altered, transmitted (in whole or in part), copied into another medium, or reproduced elsewhere without the written permission of Fin2research Investment Advisor Private Limited (FIA). Although we will endeavor to update the information contained herein for reasonable reasons, Fin2research Investment Advisor Private Limited (FIA) has no obligation to update or keep this information current. Due to regulatory, compliance, or other reasons, Fin2research Investment Advisor Private Limited (FIA) may be unable to do so.

The accuracy of this report is not guaranteed and it relies on information from public sources that have not been independently verified. This report and the information contained in it are for informational purposes only and should not be used or considered as an offer document or as an invitation to buy, sell, or subscribe to securities or other financial instruments. Although it is distributed to all clients at the same time, not all clients can receive this report at the same time. Fin2research Investment Advisor Private Limited (FIA) will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting, or tax advice or a representation that any investment or strategy is or would be appropriate for your particular circumstances.

The securities mentioned and opinions expressed in this document might not be appropriate for all investors, who have to make their very own investment decisions, primarily based totally on their very own investment objectives, economic positions, and needs of the particular recipient. This may not be taken in substitution for the exercising of independent judgment through any recipient. The recipient must independently compare the investment risks. Any number of factors, including fluctuations in interest rates and foreign exchange rates, could affect the value and return on investment. Fin2research Investment Advisor Private Limited (FIA) disclaims all responsibility for any form of loss or damage resulting from using this material. Future performance is not always predicted by past performance. Before making an investment in the securities markets, investors are recommended to review the Risk Disclosure Document to understand the risks involved. Actual results may differ materially from those set forth in projections. Statements that are deemed forward-looking are not guarantees and could change at any time. As of the final day of the month before the research report was published, none of the following parties owned 1% or more of the equity securities of the company mentioned in the study: Fin2research Investment Advisor Private Limited (FIA), all of its subsidiaries, research analysts, or any family members of any of these parties.

The material contained in this study may not align with previous reports published by Fin2research Investment Advisor Private Limited (FIA) or reach a different conclusion. Fin2research Investment Advisor Private Limited (FIA) and its Research Analysts have not participated in any market-making activities on behalf of the firms listed in the report. We contend that no regulatory authority has taken any significant disciplinary action against Fin2research Investment Advisor Private Limited (FIA) that would have an impact on the company's ability to conduct equity research analysis. The distribution, publication, availability, or use of this report by any person or entity that is a citizen or resident of, or located in, any locality, state, country, or other jurisdiction is not authorized or intended, as it may violate legal requirements or subject Fin2research Investment Advisor Private Limited (FIA) and affiliates to registration or licensing requirements in such jurisdictions. Certain groups of investors or all jurisdictions may not be able to purchase the securities covered here. It is expected of everyone who may come into possession of this material to become aware of and abide by these restrictions.

THANK YOU

Fin2Research Investment Advisor Pvt Ltd (FIA) CIN: U70200DL2023PTC413207IA

Registration No: INA000018425

Registered Office: Plot No A 2nd Floor, Street New Bungalow Road, Malka Ganj, Delhi North Delhi, 110007 Delhi Phone no: 9711885801

Email: customercare@fin2research.com

Website: www.fin2research.com

For Research Query: researchdesk@fin2research.com