

CO/SEC/4(7)/2021-22/ BSE & NSE Filing/65

10th February, 2022

ಬಿಎಸ್‌ಐ ಲಿಮಿಟೆಡ್ BSE Limited ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಫಿರೋಜ್ ಜಿಜೀಭಯ್ ಟೌರ್ಸ್ Phiroze Jeejeebhoy Towers, ದಲಾಲ ಸ್ಟ್ರೀಟ್ Dalal Street, ಮುಂಬೈ Mumbai – 400 001	ನೇಷನಲ್ ಸ್ಟಾಕ್ ಎಕ್ಸ್‌ಚೇಂಜ್ ಆಫ್ ಇಂಡಿಯಾ ಲಿಮಿಟೆಡ್ National Stock Exchange of India Ltd ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಎಕ್ಸ್‌ಚೇಂಜ್ ಪ್ಲಾಜಾ, 5 th ಫ್ಲೋರ್, ಪ್ಲಾಟ್ ನಂ. ಸಿ/1 Exchange Plaza, 5 th Floor, Plot No C/1, ಜಿ ಬ್ಲಾಕ್, ಬಾಂದ್ರಾ-ಕುರ್ಲಾ ಕಾಂಪ್ಲೆಕ್ಸ್, ಬಾಂದ್ರಾ (ಪೂರ್ವ) G Block, Bandra-Kurla Complex, Bandra (E), ಮುಂಬೈ Mumbai – 400051
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ಪ್ರಿಯ ಮಹೋದಯ/ ಮಹೋದಯಾ Dear Sir/ Madam,

ವಿಷಯ: ದಿನಾಂಕ 31 ದಿಸೆಂಬರ್, 2021 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಎವ್ ಅವಧಿ ಹೇತು

ಲೇಖಾಪರೀಕ್ಷಿತ ವರ್ತಮಾನ ಪರಿಣಾಮ (ಸ್ಟೇಂಡ್‌ಅಲೋನ್ ಎವ್ ಸಮೇಕಿತ) ಎವ್ ದ್ವಿತೀಯ ಅಂತರಿಮ ಲಾಭಾಂಶ ಕ್ಕಿ ಘೋಷಣಾ

Sub: Audited Financial Results (Standalone and Consolidated) for the quarter and period ended 31st December, 2021 and declaration of second interim dividend

ಸಂದರ್ಭ: ಬಿಎಸ್‌ಐ ಸ್ಕ್ರಿಪ್ ಕೋಡ್: 541154, ಎನ್‌ಎಸ್‌ಐ ಚಿನ್ಹ: ಎಚ್‌ಎಲ್

Ref: BSE Scrip Code: 541154, NSE Symbol: HAL

ಕಂಪನಿ ಕೆ ನಿರ್ದೇಶಕ ಮಂಡಲ ನೆ ಆಜ್ ಹುಡ್ ಅಪನಿ ಬೈಠಕ್ ಮೆ ದಿನಾಂಕ 31 ದಿಸೆಂಬರ್, 2021 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಎವ್ ಅವಧಿ ಹೇತು, ಅನ್ಯ ಬಾತೊ ಕೆ ಸಾಥ್-ಸಾಥ್, ಲೇಖಾಪರೀಕ್ಷಿತ ವರ್ತಮಾನ ಪರಿಣಾಮೊ (ಸ್ಟೇಂಡ್‌ಅಲೋನ್ ಎವ್ ಸಮೇಕಿತ) ಕೆ ಸಂಬಂಧ ಮೆ ಅನುಮೋದನ ಪ್ರದಾನ ಕಿಯಾ |

The Board of Directors of the Company at its meeting held today has, *inter-alia*, approved the Audited Financial Results (Standalone and Consolidated) for the quarter and period ended 31st December, 2021.

2. ಇಸ್ಕೆ ಅತಿರಿಕ್ತ ಕಂಪನಿ ಕೆ ನಿರ್ದೇಶಕ ಮಂಡಲ ನೆ ವರ್ತಮಾನ ವರ್ಷ 2021-22 ಹೇತು ಪ್ರತಿ ₹10/- ಪೂರ್ಣ ಚುಕ್ತಾ ಸಾಮ್ಯಾ ಶೇಯರ್ ಕೆ ಲೀಫ್ ₹2.6/- ಕೆ ದ್ವಿತೀಯ ಅಂತರಿಮ ಲಾಭಾಂಶ (26.0%) ಕ್ಕಿ ಘೋಷಣಾ ಕ್ಕಿ ಹೆ |

Further, the Board of Directors of the Company has declared **second interim dividend of Rs. 2.6/- per equity share of Rs. 10/- each fully paid up (26.0%)** for the Financial Year 2021-22.



15/1, ಕಬ್ಬನ್ ರೋಡ್, ಬೆಂಗಳೂರು - 560 001, ಕರ್ನಾಟಕ, ಭಾರತ, 15/1, ಕಬ್ಬನ್ ರೋಡ್, ಬೆಂಗಳೂರು - 560 001, ಕರ್ನಾಟಕ, ಭಾರತ

15/1, Cubbon Road, Bangalore - 560 001, Karnataka, India

ದೂರವಾಣಿ (ಫೋನ್) Ph. : +91-80-2232 0001, 2232 0475, ಫ್ಯಾಕ್ಸ್ (ಫೇಕ್ಸ್) Fax : +91-80-2232 0758

ಇ ಮೇಲ್ (ಇ) Email : cosec@hal-india.co.in

CIN: L35301KA1963GOI001622

3. द्वितीय अंतरिम लाभांश के भुगतान हेतु रिकार्ड तिथि 18th फरवरी, 2022, शुक्रवार होगी ।

Record date for the payment of second interim dividend will be Friday, 18th February, 2022.

4. लिस्टिंग विनियम के विनियम 33 के अनुसरण में, हम निम्नलिखित सूचनाओं को संलग्न कर रहे हैं:

Pursuant to Regulation 33 of the Listing Regulations, we are enclosing herewith the following:

- a) दिनांक 31 दिसम्बर, 2021 को समाप्त तिमाही एवं अवधि हेतु लेखापरीक्षित वित्तीय परिणामों (स्टैंडअलोन एवं समेकित) से संबंधित विवरण (अनुबंध-I)

Statement showing the Audited Financial Results (Standalone and Consolidated) for the quarter and period ended 31st December, 2021. (Annexure-I);

- b) लेखापरीक्षित वित्तीय परिणामों से संबंधित लेखापरीक्षा रिपोर्ट (अनुबंध-II एवं III)

Auditors' Report on the Audited Financial Results (Annexure-II & III);

5. सूचित किया जाता है कि लिस्टिंग विनियमों के विनियम 33(3) के संदर्भ में, सांविधिक लेखापरीक्षक, मेसर्स महाराज एन आर सुरेश एंड कंपनी एलएलपी, शासपत्रित लेखाकार (संस्था पंजीकरण सं. 001931S) ने दिनांक 31 दिसम्बर, 2021 को समाप्त तिमाही एवं अवधि हेतु लेखापरीक्षित वित्तीय परिणामों (स्टैंडअलोन एवं समेकित) के संबंध में असंशोधित राय के साथ लेखापरीक्षा रिपोर्ट जारी की है।

This is to inform that the Statutory Auditors, M/s. Maharaj N R Suresh and Co. LLP, Chartered Accountants (Firm Registration No. 001931S) have issued an Audit Report with unmodified opinion on the Audited Financial Results (Standalone and Consolidated) for the quarter and period ended 31st December, 2021 in terms of Regulation 33(3) of the Listing Regulations.

6. हम उपर्युक्त परिणामों का सार (अनुबंध-IV) संलग्न कर रहे हैं, जो लिस्टिंग विनियम के विनियम 47 के अनुसरण में समाचार पत्रों में प्रकाशित किया जाएगा ।

We are also enclosing an extract of the aforementioned results, which would be published in the newspapers in accordance with Regulation 47 of the Listing Regulations (Annexure-IV).

7. कंपनी के निदेशक मंडल की बैठक 10.00 बजे प्रारंभ हुई तथा 14.05 बजे समाप्त हुई।

The meeting of the Board of Directors of the Company commenced at 10.00 hours and concluded at 14.05 hours.

8. कृपया पावती भेजें। Kindly acknowledge the receipt.

धन्यवाद Thanking you,

भवदीय Yours Faithfully

कृते हिन्दुस्तान एरोनॉटिक्स लिमिटेड
For Hindustan Aeronautics Ltd



(जी वी शेषा रेड्डी G V Sessa Reddy)

कंपनी सचिव एवं अनुपालन अधिकारी
Company Secretary & Compliance Officer
संलग्नक Encl: उपरोक्त As stated above.

HINDUSTAN AERONAUTICS LIMITED
 Regd. Office: 15/1 Cubbon Road, Bengaluru- 560 001

CIN : L35301KA1963GOI001622 , TEL : 080 22320001, email : investors@hal-india.co.in website : www.hal-india.co.in

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

Rs in Lakhs

Sl.No	Particulars	Standalone					
		Quarter ended		Nine months ended		Year ended	
		31-Dec-21 (Audited)	30-Sep-21 (Audited)	31-Dec-20 (Audited)	31-Dec-21 (Audited)	31-Dec-20 (Audited)	31-Mar-21 (Audited)
1	Income from Operations						
	(a) Revenue from operations	5,89,177	5,55,117	5,42,558	13,05,917	12,01,637	22,75,458
	(b) Other Income	19,670	13,904	9,217	48,583	22,689	35,867
	Total Income	6,08,847	5,69,021	5,51,775	13,54,500	12,24,326	23,11,325
2	Expenses						
	(a) Cost of materials consumed	1,96,566	2,15,435	2,00,790	5,17,686	5,13,437	7,77,176
	(b) Purchase of stock-in-trade	11,744	19,653	33,321	37,254	46,243	82,116
	(c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap	89,071	26,733	39,625	-18,385	-62,631	2,45,827
	(d) Employee benefits expense	1,06,585	1,07,055	1,06,009	3,19,107	3,23,241	4,29,102
	(e) Finance Costs	75	62	5,321	1,605	22,928	25,911
	(f) Depreciation and Amortisation Expense	37,332	24,289	17,889	72,754	50,969	1,17,758
	(g) Impairment Loss	826	104	441	1,038	1,784	6,385
	(h) Other expenses	29,512	29,882	31,290	84,530	83,430	1,21,372
	(i) Direct Input to WIP/Expenses Capitalised	13,034	5,382	3,102	21,292	12,721	25,977
	(j) Provisions	35,218	43,638	28,420	1,12,499	73,112	1,46,208
	Total Gross Expenses	5,19,963	4,72,233	4,66,208	11,49,380	10,65,234	19,77,832
	Less: Expenses relating to Capital and Other Accounts	36,252	16,987	21,301	60,610	52,005	93,394
	Total Expenses	4,83,711	4,55,246	4,44,907	10,88,770	10,13,229	18,84,438
3	Profit/(Loss) before Exceptional items and Tax (1-2)	1,25,136	1,13,775	1,06,868	2,65,730	2,11,097	4,26,887
4	Exceptional item	-	-	-	-	-	202
5	Profit/(Loss) before tax (3+4)	1,25,136	1,13,775	1,06,868	2,65,730	2,11,097	4,27,089
6	Tax expense						
	(i) Current Tax	35,182	23,296	9,500	63,684	9,500	64,500
	(ii) Earlier Tax Refund	-	-	-4,933	-	-4,933	-4,933
	(iii) Deferred Tax	-3,801	5,657	16,974	3,592	44,714	44,226
		31,381	28,953	21,541	67,276	49,281	1,03,793
7	Net Profit / (Loss) for the period (5-6)	93,755	84,822	85,327	1,98,454	1,61,816	3,23,296
8	Other Comprehensive Income (OCI)						
	A. Items that will not be reclassified to statement of Profit and Loss						
	(i) Remeasurements of defined benefit plans	3,660	4,556	-8,275	7,309	-11,774	-9,733
	(ii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss	-922	-1,146	2,082	-1,840	2,963	2,450
	B. Items that will be reclassified to statement of Profit and Loss						
	(i) Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-
	(ii) Income Tax relating to items that will be reclassified to statement of Profit and Loss	-	-	-	-	-	-
	Total Other Comprehensive Income (A+B)	2,738	3,410	-6,193	5,469	-8,811	-7,283
9	Total Comprehensive Income for the period (7 + 8)	96,493	88,232	79,134	2,03,923	1,53,005	3,16,013
10	Paid-up Equity Share Capital (Face Value Rs.10 each)	33,439	33,439	33,439	33,439	33,439	33,439
11	Other Equity excluding Revaluation Reserves						15,02,216
12	Capital Redemption Reserve / Debenture Redemption Reserve						14,761
13	Earnings per share (in Rupees) (EPS for the quarter and nine months are not annualised)						
	(a) Basic	28.04	25.37	25.52	59.35	48.39	96.68
	(b) Diluted	28.04	25.37	25.52	59.35	48.39	96.68
14	Net Worth (including Retained Earning)						15,35,655
15	Debt Service Coverage Ratio (times)	-	-	21.08	-	10.21	17.48
16	Interest Service Coverage Ratio (times)	-	-	21.08	-	10.21	17.48
17	Debt Equity Ratio (Debt for the purpose of debt equity ratio includes short term borrowings)	-	-	0.2:1	-	0.2:1	0:1

Standalone Notes:

1. The above results have been approved by the Board of Directors in the meeting held on 10.02.2022.
2. The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have issued an unmodified opinion for the quarter and nine months ended December 31, 2021.

3. COVID-19 Impact

Current period Impact:

Second wave of Covid-19 has forced the Company to declare for a phased lockdown at various Divisions on substitution basis during April and May 2021. The employees have put in additional hours for the hours lost during lockdown period. The lost man hours was recovered in June and July 2021. The Company has shown improved performance in the II & III Quarters (July – December 2021). Hence, there is no significant impact during the nine months ended 31.12.2021.

Anticipated Future Impact:

Based on the information available (internal as well as external) up to the date of approval of this financial result, Company expects to recover the carrying amount of Intangible assets, Inventories, Property, Plant and Equipment's, Lease, Financial Instruments, Trade Receivables etc. Efforts are being made to minimize the impact. The Company will continue to closely monitor the developments, the future economic and business outlook and its impact on Company's future financial statements with a view to minimize the Covid impact.

4. Ministry of Corporate Affairs vide notification no 1/2/2014-CL-V dated 23rd February 2018 has exempted the Government companies engaged in defence production to the extent of application of Ind AS 108 on "Operating Segment".
5. The Company had paid Rs.1000 lakhs as share application money to its Joint Venture Company, Helicopter Engines MRO Private Limited, on 30.09.2021 towards equity participation in Rights issue of the Joint Venture Company. The Company has been allotted 10 lakhs Equity shares of Rs.100 each on 11.11.21 against the share application money paid.
6. Revision of pay scales of executives and workmen, with effect from 01.01.2017 was implemented in accordance with the guidance issued by DPE vide OM dated 03.08.2017 for Executives and in accordance with the Wage Agreement entered into between Management and Employees Union representative in 2019-20 in respect of Workmen.

On an interpretation on pay refixation and pursuant to the directives of the Administrative Ministry, the pay fixation is being revised and the excess amount paid is to be recovered from the employees.

The impact of this adjustment for the quarter/nine months ended 31, December 2020, of Rs.1114 lakhs and Rs.3548 lakhs respectively and consequential reduction in sales revenue by Rs.375 lakhs and Rs.767 lakhs for the quarter/nine months ended 31, December 2020 was given effect in the quarter ended 31, March 2021. Accordingly employees cost and sales for the current quarter/nine months ended of 31, December 21 are not

comparable with the corresponding quarter/nine months ended of the previous year. The estimated amount of recovery for which claims receivable recognised is Rs.23045 lakhs and Rs.19368 lakhs as on 31 December 2021 and 31st March 2021 respectively.

While so, the Employees Union and Officers Association have filed Writ Petition with Hon'ble High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The Hon'ble High Court of Karnataka has granted interim stay order on recoveries. The Court hearing in respect of Workmen was held on 15.11.2021. However, the matter was adjourned and the interim stay granted earlier continues in respect of Workmen. The hearing in respect of the Officers is yet to be scheduled.

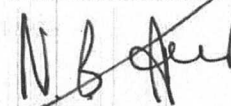
7. Bruhath Bangalore Mahanagara Palike (BBMP) issued demand notice on HAL towards property tax of Rs.20253 lakhs from 2008-09 to 2021-22. The Company's legal counsel has advised that the demand is arbitrary and made without following the machinery provisions under the Karnataka Municipal Corporations Act 1976 and in denial of natural justice and the company can seek for rectification of the demand under the provisions of the Act. Based on the best judgment estimate by the management the outflow of property tax is estimated Rs.5043 lakhs. Provision for Rs.4094 lakhs is made in the quarter 31 December 2021 after adjusting the provision of Rs.949 lakhs created in the respective years. The Company has filed appeal before the City Civil Court and the same is pending adjudication.
8. The Commercial Papers (listed) issued by the Company outstanding as on December 31, 2021 is Rs. Nil lakhs (As on March 31, 2021: Rs. Nil lakhs; As on December 31, 2020: Rs.200000 lakhs).
9. Figures for the previous periods have been regrouped / reclassified to conform to the classification of the current period, wherever necessary.

For Maharaj N R Suresh and Co., LLP

Chartered Accountants,

Firm Registration

No.01931S/S000020



CA N R Suresh

Partner

Membership No. 021661

Place: Bengaluru

Date: 10.02.2022



**CHINAKAVANAM
BHOOPATHI
ANANTHAKRISHNAN**

CB ANANTHAKRISHNAN

Director (Finance) & CFO

DIN: 06761339

**RAJAGOPALA
N MADHAVAN**

R MADHAVAN

Chairman & Managing Director

DIN: 08209860

**Gajjala
Venkata Seshu
Reddy**

G.V. SESA REDDY

Company Secretary

HINDUSTAN AERONAUTICS LIMITED

Regd. Office: 15/1 Cubbon Road, Bengaluru- 560 001

CIN : L35301KA1963GOI001622, TEL : 080 22320001, email : investors@hal-india.co.in website : www.hal-india.co.in

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

Rs in Lakhs

Sl.No	Particulars	Consolidated					
		Quarter ended		Nine months ended		Year ended	
		31-Dec-21	30-Sep-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Income from Operations						
	(a) Revenue from operations	5,89,190	5,55,116	5,42,546	13,05,889	12,01,580	22,75,454
	(b) Other Income	19,676	13,738	9,151	48,427	22,673	35,823
	Total Income	6,08,866	5,68,854	5,51,697	13,54,316	12,24,253	23,11,277
2	Expenses						
	(a) Cost of materials consumed	1,96,398	2,15,351	2,00,705	5,17,526	5,13,307	7,76,472
	(b) Purchase of stock-in-trade	11,744	19,653	33,321	37,254	46,243	82,116
	(c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap	89,070	26,733	39,625	-18,385	-62,644	2,45,814
	(d) Employee benefits expense	1,06,934	1,07,409	1,06,368	3,20,175	3,24,349	4,30,517
	(e) Finance Costs	76	64	5,322	1,609	22,932	25,917
	(f) Depreciation and Amortisation Expense	37,348	24,309	17,910	72,803	51,017	1,17,828
	(g) Impairment Loss	826	104	441	1,038	1,784	6,385
	(h) Other expenses	29,564	29,935	31,344	84,689	83,592	1,21,603
	(i) Direct Input to WIP/Expenses Capitalised	13,034	5,382	3,102	21,292	12,721	25,977
	(j) Provisions	35,215	43,565	28,065	1,12,037	71,963	1,45,026
	Total Gross Expenses	5,20,209	4,72,505	4,66,203	11,50,038	10,65,264	19,77,655
	Less: Expenses relating to Capital and Other Accounts	36,252	16,987	21,301	60,610	52,005	93,394
	Total Expenses	4,83,957	4,55,518	4,44,902	10,89,428	10,13,259	18,84,261
3	Profit/(Loss) before Share of Profit/(Loss) of Joint Ventures, Exceptional items and Tax (1-2)	1,24,909	1,13,336	1,06,795	2,64,888	2,10,994	4,27,016
4	Share of Profit/(Loss) of Joint Ventures (JV) accounted using Equity Method	-190	291	92	-132	17	481
5	Profit/(Loss) before Exceptional items and Tax (3+4)	1,24,719	1,13,627	1,06,887	2,64,756	2,11,011	4,27,497
6	Exceptional item	-	-	-	-	-	202
7	Profit/(Loss) before tax (5+6)	1,24,719	1,13,627	1,06,887	2,64,756	2,11,011	4,27,699
8	Tax expense						
	(i) Current Tax	35,182	23,296	9,500	63,684	9,500	64,500
	(ii) Earlier Tax Refund	-	-	-4,933	-	-4,933	-4,933
	(iii) Deferred Tax	-3,801	5,657	16,974	3,592	44,714	44,226
		31,381	28,953	21,541	67,276	49,281	1,03,793
9	Net Profit / (Loss) for the period (7-8)	93,338	84,674	85,346	1,97,480	1,61,730	3,23,906
10	Other Comprehensive Income (OCI)						
	A. Items that will not be reclassified to statement of Profit and Loss						
	(i) Remeasurements of defined benefit plans	3,678	4,582	-8,257	7,363	-11,721	-9,687
	(ii) Share of Other Comprehensive Income of JV's accounted using Equity Method	5	2	-1	7	-1	-17
	(iii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss	-922	-1,146	2,082	-1,840	2,963	2,450
	B. Items that will be reclassified to statement of Profit and Loss						
	(i) Exchange differences in translating financial statements of foreign operations	-	-	-	-	-	-
	(ii) Share of Other Comprehensive Income of JV's accounted using Equity Method	-	-	-1	-	-	-
	(iii) Income Tax relating to items that will be reclassified to statement of Profit and Loss	-	-	-	-	-	-
	Total Other Comprehensive Income (A+B)	2,761	3,438	-6,177	5,530	-8,759	-7,254
11	Total Comprehensive Income for the period (9 + 10)	96,099	88,112	79,169	2,03,010	1,52,971	3,16,652

HINDUSTAN AERONAUTICS LIMITED

Regd. Office: 15/1 Cubbon Road, Bengaluru- 560 001

CIN : L35301KA1963GOI001622 , TEL : 080 22320001, email : investors@hal-india.co.in website : www.hal-india.co.in

STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

Rs in Lakhs

Sl.No	Particulars	Consolidated					
		Quarter ended			Nine months ended		Year ended
		31-Dec-21 (Audited)	30-Sep-21 (Audited)	31-Dec-20 (Audited)	31-Dec-21 (Audited)	31-Dec-20 (Audited)	31-Mar-21 (Audited)
12	Profit/(Loss) for the period attributable to- Owners of the Company	93,340	84,676	85,347	1,97,487	1,61,736	3,23,946
	Non Controlling interest	-2	-2	-1	-7	-6	-40
13	Other Comprehensive Income for the period attributable to- Owners of the Company	2,761	3,438	-6,177	5,530	-8,759	-7,254
	Non Controlling interest	-	-	-	-	-	-
14	Total Comprehensive Income for the period attributable to- Owners of the Company	96,101	88,114	79,170	2,03,017	1,52,977	3,16,692
	Non Controlling interest	-2	-2	-1	-7	-6	-40
15	Paid-up Equity Share Capital (Face Value Rs.10 each)	33,439	33,439	33,439	33,439	33,439	33,439
16	Other Equity excluding Revaluation Reserves						15,07,788
17	Capital Redemption Reserve / Debenture Redemption Reserve						14,761
18	Earnings per share (in Rupees) (EPS for the quarter and nine months are not annualised)						
	(a) Basic	27.91	25.32	25.52	59.06	48.37	96.87
	(b) Diluted	27.91	25.32	25.52	59.06	48.37	96.87
19	Net Worth (including Retained Earning)						15,41,618
20	Debt Service Coverage Ratio (times)	-	-	21.08	-	10.20	17.49
21	Interest Service Coverage Ratio (times)	-	-	21.08	-	10.20	17.49
22	Debt Equity Ratio (Debt for the purpose of debt equity ratio includes short term borrowings)	-	-	0.2:1	-	0.2:1	0:1

Consolidated Notes:

1. The above results have been approved by the Board of Directors in the meeting held on 10.02.2022.
2. The Financial Results have been audited by the Statutory Auditors as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have issued an unmodified opinion for the quarter and nine months ended December 31, 2021.

3. **COVID-19 Impact**

Current period Impact:

Second wave of Covid-19 has forced the Group to declare for a phased lockdown at various Divisions on substitution basis during April and May 2021. The employees have put in additional hours for the hours lost during lockdown period. The lost man hours was recovered in June and July 2021. The Group has shown improved performance in the II & III Quarter (July – December 2021). Hence, there is no significant impact during the nine months ended 31.12.2021.

Anticipated Future Impact:

Based on the information available (internal as well as external) up to the date of approval of this financial result, Group expects to recover the carrying amount of Intangible assets, Inventories, Property, Plant and Equipment's, Lease, Financial Instruments, Trade Receivables etc. Efforts are being made to minimize the impact. The Group will continue to closely monitor the developments, the future economic and business outlook and its impact on Group's future financial statements with a view to minimize the Covid impact.

4. Ministry of Corporate Affairs vide notification no 1/2/2014-CL-V dated 23rd February 2018 has exempted the Government companies engaged in defence production to the extent of application of Ind AS 108 on "Operating Segment".
5. The Company had paid Rs.1000 lakhs as share application money to its Joint Venture Company, Helicopter Engines MRO Private Limited, on 30.09.2021 towards equity participation in Rights issue of the Joint Venture Company. The Company has been allotted 10 lakhs Equity shares of Rs.100 each on 11.11.21 against the share application money paid.
6. Revision of pay scales of executives and workmen, with effect from 01.01.2017 was implemented in accordance with the guidance issued by DPE vide OM dated 03.08.2017 for Executives and in accordance with the Wage Agreement entered into between Management and Employees Union representative in 2019-20 in respect of Workmen.

On an interpretation on pay refixation and pursuant to the directives of the Administrative Ministry, the pay fixation is being revised and the excess amount paid is to be recovered from the employees.

The impact of this adjustment for the quarter/nine months ended 31, December 2020, of Rs.1114 lakhs and Rs.3548 lakhs respectively and consequential reduction in sales revenue by Rs.375 lakhs and Rs.767 lakhs for the quarter/nine months ended 31, December 2020 was given effect in the quarter ended 31, March 2021. Accordingly employees cost and sales for the current quarter/nine months ended of 31, December 21 are not

comparable with the corresponding quarter/nine months ended of the previous year. The estimated amount of recovery for which claims receivable recognised is Rs.23045 lakhs and Rs.19368 lakhs as on 31 December 2021 and 31st March 2021 respectively.

While so, the Employees Union and Officers Association have filed Writ Petition with Hon'ble High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The Hon'ble High Court of Karnataka has granted interim stay order on recoveries. The Court hearing in respect of Workmen was held on 15.11.2021. However, the matter was adjourned and the interim stay granted earlier continues in respect of Workmen. The hearing in respect of the Officers is yet to be scheduled.

7. Bruhath Bangalore Mahanagara Palike (BBMP) issued demand notice on HAL towards property tax of Rs.20253 lakhs from 2008-09 to 2021-22. The Company's legal counsel has advised that the demand is arbitrary and made without following the machinery provisions under the Karnataka Municipal Corporations Act 1976 and in denial of natural justice and the company can seek for rectification of the demand under the provisions of the Act. Based on the best judgment estimate by the management the outflow of property tax is estimated Rs.5043 lakhs. Provision for Rs.4094 lakhs is made in the quarter 31 December 2021 after adjusting the provision of Rs.949 lakhs created in the respective years. The Company has filed appeal before the City Civil Court and the same is pending adjudication.
8. The Commercial Papers (listed) issued by the Company outstanding as on December 31, 2021 is Rs. Nil lakhs (As on March 31, 2021: Rs. Nil lakhs; As on December 31, 2021: Rs.200000 lakhs).
9. Notes specific to Joint Ventures

(i) In respect of BAeHAL Software Limited

Unbilled Revenues

The company has shown Unbilled Revenues valuing Rs.946.55 lakhs (P.Y.764.77 lakhs) shown under Revenue from operations & under Current Assets-Others in Balance Sheet. Two Major projects RTS-SWISS 71P and TPM MCSRDC totaling to Rs.474 lakhs in UBR will be invoiced by March 2022 as per best possible estimate projected by management. The company is executing multiple projects spanning over multiple years. End customers keep making changes in requirements of the deliverables, this leads to delay in delivery of the products. This year UBR has increased due to COVID 19 pandemic impact and lockdown declared in 1st Quarter of Financial year 2021-22 which lasted for two months.

RTS-SWISS 15B Yard 1 & Yard 2 presently in UBR Rs.150.87 lakhs being identical projects in nature w.r.t. SWISS 71P will be invoiced by Q-1 F.Y. 2022-23 after invoicing SWISS 71P Rs.364 lakhs which is scheduled to be invoiced by Q-4 F.Y. 2021-22.

SIM-NOPV - Indian Navy project is under progress and as per schedule slated to be invoiced in Q1 F.Y. 2022-23 for which UBR as on Dec-21 amounting to Rs.147.02 lakhs.

Balance Rs.284.66 lakhs related to various small regular projects which will be converted into sales on the respective dates provided in UBR. The company is working with customers to ensure substantial reduction in UBR by March 2022.

(ii) In respect of HATSOFF Helicopter Training Private Limited

Going Concern

The Company has made a net profit of Rs.464.71 Lakhs during the period ended 31, December 2021 and, as of that date, the Company's current liabilities exceeded its current assets. In addition to this, as at the balance sheet date, the Company has significant accumulated losses which have resulted in erosion of the net worth. The networth of the Company as at 31, December, 2021 is negative by Rs.3731.82 Lakhs (as at 31, March 2021 negative by Rs.4196.22 Lakhs). However, these financial statements have been prepared on a going concern basis, notwithstanding the above factors in view of the following:

- 1) Board has affirmed that Company has the ability to meet all the obligations.
- 2) The Company is able to get the multi-year contracts from Defence forces with increased training hours.
- 3) The Company along with the shareholders are presently pursuing several options with the Company's bankers, viz., ICICI Bank.
- 4) The Company has paid ECB loan interest upto 05, September 2020 and intends to service interest commitments regularly. Besides interest payment, ECB principal of Rs.398.61 lakhs (US\$ 545,000) in April, 2021, Rs.1167.36 lakhs (US\$ 1,600,000) in September 2021 and Rs.800 lakhs (US\$ 1,074,835) in December 2021 has been repaid against ECB overdue installments.
- 5) The ECB Loan is classified as Non-Performing Asset by the lending bank in view of non-payment of installments due. The bankers has not recalled the loan.

Considering the promoters ability to fund the Company's requirements and procure orders for execution, management is of the opinion that Company is a going concern.

(iii) In respect of HALBIT Avionics Private Ltd

The Company has the following conditions that may cast doubt on its ability to continue as a going concern viz., Net liability position (Rs.1164 lakhs as at 31 March, 2021 and Rs.1110 lakhs as at 31 December, 2021); Net current liability position (Rs.1239 lakhs as at 31 March, 2021 and Rs.1179 lakhs as at 31 December, 2021). Despite these conditions, its current liability to creditor, though recorded, isn't payable immediately, as they are yet to complete part performance of their obligation and being a shareholder-joint venture partner themselves, the Company has drawn up financial plans to liquidate the liability in a phased manner. The Company, based on its estimated future growth as per the business plans and projected cash flow, is confident of funding its operating and capital expenditure and continue business operations in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

(iv) In respect of TATA HAL Technologies Ltd

During the year 2019-20 both the joint venturers of the Company, M/s Tata Technologies Limited and Hindustan Aeronautics Limited expressed their respective Board decisions for voluntary winding up of the Company. The matter has been discussed during the Board Meeting of the Company held on 09 March, 2020 during which the Board has accorded in principle approval for closure of the operations of the Company on 31 March, 2020 except for pending work related to Purchase Order from HAL. Considering the above fact the

accounts have been prepared as on 07 June 2021, on a non-going concern basis and assets have been valued at the amount which the Company expects to realize an assets and liabilities are stated at the amount which Company expects to settle the liability. The accounts for the corresponding previous period ended 31 December, 2020 have been prepared on a non-going concern basis.

Further, the Board and members of the Company have approved the voluntary liquidation of the Company at the Board meeting and EGM respectively, both held on 08 June 2021.

10. HAL Edgewood Technologies Private Limited, is a Joint venture company of Hindustan Aeronautics Limited, has vide their letter dated 09.07.2020, intimated their employees regarding the official closure of the company with immediate effect due to the spread of Covid 19-Pandemic.

The Joint Venture Company has not prepared the financial statements for the quarter and nine months ended 31 December, 2021 due to the abovementioned reason.

Hence, financial results of HAL Edgewood Technologies Private Limited, has not been considered for consolidation for the quarter and nine months ended 31 December, 2021, in the Consolidated Financial Statements.

The impact of non-consolidation, however, is not material.

11. The audited/reviewed financial statements of Infotech HAL Ltd, joint venture of Hindustan Aeronautics Limited are not made available and hence not considered in consolidated financial statements. The joint venture was hitherto consolidated under equity method. The impact of non-consolidation, however, is not material.


12. Figures for the previous periods have been regrouped / reclassified to conform to the classification of the current period, wherever necessary.

For Maharaj N R Suresh and Co., LLP

Chartered Accountants,

Firm Registration.

No.01931S/S000020



CA N R Suresh

Partner

Membership No. 021661

Place: Bengaluru

Date: 10.02.2022



CHINAKAVANAM
BHOOPATHI
ANANTHAKRISHNAN

CB ANANTHAKRISHNAN

Director (Finance) & CFO

DIN: 06761339

RAJAGOPALA
N MADHAVAN

R MADHAVAN

Chairman & Managing Director

DIN: 08209860

Gajjala Venkata
Sesha Reddy

G.V. SESA REDDY

Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF HINDUSTAN AERONAUTICS LIMITED

Report on the audit of the Standalone Financial Results

Opinion

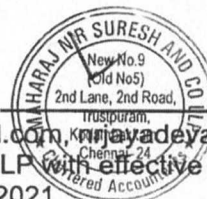
We have audited the accompanying Standalone quarterly financial results of Hindustan Aeronautics Limited for the quarter ended 31st December 2021, and the year to date results for the period from 01.04.2021 TO 31.12.2021 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these Standalone Financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 31st December 2021 as well as the year to date results for the period from 01.04.2021 to 31.12.2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* 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 financial results under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

(I) Attention is invited to Notes to the Financial Results extracted below:

Note 3:

COVID-19 Impact

Current year Impact:

Second wave of Covid-19 has forced the company to declare for a phased Lockdown at various divisions on substitution basis during April and May 2021. The Employees will put in additional hours for the lost hours during lockdown period. The lost man hour was recovered in June and July 2021. The Company has shown improved performance in the II & III Quarter (July to December 2021). Hence, there is no significant impact during Nine Months ended 31.12.2021.

Anticipated Future Impact:

Based on the information available (internal as well as external) up to the date of approval of this financial result, Company expects to recover the carrying amount of Intangible assets, Inventories, Property, Plant and Equipment's, Lease, Financial Instruments, Trade Receivables etc. Efforts are being made to minimize the impact. The Company will continue to closely monitor the developments, the future economic and business outlook and its impact on Company's future financial statements with a view to minimize the Covid impact.

Note 6:

Revision of pay scales of executives and workmen, with effect from 01.01.2017 was implemented in accordance with the guidance issued by DPE vide OM dated 03.08.2017 for Executives and in accordance with the Wage Agreement entered between Management and Employees Union representative in 2019-20 in respect of Workmen.

On an interpretation on Pay refixation and pursuant to the directives of Administrative Ministry, the pay fixation is being revised and the excess amount paid is to be recovered from Employees.

The impact of this adjustment for the quarter/nine months ended 31, December 2020, of Rs 1114 lakhs and Rs 3548 lakhs respectively and consequential reduction in sales revenue by Rs 375 lakhs and Rs 767 lakhs for the quarter/nine months ended 31, December 2020 was given effect in the quarter ended 31, March 2021. Accordingly employees cost and sales for the current quarter/nine months ended 31, December 21



15

are not comparable with the corresponding quarter/nine months ended of the previous year. The estimated amount of recovery for which claims receivable recognized is Rs 23045 lakhs and Rs 19368 lakhs as on 31st December 2021 and 31st March 2021 respectively.

The Employees Union and officer's association have filed writ petition with Honorable High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. Honorable high court of Karnataka has granted interim stay order on recoveries. The Court hearing in respect of workmen was held on 15.11. 2021. However the matter was adjourned and the interim stay granted earlier continues in respect of workmen. The hearing in respect of the officer is yet to be scheduled.

Our opinion on Standalone financial results is not modified in respect of the above matters.

Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date Standalone Financial Results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Standalone Financial Results

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results 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.

Other Matters

The Financial Results also include the audited Financial Results and financial information of 27 Divisions of the Company, whose financial statements /financial information reflect the total revenue of Rs 5 61 768 and Rs 12 35 039 lakhs, Net profit of Rs 1 22 206 lakhs and Rs 2 35 929 lakhs for the Quarter ended 31.12.2021 and for the Period from 01.04.2021 to 31.12.2021 respectively ,as considered in the Financial Results which have been audited by the respective independent auditors. The Independent Auditors Reports on the interim financial statements / financial information of these Divisions have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these Divisions, are based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion is not modified in respect of these matters.

For Maharaj N R Suresh and Co LLP
Chartered Accountants
FRN NO:001931S/S000020



N R Suresh
Partner

M.NO 021661

UDIN:22021661ABCUWQ1223

Place: Chennai
Date:10.02.22



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF HINDUSTAN AERONAUTICS LIMITED

Report on the audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Statement of Consolidated Financial Results of Hindustan Aeronautics Limited ("Holding company") and its subsidiaries (holding company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the Quarter ended 31st December 2021 and the year to date results for the period from 01.04.2021 to 31.12.2021, attached herewith, being submitted by the holding company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audited financial statements/ financial results /financial information of subsidiaries, associates and joint ventures, the Statement:

- a. Includes the annual financial results of the following entities:

SL No	Subsidiaries
1	Naini Aerospace Limited
2	Indo Russian Helicopters Limited (IRHL)
	Joint Ventures
1	BAe-HAL Software Ltd
2	Safran HAL Aircraft Engines Private Ltd
3	Indo Russian Aviation Ltd
4	HALBIT Avionics Pvt. Ltd
5	SAMTEL HAL Display Systems Ltd
6	HATSOFF Helicopter Training Pvt. Ltd.
7	International Aerospace Manufacturing Pvt.Ltd.
8	Multirole Transport Aircraft Ltd
9	Helicopter Engines MRO Pvt. Ltd

- b. Are presented in accordance with the requirements of Regulation 33 of the Listing Regulations, in this regard; and
- c. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income and other financial information of the group for the Quarter ended 31st December 2021, and the year to date results for the period from 01.04.2021 to 31.12.2021.



Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, its associates and joint ventures 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Note 3:

COVID-19 Impact

Current year Impact:

Second wave of Covid-19 has forced the company to declare for a phased Lockdown at various divisions on substitution basis during April and May 2021. The Employees will put in additional hours for the lost hours during lockdown period. The lost man hour was recovered in June and July 2021. The Company has shown improved performance in the II & III Quarter (July to December 2021). Hence, there is no significant impact during Nine Months ended 31.12.2021.

Anticipated Future Impact:

Based on the information available (internal as well as external) up to the date of approval of this financial result, Company expects to recover the carrying amount of Intangible assets, Inventories, Property, Plant and Equipment's, Lease, Financial Instruments, Trade Receivables etc. Efforts are being made to minimize the impact. The Company will continue to closely monitor the developments, the future economic and business outlook and its impact on Company's future financial statements with a view to minimize the Covid impact.

Note 6:

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On an interpretation on Pay refixation and pursuant to the directives of Administrative Ministry, the pay fixation is being revised and the excess amount paid is to be recovered from Employees.

The impact of this adjustment for the quarter/nine months ended 31, December 2020, of Rs 1114 lakhs and Rs 3548 lakhs respectively and consequential reduction in sales revenue by Rs 375 lakhs and Rs 767 lakhs for the quarter/nine months ended 31, December 2020 was given effect in the quarter ended 31, March 2021. Accordingly employees cost and sales for



the current quarter/nine months ended 31, December 21 are not comparable with the corresponding quarter/nine months ended of the previous year. The estimated amount of recovery for which claims receivable recognized is Rs 23045 lakhs and Rs 19368 lakhs as on 31st December 2021 and 31st March 2021 respectively.

The Employees Union and officer's association have filed writ petition with Honorable High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. Honorable high court of Karnataka has granted interim stay order on recoveries. The Court hearing in respect of workmen was held on 15.11. 2021. However the matter was adjourned and the interim stay granted earlier continues in respect of workmen. The hearing in respect of the officer is yet to be scheduled.

Our opinion on Consolidated financial results is not modified in respect of the above matters.

Note no 9

- Notes Specific to Joint Ventures

(i) In respect of BAeHAL Software Limited

Unbilled Revenues

The company has shown Unbilled Revenues valuing Rs.946.55 lakhs (P.Y.764.77 lakhs) shown under Revenue from operations & under Current Assets-Others in Balance Sheet. Two Major projects RTS-SWISS 71P and TPM MCSRDC totaling to Rs.474 lakhs in UBR will be invoiced by March 2022 as per best possible estimate projected by management. The company is executing multiple projects spanning over multiple years. End customers keep making changes in requirements of the deliverables, this leads to delay in delivery of the products. This year UBR has increased due to COVID 19 pandemic impact and lockdown declared in 1st Quarter of Financial year 2021-22 which lasted for two months.

RTS-SWISS 15B Yard 1 & Yard 2 presently in UBR Rs.150.87 lakhs being identical projects in nature w.r.t. SWISS 71P will be invoiced by Q-1 F.Y. 2022-23 after invoicing SWISS 71P Rs.364 lakhs which is scheduled to be invoiced by Q-4 F.Y. 2021-22.

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(ii) In respect of HATSOFF Helicopter Training Private Limited

Going Concern

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- 1) Board has affirmed that Company has the ability to meet all the obligations.
- 2) The Company is able to get the multi-year contracts from Defence forces with increased training hours.
- 3) The Company along with the shareholders are presently pursuing several options with the Company's bankers, viz., ICICI Bank.



4) The Company has paid ECB loan interest upto 05, September 2020 and continues to service interest commitments regularly. Besides interest payment, ECB principal of Rs.398.61 lakhs (US\$ 545,000) in April, 2021, Rs.1167.36 lakhs (US\$ 1,600,000) in September 2021 and Rs.800 lakhs (US\$ 1,074,835) in December 2021 has been repaid against ECB overdue installments.

5) The ECB Loan is classified as Non-Performing Asset by the lending bank in view of non-payment of installments due. The bankers has not recalled the loan.

Considering the promoters ability to fund the Company's requirements and procure orders for execution, management is of the opinion that Company is a going concern.

(iii) In respect of HALBIT Avionics Private Ltd

Going Concern

The Company has the following conditions that may cast doubt on its ability to continue as a going concern viz., Net liability position (Rs.1164 lakhs as at 31 March, 2021 and Rs.1110 lakhs as at 31 December, 2021); Net current liability position (Rs.1239 lakhs as at 31 March, 2021 and Rs.1179 lakhs as at 31 December, 2021). Despite these conditions, its current liability to creditor, though recorded, isn't payable immediately, as they are yet to complete part performance of their obligation and being a shareholder-joint venture partner themselves, the Company has drawn up financial plans to liquidate the liability in a phased manner. The Company, based on its estimated future growth as per the business plans and projected cash flow, is confident of funding its operating and capital expenditure and continue business operations in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

(iv) In respect of TATA HAL Technologies Ltd

Going concern

During the year 2019-20 both the joint venturers of the Company, M/s Tata Technologies Limited and Hindustan Aeronautics Limited expressed their respective Board decisions for voluntary winding up of the Company. The matter has been discussed during the Board Meeting of the Company held on 09 March, 2020 during which the Board has accorded in principle approval for closure of the operations of the Company on 31 March, 2020 except for pending work related to Purchase Order from HAL. Considering the above fact the accounts have been prepared as on 07 June 2021, on a non-going concern basis and assets have been valued at the amount which the Company expects to realize an assets and liabilities are stated at the amount which Company expects to settle the liability. The accounts for the corresponding previous period ended 31st December, 2020 have been prepared on a non-going concern basis.

Further, the Board and members of the Company have approved the voluntary liquidation of the Company at the Board meeting and EGM respectively, both held on 08 June 2021 and as such the financials statements of this Joint venture is not considered for consolidation.

Note no 10

HAL Edgewood Technologies Private Limited, is a Joint venture company of Hindustan Aeronautics Limited, has vide their letter dated 09.07.2020, intimated their employees regarding the official closure of the company with immediate effect due to the spread of Covid 19-Pandemic.

The Joint Venture Company has not prepared the financial statements for the Quarter ended December 31st 2021, due to the abovementioned reason.



Hence, HAL Edgewood Technologies Private Limited, has not been considered for consolidation for the Quarter ended September 30th, 2021, in the Consolidated Financial Statements.

The impact of non-consolidation, however, is not material.

Note no 11

The audited/reviewed financial statements of Infotech HAL Ltd, joint venture of Hindustan Aeronautics Limited are not made available and hence not considered in consolidated financial statements. The joint venture was hitherto consolidated under equity method. The impact of non-consolidation, however, is not material.

Our opinion is not modified in respect of the above matters

Management Responsibilities for the Consolidated Financial Results

These quarterly financial results as well as the year to date Consolidated financial results have been prepared on the basis of the interim financial statements.

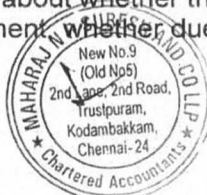
The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associates and joint ventures in accordance with the Recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and joint ventures 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial results by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial results, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial results as a whole are free from material misstatement, whether due to fraud or error, and to



issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Results, 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 act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture 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 consolidated financial results 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 Group and its associates and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Results of which we are the



independent auditors 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. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

The consolidated Financial Results include the audited Financial Results of two subsidiaries, whose Financial Statements/ Financial Results/ financial information reflects Group's share of total assets of Rs. 3443 Lakhs as at 31.12.2021, Group's share of total revenue of Rs 91 Lakhs and 207 lakhs and Group's share of total net loss after tax of Rs (330) lakhs and Rs (1121) lakhs for the Quarter ended 31.12.2021 and for the period from 01.04.2021 to 31.12.2021 respectively, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on Financial Statements/ Financial Results/financial information of these entities have been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The consolidated Financial Results include the audited Financial Results of Ten joint ventures, whose Financial Statements/ Financial Results/ financial information reflect Group's share of total net profit/(Loss) after tax of Rs. (7) lakhs Rs 91 lakhs for the quarter ended 31.12.2021 and for the period from 01.04.2021 to 31.12.2021 respectively, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on Financial Statements/ Financial Results/ financial information of these entities have been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

For Maharaj N R Suresh and Co LLP
Chartered Accountants
FRN NO:001931S/S000020



N R Suresh
N R Suresh
Partner

M.NO 021661

UDIN:2021661ABCVIP1369

Place: Chennai
Date: 10.02.2022

STATEMENT OF AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

S. No.	Particulars	Standalone					Consolidated					Rs in Lakhs
		Quarter ended		Nine months ended		Year ended	Quarter ended		Nine months ended		Year ended	
		Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	Audited	
		31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20	31-Mar-21	
1	Total Income from Operations	5,89,177	5,42,558	13,05,917	12,01,637	22,75,458	5,89,190	5,42,546	13,05,889	12,01,580	22,75,454	
2	Other Income	19,670	9,217	48,583	22,689	35,867	19,676	9,151	48,427	22,673	35,823	
3	Total Income	6,08,847	5,51,775	13,54,500	12,24,326	23,11,325	6,08,866	5,51,697	13,54,316	12,24,253	23,11,277	
4	Net Profit/(Loss) for the period (before Tax and Exceptional Items)	1,25,136	1,06,868	2,65,730	2,11,097	4,26,887	1,24,719	1,06,887	2,64,756	2,11,011	4,27,497	
5	Net Profit/(Loss) for the period before Tax (after Exceptional Items)	1,25,136	1,06,868	2,65,730	2,11,097	4,27,089	1,24,719	1,06,887	2,64,756	2,11,011	4,27,699	
6	Net Profit/(Loss) for the period after Tax (after Exceptional Items)	93,755	85,327	1,98,454	1,61,816	3,23,296	93,338	85,346	1,97,480	1,61,730	3,23,906	
7	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	96,493	79,134	2,03,923	1,53,005	3,16,013	96,099	79,169	2,03,010	1,52,971	3,16,652	
8	Paid-up Equity Share Capital (Face value - Rs.10 each)	33,439	33,439	33,439	33,439	33,439	33,439	33,439	33,439	33,439	33,439	
9	Other Equity excluding revaluation reserves	-	-	-	-	15,02,216	-	-	-	-	15,07,788	
10	Capital Redemption Reserve / Debenture Redemption Reserve	-	-	-	-	14,761	-	-	-	-	14,761	
11	Earnings Per Share (Face value of Rs.10/- each) (EPS for the quarter and nine months are not annualised) (in Rs.)											
	(i) Basic	28.04	25.52	59.35	48.39	96.68	27.91	25.52	59.06	48.37	96.87	
	(ii) Diluted	28.04	25.52	59.35	48.39	96.68	27.91	25.52	59.06	48.37	96.87	
12	Net Worth (including Retained Earning)	-	-	-	-	15,35,655	-	-	-	-	15,41,618	
13	Debt Service Coverage Ratio (times)	-	21.08	-	10.21	17.48	-	21.08	-	10.20	17.49	
14	Interest Service Coverage Ratio (times)	-	21.08	-	10.21	17.48	-	21.08	-	10.20	17.49	
15	Debt Equity Ratio (Debt for the purpose of debt equity ratio includes short term borrowings)	-	0.2:1	-	0.2:1	0:1	-	0.2:1	-	0.2:1	0:1	

Notes:

- The above is an extract of the detailed format of quarterly and year to date audited financial results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the quarterly audited financial results are available on the Stock Exchange websites i.e. www.bseindia.com & www.nseindia.com and also on the Company's website www.hal-india.co.in.
- The Company has prepared these standalone and consolidated financial results in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013.
- The Statutory Auditors have issued unmodified opinion on the standalone and consolidated financial statements of the Company for the quarter and nine months ended 31, December 2021.
- COVID-19 Impact
Current period Impact:
Second wave of Covid-19 has forced the Company to declare for a phased lockdown at various Divisions on substitution basis during April and May 2021. The employees have put in additional hours for the hours lost during lockdown period. The lost man hours was recovered in June and July 2021. The Company has shown improved performance in the II & III Quarters (July – December 2021). Hence, there is no significant impact during the nine months ended 31.12.2021.

Anticipated Future Impact:
Based on the information available (internal as well as external) up to the date of approval of this financial result, Company expects to recover the carrying amount of Intangible assets, Inventories, Property, Plant and Equipment's, Lease, Financial Instruments, Trade Receivables etc. Efforts are being made to minimize the impact. The Company will continue to closely monitor the developments, the future economic and business outlook and its impact on Company's future financial statements with a view to minimize the Covid impact.
- Figures for the previous periods have been regrouped / reclassified to conform to the classification of the current period, wherever necessary.

Place : Bengaluru
Date : 10.02.2022

CB Ananthakrishnan
Director (Finance) & CFO
DIN: 06761339

R Madhavan
Chairman & Managing Director
DIN: 08209860

Annex - IV
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