



ಹಿಂದೂಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್

ಸ್ವಧಾನ ಕಛೇರಿ

ಹಿಂದುಸ್ತಾನ ಏರೊನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್

ಮುಖ್ಯಾಲಯ

HINDUSTAN AERONAUTICS LIMITED

CORPORATE OFFICE

CO/SEC/4(7)/2024-25/ BSE & NSE Filing/41

14th August, 2024

ಬಿಇಸಿಐ ಲಿಮಿಟೆಡ್ BSE Limited ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಫಿರೋಜ್ ಜಿಜಿಭೋಯ ಟೌವರ್ಸ್ Phiroze Jeejeebhoy Towers, ದಲಾಲ ಸ್ಟ್ರೀಟ್ Dalal Street, ಮುಂಬೈ Mumbai – 400 001	ನೇಷನಲ್ ಸ್ಟಾಕ್ ಏಕ್ಸ್‌ಚೇಂಜ್ ಆಫ್ ಇಂಡಿಯಾ ಲಿಮಿಟೆಡ್ National Stock Exchange of India Ltd ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಏಕ್ಸ್‌ಚೇಂಜ್ 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 30 ಜೂನ್, 2024 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಹೇತು
ಲೇಖಾಪರಿಕ್ಷಿತ ವित्तीय परिणाम (ಸ್ಟೇಂಡ್‌ಅಲೋನ್ ಏವ್ ಸಮೇಕಿತ)

**Sub: Audited Financial Results (Standalone and Consolidated)
for the quarter ended 30th June, 2024**

ಸಂದರ್ಭ: ಬಿಇಸಿಐ ಸ್ಕ್ರಿಪ್ ಕೋಡ್: **541154**, ಏನ್‌ಏಸ್‌ಐ ಸಿಮ್ಬಾಲ್: ಏಚ್‌ಏಏಲ್

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

ಕಂಪನಿ ಕೆ ನಿರ್ದೇಶಕ ಮಂಡಲ ನೆ ಆಜ್ ಹುಡ್ ಅಪನಿ ಬೆಡಕ ಮೆ ದಿನಾಂಕ 30 ಜೂನ್, 2024 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಹೇತು, ಅನ್ಯ ಬಾತೆ ಕೆ ಸಾಥ್-ಸಾಥ್, ಲೇಖಾಪರಿಕ್ಷಿತ ವित्तीय परिणाम (ಸ್ಟೇಂಡ್‌ಅಲೋನ್ ಏವ್ 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 ended 30th June, 2024.

2. ಲಿಸ್ಟಿಂಗ್ ವಿನಿಯಮ ಕೆ ವಿನಿಯಮ 33 ಕೆ ಅನುಸರಣ ಮೆ, ಹಮ ನಿಮ್ನಲಿಖಿತ ಸೂಚನಾಂ ಕೆ ಸಂಲಗ್ನ ಕರ ರಹೆ ಹೆ:

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

a) ದಿನಾಂಕ 30 ಜೂನ್, 2024 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಹೇತು ಲೇಖಾಪರಿಕ್ಷಿತ ವित्तीय परिणाम (ಸ್ಟೇಂಡ್‌ಅಲೋನ್ ಏವ್ ಸಮೇಕಿತ) ಸೆ ಸಂಬಂಧಿತ ವಿವರಣ (ಅನುಬಂಧ-1)

Statement showing the Audited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2024. (Annexure-I);

b) ಲೇಖಾಪರಿಕ್ಷಿತ ವित्तीय परिणाम ಸೆ ಸಂಬಂಧಿತ ಲೇಖಾಪರಿಕ್ಷಾ ರಿಪೋರ್ಟ್ (ಅನುಬಂಧ-II)

Auditors' Reports on the Audited Financial Results (Annexure-II);

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 (ಫ್ಯಾಕ್ಸ್) Fax : +91-80-2232 0758

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

CIN: L35301KA1963GOI001622

3. सूचित किया जाता है कि लिस्टिंग विनियमों के विनियम 33(3) के संदर्भ में, सांविधिक लेखापरीक्षक, मेसर्स ए जॉन मोरिस एंड कंपनी, शासपत्रित लेखाकार (फर्म पंजीकरण सं. 007220S) ने दिनांक 30 जून, 2024 को समाप्त तिमाही 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. A John Moris & Co., Chartered Accountants (Firm Registration No. 007220S) have issued an Audit Report with unmodified opinion on the Audited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2024 in terms of Regulation 33(3) of the Listing Regulations.

4. हम उपर्युक्त परिणामों का सार (अनुबंध-III) 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-III).

5. कंपनी के निदेशक मंडल की बैठक 11:00 बजे प्रारंभ हुई तथा 14:15 बजे समाप्त हुई।

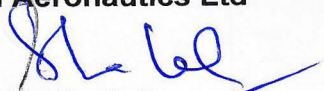
The meeting of the Board of Directors of the Company commenced at 11:00 hours and concluded at 14:15 hours.

6. कृपया पावती भेजें।

Kindly acknowledge the receipt.

धन्यवाद Thanking you,

भवदीय Yours Faithfully
कृते हिन्दुस्तान एरोनॉटिक्स लिमिटेड
For Hindustan Aeronautics Ltd


(शैलेश बंसल Shailesh Bansal)
कंपनी सचिव एवं अनुपालन अधिकारी
Company Secretary & Compliance Officer

Annex-I

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 ENDED 30TH JUNE, 2024

Rs in Lakhs

Sl.No	Particulars	Standalone			
		Quarter ended			Year ended
		30-Jun-24 (Audited)	31-Mar-24 (Audited)	30-Jun-23 (Audited)	31-Mar-24 (Audited)
1	Income from Operations				
	(a) Revenue from operations	4,34,757	14,76,878	3,91,534	30,38,084
	(b) Other Income	73,764	55,708	41,079	1,89,854
	Total Income	5,08,521	15,32,586	4,32,613	32,27,938
2	Expenses				
	(a) Cost of materials consumed	1,44,810	6,49,752	1,08,608	12,36,344
	(b) Purchase of stock-in-trade	12,254	28,668	8,800	67,140
	(c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap	-11,894	-1,92,744	-14,822	-1,95,889
	(d) Employee benefits expense	1,24,443	1,38,700	1,39,946	5,27,624
	(e) Finance Costs	13	3,139	1	3,205
	(f) Depreciation and Amortisation Expense	14,907	64,376	20,124	1,40,645
	(g) Impairment Loss	8	492	291	1,495
	(h) Other expenses	37,595	41,833	35,336	1,52,767
	(i) Direct Input to WIP/Expenses Capitalised	6,131	27,620	4,662	42,599
	(j) Provisions	47,506	2,30,505	35,625	3,30,538
	Total Gross Expenses	3,75,773	9,92,341	3,38,571	23,06,468
	Less: Expenses relating to Capital and Other Accounts	25,469	37,591	14,871	98,427
	Total Expenses	3,50,304	9,54,750	3,23,700	22,08,041
3	Profit/(Loss) before Exceptional items and Tax (1-2)	1,58,217	5,77,836	1,08,913	10,19,897
4	Exceptional item	-	-	-	-
5	Profit/(Loss) before tax (3+4)	1,58,217	5,77,836	1,08,913	10,19,897
6	Tax expense				
	(i) Current Tax	40,169	1,49,515	33,856	2,90,500
	(ii) Earlier Tax (Refund)/Liability	-25,608	-	-	-
	(iii) Deferred Tax	97	-883	-6,362	-30,107
		14,658	1,48,632	27,494	2,60,393
7	Net Profit / (Loss) for the period (5-6)	1,43,559	4,29,204	81,419	7,59,504
8	Other Comprehensive Income (OCI)				
	A. Items that will not be reclassified to statement of Profit and Loss				
	(i) Remeasurements of defined benefit plans	2,158	-11,931	-195	-10,945
	(ii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss	-543	3,003	49	2,755
	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)	1,615	-8,928	-146	-8,190
9	Total Comprehensive Income for the period (7 + 8)	1,45,174	4,20,276	81,273	7,51,314
10	Paid-up Equity Share Capital (Face Value Rs.5 each)	33,439	33,439	33,439	33,439
11	Other Equity excluding Revaluation Reserves				28,71,203
12	Capital Redemption Reserve				14,761
13	Earnings per share (in Rupees) (EPS for the quarters are not annualised)				
	(a) Basic	21.47	64.18	12.17	113.57
	(b) Diluted	21.47	64.18	12.17	113.57
14	Net Worth (including Retained Earning)				29,04,642

Pranishtha

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Standalone Notes:

- 1) The above results have been reviewed and recommended by the Audit Committee in its meeting held on 14.08.2024 and approved by the Board of Directors in the meeting held on the same date.
- 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 ended 30 June, 2024.
- 3) Ministry vide OM dated 12.07.2023 has conveyed the approval for increasing the Company's contribution to the Pension Scheme of Executives from existing 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017. Revision of Pension contribution from 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017 has been made in respect of Executives who were on the rolls of the Company as on the date of implementation of the revised ceiling i.e. 01.01.2017. In respect of new incumbents who joined the Company post 01.01.2017, it will be effective from the date of their appointment.

The additional liability accruing to the Company due to the increased ceiling, of Rs.18223 lakh pertaining to the period from 1 January, 2017 to 31 March, 2023 was given effect in the books of accounts during the quarter ended 30, June 2023. Accordingly, employees cost for the current quarter is not comparable with the corresponding quarter of the previous year.

- 4) 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 to be revised and the excess amount paid is to be recovered from the employees. This has resulted in reduction of salaries and wages for the quarter ended 30 June 2024 by Rs.1495 lakh (quarter ended 30 June, 2023 by Rs.1374 lakh). While so, the Employees Union and Officers Association have filed Writ Petition with Honorable High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The Honorable High Court has granted interim stay on recoveries. Pending disposal of the writ petitions by the High Court, the excess amount is shown under claims recoverable (Gross) for Rs.36713 lakh as on 30.06.2024 (Previous year 31.03.2024: Rs.35218 lakh) and an equal amount of provision has been made in the books of accounts.
- 5) During the quarter ended 30 June, 2024, the Company has received an Income Tax refund order giving effect to an income tax refund of Rs.25608 lakh and interest of Rs.18895 lakh on the same, consequent to a rectification order passed by the assessing officer for the Assessment Year 2009-10 giving effect to the order passed by the Appellate Authority. The Income Tax refund of Rs.25608 lakh is credited under tax expenses and the interest income of Rs.18895 lakh is accounted under other income in the financial results for the quarter ended 30 June, 2024.



- 6) The Company has made the following investments during the quarter ended 30 June 2024-
- Invested in "Electronic Warfare (Defence) Testing Foundation (EWDTF)" which has been incorporated as a Section 8 Company under the Companies Act, 2013 on 21 May, 2024. Hindustan Aeronautics Limited has invested Rs.234.80 lakh i.e. 23,480 Equity Shares of Rs.1,000 each towards 20% of the subscription shares in the Section 8 Company. The Equity Shares in the Section 8 Company were allotted on 01 July, 2024.
 - Invested in "Communication (Defence) Testing Foundation (CDTF)" which has been incorporated as a Section 8 Company under the Companies Act, 2013 on 31 May 2024. Hindustan Aeronautics Limited has invested Rs.261.25 lakh i.e. 26,125 Equity Shares of Rs.1,000 each towards 25% subscription shares in the Section 8 Company. The Equity Shares in the Section 8 Company were allotted on 11 July, 2024.
- 7) The Shareholders of the Company, at the 60th Annual General Meeting held on 31 August 2023, had approved the sub-division of one equity share of the face value of Rs.10 each into two equity shares of face value of Rs.5 each. The record date for the said sub-division was set at 29 September, 2023.
- The basic and diluted EPS and the number of shares for the prior periods have been restated considering the face value of Rs.5 each in accordance with Ind AS 33- "Earnings per Share" on account of the abovementioned sub-division of equity shares.
- 8) The Board of Directors of the Company, at its meeting held on 26 June, 2024, had recommended a final dividend of Rs.13 per equity share (260% of the face value of Rs.5 per equity share) for the financial year 2023-24 in addition to one interim dividend of Rs.22 per equity share. (440% of the face value of Rs.5 per equity share) which is subject to the approval of shareholders in the ensuing Annual General Meeting.
- 9) 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".
- 10) The financial results include the results for the quarter ended 31 March, 2024 being the balancing figures between the audited figures for the full financial year 31 March, 2024 and the published audited year-to-date figures up to 31 December, 2023.
- 11) Figures for the previous periods have been regrouped / reclassified to conform to the classification of the current period, wherever necessary.

For
A JOHN MORIS & CO
Chartered Accountants

Firm Registration No. 007220S

CA A.G.KRISHNAN

Partner

Membership No.021183

Place: Bengaluru

Date: 14.08.2024



CB ANANTHAKRISHNAN

Director (Finance) & CFO

Chairman & Managing Director

(Additional Charge)

DIN: 06761339

SHAILESH BANSAL

Company Secretary

FCS No.5064

Blund.

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 ENDED 30TH JUNE, 2024

Rs in Lakhs

Sl.No	Particulars	Consolidated			
		Quarter ended			Year ended
		30-Jun-24 (Audited)	31-Mar-24 (Audited)	30-Jun-23 (Audited)	31-Mar-24 (Audited)
1	Income from Operations				
	(a) Revenue from operations	4,34,750	14,76,875	3,91,535	30,38,108
	(b) Other Income	73,635	55,731	40,994	1,89,660
	Total Income	5,08,385	15,32,606	4,32,529	32,27,768
2	Expenses				
	(a) Cost of materials consumed	1,44,767	6,48,883	1,08,428	12,34,633
	(b) Purchase of stock-in-trade	12,254	28,668	8,800	67,140
	(c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap	-11,898	-1,92,733	-14,813	-1,95,864
	(d) Employee benefits expense	1,24,756	1,39,062	1,40,369	5,29,069
	(e) Finance Costs	14	3,141	2	3,211
	(f) Depreciation and Amortisation Expense	14,923	64,397	20,138	1,40,717
	(g) Impairment Loss	8	492	291	1,495
	(h) Other expenses	37,665	41,904	35,425	1,53,053
	(i) Direct Input to WIP/Expenses Capitalised	6,131	27,620	4,662	42,599
	(j) Provisions	47,465	2,30,444	35,561	3,30,304
	Total Gross Expenses	3,76,085	9,91,878	3,38,863	23,06,357
	Less: Expenses relating to Capital and Other Accounts	25,469	37,591	14,871	98,427
	Total Expenses	3,50,616	9,54,287	3,23,992	22,07,930
3	Profit/(Loss) before Share of Profit/(Loss) of Joint Ventures, Exceptional items and Tax (1-2)	1,57,769	5,78,319	1,08,537	10,19,838
4	Share of Profit/(Loss) of Joint Ventures (JV) accounted using Equity Method	603	1,181	366	2,650
5	Profit/(Loss) before Exceptional items and Tax (3+4)	1,58,372	5,79,500	1,08,903	10,22,488
6	Exceptional item	-	-	-	-
7	Profit/(Loss) before tax (5+6)	1,58,372	5,79,500	1,08,903	10,22,488
8	Tax expense				
	(i) Current Tax	40,169	1,49,515	33,856	2,90,500
	(ii) Earlier Tax (Refund)/Liability	-25,608	-	-	-
	(iii) Deferred Tax	97	-883	-6,362	-30,107
		14,658	1,48,632	27,494	2,60,393
9	Net Profit / (Loss) for the period (7-8)	1,43,714	4,30,868	81,409	7,62,095
10	Other Comprehensive Income (OCI)				
	A. Items that will not be reclassified to statement of Profit and Loss				
	(i) Remeasurements of defined benefit plans	2,169	-11,977	-177	-10,940
	(ii) Share of Other Comprehensive Income of JV's accounted using Equity Method	-5	-35	7	-29
	(iii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss	-543	3,003	49	2,755
	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	-	-	-	-
	(iii) Income Tax relating to items that will be reclassified to statement of Profit and Loss	-	-	-	-
	Total Other Comprehensive Income (A+B)	1,621	-9,009	-121	-8,214
11	Total Comprehensive Income for the period (9 + 10)	1,45,335	4,21,859	81,288	7,53,881
12	Profit/(Loss) for the period attributable to-				
	Owners of the Company	1,43,716	4,30,871	81,424	7,62,105
	Non Controlling interest	-2	-3	-15	-10
13	Other Comprehensive Income for the period attributable to-				
	Owners of the Company	1,621	-9,009	-121	-8,214
	Non Controlling interest	-	-	-	-
14	Total Comprehensive Income for the period attributable to-				
	Owners of the Company	1,45,337	4,21,862	81,303	7,53,891
	Non Controlling interest	-2	-3	-15	-10
15	Paid-up Equity Share Capital (Face Value Rs.5 each)	33,439	33,439	33,439	33,439
16	Other Equity excluding Revaluation Reserves				28,80,378
17	Capital Redemption Reserve				14,761
18	Earnings per share (in Rupees) (EPS for the quarters are not annualised)				
	(a) Basic	21.49	64.43	12.17	113.95
	(b) Diluted	21.49	64.43	12.17	113.95
19	Net Worth (including Retained Earning)				29,14,181

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Consolidated Notes:

- 1) The above results have been reviewed and recommended by the Audit Committee in its meeting held on 14.08.2024 and approved by the Board of Directors in the meeting held on the same date.
- 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 ended 30 June, 2024.
- 3) Ministry vide OM dated 12.07.2023 has conveyed the approval for increasing the Company's contribution to the Pension Scheme of Executives from existing 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017. Revision of Pension contribution from 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017 has been made in respect of Executives who were on the rolls of the Company as on the date of implementation of the revised ceiling i.e. 01.01.2017. In respect of new incumbents who joined the Company post 01.01.2017, it will be effective from the date of their appointment.

The additional liability accruing to the Company due to the increased ceiling, of Rs.18223 lakh pertaining to the period from 1 January, 2017 to 31 March, 2023 was given effect in the books of accounts during the quarter ended 30, June 2023. Accordingly, employees cost for the current quarter is not comparable with the corresponding quarter of the previous year.

- 4) 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 to be revised and the excess amount paid is to be recovered from the employees.

This has resulted in reduction of salaries and wages for the quarter ended 30 June 2024 by Rs.1495 lakh (quarter ended 30 June, 2023 by Rs.1374 lakh).

While so, the Employees Union and Officers Association have filed Writ Petition with Honorable High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The Honorable High Court has granted interim stay on recoveries. Pending disposal of the writ petitions by the High Court, the excess amount is shown under claims recoverable (Gross) for Rs.36713 lakh as on 30.06.2024 (Previous year 31.03.2024: Rs.35218 lakh) and an equal amount of provision has been made in the books of accounts.

- 5) During the quarter ended 30 June, 2024, the Company has received an Income Tax refund order giving effect to an income tax refund of Rs.25608 lakh and interest of Rs.18895 lakh on the same, consequent to a rectification order passed by the assessing officer for the Assessment Year 2009-10 giving effect to the order passed by the Appellate Authority. The Income Tax refund of Rs.25608 lakh is credited under tax expenses and the interest income of Rs.18895 lakh is accounted under other income in the financial results for the quarter ended 30 June, 2024

- 6) The Company has made the following investments during the quarter ended 30 June 2024-
- Invested in "Electronic Warfare (Defence) Testing Foundation (EWDTF)" which has been incorporated as a Section 8 Company under the Companies Act, 2013 on 21 May, 2024. Hindustan Aeronautics Limited has invested Rs.234.80 lakh i.e. 23,480 Equity Shares of Rs.1,000 each towards 20% subscription shares in the Section 8 Company. The Equity Shares in the Section 8 Company was allotted on 01 July, 2024.
 - Invested in "Communication (Defence) Testing Foundation (CDTF)" which has been incorporated as a Section 8 Company under the Companies Act, 2013 on 31 May 2024. Hindustan Aeronautics Limited has invested Rs.261.25 lakh i.e. 26,125 Equity Shares of Rs.1,000 each towards 25% subscription shares in the Section 8 Company. The Equity Shares in the Section 8 Company was allotted on 11 July, 2024.
- 7) The Shareholders of the Company, at the 60th Annual General Meeting held on 31 August 2023, had approved the sub-division of one equity share of the face value of Rs.10 each into two equity shares of face value of Rs.5 each. The record date for the said sub-division was set at 29 September, 2023. The basic and diluted EPS and the number of shares for the prior periods have been restated considering the face value of Rs.5 each in accordance with Ind AS 33- "Earnings per Share" on account of the abovementioned sub-division of equity shares.
- 8) The Board of Directors of the Company, at its meeting held on 26 June, 2024, had recommended a final dividend of Rs.13 per equity share (260% of the face value of Rs.5 per equity share) for the financial year 2023-24 in addition to one interim dividend of Rs.22 per equity share. (440% of the face value of Rs.5 per equity share) which is subject to the approval of shareholders in the ensuing Annual General Meeting.
- 9) 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".

10) Notes specific to Joint Ventures

(i) In respect of HATSOFF Helicopter Training Private Limited

Going Concern

The Company has made a net profit of Rs.695.96 lakh for the quarter ended 30 June, 2024 and, as of that date, the Company's current liabilities exceeded its current assets by Rs.12610.23 lakh. 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 30 June, 2024 is negative by Rs.869.02 lakh (as at 31 March, 2024 negative by Rs.1564.98 lakh).

The Company has incurred a cost of Rs.4332.42 lakh in connection with the Military Dhruv Cockpit development. The supply contract with CAE Inc, Canada, wherein the Company exported the cockpit purchased from Hindustan Aeronautics Limited to CAE Inc. for further fittings and is currently awaiting the delivery of the completed Military Dhruv Cockpit. The agreed price in 2008 was USD 6,892,777 and an amount of USD 4,892,777 (Rs.2090.73 lakh) was paid. The revised estimated price, as quoted by CAE Inc, in June 2019 and

valid until March 2020 is USD 13,692,777 reflecting cost escalation. The Company is currently negotiating for the final quote and delivery schedules from CAE Inc. The management expects to reach an agreement with CAE Inc, to finalize the price and delivery schedule. Consequently, no impairment is deemed necessary for the amount shown under CWIP and capital advances.

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 has been 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 principal of Rs.1000 lakh (US\$ 1,198,825) during the reporting period and previous year Rs.4518.05 lakh (US\$ 5,445,471) against ECB overdue installments at various dates and serviced interest up to 4 September 2023.
- 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.

(ii) In respect of HALBIT Avionics Private Ltd

Material Uncertainty Related to Going Concern

The Company, as on 30 June 2024, has a net liability of Rs.1002.16 lakh (March 31st 2024:Rs.1022.06 lakh) and a net current liability of Rs.1073.83 lakh (March 31st 2024:Rs.1093.97 lakh) indicating existence of an uncertainty that may cast doubt upon the Company's ability to continue as a going concern. However, the bulk of its current liability is subject to the satisfactory completion of the performance obligations by the supplier, who is also a shareholder of this joint venture Company. Besides this, the Company continues to generate positive cash flows from its operations and plans to liquidate the liability in a phased manner. The Company expects to fund its operating and capital expenditure and continue business operations. Accordingly, the management has determined that these actions are sufficient to mitigate the uncertainty and has prepared the financial statements on a going concern basis.

(iii) In respect of Multirole Transport Aircraft Limited

Board in its 47th Meeting held on 09th February, 2023, approved the following resolution: "Subject to the necessary approval being obtained from the Government of India, in principle approval of the Board was accorded for the Voluntary Liquidation of the Company in accordance with its Articles of Association, Shareholders Agreement and other relevant contracts, provisions of Section 59 and other applicable provisions of the Insolvency and Bankruptcy Code 2016 read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and other provisions of the Companies Act 2013 and relevant rules and any other law as may be applicable. Hence, on fulfillment of the following steps, the Going Concern assumption will become inappropriate-

- i. Receipt of Government of India approval for closure of the Company,
 - ii. Adopting unanimous resolution with affirmative vote by all the directors as per Para 9.4(h) of the Shareholders Agreement read with Para 147(2)(h) of the Articles of Association, recommending liquidation of the Company to the General Meeting.
 - iii. Adopting necessary resolutions for Voluntary Liquidation of the Company in the Members General Meeting as per the provisions of Insolvency and Bankruptcy Code, 2016.
 - iv. Adherence of procedures for closure of MTAL Moscow Branch in compliance with rules and regulations of Russian Federation.
 - v. Compliance of all other necessary steps as per internal rules and regulations of the Company, as well as applicable statutory provisions of the respective country (i.e. India and Russian Federation) for closure of the company."
- 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) The Joint Venture Company, HAL-Edgewood Technologies Private Limited, has not prepared the financial statements for the three months ended 30 June, 2024, and accordingly not considered for consolidation. The impact of non-consolidation, however, is not material. The Board in its 406th meeting held on 22nd September 2017, accorded in principle approval for voluntary winding up / closure of M/s. HAL-Edgewood Technologies Private Limited enabling the Company to take further action in the matter.
- 13) The financial results include the results for the quarter ended 31 March, 2024 being the balancing figures between the audited figures for the full financial year 31 March, 2024 and the published audited year-to-date figures up to 31 December, 2023.
- 14) Figures for the previous periods have been regrouped / reclassified to conform to the classification of the current period, wherever necessary.

For A JOHN MORIS & CO

Chartered Accountants

Firm Registration No. 007220S


CA A.G. KRISHNAN

Partner

Membership No. 021183

Place: Bengaluru

Date: 14.08.2024





CB ANANTHAKRISHNAN

Director (Finance) & CFO

Chairman & Managing Director

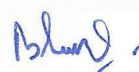
(Additional Charge)

DIN: 06761339


SHAILESH BANSAL

Company Secretary

FCS No.5064





INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF HINDUSTAN AERONAUTICS LIMITED

Report on the audit of the Standalone Quarterly Financial Results

Opinion

We have audited the accompanying standalone quarterly financial results of Hindustan Aeronautics Limited for the quarter ended 30th June 2024 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 quarterly financial results:

- a) Are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b) Give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter ended 30th June 2024.

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 quarterly 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 Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence 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.



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Emphasis of Matter Paragraph

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

Note 3:

Ministry vide OM dated 12.07.2023 has conveyed the approval for increasing the Company's contribution to the Pension Scheme of Executives from existing 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017. Revision of Pension contribution from 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017 has been made in respect of Executives who were on the rolls of the Company as on the date of implementation of the revised ceiling i.e. 01.01.2017. In respect of new incumbents who joined the Company post 01.01.2017, it will be effective from the date of their appointment.

The additional liability accruing to the Company due to the increased ceiling, of Rs.18223 lakh pertaining to the period from 1 January, 2017 to 31 March, 2023 was given effect in the books of accounts during the quarter ended 30th, June 2023. Accordingly, employees cost for the current quarter is not comparable with the corresponding quarter of the previous year.

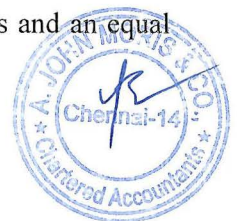
Note 4:

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 Administrative Ministry, the pay fixation to be revised and the excess amount paid is to be recovered from employees.

This has resulted in reduction of salaries and wages for the quarter ended 30th June 2024 by Rs. 1495 lakhs (quarter ended 30th June, 2023 by Rs. 1374 lakhs)

While so, the Employees Union and Officers Association have filed Writ Petition with Honourable High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The Honourable High Court has granted interim stay on recoveries. Pending disposal of the writ petitions by the High Court, the excess amount is shown under claims recoverable (Gross) for Rs.36,713 lakhs (previous year 31st Mar 2024 Rs.35218 lakhs) has been made in the books of accounts and an equal amount of provision has been made in the books of accounts.



Note 6:

The company has made the following investments during the quarter ended 30th June 2024:

- a) Invested in “Electronic Warfare (Defence) Testing Foundation “(EWDTF which has been incorporated as a section 8 Company under the Companies Act, 2013 on 21 May 2024. Hindustan Aeronautics Limited has invested Rs 234.80 Lakh i.e. 23,480 Equity shares of Rs 1,000 each towards 20% of the subscription shares in Section 8 Company. Share have been allotted after 30th June 2024.
- b) Invested in “Communication (Defence) Testing Foundation” (CDTF) which has been incorporated as a Section 8 Company under the Companies Act, 2013 on 31 May 2024. Hindustan Aeronautics Limited has invested Rs 261.25 Lakh i.e. 26,125 Equity shares of Rs 1,000 each towards 25% of the subscription shares in the Section 8 Company. Share have been allotted after 30th June 2024.

Note 7:

The Shareholders of the Company, at the 60th Annual General Meeting held on 31 August 2023, had approved the sub-division of one equity share of the face value of Rs.10 each into two equity shares of face value Rs.5 each. The record date for the said sub-division was set at 29th September 2023.

The basic and diluted EPS for the prior periods have been restated considering the face value of Rs.5 each in accordance with Ind AS 33- “Earnings per Share” on account of the above mentioned sub-division of equity shares.

LCA Division – Inventory:

Inventory were damaged due to floods caused by rains, based on an internal technical assessment committee estimated the loss of Inventory was Rs.7,856 lakhs and the same has been provided in the books during the year 2022-23. Subsequently, based on the findings as part of the exercise to submit an insurance claim, the actual loss to the division has been re-assessed as Rs.6,591 Lakhs and the same provision has been created under replacement charges of Rs 5590 Lakhs and redundancy charges of Rs 1001 Lakhs during the year 2023-24. During the quarter, amounting to Rs.164 lakhs has been reversed from the provision as the same has been repaired by OEM and correspondingly Rs.42.6 lakhs claims submitted to the insurance authority.

Our opinion is not modified in respect of these matters.



Management's Responsibilities for the Standalone Quarterly Financial Results

These Standalone quarterly financial results as well as the year-to-date standalone quarterly 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 standalone quarterly 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 principle 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 quarterly 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 quarterly 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 Quarterly Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone quarterly 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 SA's 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 quarterly 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 quarterly 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 standalone quarterly 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 quarterly financial results, including the disclosures, and whether the standalone quarterly 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 Standalone Quarterly Financial Results also include the audited Financial Results and financial information of 29 Divisions of the Company, whose financial statements / financial information reflect the total income of Rs.5,08,521 lakhs and Net profit after Tax of Rs.1,43,559 lakhs for the quarter ended 30th June 2024, as considered in the Standalone Quarterly 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 **A. John Moris & Co.,**
Chartered Accountants
FRN: 007220S




(A G Krishnan)
Partner
M. No: 021183
UDIN: 24021183BKEUHI2201

Place: Bengaluru
Date: 14/08/2024



INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF HINDUSTAN AERONAUTICS LIMITED

Report on the Audit of the Consolidated Financial Results

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 joint controlled entities for the quarter ended June 30, 2024, being submitted by the Company pursuant to the requirements 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, the Statement:

a) Includes the Quarter ended 30th June 2024, the financial results of the following entities:

S. No.	Subsidiaries
1	Naini Aerospace Limited
2	Indo Russian Helicopters Limited (IRHL)
S. No	Joint Ventures
1	BAe-HAL Software Ltd
2	Safran HAL Aircraft Engines Private Ltd
3	Indo Avia Services Limited (Erstwhile known as 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	Helicopter Engines MRO Pvt. Ltd
9	SAFHAL Helicopter Engines Pvt.Ltd
10	Multirole Transport Aircraft Ltd



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11*	HAL Edgewood Technologies Private Limited
12*	Infotech HAL Limited

*Not considered in Consolidation as the financial statements were not made available till the date of our report.

- b) is presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
- c) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian accounting standard 34 “Interim Financial Reporting” (“Ind AS 34”) prescribed under section 133 of the Companies Act, 2013 (the “Act”) read with relevant rules issued thereunder and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter ended 30th June 2024.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SA”)s specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in Auditor's Responsibilities for audit of the consolidated financial results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.



Emphasis of Matter

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

Note 3:

Ministry vide OM dated 12.07.2023 has conveyed the approval for increasing the Company's contribution to the Pension Scheme of Executives from existing 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017. Revision of Pension contribution from 7% to 10% of Basic Pay + DA w.e.f. 01.01.2017 has been made in respect of Executives who were on the rolls of the Company as on the date of implementation of the revised ceiling i.e. 01.01.2017. In respect of new incumbents who joined the Company post 01.01.2017, it will be effective from the date of their appointment.

The additional liability accruing to the Company due to the increased ceiling, of Rs.18223 lakh pertaining to the period from 1 January, 2017 to 31 March, 2023 was given effect in the books of accounts during the quarter ended 30th, June 2023. Accordingly, employees cost for the current quarter is not comparable with the corresponding quarter of the previous year.

Note: 4

Revision of pay scales of executives and workmen, with effect from 01.01.2017 was implemented in accordance with the guidance issued by Department of Public Enterprise 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 to be revised and the excess amount paid is to be recovered from employees.

This has resulted in reduction of salaries and wages for the quarter ended 30th June 2024 by Rs.1,495 lakhs (Quarter ended 30th June 2023 by Rs.1,374 lakhs.)

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. Pending disposal of writ petitions by the High Court, the excess amount is shown under claims recoverable (Gross) for Rs.36,713 lakhs as on 30.06.2024 (Previous Year 31.03.2024 Rs.35,218 lakhs) and an equal amount of provision has been made in the books of accounts.

Based on the final order that may be passed, suitable effect will be carried out in the accounts.

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



Note: 6

The Company has made the following investments during the quarter ended 30 June 2024-

- a) Invested in “Electronic Warfare (Defence) Testing Foundation (EWDTF)” which has been incorporated as a Section 8 Company under the Companies Act, 2013 on 21 May, 2024. Hindustan Aeronautics Limited has invested Rs.234.80 lakhs i.e. 23,480 Equity Shares of Rs.1,000 each towards 20% of the subscription shares in the Section 8 Company. Shares have been allotted after 30th June 2024.
- b) Invested in “Communication (Defence) Testing Foundation (CDTF)” which has been incorporated as a Section 8 Company under the Companies Act, 2013 on 31 May, 2024. Hindustan Aeronautics Limited has invested Rs.261.25 lakhs i.e. 26,125 Equity Shares of Rs.1,000 each towards 25% of the subscription shares in the Section 8 Company. Shares have been allotted after 30th June 2024.

LCA Division Inventory:

Inventory were damaged due to floods caused by rains, based on an internal technical assessment committee estimated the loss of Inventory Rs.7856 lakhs and the same has been provided in the books during the year 2022-23. Subsequently, based on the findings as part of the exercise to submit an insurance claim, the actual loss has been re-assessed as Rs 6591 lakhs and same provision has been created under Replacement Charges of Rs. 5590 lakhs and Redundancy Charges of Rs.1001 lakhs during the year 2023-24. During the quarter, amounting to Rs.164 lakhs have been reversed from the provision as the same has been repaired by OEM and correspondingly Rs.42.6 lakhs claims submitted to the insurance authority.

Our opinion is not modified in respect of these matters.

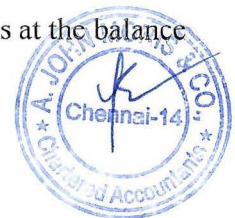
Note: 10

-Notes Specific to Joint Ventures

i) In respect of HATSOFF Helicopter Training Private Limited

a) Going Concern

The Company has made a net profit of Rs.695.96 lakhs during the quarter ended 30 June, 2024 (for the quarter ended 30th June 2023, net loss Rs.651.73 lakhs) 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 net worth of the Company as at 30th June, 2024 is negative by Rs.869.02 lakhs (as at 30th June, 2023 negative by Rs.2810.32 lakhs and 31st March 2024 Rs.1564.98 lakhs)

The Company has incurred a cost of Rs.4332.42 lakhs in connection with the Military Dhruv Cockpit development. The supply contract with CAE Inc, Canada, wherein the Company exported the cockpit purchased from Hindustan Aeronautics Limited to CAE Inc. for further fittings and is currently awaiting the delivery of the completed Military Dhruv Cockpit. The agreed price in 2008 was USD 6,892,777 and an amount of USD 4,892,777 (Rs.2090.73 lakhs) was paid. The revised estimated price, as quoted by CAE Inc, in June 2019 and valid until March 2020 is USD 13,692,777 reflecting cost escalation. The Company is currently negotiating for the final quote and delivery schedules from CAE Inc. The management expects to reach an agreement with CAE Inc, to finalize the price and delivery schedule. Consequently, no impairment is deemed necessary for the amount shown under CWIP and capital advances. 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 has been 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 principal of Rs.1000 lakhs (US\$ 1,198,825) during the reporting period and previous year Rs.4518.05 lakhs (US\$ 5,445,471) against ECB overdue installments at various dates and serviced interest up to 4 September 2023.
- 5) The ECB Loan is classified as Non-Performing Asset by the lending bank in view of non-payment of instalments due. The bankers have 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

ii) In respect of HALBIT Avionics Private Ltd

Material Uncertainty Related to Going Concern

The Company, as on 30 June 2024, has a net liability of Rs.1,002.16 lakhs (March 31st 2024:Rs.1,022.06 lakhs) and a net current liability of Rs.1,073.83 lakhs (March 31st



2024:Rs.1093.97 lakhs) indicating existence of an uncertainty that may cast doubt upon the Company's ability to continue as a going concern.

However, the bulk of its current liability is subject to the satisfactory completion of the performance obligations by the supplier, who is also a shareholder of this joint venture Company. Besides this, the Company continues to generate positive cash flows from its operations and plans to liquidate the liability in a phased manner. The Company expects to fund its operating and capital expenditure and continue business operations. Accordingly, the management has determined that these actions are sufficient to mitigate the uncertainty and has prepared the financial statements on a going concern basis.

iii) In respect of Multirole Transport Aircraft Ltd

Board in its 47th Meeting held on 09th February, 2023, approved the following resolution: "Subject to the necessary approval being obtained from the Government of India, in principle approval of the Board was accorded for the Voluntary Liquidation of the company in accordance with its Articles of Association, Shareholders Agreement and other relevant contracts, provisions of Section 59 and other applicable provisions of the Insolvency and Bankruptcy Code 2016 read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and other provisions of the Companies Act 2013 and relevant rules and any other law as may be applicable. Hence on fulfilment of the following steps, the Going Concern assumption will become inappropriate-

- i. Receipt of Government of India approval for closure of the company,
- ii. Adopting unanimous resolution with affirmative vote by all the directors as per Para 9.4(h) of the Shareholders Agreement read with Para 147(2)(h) of the Articles of Association, recommending liquidation of the company to the General Meeting
- iii. Adopting necessary resolutions for Voluntary Liquidation of the company in the Members General Meeting as per the provisions of Insolvency and Bankruptcy Code,2016
- iv. Adherence of procedures for closure of MTAL Moscow Branch in compliance with rules and regulations of Russian Federation
- v. Compliance of all other necessary steps as per internal rules and regulations of the company, as well as applicable statutory provisions of the respective country (i.e. India and Russian Federation) for closure of the company."



Note 11:**In respect of Infotech HAL Ltd**

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. Since the investment is fully impaired, the impact of non-consolidation is not material.

Note 12:**In respect of HAL-Edgewood Technologies Private Limited**

The Joint Venture Company has not prepared the financial statements for the quarter ended 30 June 2024, and accordingly not considered for consolidation.

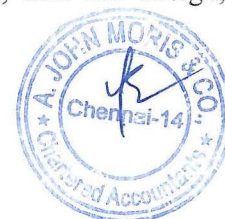
The impact of non-consolidation, however, is not material. The Board in its 406th meeting held on 22nd September 2017, accorded in principle approval for voluntary winding up / closure of M/s. HAL-Edgewood Technologies Private Limited enabling the Company to take further action in the matter.

Our opinion is not modified in respect of the above matters

Management Responsibilities for the Consolidated Financial Results

These quarterly 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/loss and other comprehensive income and other financial information of the Group including its jointly controlled entities 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 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 entities included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entities 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 the 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 jointly controlled entities are responsible for assessing the ability of the Group and of its jointly controlled entities 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 their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its jointly controlled entities.

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 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 ability of the Group and of its jointly controlled entities 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 of its jointly controlled entities 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 information of the entities within the Group and of its 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.



Other Matters

The consolidated Financial Results include the audited Financial Results of two subsidiaries, whose interim financial statements / financial information reflect Group's share of total assets of Rs.4,023 Lakhs as at 30th June 2024, Group's share of total revenues of Rs.196 Lakhs and negative net cash flow amounting to Rs.14 Lakhs for the quarter ended on that date, as considered in the consolidated financial statements. The Consolidated financial statements also include Group's share of Net profit of Rs.603 lakhs for the quarter ended 30th June 2024, as considered in the consolidated financial statements, in respect of Twelve Joint ventures (books of accounts not provided for two joint ventures) whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial statements, and our report on other legal and Regulatory requirements below, 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 Management.

Place: Bengaluru

Date: 14/08/2024

For **A. John Moris & Co.,**

Chartered Accountants

FRN: 007220S




(A G Krishnan)

Partner

M. No: 021183

UDIN: 24021183BKEUHJ8184

Annex - III

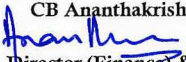
Rs in Lakhs

S. No.	Particulars	Standalone			Consolidated		
		Quarter ended		Year ended	Quarter ended		Year ended
		Audited 30-Jun-24	Audited 30-Jun-23	Audited 31-Mar-24	Audited 30-Jun-24	Audited 30-Jun-23	Audited 31-Mar-24
1	Total Income from Operations	4,34,757	3,91,534	30,38,084	4,34,750	3,91,535	30,38,108
2	Other Income	73,764	41,079	1,89,854	73,635	40,994	1,89,660
3	Total Income	5,08,521	4,32,613	32,27,938	5,08,385	4,32,529	32,27,768
4	Net Profit/(Loss) for the period (before Tax and Exceptional Items)	1,58,217	1,08,913	10,19,897	1,58,372	1,08,903	10,22,488
5	Net Profit/(Loss) for the period before Tax (after Exceptional Items)	1,58,217	1,08,913	10,19,897	1,58,372	1,08,903	10,22,488
6	Net Profit/(Loss) for the period after Tax (after Exceptional Items)	1,43,559	81,419	7,59,504	1,43,714	81,409	7,62,095
7	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1,45,174	81,273	7,51,314	1,45,335	81,288	7,53,881
8	Paid-up Equity Share Capital (Face value - Rs.5 each)	33,439	33,439	33,439	33,439	33,439	33,439
9	Other Equity excluding revaluation reserves	-	-	28,71,203	-	-	28,80,378
10	Capital Redemption Reserve	-	-	14,761	-	-	14,761
11	Earnings Per Share (Face value of Rs.5/- each) (EPS for the quarters are not annualised) (in Rs.)						
	(i) Basic	21.47	12.17	113.57	21.49	12.17	113.95
	(ii) Diluted	21.47	12.17	113.57	21.49	12.17	113.95
12	Net Worth (including Retained Earning)	-	-	29,04,642	-	-	29,14,181

Notes:

- The above is an extract of the detailed format of quarterly and year end 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 results of the Company for the quarter ended 30, June 2024.
- The Shareholders of the Company, at the 60th Annual General Meeting held on 31 August 2023, had approved the sub-division of one equity share of the face value of Rs.10 each into two equity shares of face value Rs.5 each. The record date for the said sub-division was set at 29 September 2023. The basic and diluted EPS and the number of shares for the prior periods have been restated considering the face value of Rs.5 each in accordance with Ind AS 33- "Earnings per Share" on account of the abovementioned sub-division of equity shares.
- Figures for the previous periods have been regrouped / reclassified to conform to the classification of the current period, wherever necessary.

Place : Bengaluru

CB Ananthkrishnan

 Director (Finance) & CFO
 Chairman & Managing Director (Additional Charge)
 DIN: 06761339

Date : 14.08.2024