



ಹಿಂದೂಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್

ಪ್ರಧಾನ ಕಛೇರಿ

ಹಿಂದುಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್

ಮುಖ್ಯಾಲಯ

HINDUSTAN AERONAUTICS LIMITED

CORPORATE OFFICE

CO/SEC/4(7)/2022-23/ BSE & NSE Filing/74

11th November, 2022

ಬಿ.ಎಸ್.ಐ. ಲಿಮಿಟೆಡ್ BSE Limited ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಫಿರೋಜ್ ಜಿಜಿಭಯ್ ಟೌವರ್ಸ್ Phiroze Jeejeebhoy Towers, ದಲಾಲ ಸ್ಟ್ರೀಟ್ Dalal Street, ಮುಂಬೈ Mumbai – 400 001	ನੈಷನಲ್ ಸ್ಟಾಕ್ ಎಕ್ಸ್‌ಚೇಂಜ್ ಆಫ್ ಇಂಡಿಯಾ ಲಿಮಿಟೆಡ್ National Stock Exchange of India Ltd ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಎಕ್ಸ್‌ಚೇಂಜ್ ಪ್ಲಾಜಾ, 5 ವಾಣಿ ತಲ, 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 ಸಿಪ್ಟೆಂಬರ್, 2022 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಮತ್ತು ಛಮಾಹಿ ಹೇತು

ಲೇಖಾಪರಿಕ್ಷಿತ ವಿಕೀಯ ಪರಿಣಾಮ (ಸ್ಟೆಂಡ್‌ಅಲೊನ್ ಮತ್ತು ಸಮೇಕಿತ) ತಥಾ ಪ್ರಥಮ ಅಂತರಿಮ ಲಾಭಾಂಶ ಕೀ ಘೋಷಣಾ

Sub: Audited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30th September, 2022 and declaration of first interim dividend

ಸಂದರ್ಭ: ಬಿ.ಎಸ್.ಐ. ಸ್ಕ್ರಿಪ್ ಕೋಡ್: 541154, ಏನ್‌ಎಸ್‌ಐ ಚಿನ್ಹ: ಏಚ್‌ಏಲ್

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

ಕಂಪನಿ ಕೇ ನಿರ್ದೇಶಕ ಮಂಡಲ ನೇ ಆಜ್ ಸಂಪನ್ಮ ಅಪನಿ ವೈಠಕ ಮೆ ದಿನಾಂಕ 30 ಸಿಪ್ಟೆಂಬರ್, 2022 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಮತ್ತು ಛಮಾಹಿ ಹೇತು, ಅನ್ಯ ಬಾರ್ತೆ ಕೇ ಸಾಥ್-ಸಾಥ್, ಲೇಖಾಪರಿಕ್ಷಿತ ವಿಕೀಯ ಪರಿಣಾಮೆ (ಸ್ಟೆಂಡ್‌ಅಲೊನ್ ಮತ್ತು ಸಮೇಕಿತ) ಕೇ ಸಂಬಂಧ ಮೆ ಅನುಮೋದನ ಪ್ರದಾನ ಕಿಯಾ ಹೈ ।

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 half-year ended 30th September, 2022.

2. ಇಸಕೇ ಅತಿರಿಕ್ತ, ಕಂಪನಿ ಕೇ ನಿರ್ದೇಶಕ ಮಂಡಲ ನೇ ವಿಕೀಯ ವರ್ಷ 2022-23 ಹೇತು ಪ್ರತಿ ₹10/- ಪೂರ್ಣ ಚುಕ್ತಾ ಸಾಮ್ಯಾ ಶೇಯರ್ ಕೇ ಲೀಀ ₹...2.0... ಕೇ ಪ್ರಥಮ ಅಂತರಿಮ ಲಾಭಾಂಶ (.200%) ಕೀ ಘೋಷಣಾ ಕೀ ಹೈ ।

Further, the Board of Directors of the Company has declared **first interim dividend of Rs. 2.0... per equity share of Rs. 10/- each fully paid up (.200%)** for the Financial Year 2022-23.

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 (ಬೂರ್ಬಾ) Ph. : +91-80-2232 0001, 2232 0475, ಫ್ಯಾಕ್ಸ್ (ಫೆಕ್ಸ್) Fax : +91-80-2232 0758

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

CIN:L35301KA1963GOI001622

3. पूर्व में दी गई सूचना के अनुसार, प्रथम अंतरिम लाभांश के भुगतान हेतु रिकार्ड तिथि 21 नवम्बर, 2022, सोमवार होगी।

As informed earlier, Record date for the payment of first interim dividend will be **Monday, the 21st November, 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 30 सितम्बर, 2022 को समाप्त तिमाही एवं छमाही 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 half year ended 30th September, 2022. (**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 ए जॉन मोरिस एंड कंपनी, शासपत्रित लेखाकार (फर्म पंजीकरण सं. 007220S) ने दिनांक 30 सितम्बर, 2022 को समाप्त तिमाही एवं छमाही हेतु लेखापरीक्षित वित्तीय परिणामों (स्टैंडअलोन एवं समेकित) के संबंध में संशोधनरहित 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 and half year ended 30th September, 2022 in terms of Regulation 33(3) of the Listing Regulations.

6. हम उपर्युक्त परिणामों का सार (अनुबंध-IV) भी संलग्न कर रहे हैं, जिसे 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**).

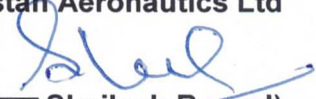
7. कंपनी के निदेशक मंडल की बैठक 11:00 बजे प्रारंभ हुई तथा 14:00 बजे समाप्त हुई।

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

8. कृपया यह आपके सूचनार्थ एवं रिकार्ड हेतु प्रेषित है।
This is for your information and record.

धन्यवाद Thanking you,

भवदीय Yours Faithfully
कृते हिन्दुस्तान एरोनॉटिक्स लिमिटेड
For Hindustan Aeronautics Ltd



(शैलेश बंसल Shailesh Bansal)
संयुक्त कंपनी सचिव एवं अनुपालन अधिकारी
Joint 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 HALF YEAR ENDED 30TH SEPTEMBER, 2022

Rs in Lakhs

Sl.No	Particulars	Standalone					
		Quarter ended			Half Year ended		Year ended
		30-Sep-22 (Audited)	30-Jun-22 (Audited)	30-Sep-21 (Audited)	30-Sep-22 (Audited)	30-Sep-21 (Audited)	31-Mar-22 (Audited)
1	Income from Operations						
	(a) Revenue from operations	5,14,489	3,62,252	5,55,215	8,76,741	7,16,838	24,62,021
	(b) Other Income	26,080	19,209	13,806	45,289	28,815	98,634
	Total Income	5,40,569	3,81,461	5,69,021	9,22,030	7,45,653	25,60,655
2	Expenses						
	(a) Cost of materials consumed	1,73,639	1,24,820	2,15,435	2,98,459	3,21,120	8,75,525
	(b) Purchase of stock-in-trade	8,119	6,811	19,653	14,930	25,510	65,668
	(c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap	2,591	-29,773	26,733	-27,182	-1,07,456	59,229
	(d) Employee benefits expense	1,14,116	1,01,413	1,07,055	2,15,529	2,12,522	4,58,983
	(e) Finance Costs	35	22	62	57	1,530	5,814
	(f) Depreciation and Amortisation Expense	25,182	20,805	24,289	45,987	35,422	1,10,987
	(g) Impairment Loss	1,430	334	104	1,764	212	17,643
	(h) Other expenses	31,942	38,172	29,882	70,114	55,018	1,20,874
	(i) Direct Input to WIP/Expenses Capitalised	35,232	7,314	5,382	42,546	8,258	32,315
	(j) Provisions	35,658	46,264	43,638	81,922	77,281	3,73,918
	Total Gross Expenses	4,27,944	3,16,182	4,72,233	7,44,126	6,29,417	21,20,956
	Less: Expenses relating to Capital and Other Accounts	49,239	15,600	16,987	64,839	24,358	83,416
	Total Expenses	3,78,705	3,00,582	4,55,246	6,79,287	6,05,059	20,37,540
3	Profit/(Loss) before Exceptional items and Tax (1-2)	1,61,864	80,879	1,13,775	2,42,743	1,40,594	5,23,115
4	Exceptional item	-	-	-	-	-	-
5	Profit/(Loss) before tax (3+4)	1,61,864	80,879	1,13,775	2,42,743	1,40,594	5,23,115
6	Tax expense						
	(i) Current Tax	41,317	22,334	23,296	63,651	28,502	1,90,000
	(ii) Earlier Tax Refund	-	-	-	-	-	-1,19,273
	(iii) Deferred Tax	-375	-2,121	5,657	-2,496	7,393	-56,262
		40,942	20,213	28,953	61,155	35,895	14,465
7	Net Profit / (Loss) for the period (5-6)	1,20,922	60,666	84,822	1,81,588	1,04,699	5,08,650
8	Other Comprehensive Income (OCI)						
	A. Items that will not be reclassified to statement of Profit and Loss						
	(i) Remeasurements of defined benefit plans	1,803	12,381	4,556	14,184	3,649	19,627
	(ii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss	-454	-3,116	-1,146	-3,570	-918	-4,940
	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)	1,349	9,265	3,410	10,614	2,731	14,687
9	Total Comprehensive Income for the period (7 + 8)	1,22,271	69,931	88,232	1,92,202	1,07,430	5,23,337
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						18,92,961
12	Capital Redemption Reserve / Debenture Redemption Reserve						14,761
13	Earnings per share (in Rupees) (EPS for the quarter and half year are not annualised)						
	(a) Basic	36.16	18.14	25.37	54.30	31.31	152.11
	(b) Diluted	36.16	18.14	25.37	54.30	31.31	152.11
14	Net Worth (including Retained Earning)						19,26,400

76



Audited Balance Sheet:

Rs. in lakhs

Particulars	Standalone	
	As at 30-Sep-22	As at 31-Mar-22
	(Audited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	5,92,772	5,91,985
(b) Capital work - in progress	93,926	94,801
(c) Investment Property	3	3
(d) Goodwill	-	-
(e) Other Intangible assets	1,14,226	83,826
(f) Intangible assets under development	1,63,569	1,52,384
(g) Financial Assets		
(i) Investments in Joint Venture and Subsidiary	11,132	11,012
(ii) Investments	1,18,402	1,18,402
(iii) Trade receivables	-	-
(iv) Contract Assets	-	-
(v) Loans	578	623
(vi) Other Financial Assets	41,026	40,330
(h) Deferred tax assets (Net)	55,483	56,557
(i) Other non-current assets	1,80,727	1,81,464
Total Non-current Assets	13,71,844	13,31,387
Current assets		
(a) Inventories	14,70,322	14,36,358
(b) Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	5,03,237	4,64,155
(iii) Contract Assets	7,05,524	7,80,865
(iv) Cash and Cash Equivalents	2,55,360	3,06,914
(v) Bank balances other than cash and cash equivalents	14,22,897	11,27,447
(vi) Loans	972	806
(vii) Other Financial Assets	1,07,663	1,02,474
(c) Current Tax Assets (Net)	7,179	-
(d) Other Current Assets	3,08,313	2,80,882
Total Current Assets	47,81,467	44,99,901
Assets held for sale	811	811
TOTAL ASSETS	61,54,122	58,32,099

22

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Audited Balance Sheet:

Rs. in lakhs

Particulars	Standalone	
	As at 30-Sep-22	As at 31-Mar-22
	(Audited)	(Audited)
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY</u>		
(a) Equity Share capital	33,439	33,439
(b) Other Equity	20,51,724	18,92,961
Total Equity	20,85,163	19,26,400
<u>LIABILITIES</u>		
<u>Non-current Liabilities</u>		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ia) Lease Liabilities	183	178
(ii) Trade Payables	-	-
(iii) Other financial liabilities	53,229	52,468
(b) Provisions	1,26,653	1,24,824
(c) Deferred Tax Liabilities (Net)	-	-
(d) Other Non-Current Liabilities	14,59,561	12,26,244
Total Non-Current Liabilities	16,39,626	14,03,714
<u>Current Liabilities</u>		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ia) Lease Liabilities	9	8
(ii) Trade Payables		
Total outstanding dues of micro enterprises and small Enterprises	4,557	4,575
Total outstanding dues of creditors other than micro enterprises and Small Enterprises	2,57,416	2,51,402
(iii) Other Financial liabilities	1,58,669	1,85,024
(b) Other Current Liabilities	15,31,800	14,75,484
(c) Provisions	4,76,882	5,05,578
(d) Current Tax Liabilities (Net)	-	79,914
Total Current Liabilities	24,29,333	25,01,985
TOTAL EQUITY AND LIABILITIES	61,54,122	58,32,099

25

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Standalone Statement of Cash Flows

(Rs in Lakhs)

SI. No.	Particulars	For the	
		six months period ended 30th September 22	six months period ended 30th September 21
A	Cash flow from Operating activities		
	Profit After Tax	181588	104699
	Adjustments to reconcile net profit to net cash provided by operating activities		
	Income Tax expense	61155	35895
	(Gain)/Loss on sale of Property, Plant & Equipment	-38	-25
	Finance cost	57	1530
	Interest Income	-37195	-16703
	Dividend Income	-240	-196
	Net (Gain)/Loss on Fair Value Adjustment	-249	294
	Depreciation, amortization and impairment expense	47751	35634
	Provision for Impairment in Value of Investments	1380	462
	Provision for Doubtful Debts	506	357
	Provision for Doubtful Claims	423	390
	Provision for Replacement and Other charges	35914	13653
	Provision for Warranty	12375	19295
	Provision for Raw Materials and Components, Stores and Spare parts, Loose Tools and Equipment, Construction Materials, Work-in-progress and Inventory - Warranty	10454	13829
	Provision for Liquidated Damages	20870	29295
	Provision for Onerous Contract		
	Operating Profit Before Working Capital Changes	334751	238409
	Adjustments for:		
	(Increase)/decrease in Trade Receivables	35753	84229
	(Increase)/decrease in Loans, Financial Assets and Other Assets	-29717	-84086
	(Increase)/decrease in Inventories	-44418	-130711
	Increase/(decrease) in Trade Payables	5996	23828
	Increase/(decrease) in Financial Liabilities, Provisions and Other Liabilities	174348	613250
	Cash generated from Operations	476713	744919
	Income Taxes Paid	-145313	-47266
	Net Cash (used in)/generated from Operating Activities (A)	331400	697653
B	Cash flow from Investing activities		
	Purchase of Property, Plant & Equipment	-22419	-46184
	Purchase of Intangible Assets	-60548	-19138
	Proceeds from sale of Property, Plant & Equipment	122	92
	Investment in Subsidiary	-1500	
	Purchase of other non current Investments		-6581
	Investment in short term deposits	-295450	133
	Interest Received	30091	16703
	Dividend Received from Joint Ventures	240	196
	Share application money refunded/(paid) by/to Joint Venture		-1000
	Net Cash (used in)/generated from Investing Activities (B)	-349464	-55779
C	Cash flow from Financing Activities		
	Repayment of Borrowings-Current (Net)		-524
	Interest paid	-51	-1524
	Dividend Paid	-33439	
	Net Cash (used in)/generated from Financing Activities (C)	-33490	-2048
D	Effect of Exchange differences on translation of foreign currency cash and cash equivalents		
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C+D)	-51554	639826
	Add: Cash and Cash Equivalents at the beginning of the period	306914	714148
	Cash and Cash Equivalents at the end of the period	255360	1353974

Notes:

1. The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flow"

2. Cash & Cash equivalent include Short Term Deposits with Bank

3. Previous year figures are rearranged or regrouped wherever necessary

4. Cash and Cash Equivalents are available fully for use

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Standalone Notes:

- 1) The above results have been reviewed and recommended by the Audit Committee in its meeting held on 11.11.2022 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 and half year ended September 30, 2022.
- 3) 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/half year ended 30 September 2022 by Rs.1155 lakhs and Rs.2424 lakhs respectively (quarter/half year ended 30 September 2021 by Rs.901 lakhs and Rs.2234 lakhs respectively) and a consequential reduction in sales revenue for the quarter/half year ended 30 September 2022 by Rs.199 lakhs and Rs.493 lakhs respectively (quarter/half year ended 30 September 2021 by Rs.158 lakhs and Rs.439 lakhs respectively).
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 for Rs.26946 lakhs (Previous year 31.03.2022: Rs.24489 lakhs)
- 4) The Company has made an additional investment of Rs.1500 lakhs in its Subsidiary, Naini Aerospace Limited, in the form of equity share capital during the quarter ended 30 September 2022.
- 5) 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".
- 6) 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: 11.11.2022




CB ANANTHAKRISHNAN

Chairman & Managing Director

(Additional Charge)

DIN: 06761339


SHAILESH BANSAL

Joint Company Secretary

FCS No.5064



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 HALF YEAR ENDED 30TH SEPTEMBER, 2022

Rs in Lakhs

Sl.No	Particulars	Consolidated					
		Quarter ended			Half Year ended		Year ended
		30-Sep-22 (Audited)	30-Jun-22 (Audited)	30-Sep-21 (Audited)	30-Sep-22 (Audited)	30-Sep-21 (Audited)	31-Mar-22 (Audited)
1	Income from Operations						
	(a) Revenue from operations	5,14,479	3,62,246	5,55,214	8,76,725	7,16,797	24,62,002
	(b) Other Income	25,907	19,164	13,640	45,071	28,653	98,493
	Total Income	5,40,386	3,81,410	5,68,854	9,21,796	7,45,450	25,60,495
2	Expenses						
	(a) Cost of materials consumed	1,73,384	1,24,488	2,15,351	2,97,872	3,21,128	8,75,224
	(b) Purchase of stock-in-trade	8,119	6,811	19,653	14,930	25,510	65,668
	(c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap	2,595	-29,773	26,733	-27,178	-1,07,455	59,230
	(d) Employee benefits expense	1,14,469	1,01,784	1,07,409	2,16,253	2,13,241	4,60,442
	(e) Finance Costs	37	23	64	60	1,533	5,820
	(f) Depreciation and Amortisation Expense	25,197	20,821	24,309	46,018	35,455	1,11,053
	(g) Impairment Loss	1,430	334	104	1,764	212	17,643
	(h) Other expenses	32,008	38,243	29,935	70,251	55,125	1,21,086
	(i) Direct Input to WIP/Expenses Capitalised	35,232	7,314	5,382	42,546	8,258	32,315
	(j) Provisions	34,318	46,016	43,565	80,334	76,822	3,72,954
	Total Gross Expenses	4,26,789	3,16,061	4,72,505	7,42,850	6,29,829	21,21,435
	Less: Expenses relating to Capital and Other Accounts	49,239	15,600	16,987	64,839	24,358	83,416
	Total Expenses	3,77,550	3,00,461	4,55,518	6,78,011	6,05,471	20,38,019
3	Profit/(Loss) before Share of Profit/(Loss) of Joint Ventures, Exceptional items and Tax (1-2)	1,62,836	80,949	1,13,336	2,43,785	1,39,979	5,22,476
4	Share of Profit/(Loss) of Joint Ventures (JV) accounted using Equity Method	228	1,277	291	1,505	58	-23
5	Profit/(Loss) before Exceptional items and Tax (3+4)	1,63,064	82,226	1,13,627	2,45,290	1,40,037	5,22,453
6	Exceptional item	-	-	-	-	-	-
7	Profit/(Loss) before tax (5+6)	1,63,064	82,226	1,13,627	2,45,290	1,40,037	5,22,453
8	Tax expense						
	(i) Current Tax	41,317	22,334	23,296	63,651	28,502	1,90,000
	(ii) Earlier Tax Refund	-	-	-	-	-	-1,19,273
	(iii) Deferred Tax	-375	-2,121	5,657	-2,496	7,393	-56,262
		40,942	20,213	28,953	61,155	35,895	14,465
9	Net Profit / (Loss) for the period (7-8)	1,22,122	62,013	84,674	1,84,135	1,04,142	5,07,988
10	Other Comprehensive Income (OCI)						
	A. Items that will not be reclassified to statement of Profit and Loss						
	(i) Remeasurements of defined benefit plans	1,820	12,399	4,582	14,219	3,685	19,607
	(ii) Share of Other Comprehensive Income of JV's accounted using Equity Method	1	-4	2	-3	2	7
	(iii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss	-454	-3,116	-1,146	-3,570	-918	-4,940
	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)	1,367	9,279	3,438	10,646	2,769	14,674
11	Total Comprehensive Income for the period (9 + 10)	1,23,489	71,292	88,112	1,94,781	1,06,911	5,22,662
12	Profit/(Loss) for the period attributable to-						
	Owners of the Company	1,22,123	62,014	84,676	1,84,137	1,04,147	5,08,004
	Non Controlling interest	-1	-1	-2	-2	-5	-16
13	Other Comprehensive Income for the period attributable to-						
	Owners of the Company	1,367	9,279	3,438	10,646	2,769	14,674
	Non Controlling interest	-	-	-	-	-	-
14	Total Comprehensive Income for the period attributable to-						
	Owners of the Company	1,23,490	71,293	88,114	1,94,783	1,06,916	5,22,678
	Non Controlling interest	-1	-1	-2	-2	-5	-16
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						18,97,874
17	Capital Redemption Reserve / Debenture Redemption Reserve						14,761
18	Earnings per share (in Rupees) (EPS for the quarter and half year are not annualised)						
	(a) Basic	36.52	18.55	25.32	55.07	31.14	151.92
	(b) Diluted	36.52	18.55	25.32	55.07	31.14	151.92
19	Net Worth (including Retained Earning)						19,31,688

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Audited Balance Sheet:

Rs. in lakhs

Particulars	Consolidated	
	As at 30-Sep-22	As at 31-Mar-22
	(Audited)	(Audited)
ASSETS		
Non-current assets		
(a) Property, Plant and Equipment	5,93,514	5,92,758
(b) Capital work - in progress	94,035	94,910
(c) Investment Property	3	3
(d) Goodwill	-	-
(e) Other Intangible assets	1,14,227	83,827
(f) Intangible assets under development	1,63,569	1,52,384
(g) Investments accounted for using the equity method	18,023	16,779
(h) Financial Assets		
(i) Investments	1,19,821	1,19,491
(ii) Trade receivable	-	-
(iii) Contract Assets	-	-
(iv) Loans	578	623
(v) Other Financial Assets	41,726	41,030
(i) Deferred tax assets (Net)	55,483	56,557
(j) Other non-current assets	1,80,727	1,81,464
Total Non-current Assets	13,81,706	13,39,826
Current assets		
(a) Inventories	14,68,990	14,34,728
(b) Financial Assets		
(i) Investments	-	-
(ii) Trade receivables	5,03,237	4,64,153
(iii) Contract Assets	7,05,524	7,80,865
(iv) Cash and Cash Equivalents	2,55,472	3,07,037
(v) Bank balances other than cash and cash equivalents	14,23,959	11,27,735
(vi) Loans	980	821
(vii) Other Financial Assets	1,07,666	1,02,323
(c) Current Tax Assets (Net)	7,179	-
(d) Other Current Assets	3,08,329	2,80,899
Total Current Assets	47,81,336	44,98,561
Assets held for sale	811	811
TOTAL ASSETS	61,63,853	58,39,198

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A. John Morris

A. John Morris



Audited Balance Sheet:

Rs. in lakhs

Particulars	Consolidated	
	As at 30-Sep-22	As at 31-Mar-22
	(Audited)	(Audited)
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY</u>		
(a) Equity Share capital	33,439	33,439
(b) Other Equity	20,59,218	18,97,874
(c) Non-Controlling Interest	373	375
Total Equity	20,93,030	19,31,688
<u>LIABILITIES</u>		
<u>Non-current Liabilities</u>		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ia) Lease Liabilities	249	241
(ii) Trade Payables	-	-
(iii) Other financial liabilities	53,229	52,470
(b) Provisions	1,28,168	1,26,301
(c) Deferred Tax Liabilities (Net)	-	-
(d) Other Non-Current Liabilities	14,59,561	12,26,244
Total Non-Current Liabilities	16,41,207	14,05,256
<u>Current Liabilities</u>		
(a) Financial Liabilities		
(i) Borrowings	-	-
(ia) Lease Liabilities	9	8
(ii) Trade Payables		
Total outstanding dues of micro enterprises and small Enterprises	4,557	4,575
Total outstanding dues of creditors other than micro enterprises and Small Enterprises	2,57,309	2,51,186
(iii) Other Financial liabilities	1,59,013	1,85,360
(b) Other Current Liabilities	15,31,813	14,75,515
(c) Provisions	4,76,915	5,05,696
(d) Current Tax Liabilities (Net)	-	79,914
Total Current Liabilities	24,29,616	25,02,254
TOTAL EQUITY AND LIABILITIES	61,63,853	58,39,198

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H. M. Mohan

B. S. S.



Consolidated Statement of Cash Flows

(Rs in Lakhs)

SI. No.	Particulars	For the	
		six months period ended 30th September 22	six months period ended 30th September 21
A	Cash flow from Operating activities		
	Profit After Tax	184135	104142
	Adjustments to reconcile net profit to net cash provided by operating activities		
	Income Tax expense	61155	35895
	(Gain)/Loss on sale of Property, Plant & Equipment	-38	-25
	Finance cost	60	1533
	Interest Income	-37222	-16737
	Share of Profit or Loss of Joint Venture	-1505	-58
	Other Adjustments	15	41
	Net (Gain)/Loss on Fair Value Adjustment	-249	294
	Depreciation, amortization and impairment expense	47782	35667
	Provision for Impairment in Value of Investments	3	3
	Provision for Doubtful Debts	506	357
	Provision for Doubtful Claims	212	390
	Provision for Replacement and Other charges	35914	13653
	Provision for Warranty	12375	19295
	Provision for Raw Materials and Components, Stores and Spare parts, Loose Tools and Equipment, Construction Materials, Work-in-progress and Inventory - Warranty	10454	13829
	Provision for Liquidated Damages	20870	29295
	Provision for Onerous Contract		
	Operating Profit Before Working Capital Changes	334467	237574
	Adjustments for:		
	(Increase)/decrease in Trade Receivables	35751	84229
	(Increase)/decrease in Loans, Financial Assets and Other Assets	-29651	-83953
	(Increase)/decrease in Inventories	-44716	-130665
	Increase/(decrease) in Trade Payables	6105	23997
	Increase/(decrease) in Financial Liabilities, Provisions and Other Liabilities	174327	613183
	Cash generated from Operations	476283	744365
	Income Taxes Paid	-145313	-47266
	Net Cash (used in)/generated from Operating Activities (A)	330970	697099
B	Cash flow from Investing activities		
	Purchase of Property, Plant & Equipment	-22422	-46197
	Purchase of Intangible Assets	-60548	-19139
	Proceeds from sale of Property, Plant & Equipment	122	92
	Investment in Subsidiary		
	Purchase of other non current Investments	-330	-6587
	Investment in short term deposits	-296224	349
	Interest Received	30117	16737
	Dividend Received from Joint Ventures	240	196
	Share application money refunded/(paid) by/to Joint Venture		-1000
	Net Cash (used in)/generated from Investing Activities (B)	-349045	-55549
C	Cash flow from Financing Activities		
	Repayment of Borrowings-Current (Net)		-524
	Interest paid	-51	-1524
	Dividend Paid	-33439	
	Net Cash (used in)/generated from Financing Activities (C)	-33490	-2048
D	Effect of Exchange differences on translation of foreign currency cash and cash equivalents		
	Net increase/(decrease) in Cash and Cash Equivalents (A+B+C+D)	-51565	639502
	Add: Cash and Cash Equivalents at the beginning of the period	307037	714615
	Cash and Cash Equivalents at the end of the period	255472	1354117

Notes:

1. The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flow"

2. Cash & Cash equivalent include Short Term Deposits with Bank

3. Previous year figures are rearranged or regrouped wherever necessary

4. Cash and Cash Equivalents are available fully for use

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Consolidated Notes:

- 1) The above results have been reviewed and recommended by the Audit Committee in its meeting held on 11.11.2022 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 and half year ended September 30, 2022.
- 3) 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/half year ended 30 September 2022 by Rs.1155 lakhs and Rs.2424 lakhs respectively (quarter/half year ended 30 September 2021 by Rs.901 lakhs and Rs.2234 lakhs respectively) and a consequential reduction in sales revenue for the quarter/half year ended 30 September 2022 by Rs.199 lakhs and Rs.493 lakhs respectively (quarter/half year ended 30 September 2021 by Rs.158 lakhs and Rs.439 lakhs respectively).

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 for Rs.26946 lakhs (Previous year 31.03.2022: Rs.24489 lakhs)

- 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) Notes specific to Joint Ventures

(i) In respect of BAeHAL Software Limited

Unbilled Revenues

The company has shown Unbilled Revenues valuing Rs.695.47 Lakhs (P.Y.1010.62 Lakhs) shown under Revenue from operations & under Current Assets-Others in Balance Sheet and are expected to be invoiced latest by November 2022 as per best possible estimate given 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.

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(ii) In respect of HATSOFF Helicopter Training Private Limited

Going Concern

The Company has made a net loss of Rs.676.50 Lakhs during the period ended 30 September, 2022 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 30 September, 2022 is negative by Rs.3961.52 Lakhs (as at 31 March, 2022 negative by Rs.3285.03 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 principal of Rs.1947.78 lakhs (US\$ 2436138) has been paid against ECB overdue installments during the financial year at various dates.
- 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

Material Uncertainty Related to Going Concern

The Company has net liability of Rs.1,231 lakhs at 30 September 2022 as against Rs.1,110 lakhs at 31 March 2022. The net current liability is Rs.1,312 lakhs at 30 September 2022 as against Rs.1,176 lakhs at 31 March 2022. Despite these conditions, its current liability to creditor isn't payable immediately as the complete performance of the obligation is yet to be accomplished. They being a shareholder of the joint venture themselves, the company has made plans to liquidate the liability in a phased manner. Besides this, based on its estimated future growth, the company expects to fund its operating and capital expenditure and continue business operations. Accordingly, the financial statements have been prepared on a going concern basis.

- 6) 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.

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- 7) The Joint Venture Company, HAL-Edgewood Technologies Private Limited, has not prepared the financial statements for the six months ended 30 September 2022, and accordingly not considered for consolidation. The impact of non-consolidation, however, is not material.
- 8) 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: 11.11.2022




CB ANANTHAKRISHNAN

Chairman & Managing Director

(Additional Charge)

DIN: 06761339


SHAILESH BANSAL

Joint 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 Financial Results

Opinion

We have audited the accompanying Standalone quarterly financial results of Hindustan Aeronautics Limited for the quarter ended 30th Sep 2022, and the year-to-date results for the period from 01.04.2022 to 30.09.2022 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 30th Sep 2022, as well as the year-to-date results for the period from 01.04.2022 to 30.09.2022.

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:

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.

This has resulted in reduction of salaries and wages for the quarter/ half year ended 30 September 2022 by Rs.1115 Lakhs/Rs.2,424 lakhs (Quarter ended 30th September 2021 Rs 901 lakhs and half year ended 30 September 2021 by Rs.2,234 lakhs.) respectively and a consequential reduction in sales revenue for the quarter ended 30th September 2022 by Rs 199 lakhs / half year ended 30 September 2022 by Rs.493 Lakhs. (Quarter ended 30th Sep 2021 Rs.158 Lakhs/Half year ended 30 September 2021 by Rs.439 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 for Rs.26,946 lakhs (Previous Year 31.03.2022 Rs.24,489 lakhs).

Our opinion is not modified in respect of these 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 29 Divisions of the Company, whose financial statements / financial information reflect the total revenue of Rs.5,40,386 Lakhs / Rs.9,22,030 lakhs and Net profit after Tax of Rs.1,22,122 lakhs for the Quarter ended 30.09.2022 and Rs. 1,81,588 Lakh for the period from 01.04.2022 to 30.09.2022 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.

Place: Bengaluru
Date: 11-11-2022

For **A John Moris & Co.,**
Chartered Accountants
FRN: 007220S



CA A G Krishnan
Partner
M. No. 021183
UDIN: 22021183BCUCMO3363



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 30th September 2022/ Half Year ended 30th September 2022 and the year to date results for the period from 01.04.2022 to 30.09.2022, 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 Quarterly and Half-yearly 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 30th Sep 2022/ Half Year ended 30th September 2022, and the year-to-date results for the period from 01.04.2022 to 30.09.2022,



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:

With respect to Hindustan Aeronautics Limited, 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.

This has resulted in reduction of salaries and wages for the quarter ended 30th September 2022 by Rs 1155 lakhs / half year ended 30 September 2022 by Rs.2,424 lakhs (Quarter ended 30th September 2021 by Rs 901 lakhs and half year ended 30 September 2021 by Rs 2234 lakhs) respectively and a consequential reduction in sales revenue for the quarter ended 30th June 2022 by Rs 199 lakhs / half year ended 30 September 2022 by Rs.493 Lakhs. (Quarter ended 30th September 2021 Rs 158 lakhs /Half year ended 30 September 2021 by Rs.439 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 for Rs.26,946 lakhs (Previous Year 31.03.2022 Rs.24,489 lakhs).



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

Note 5:

- Notes Specific to Joint Ventures

-Notes Specific to Joint Ventures

i) In respect of BAeHAL Software Limited

Unbilled Revenues

The company has shown Unbilled Revenues valuing Rs.695.47 Lakhs (P.Y. Rs.1,010.62 Lakhs) shown under Revenue from operations & under Current Assets-Others in Balance Sheet and are expected to be invoiced latest by November 2022 as per best possible estimate given 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.

ii) In respect of HATSOFF Helicopter Training Private Limited

Going Concern

The Company has made a net loss of Rs.676.50 Lakhs during the period ended 30th September 2022 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 30 September, 2022 is negative by Rs.3,961.52 Lakhs (as at 31st March, 2022 negative by Rs.3,285.03 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 Defense 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.1,947.78 Lakhs (US\$ 2436138) has been paid against ECB overdue instalments during the financial year at various dates.
- 5) The ECB Loan is classified as Non-Performing Asset by the lending bank in view of non-payment of installments 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.

iii) In respect of HALBIT Avionics Private Ltd

Material Uncertainty Related to Going Concern

The Company has net liability (Equity) of Rs.1,231 lakhs at 30 September 2022 as against Rs.1,110 lakhs at 31 March 2022. The net current liability (after adjusting Current Assets) is Rs.1,312 lakhs at 30 September 2022 as against Rs.1,176 lakhs at 31 March 2022. Despite these conditions, its current liability to creditor isn't payable immediately as the complete performance of the obligation is yet to be accomplished. They are being a shareholder of the joint venture themselves; the company has made plans to liquidate the liability in a phased manner. Besides this, based on its estimated future growth, the company expects to fund its operating and capital expenditure and continue business operations. Accordingly, the financial statements have been prepared on a going concern basis.

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

7. In respect of HAL-Edgewood Technologies Private Limited

The Joint Venture Company has not prepared the financial statements for the six months ended 30th September 2022, and accordingly not considered for consolidation. The impact of non-consolidation, however, is not material.

Our opinion is not modified in respect of the above matters

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



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 are 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. 4,323 Lakhs as at 30.09.2022, Group's share of total revenue of Rs.149 Lakhs and Rs.303 Lakhs Group's share of total net loss after tax of Rs. 279 Lakhs and Rs.587 Lakhs for the Quarter ended 30.09.2022/ Half year ended 30.9.2022, 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 Nine joint ventures, whose Financial Statements/ Financial Results/ financial information reflects Group's share of total Net profit after tax of Rs. 1,277 lakhs and Rs. 1,207 lakhs for the quarter ended 30.09.2022/ Half year ended 30.09.2022, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditor's 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.

Place: Bengaluru
Date: 11-11-2022

For **A John Moris & Co.,**
Chartered Accountants
FRN: 007220S



CA A G Krishnan

Partner

M. No: 021183

UDIN: 22021183BCUCNA1935

Annexure - IV

STATEMENT OF AUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2022

Rs in Lakhs

S. No.	Particulars	Standalone					Consolidated				
		Quarter ended		Half Year ended		Year ended	Quarter ended		Half Year ended		Year ended
		Audited 30-Sep-22	Audited 30-Sep-21	Audited 30-Sep-22	Audited 30-Sep-21	Audited 31-Mar-22	Audited 30-Sep-22	Audited 30-Sep-21	Audited 30-Sep-22	Audited 30-Sep-21	Audited 31-Mar-22
1	Total Income from Operations	5,14,489	5,55,215	8,76,741	7,16,838	24,62,021	5,14,479	5,55,214	8,76,725	7,16,797	24,62,002
2	Other Income	26,080	13,806	45,289	28,815	98,634	25,907	13,640	45,071	28,653	98,493
3	Total Income	5,40,569	5,69,021	9,22,030	7,45,653	25,60,655	5,40,386	5,68,854	9,21,796	7,45,450	25,60,495
4	Net Profit/(Loss) for the period (before Tax and Exceptional Items)	1,61,864	1,13,775	2,42,743	1,40,594	5,23,115	1,63,064	1,13,627	2,45,290	1,40,037	5,22,453
5	Net Profit/(Loss) for the period before Tax (after Exceptional Items)	1,61,864	1,13,775	2,42,743	1,40,594	5,23,115	1,63,064	1,13,627	2,45,290	1,40,037	5,22,453
6	Net Profit/(Loss) for the period after Tax (after Exceptional Items)	1,20,922	84,822	1,81,588	1,04,699	5,08,650	1,22,122	84,674	1,84,135	1,04,142	5,07,988
7	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	1,22,271	88,232	1,92,202	1,07,430	5,23,337	1,23,489	88,112	1,94,781	1,06,911	5,22,662
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	-	-	-	-	18,92,961	-	-	-	-	18,97,874
10	Capital Redemption Reserve / Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	-
11	Earnings Per Share (Face value of Rs.10/- each) (EPS for the quarter and half year are not annualised) (in Rs.)					14,761					14,761
	(i) Basic	36.16	25.37	54.30	31.31	152.11	36.52	25.32	55.07	31.14	151.92
	(ii) Diluted	36.16	25.37	54.30	31.31	152.11	36.52	25.32	55.07	31.14	151.92
12	Net Worth (including Retained Earning)	-	-	-	-	19,26,400	-	-	-	-	19,31,688

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 results of the Company for the quarter and half year ended 30, September 2022.
- Figures for the previous periods have been regrouped / reclassified to conform to the classification of the current period, wherever necessary.



CB Ananthakrishnan

Chairman & Managing Director
 (Additional Charge)
 DIN: 06761339

Place : Bengaluru

Date : 11.11.2022

