



– A Maharatna CPSE –

ಹಿಂದೂಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್

ಪ್ರಧಾನ ಕಛೇರಿ

ಹಿಂದುಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್

ಮುಖ್ಯಾಲಯ

HINDUSTAN AERONAUTICS LIMITED
CORPORATE OFFICE

CO/SEC/4(7)/2026-27/ BSE & NSE Filing/10

14th May, 2026

| | |
|--|---|
| ಬಿಇಸಿ ಲಿಮಿಟೆಡ್ BSE Limited ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಫಿರೋಜ್ ಜಿಜಿಭಯ್ ಟೌವರ್ಸ್ Phiroze Jeejeebhoy Towers, ದಲಾಲ್ ಸ್ಟ್ರೀಟ್ Dalal Street, ಮುಂಬೈ Mumbai – 400 001 | ನೇಷನಲ್ ಸ್ಟಾಕ್ ಎಕ್ಸ್‌ಚೇಂಜ್ ಆಫ್ ಇಂಡಿಯಾ ಲಿಮಿಟೆಡ್ National Stock Exchange of India Ltd ಲಿಸ್ಟಿಂಗ್ ವಿಭಾಗ Listing Department ಎಕ್ಸ್‌ಚೇಂಜ್ ಪ್ಲಾಜಾ, 5 th ವಾಣಿಜ್ಯ, 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 |
|--|---|

ಪ್ರಿಯ ಮಹೋದಯ/ ಮಹೋದಯಾ Dear Sir/ Madam,

**ವಿಷಯ: ದಿನಾಂಕ 31 ಮಾರ್ಚ್, 2026 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಮತ್ತು ವರ್ಷ ಹೇತು ಲೇಖಾಪರಿಕ್ಷಿತ ವಿಕೀಯ ಪರಿಣಾಮ
(ಸ್ಟೇಂಡಅಲೊನ್ ಮತ್ತು ಸಮೇಕಿತ)**

**Sub: Audited Financial Results (Standalone and Consolidated) for the quarter and
year ended 31st March, 2026**

ಸಂದರ್ಭ: ಬಿಇಸಿ ಸ್ಕ್ರಿಪ್ ಕೋಡ್: 541154, ಎನ್‌ಎಸ್‌ಸಿ ಚಿಹ್ನೆ: ಎಚ್‌ಎಲ್

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

ಕಂಪನಿ ಕೆ ನಿರ್ದೇಶಕ ಮಂಡಲ ನೆ ಆಜ್ ಸಂಪನ್ರ ಅಪನಿ ಬೆಠಕ ಮೆ ದಿನಾಂಕ 31 ಮಾರ್ಚ್, 2026 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಮತ್ತು ವರ್ಷ ಹೇತು ಅನ್ಯ ಬಾತೆ ಕೆ ಸಾಠ-ಸಾಠ, ಲೇಖಾಪರಿಕ್ಷಿತ ವಿಕೀಯ ಪರಿಣಾಮೆ (ಸ್ಟೇಂಡಅಲೊನ್ ಮತ್ತು ಸಮೇಕಿತ) ಕೆ ಸಂಬಂಧ ಮೆ ಅನುಮೊದನ ಪ್ರದಾನ ಕಿಯಾ ಹೆ ।

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 year ended 31st March, 2026.

2. ಲಿಸ್ಟಿಂಗ್ ವಿನಿಯಮ ಕೆ ವಿನಿಯಮ 33 ಕೆ ಅನುಸರಣ ಮೆ, ಅತಛವಾರಾ ಹಮ ದಿನಾಂಕ 31 ಮಾರ್ಚ್, 2026 ಕ್ಕೆ ಸಮಾಪ್ತ ತಿಮಾಹಿ ಮತ್ತು ವರ್ಷ ಹೇತು ಲೇಖಾಪರಿಕ್ಷಿತ ವಿಕೀಯ ಪರಿಣಾಮೆ (ಸ್ಟೇಂಡಅಲೊನ್ ಮತ್ತು ಸಮೇಕಿತ) ಸೆ ಸಂಬಂಧಿತ ವಿವರಣ ಪ್ರಸ್ತುತ ಕರ ರಹೆ ಹೆ ।

Pursuant to Listing Regulation 33, we are submitting herewith the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended 31st March, 2026.

3. ಕಂಪನಿ ಕೆ ನಿರ್ದೇಶಕ ಮಂಡಲ ಕಿ ಬೆಠಕ 1000 ಬಜೆ ಪ್ರಾರಂಭ ಹುಡ್ ತಠಾ 1235 ಬಜೆ ಸಮಾಪ್ತ ಹುಡ್ ।

The meeting of the Board of Directors of the Company commenced at 1000 hours and concluded at 1235 hours.

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

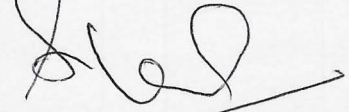
ಇ ಮೇಲ್ (ಇ) Email : cosec@hal-india.co.in

CIN: L35301KA1963GOI001622 - www.hal-india.co.in

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

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

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 YEAR ENDED 31ST MARCH 2026

Rs in Lakhs

| Sl. No | Particulars | Standalone | | | | |
|-----------|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| | | Quarter ended | | | Year ended | |
| | | 31-Mar-26 (Audited) | 31-Dec-25 (Audited) | 31-Mar-25 (Audited) | 31-Mar-26 (Audited) | 31-Mar-25 (Audited) |
| 1 | Income from Operations | | | | | |
| | (a) Revenue from operations | 13,94,332 | 7,69,887 | 13,69,987 | 33,08,979 | 30,98,092 |
| | (b) Other Income | 1,15,236 | 91,351 | 65,274 | 3,70,375 | 2,56,553 |
| | Total Income | 15,09,568 | 8,61,238 | 14,35,261 | 36,79,354 | 33,54,645 |
| 2 | Expenses | | | | | |
| | (a) Cost of materials consumed | 12,12,108 | 4,53,185 | 11,55,329 | 23,88,698 | 19,25,790 |
| | (b) Purchase of stock-in-trade | 20,898 | 15,923 | 25,020 | 59,112 | 67,937 |
| | (c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap | -5,91,462 | -1,11,647 | -6,82,754 | -10,02,959 | -7,62,477 |
| | (d) Employee benefits expense | 1,72,161 | 1,66,368 | 1,80,784 | 6,09,685 | 5,71,772 |
| | (e) Finance Costs | 413 | 97 | 842 | 573 | 862 |
| | (f) Depreciation and Amortisation Expense | 63,421 | 30,958 | 73,626 | 1,35,421 | 1,33,970 |
| | (g) Impairment Loss | 483 | 340 | 987 | 1,237 | 2,474 |
| | (h) Other expenses | 62,114 | 47,923 | 55,798 | 2,09,309 | 1,78,169 |
| | (i) Direct Input to WIP/Expenses Capitalised | 62,807 | 18,398 | 14,300 | 1,01,825 | 37,233 |
| | (j) Provisions | 16,645 | 32,604 | 1,43,645 | 1,30,495 | 2,53,010 |
| | Total Gross Expenses | 10,19,588 | 6,54,149 | 9,67,577 | 26,33,396 | 24,08,740 |
| | Less: Expenses relating to Capital and Other Accounts | 67,227 | 40,098 | 52,344 | 1,65,250 | 1,35,507 |
| | Total Expenses | 9,52,361 | 6,14,051 | 9,15,233 | 24,68,146 | 22,73,233 |
| 3 | Profit/(Loss) before Exceptional items and Tax (1-2) | 5,57,207 | 2,47,187 | 5,20,028 | 12,11,208 | 10,81,412 |
| 4 | Exceptional item | - | - | - | - | 589 |
| 5 | Profit/(Loss) before tax (3+4) | 5,57,207 | 2,47,187 | 5,20,028 | 12,11,208 | 10,82,001 |
| 6 | Tax expense | | | | | |
| | (i) Current Tax | 1,15,254 | 58,488 | 1,39,098 | 2,70,000 | 2,88,000 |
| | (ii) Earlier Tax (Refund)/Liability | - | - | - | - | -25,608 |
| | (iii) Deferred Tax | 23,525 | 3,527 | -14,895 | 33,641 | -12,071 |
| | | 1,38,779 | 62,015 | 1,24,203 | 3,03,641 | 2,50,321 |
| 7 | Net Profit / (Loss) for the period (5-6) | 4,18,428 | 1,85,172 | 3,95,825 | 9,07,567 | 8,31,680 |
| 8 | Other Comprehensive Income (OCI) | | | | | |
| | A. Items that will not be reclassified to statement of Profit and Loss | | | | | |
| | (i) Remeasurements of defined benefit plans | 23,534 | 3,821 | 1,643 | 38,468 | 2,803 |
| | (ii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss | -5,923 | -962 | -413 | -9,682 | -705 |
| | 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) | 17,611 | 2,859 | 1,230 | 28,786 | 2,098 |
| 9 | Total Comprehensive Income for the period (7 + 8) | 4,36,039 | 1,88,031 | 3,97,055 | 9,36,353 | 8,33,778 |
| 10 | Paid-up Equity Share Capital (Face Value Rs.5 each) | 33,439 | 33,439 | 33,439 | 33,439 | 33,439 |
| 11 | Other Equity excluding Revaluation Reserves | | | | 40,52,812 | 34,50,846 |
| 12 | Capital Redemption Reserve | | | | 14,761 | 14,761 |
| 13 | Earnings per share (in Rupees) (EPS for the quarter and half year are not annualised) | | | | | |
| | (a) Basic | 62.57 | 27.69 | 59.19 | 135.71 | 124.36 |
| | (b) Diluted | 62.57 | 27.69 | 59.19 | 135.71 | 124.36 |
| 14 | Net Worth (including Retained Earning) | | | | 40,86,251 | 34,84,285 |



Audited Balance Sheet:

Rs. in lakhs

| Particulars | Standalone | |
|--|--------------------|--------------------|
| | As at 31-Mar-26 | As at 31-Mar-25 |
| | (Audited) | (Audited) |
| ASSETS | | |
| Non-current assets | | |
| (a) Property, Plant and Equipment | 6,16,100 | 5,96,290 |
| (b) Capital work - in progress | 1,02,563 | 1,09,108 |
| (c) Investment Property | 2 | 2 |
| (d) Goodwill | - | - |
| (e) Other Intangible assets | 1,12,559 | 70,052 |
| (f) Intangible assets under development | 2,28,736 | 2,00,667 |
| (g) Financial Assets | | |
| (i) Invesments in Joint Venture and Subsidiary | 13,351 | 12,822 |
| (ii) Investments | 1,61,874 | 1,49,914 |
| (iii) Trade receivables | - | - |
| (iv) Contract Assets | - | - |
| (v) Loans | 540 | 557 |
| (vi) Other Financial Assets | 39,068 | 38,186 |
| (h) Deferred tax assets (Net) | 1,13,476 | 1,56,799 |
| (i) Other non-current assets | 2,50,918 | 2,68,683 |
| Total Non-current Assets | 16,39,187 | 16,03,080 |
| Current assets | | |
| (a) Inventories | 30,85,066 | 21,67,570 |
| (b) Financial Assets | | |
| (i) Investments | - | - |
| (ii) Trade receivables | 4,06,628 | 4,64,754 |
| (iii) Contract Assets | 19,13,004 | 15,88,916 |
| (iv) Cash and Cash Equivalents | 3,76,689 | 4,54,693 |
| (v) Bank balances other than cash and cash equivalents | 42,42,537 | 33,62,383 |
| (vi) Loans | 1,273 | 732 |
| (vii) Other Financial Assets | 1,50,110 | 1,34,671 |
| (c) Current Tax Assets (Net) | 13,111 | - |
| (d) Other Current Assets | 13,94,776 | 8,34,513 |
| Total Current Assets | 1,15,83,194 | 90,08,232 |
| Assets held for sale | - | - |
| TOTAL ASSETS | 1,32,22,381 | 1,06,11,312 |



Audited Balance Sheet:

Rs. in lakhs

| Particulars | Standalone | |
|--|--------------------|--------------------|
| | As at 31-Mar-26 | As at 31-Mar-25 |
| | (Audited) | (Audited) |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| (a) Equity Share capital | 33,439 | 33,439 |
| (b) Other Equity | 40,52,812 | 34,50,846 |
| Total Equity | 40,86,251 | 34,84,285 |
| LIABILITIES | | |
| Non-current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | - | - |
| (ia) Lease Liabilities | 745 | 33 |
| (ii) Trade Payables | - | - |
| (iii) Other financial liabilities | 52,627 | 49,663 |
| (b) Provisions | 1,83,169 | 1,85,671 |
| (c) Deferred Tax Liabilities (Net) | - | - |
| (d) Other Non-Current Liabilities | 44,68,909 | 24,82,058 |
| Total Non-Current Liabilities | 47,05,450 | 27,17,425 |
| Current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | - | - |
| (ia) Lease Liabilities | 265 | 2 |
| (ii) Trade Payables | | |
| Total outstanding dues of micro enterprises and small Enterprises | 16,176 | 17,669 |
| Total outstanding dues of creditors other than micro enterprises and Small Enterprises | 4,27,443 | 4,93,415 |
| (iii) Other Financial liabilities | 2,69,344 | 2,82,561 |
| (b) Other Current Liabilities | 29,50,015 | 27,60,278 |
| (c) Provisions | 7,67,437 | 8,41,716 |
| (d) Current Tax Liabilities (Net) | - | 13,961 |
| Total Current Liabilities | 44,30,680 | 44,09,602 |
| TOTAL EQUITY AND LIABILITIES | 1,32,22,381 | 1,06,11,312 |



Standalone Statement of Cash Flows

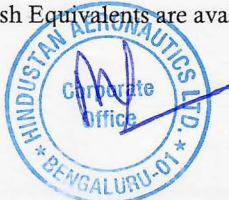
(Rs in Lakhs)

| SI. No. | Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 |
|---------|--|--|--|
| A | Cash flow from Operating activities | | |
| | Profit After Tax | 907567 | 831680 |
| | Adjustments to reconcile net profit to net cash provided by operating activities | | |
| | Income Tax expense | 303641 | 250321 |
| | (Gain)/Loss on sale of Property, Plant & Equipment | -207 | -188 |
| | Finance cost | 573 | 862 |
| | Interest Income | -308664 | -228637 |
| | Dividend Income | -580 | -491 |
| | Net (Gain)/Loss on Fair Value Adjustment | 89 | -168 |
| | Depreciation, amortization and impairment expense | 136658 | 136200 |
| | Provision / (Reversal of Provision) for Impairment in Value of Investments | 71 | -783 |
| | Provision for Doubtful Debts | 108 | 83 |
| | Provision for Doubtful Contract Assets | 14338 | 15010 |
| | Provision for Doubtful Claims | 500 | 635 |
| | Provision for Doubtful Advances | 1297 | 240 |
| | Provision for Replacement and Other charges | 2742 | 126373 |
| | Provision for Warranty | 38728 | 37015 |
| | Provision for Raw Materials and Components, Stores and Spare parts, Loose Tools and Equipment, Construction Materials, Work-in-progress and Inventory - Warranty | 543 | 7678 |
| | Provision for Liquidated Damages | 72168 | 65843 |
| | Operating Profit Before Working Capital Changes | 1169572 | 1241673 |
| | Adjustments for: | | |
| | (Increase)/decrease in Trade Receivables | -280408 | -417700 |
| | (Increase)/decrease in Loans, Financial Assets and Other Assets | -547487 | -262247 |
| | (Increase)/decrease in Inventories | -918039 | -852656 |
| | Increase/(decrease) in Trade Payables | -67465 | 169617 |
| | Increase/(decrease) in Financial Liabilities, Provisions and Other Liabilities | 2034364 | 1839640 |
| | Cash generated from Operations | 1390537 | 1718327 |
| | Income Taxes Paid | -298584 | -353815 |
| | Net Cash (used in)/generated from Operating Activities (A) | 1091953 | 1364512 |
| B | Cash flow from Investing activities | | |
| | Purchase of Property, Plant & Equipment | -148475 | -92974 |
| | Purchase of Intangible Assets | -106395 | -82683 |
| | Proceeds from sale of Property, Plant & Equipment | 8043 | 335 |
| | Investment in Joint Ventures | -739 | -1289 |
| | Purchase of other non current Investments | -11780 | -10958 |
| | Investment in short term deposits | -880154 | -1145615 |
| | Interest Received | 304279 | 255350 |
| | Dividend Received from Joint Ventures | 580 | 491 |
| | Share application money paid | | -41 |
| | Net Cash (used in)/generated from Investing Activities (B) | -834641 | -1077384 |
| C | Cash flow from Financing Activities | | |
| | Payment of Lease Liabilities | -132 | -2 |
| | Interest paid | -797 | -3714 |
| | Dividend Paid | -334387 | -254135 |
| | Net Cash (used in)/generated from Financing Activities (C) | -335316 | -257851 |
| | Net increase/(decrease) in Cash and Cash Equivalents (A+B+C) | -78004 | 29277 |
| | Add: Cash and Cash Equivalents at the beginning of the year (Refer Note 16) | 454693 | 425416 |
| | Cash and Cash Equivalents at the end of the period (Refer Note 16) | 376689 | 454693 |

Material Accounting Policies and accompanying notes no. 1 to 49 form an integral part of the Financial Statements

Notes:

- 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"
- Cash & Cash equivalent include Short Term Deposits with Bank
- Cash and Cash Equivalents are available fully for use



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 YEAR ENDED 31ST MARCH, 2026

Rs in Lakhs

| Sl. No | Particulars | Consolidated | | | | |
|-----------|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| | | Quarter ended | | | Year ended | |
| | | 31-Mar-26 (Audited) | 31-Dec-25 (Audited) | 31-Mar-25 (Audited) | 31-Mar-26 (Audited) | 31-Mar-25 (Audited) |
| 1 | Income from Operations | | | | | |
| | (a) Revenue from operations | 13,94,240 | 7,69,880 | 13,69,985 | 33,08,882 | 30,98,095 |
| | (b) Other Income | 1,15,057 | 91,380 | 65,153 | 3,69,913 | 2,56,169 |
| | Total Income | 15,09,297 | 8,61,260 | 14,35,138 | 36,78,795 | 33,54,264 |
| 2 | Expenses | | | | | |
| | (a) Cost of materials consumed | 12,11,435 | 4,52,705 | 11,54,729 | 23,87,062 | 19,23,446 |
| | (b) Purchase of stock-in-trade | 20,898 | 15,923 | 25,020 | 59,112 | 67,937 |
| | (c) Changes in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade and Scrap | -5,91,462 | -1,11,647 | -6,82,754 | -10,02,959 | -7,62,579 |
| | (d) Employee benefits expense | 1,72,454 | 1,66,616 | 1,81,133 | 6,10,768 | 5,73,037 |
| | (e) Finance Costs | 415 | 98 | 844 | 579 | 868 |
| | (f) Depreciation and Amortisation Expense | 63,438 | 30,976 | 73,649 | 1,35,486 | 1,34,037 |
| | (g) Impairment Loss | 483 | 340 | 987 | 1,237 | 2,474 |
| | (h) Other expenses | 62,216 | 47,988 | 55,868 | 2,09,616 | 1,78,462 |
| | (i) Direct Input to WIP/Expenses Capitalised | 62,807 | 18,398 | 14,300 | 1,01,825 | 37,233 |
| | (j) Provisions | 16,779 | 32,558 | 1,43,556 | 1,30,488 | 2,52,784 |
| | Total Gross Expenses | 10,19,463 | 6,53,955 | 9,67,332 | 26,33,214 | 24,07,699 |
| | Less: Expenses relating to Capital and Other Accounts | 67,227 | 40,098 | 52,344 | 1,65,250 | 1,35,507 |
| | Total Expenses | 9,52,236 | 6,13,857 | 9,14,988 | 24,67,964 | 22,72,192 |
| 3 | Profit/(Loss) before Share of Profit/(Loss) of Joint Ventures, Exceptional items and Tax (1-2) | 5,57,061 | 2,47,403 | 5,20,150 | 12,10,831 | 10,82,072 |
| 4 | Share of Profit/(Loss) of Joint Ventures (JV) accounted using Equity Method | 1,322 | 1,278 | 1,716 | 4,362 | 4,065 |
| 5 | Profit/(Loss) before Exceptional items and Tax (3+4) | 5,58,383 | 2,48,681 | 5,21,866 | 12,15,193 | 10,86,137 |
| 6 | Exceptional item | - | - | - | - | 589 |
| 7 | Profit/(Loss) before tax (5+6) | 5,58,383 | 2,48,681 | 5,21,866 | 12,15,193 | 10,86,726 |
| 8 | Tax expense | | | | | |
| | (i) Current Tax | 1,15,254 | 58,488 | 1,39,098 | 2,70,000 | 2,88,000 |
| | (ii) Earlier Tax (Refund)/Liability | - | - | - | - | -25,608 |
| | (iii) Deferred Tax | 23,525 | 3,527 | -14,895 | 33,641 | -12,071 |
| | | 1,38,779 | 62,015 | 1,24,203 | 3,03,641 | 2,50,321 |
| 9 | Net Profit / (Loss) for the period (7-8) | 4,19,604 | 1,86,666 | 3,97,663 | 9,11,552 | 8,36,405 |
| 10 | Other Comprehensive Income (OCI) | | | | | |
| | A. Items that will not be reclassified to statement of Profit and Loss | | | | | |
| | (i) Remeasurements of defined benefit plans | 23,532 | 3,821 | 1,615 | 38,466 | 2,786 |
| | (ii) Share of Other Comprehensive Income of JV's accounted using Equity Method | 10 | 2 | -8 | -6 | -15 |
| | (iii) Income Tax relating to items that will not be reclassified to statement of Profit and Loss | -5,923 | -962 | -413 | -9,682 | -705 |
| | 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) | 17,619 | 2,861 | 1,194 | 28,778 | 2,066 |
| 11 | Total Comprehensive Income for the period (9 + 10) | 4,37,223 | 1,89,527 | 3,98,857 | 9,40,330 | 8,38,471 |
| 12 | Profit/(Loss) for the period attributable to- | | | | | |
| | Owners of the Company | 4,19,608 | 1,86,668 | 3,97,666 | 9,11,560 | 8,36,413 |
| | Non Controlling interest | -4 | -2 | -3 | -8 | -8 |
| 13 | Other Comprehensive Income for the period attributable to- | | | | | |
| | Owners of the Company | 17,619 | 2,861 | 1,194 | 28,778 | 2,066 |
| | Non Controlling interest | - | - | - | - | - |
| 14 | Total Comprehensive Income for the period attributable to- | | | | | |
| | Owners of the Company | 4,37,227 | 1,89,529 | 3,98,860 | 9,40,338 | 8,38,479 |
| | Non Controlling interest | -4 | -2 | -3 | -8 | -8 |
| 15 | Paid-up Equity Share Capital (Face Value Rs.5 each) | 33,439 | 33,439 | 33,439 | 33,439 | 33,439 |
| 16 | Other Equity excluding Revaluation Reserves | | | | 40,70,673 | 34,64,722 |
| 17 | Capital Redemption Reserve | | | | 14,761 | 14,761 |
| 18 | Earnings per share (in Rupees) (EPS for the quarter and half year are not annualised) | | | | | |
| | (a) Basic | 62.74 | 27.91 | 59.46 | 136.30 | 125.07 |
| | (b) Diluted | 62.74 | 27.91 | 59.46 | 136.30 | 125.07 |
| 19 | Net Worth (including Retained Earning) | | | | 41,04,460 | 34,98,517 |



Audited Balance Sheet:

Rs. in lakhs

| Particulars | Consolidated | |
|--|--------------------|--------------------|
| | As at 31-Mar-26 | As at 31-Mar-25 |
| | (Audited) | (Audited) |
| ASSETS | | |
| Non-current assets | | |
| (a) Property, Plant and Equipment | 6,16,774 | 5,97,026 |
| (b) Capital work - in progress | 1,02,565 | 1,09,108 |
| (c) Investment Property | 2 | 2 |
| (d) Goodwill | - | - |
| (e) Other Intangible assets | 1,12,559 | 70,052 |
| (f) Intangible assets under development | 2,28,736 | 2,00,667 |
| (g) Investments accounted for using the equity method | 28,774 | 24,472 |
| (h) Financial Assets | | |
| (i) Investments | 1,62,632 | 1,50,948 |
| (ii) Trade receivable | - | - |
| (iii) Contract Assets | - | - |
| (iv) Loans | 540 | 557 |
| (v) Other Financial Assets | 40,687 | 38,911 |
| (i) Deferred tax assets (Net) | 1,13,476 | 1,56,799 |
| (j) Other non-current assets | 2,50,918 | 2,68,683 |
| Total Non-current Assets | 16,57,663 | 16,17,225 |
| Current assets | | |
| (a) Inventories | 30,85,068 | 21,67,570 |
| (b) Financial Assets | | |
| (i) Investments | - | - |
| (ii) Trade receivables | 4,06,631 | 4,64,779 |
| (iii) Contract Assets | 19,13,004 | 15,88,916 |
| (iv) Cash and Cash Equivalents | 3,76,766 | 4,54,855 |
| (v) Bank balances other than cash and cash equivalents | 42,42,913 | 33,63,370 |
| (vi) Loans | 1,284 | 743 |
| (vii) Other Financial Assets | 1,50,183 | 1,34,693 |
| (c) Current Tax Assets (Net) | 13,111 | - |
| (d) Other Current Assets | 13,94,836 | 8,34,534 |
| Total Current Assets | 1,15,83,796 | 90,09,460 |
| Assets held for sale | - | - |
| TOTAL ASSETS | 1,32,41,459 | 1,06,26,685 |



Audited Balance Sheet:

Rs. in lakhs

| Particulars | Consolidated | |
|--|--------------------|--------------------|
| | As at 31-Mar-26 | As at 31-Mar-25 |
| | (Audited) | (Audited) |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| (a) Equity Share capital | 33,439 | 33,439 |
| (b) Other Equity | 40,70,673 | 34,64,722 |
| (c) Non-Controlling Interest | 348 | 356 |
| Total Equity | 41,04,460 | 34,98,517 |
| LIABILITIES | | |
| Non-current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | - | - |
| (ia) Lease Liabilities | 832 | 114 |
| (ii) Trade Payables | - | - |
| (iii) Other financial liabilities | 52,627 | 49,665 |
| (b) Provisions | 1,83,894 | 1,86,806 |
| (c) Deferred Tax Liabilities (Net) | - | - |
| (d) Other Non-Current Liabilities | 44,68,909 | 24,82,058 |
| Total Non-Current Liabilities | 47,06,262 | 27,18,643 |
| Current Liabilities | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | - | - |
| (ia) Lease Liabilities | 265 | 2 |
| (ii) Trade Payables | | |
| Total outstanding dues of micro enterprises and small Enterprises | 16,192 | 17,709 |
| Total outstanding dues of creditors other than micro enterprises and Small Enterprises | 4,26,983 | 4,92,858 |
| (iii) Other Financial liabilities | 2,69,746 | 2,82,932 |
| (b) Other Current Liabilities | 29,50,094 | 27,60,327 |
| (c) Provisions | 7,67,457 | 8,41,736 |
| (d) Current Tax Liabilities (Net) | - | 13,961 |
| Total Current Liabilities | 44,30,737 | 44,09,525 |
| TOTAL EQUITY AND LIABILITIES | 1,32,41,459 | 1,06,26,685 |



Consolidated Statement of Cash Flows

(Rs in Lakhs)

| SI. No. | Particulars | For the Year ended 31st March 2026 | For the Year ended 31st March 2025 |
|---------|--|--|--|
| A | Cash flow from Operating activities | | |
| | Profit After Tax | 911552 | 836405 |
| | Adjustments to reconcile net profit to net cash provided by operating activities | | |
| | Income Tax expense | 303641 | 250321 |
| | (Gain)/Loss on sale of Property, Plant & Equipment | -207 | -188 |
| | Finance cost | 579 | 868 |
| | Interest Income | -308787 | -228744 |
| | Share of (Profit) or Loss of Joint Venture | -4362 | -4065 |
| | Dividend Income | | |
| | Net (Gain)/Loss on Fair Value Adjustment | 89 | -168 |
| | Other Adjustments | 9 | 34 |
| | Depreciation, amortization and impairment expense | 136723 | 136267 |
| | Provision / (Reversal of Provision) for Impairment in Value of Investments | 64 | -783 |
| | Provision for Doubtful Debts | 108 | 83 |
| | Provision for Doubtful Contract Assets | 14338 | 15010 |
| | Provision for Doubtful Claims | 500 | 409 |
| | Provision for Doubtful Advances | 1297 | 240 |
| | Provision for Replacement and Other charges | 2742 | 126373 |
| | Provision for Warranty | 38728 | 37015 |
| | Provision for Raw Materials and Components, Stores and Spare parts, Loose Tools and Equipment, Construction Materials, Work-in-progress and Inventory - Warranty | 543 | 7678 |
| | Provision for Liquidated Damages | 72168 | 65843 |
| | Operating Profit Before Working Capital Changes | 1169725 | 1242598 |
| | Adjustments for: | | |
| | (Increase)/decrease in Trade Receivables | -280386 | -417707 |
| | (Increase)/decrease in Loans, Financial Assets and Other Assets | -548458 | -262031 |
| | (Increase)/decrease in Inventories | -918041 | -853494 |
| | Increase/(decrease) in Trade Payables | -67392 | 169280 |
| | Increase/(decrease) in Financial Liabilities, Provisions and Other Liabilities | 2034051 | 1839515 |
| | Cash generated from Operations | 1389499 | 1718161 |
| | Income Taxes Paid | -298861 | -353815 |
| | Net Cash (used in)/generated from Operating Activities (A) | 1090638 | 1364346 |
| B | Cash flow from Investing activities | | |
| | Purchase of Property, Plant & Equipment | -148520 | -93009 |
| | Purchase of Intangible Assets | -106395 | -82683 |
| | Proceeds from sale of Property, Plant & Equipment | 8043 | 335 |
| | Investment in Joint Ventures | -739 | -1289 |
| | Purchase of other non current Investments | -11504 | -10690 |
| | Investment in short term deposits | -879543 | -1145678 |
| | Interest Received | 304390 | 255455 |
| | Dividend Received from Joint Ventures | 580 | 491 |
| | Share application money paid | | -41 |
| | Net Cash (used in)/generated from Investing Activities (B) | -833688 | -1077109 |
| C | Cash flow from Financing Activities | | |
| | Payment of Lease Liabilities | -132 | -2 |
| | Interest paid | -520 | -3714 |
| | Dividend Paid | -334387 | -254135 |
| | Net Cash (used in)/generated from Financing Activities (C) | -335039 | -257851 |
| | Net increase/(decrease) in Cash and Cash Equivalents (A+B+C) | -78089 | 29386 |
| | Add: Cash and Cash Equivalents at the beginning of the year (Refer Note 16) | 454855 | 425469 |
| | Cash and Cash Equivalents at the end of the period (Refer Note 16) | 376766 | 454855 |

Material Accounting Policies and accompanying notes no. 1 to 49 form an integral part of the Financial Statements

Notes:

- 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"
- Cash & Cash equivalent include Short Term Deposits with Bank
- Cash and Cash Equivalents are available fully for use



Notes:

1. In the absence of requisite number of independent directors, the Company is not able to reconstitute an Audit Committee in pursuance of Section 177 of the Companies Act, 2013 and regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirement Regulations, 2015 till date of approval of financial results. The above audited standalone and consolidated financial results of the Company for the quarter and year ended 31 March, 2026 have been approved by the Board of Directors at the meeting held on 14.05.2026.
2. The standalone and consolidated 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 year ended 31 March, 2026.
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 are on the rolls of the Company as on the date of implementation of the revised ceiling i.e. 01.01.2017 implemented during 2023-24.

In respect of Workmen, Company issued Circular dated 24.04.2025 has conveyed the approval for increasing the Company's contribution to the Pension Scheme from existing 7% to 10% of Basic Pay + DA w.e.f. 01.01.2025. Revision of Pension contribution from 7% to 10% of Basic Pay + DA w.e.f 01.01.2025 has been made in respect of workmen who were on the rolls of the Company as on the date of implementation of the revised ceiling during March 2025.

The additional liability accruing to the Company due to the increased ceiling in respect of workmen is Rs. 4145 lakh pertaining to the year ended 31.03.2026 (previous year: Rs.1051 lakhs [01.01.2025 to 31.03.2025]). Accordingly, employees cost for the current year 31.03.2026 is not comparable with the corresponding previous year 31.03.2025.

4. Revision of pay scales of executives and workmen, with effect from 01.01.2017 was implemented in accordance with the guidelines issued by Department of Public Enterprises 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. Based on the directives Company issued a Circular dated 24.07.2021 and the communication dated 26.07.2021 for recovery of the excess amount.

While so, the Employees Union and Officers Association have filed Writ Petition with Hon'ble High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The H'ble High court given verdict in favour of Officers Associations by setting aside the Circular dated 24.07.2021 and the communication dated 26.07.2021 issued by the Management during 2024-25. The order of the H'ble High Court in favour of Officers was put up to the Board in its 490th Meeting held on 12.02.2025. Board has noted the judgement of the H'ble High Court and accorded approval to abide by the Court order. Accordingly, the differential amount withheld by the Management in respect of Ex-officers has to be released /refunded to the concerned Ex-officers / Nominees along



with applicable interest. Further, in respect of officers an amount of Rs.18565 lakhs credited to salaries and wages in the earlier years and kept under claims receivable has been reversed during 2024-25.

In respect of Workmen, The Hon'ble High court vide order dated 10.03.2026 has allowed the Writ petition filed by Employees Union. Accordingly in line with the orders of Hon'ble High Court of Karnataka, the differential amount withheld by the division along with Interest in respect of Ex-workmen to be released /refunded during FY 2026-27 to the concerned Ex-workmen / Nominees.

Further, in respect of workmen impact of one increment an amount of Rs.16390 lakhs credited to salaries and wages in the earlier years (upto 31.03.2025) and kept under claims receivable has been reversed during 2025-26. Accordingly, employees cost for the current year is not comparable with the corresponding previous year.

5. Inventory items (both Company and Customer owned) held at the LCA TD store were damaged due to flood in September 2022. In respect of Company-owned items, the actual loss was assessed at Rs. 1,033 lakhs, for which a provision was created in the books of accounts. Following the division's insurance claim, the Insurance Surveyor confirmed the loss at Rs. 1,033 lakhs, and the full and final settlement was received from the insurance company in March 2026. Consequently, as of March 31, 2026, there is no damaged Company-owned inventory remaining in the books.

Regarding Customer-owned items, the initial loss was assessed at Rs. 5,590 lakhs, and a provision for replacement charges was established. However, based on feedback from OEMs regarding the retrieval of these items, the loss was reassessed at Rs. 1,091 lakhs. Accordingly, the excess provision of Rs. 4,499 lakhs was reversed by March 31, 2026. A provision of Rs. 1,091 lakhs for flood-affected Customer-owned inventory is being maintained as a future liability.

6. 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".
7. The Board of Directors of the Company at its meeting held on 12th February 2026 has declared the first interim dividend of Rs 35 per equity share of Rs 5 each fully paid up (700%) for the financial year 2025-26.
8. The standalone and consolidated financial results includes the results for the quarter ended 31st March 2026 being the balancing figure between the audited figures with respect to the full financial year and the published audited year to-date figures up to the third quarter of the current financial year.

9. Notes specific to Consolidated Results:

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. 2007.10 lakhs for the twelve months period ended 31st March, 2026 and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 9262.04 lakhs. In addition to this, as at the balance sheet date, the Company has significant accumulated losses which have resulted in



substantial erosion of net worth. The net worth of the Company as at 31st March, 2026 is Rs. 2,337.46 lakhs (31st March 2025 was Rs. 337.10 lakhs).

Further, OEM declared obsolescence of the current projector system and consequent to this, OEM stopped the product support. Anticipating the criticality of the situation, HATSOFF had procured sufficient spares in 2014-15 itself to support operations up to Sep 2018. As no viable resolution was found until September 2018, HATSOFF found a local vendor who does repairs to the used projectors. The cost of replacement with new projector systems requires INR 28 Crores excluding duties and taxes and the lead time for supply and commissioning of new projector systems would be 6-8 months.

Under the Supply Contract 2008 with CAE Inc, Canada, the Company is still awaiting the delivery of the Military Dhruv Cockpit, with a price of USD 6,892,777. An amount of USD 4,892,777 was paid against proforma invoice, as per agreed milestones. Revised estimated price is USD 1,36,92,777 as per the cost escalation quoted by CAE Inc in June 2019, was valid up to March 2020. The Company is negotiating for the final quote and delivery schedules from CAE Inc. Funding for above cost escalations will be decided after agreeing with final price and delivery schedules.

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. 7668.79 Lakhs (USD 85,60,733) during the reporting period and previous year Rs. 3,600.00 Lakhs (USD 4,217,066) against ECB overdue Installments at various dates and serviced interest up 04th September 2023. Considering the promoters ability to fund the companies' 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 March 31, 2026 has a net liability of Rs 1279.95 lakhs (March 31st 2025: Rs 1,015.30 lakhs) and a net current liability of Rs 1355.33 lakhs (March 31st 2025: Rs 1,088.45 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.

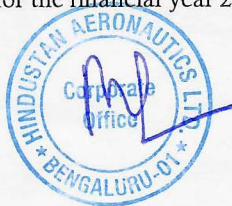
(iii) In respect of Multirole Transport Aircraft Limited

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."
10. The Board in its 440th meeting held on 9th December 2020, accorded in principle approval for voluntary winding up / closure of Joint Venture M/s. Infotech HAL Limited (IHL) enabling the Company to take further action in the matter. The petition has been filed by Infotech HAL Limited to the National Company Law Tribunal (NCLT) for Commencement of Corporate Insolvency Resolution process. The NCLT, Bangalore Bench order dated 22nd August 2025 has admitted the petition filed by Infotech HAL Limited under Section 10 of Insolvency and Bankruptcy Code, 2016. Further, NCLT ordered for the commencement of corporate insolvency resolution process of Infotech HAL Limited and appointed Interim Resolution Professional.
11. The Joint Venture Company, HAL-Edgewood Technologies Private Limited, has not prepared the financial statements for the twelve months period ended 31 March 2026, and accordingly not considered for consolidation. The impact of non-consolidation, however, is not material. The Board in its 406th meeting held on 22 September, 2017, accorded in principle approval for voluntary winding up / closure of HAL-Edgewood Technologies Private Limited enabling the Company to take further action in the matter.
12. Existing FPQ, arising out of 3rd PPRC, is up to 2022-23. 4th PPRC is under progress, due to which the prices for the year 2023-24 and onwards is yet to be firmed up.
- For the year 2023-24, FPQ sales has been provisionally recognised by considering the approved FPQ price of 2022-23 and applying indices for 2023-24.
- For the year 2024-25, FPQ sales has been provisionally recognised by considering the prices of 2023-24, as arrived above and applying indices for 2024-25.
- For the year 2025-26, FPQ sales has been provisionally recognised by considering the prices of 2024-25 as arrived above.
- Since FPQ finalisation has taken more than two years, on conservative basis the prices of 2024-25 has been considered for the financial year 2025-26 without any escalation.



13. During the audit of accounts for the financial year 2024–25, the Comptroller and Auditor General of India (C&AG) raised an observation regarding the accounting treatment of “Offset Credit benefits received free of charge as per the Purchase Order terms from foreign suppliers”. Accordingly, the Company referred the matter to the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) on 24 September 2025 for its opinion on the appropriate accounting treatment. The opinion of the EAC was received on 07 March 2026.

Based on the opinion received from the EAC and the fair valuation assessed by the duly constituted committee, the Company has accounted for the Offset Credit benefits during the current year. Considering the immaterial impact on earlier periods and the impracticability involved in retrospective application, the accounting treatment has been applied prospectively in accordance with the principles of Ind AS 8 relating to accounting policies, changes in accounting estimates and errors.

Accordingly, during the year, the Company has recognised Revenue amounting to Rs. 11,317 lakhs, Intangible Assets amounting to Rs. 10,841 lakhs, Amortisation on Intangible Assets amounting to Rs. 1,790 lakhs, Claims Receivable amounting to Rs.2,944 lakhs and Other Liability amounting to Rs. 3,831 lakhs. Consequently, the profit for the year has increased by Rs. 9,527 lakhs.

14. The ceiling of Gratuity payable to Officers & Workmen was Rs. 20 lakhs w.e.f. 1.1.2017. In terms of the DPE OM dated 3.8.17, the ceiling of Gratuity shall increase by 25% whenever Industrial Dearness Allowance (IDA) rises by 50%. From 01.10.2025 IDA has been revised to 51.80% as notified vide Circular dated 8.10.2025. Accordingly, ceiling of Gratuity to eligible Officers and Workmen of the Company have been revised from Rs.20 lakhs to Rs.25 lakhs from 01.10.2025. The additional liability accruing to the Company due to the increased ceiling in respect of officers and workmen is Rs. 32733 lakh given effect in the quarter and year ended 31.03.2026 (previous year: Rs. Nil lakhs). Accordingly, employees cost for the quarter and year ended 31.03.2026 is not comparable with the corresponding previous quarter and year.



15. The Government of India has notified four Labour Codes, collectively referred to as New Labour Codes effective from 21st November 2025. The incremental impact of these changes assessed by the company, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India is not material and has been recognised in the financial results of the company for the year ended 31st March 2026 based on actuarial valuation.
16. The audited financial results for the year ended 31st March 2026 are subject to supplementary audit by Comptroller and Auditor General of India under section 143 (6) of the Companies Act, 2013.

For

GUPTA NAYAR & CO
Chartered Accountants

Firm Registration No. 008376N

Nand Lal

CA NANDLAL AGARWAL

Partner

Membership No.091272

Place: Bengaluru

Date: 14.05.2026



Bhunya
Dr. BARENYA SENAPATI

Director (Finance) & CFO

DIN: 08525943



K. Ravi

RAVI K

Chairman & Managing Director

DIN: 10807781

Shailesh Bansal

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 Financial Results

Opinion

We have audited the accompanying standalone quarterly financial results of Hindustan Aeronautics Limited for the quarter ended 31st March 2026 and the year-to-date results for the period from 01.04.2025 to 31.03.2026 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 ("LODR Regulations").

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

- are presented in accordance with the requirements of Regulation 33 of the LODR Regulations in this regard; and
- 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 31st March 2025 as well as the year-to-date results for the period from 01.04.2025 to 31.03.2026.

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 Act and the Rules thereunder and we have fulfilled our



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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 Paragraph

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

Note 1:

In the absence of requisite number of independent directors, the Company is not able to reconstitute an Audit Committee in pursuance of Section 177 of the Companies Act, 2013 and regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirement Regulations, 2015 till date of approval of financial results. The above audited standalone and consolidated financial results of the Company for the quarter and year ended 31 March, 2026 have been approved by the Board of Directors at the meeting held on 14.05.2026.

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 are on the rolls of the Company as on the date of implementation of the revised ceiling i.e. 01.01.2017 implemented during 2023-24.

In respect of Workmen, Company issued Circular dated 24.04.2025 has conveyed the approval for increasing the Company's contribution to the Pension Scheme from existing 7% to 10% of Basic Pay + DA w.e.f. 01.01.2025. Revision of Pension contribution from 7% to 10% of Basic Pay + DA w.e.f. 01.01.2025 has been made in respect of workmen who were on the rolls of the Company as on the date of implementation of the revised ceiling during March 2025.

The additional liability accruing to the Company due to the increased ceiling in respect of workmen is Rs. 4145 lakh pertaining to the year ended 31.03.2026 (previous year: Rs.1051 lakhs [01.01.2025 to 31.03.2025]). Accordingly, employees cost for the current year 31.03.2026 is not comparable with the corresponding previous year 31.03.2025.



Note 4:

Revision of pay scales of executives and workmen, with effect from 01.01.2017 was implemented in accordance with the guidelines issued by Department of Public Enterprises 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. Based on the directives Company issued a Circular dated 24.07.2021 and the communication dated 26.07.2021 for recovery of the excess amount.

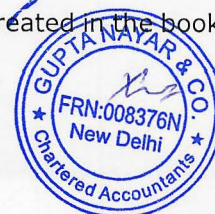
While so, the Employees Union and Officers Association have filed Writ Petition with Hon'ble High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The H'ble High court given verdict in favour of Officers Associations by setting aside the Circular dated 24.07.2021 and the communication dated 26.07.2021 issued by the Management during 2024-25. The order of the H'ble High Court in favour of Officers was put up to the Board in its 490th Meeting held on 12.02.2025. Board has noted the judgement of the H'ble High Court and accorded approval to abide by the Court order. Accordingly, the differential amount withheld by the Management in respect of Ex-officers has to be released /refunded to the concerned Ex-officers / Nominees along with applicable interest. Further, in respect of officers an amount of Rs.18565 lakhs credited to salaries and wages in the earlier years and kept under claims receivable has been reversed during 2024-25.

In respect of Workmen, The Hon'ble High court vide order dated 10.03.2026 has allowed the Writ petition filed by HAEA. Accordingly in line with the orders of Hon'ble High Court of Karnataka, the differential amount withheld by the division along with Interest in respect of Ex-workmen to be released /refunded during FY 2026-27 to the concerned Ex-workmen / Nominees.

Further, in respect of workmen impact of one increment an amount of Rs.16390 lakhs credited to salaries and wages in the earlier years (upto 31.03.2025) and kept under claims receivable has been reversed during 2025-26. Accordingly, employees cost for the current year is not comparable with the corresponding previous year.

Note 5:

Inventory items (both Company and Customer owned) held at the LCA TD store were damaged due to flood in September 2022. In respect of Company-owned items, the actual loss was assessed at Rs. 1,033 lakhs, for which a provision was created in the books



of accounts. Following the division's insurance claim, the Insurance Surveyor confirmed the loss at Rs. 1,033 lakhs, and the full and final settlement was received from the insurance company in March 2026. Consequently, as of March 31, 2026, there is no damaged Company-owned inventory remaining in the books.

Regarding Customer-owned items, the initial loss was assessed at Rs. 5,590 lakhs, and a provision for replacement charges was established. However, based on feedback from OEMs regarding the retrieval of these items, the loss was reassessed at Rs. 1,091 lakhs. Accordingly, the excess provision of Rs. 4,499 lakhs was reversed by March 31, 2026. A provision of Rs. 1,091 lakhs for flood-affected Customer-owned inventory is being maintained as a future liability.

Note 7:

The Board of Directors of the Company at its meeting held on 12th February 2026 has declared the first interim dividend of Rs 35 per equity share of Rs 5 each fully paid up (700%) for the financial year 2025-26.

Note 12:

Existing FPQ, arising out of 3rd PPRC, is up to 2022-23. 4th PPRC is under progress, due to which the prices for the year 2023-24 and onwards is yet to be firmed up.

For the year 2023-24 and 2024-25, FPQ sales has been provisionally recognised by considering the approved FPQ price of 2022-23 and applying indices for respective years.

For the year 2025-26, FPQ sales has been provisionally recognised by considering the prices of 2024-25 as arrived above.

Since FPQ finalisation has taken more than two years, on conservative basis the prices of 2024-25 has been considered for the financial year 2025-26 without any escalation.

Note 13:

During the audit of accounts for the financial year 2024-25, the Comptroller and Auditor General of India (C&AG) raised an observation regarding the accounting treatment of "Offset Credit benefits received free of charge as per the Purchase Order terms from foreign suppliers". Accordingly, the Company referred the matter to the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) on 24 September 2025 for its opinion on the appropriate accounting treatment. The opinion of the EAC was received on 07 March 2026.



Based on the opinion received from the EAC and the fair valuation assessed by the duly constituted committee, the Company has accounted for the Offset Credit benefits during the current year. Considering the immaterial impact on earlier periods and the impracticability involved in retrospective application, the accounting treatment has been applied prospectively in accordance with the principles of Ind AS 8 relating to accounting policies, changes in accounting estimates and errors.

Accordingly, during the year, the Company has recognised Revenue amounting to Rs. 11,317 lakhs, Intangible Assets amounting to Rs. 10,841 lakhs, Amortisation on Intangible Assets amounting to Rs. 1,790 lakhs, Claim receivable amounting of Rs 2944 Lakhs, and Other Liability amounting to Rs. 3,831 lakhs. Consequently, the profit for the year has increased by Rs. 9,527 lakhs.

Note 14:

The ceiling of Gratuity payable to Officers & Workmen was Rs. 20 lakhs w.e.f. 1.1.2017. In terms of the DPE OM dated 3.8.17, the ceiling of Gratuity shall increase by 25% whenever Industrial Dearness Allowance (IDA) rises by 50%. From 01.10.2025 IDA has been revised to 51.80% as notified vide Circular dated 8.10.2025. Accordingly, ceiling of Gratuity to eligible Officers and Workmen of the Company have been revised from Rs.20 lakhs to Rs.25 lakhs from 01.10.2025.

The additional liability accruing to the Company due to the increased ceiling in respect of officers and workmen is Rs. 32733 lakh given effect in the year ended 31.03.2026 (previous year : Rs. Nil lakhs). Accordingly, employees cost for the quarter and year ended 31.03.2026 is not comparable with the corresponding previous quarter and year.

Note 15:

The Government of India has notified four Labour Codes, collectively referred to as New Labour Codes effective from 21st November 2025. The incremental impact of these changes assessed by the company, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India is not material and has been recognised in the financial results of the company for the year ended 31st March 2026 based on actuarial valuation.

II. We draw attention that the Company is not complying with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Section 149(4) of the Companies Act, 2013 pertaining to the required composition of its Board of Directors.



III. We draw attention to the fact that, during the year, up to 1st June 2025, the Company was not in compliance with the provisions of Section 177 and Section 178 of the Companies Act, 2013 and Regulations 18(1), 19(1), 19(2), 20(2), 20(2A), 21(2) and 17(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the constitution of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee, as well as the quorum requirements for Board Meetings, due to the absence of the requisite number of Independent Directors. Subsequently, the said Committees were duly reconstituted and the quorum requirements for Board Meetings were complied with. Our opinion is not modified in respect of these matters.

Management's Responsibilities for the Standalone Financial Results

These Standalone quarterly financial results as well as the year-to-date standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these standalone 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 LODR 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 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 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 standalone 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 standalone 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

I. The Standalone Financial Results also include the audited Financial Results and financial information of 26 Divisions of the Company, whose financial statements / financial information reflect the total assets of Rs 135,35,704 lakh as at March 31, 2026, total income of Rs. 36,79,354 lakhs and Net profit before Tax of Rs. 12,11,208 lakhs for the year ended 31st March 2026, as considered in the Standalone Financial Results which have been audited by the respective independent divisional 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.

II. The Standalone Financial Results include the results for the quarter ended 31 March 2026 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year.

Our opinion is not modified in respect of these matters.

FOR GUPTA NAYAR & CO.
Chartered Accountants
Firm Reg. No. 008376N

Nand Lal
Nandlal Agarwal
Partner
M No. 091272



Place: Bengaluru
Date: 14.05.2026
UDIN: 26091272PDKGPU3591

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 jointly controlled entities for the quarter ended March 31, 2026 and for the period from 01.04.2025 to 31.03.2026 (“the Statement”), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“LODR 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, and jointly controlled entities, the Statement:

- a) Includes the year ended 31st March 2026, 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 |

website : www.guptanayar.com



| | |
|-----|---|
| 9 | SAFHAL Helicopter Engines Pvt.Ltd |
| 10 | Multirole Transport Aircraft Ltd |
| 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 LODR Regulations, as amended; 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 31st March 2026 and for the period from 01.04.2025 to 31.03.2026.

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, its Jointly controlled entities 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 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 audit opinion.

Emphasis of Matter

- I. Attention is invited to Notes to the Financial results extracted below:



Note 1:

In the absence of requisite number of independent directors, the Company is not able to reconstitute an Audit Committee in pursuance of Section 177 of the Companies Act, 2013 and regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirement Regulations, 2015 till date of approval of financial results. The above audited standalone and consolidated financial results of the Company for the quarter and year ended 31 March, 2026 have been approved by the Board of Directors at the meeting held on 14.05.2026.

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 are on the rolls of the Company as on the date of implementation of the revised ceiling i.e. 01.01.2017 implemented during 2023-24.

In respect of Workmen, Company issued Circular dated 24.04.2025 has conveyed the approval for increasing the Company's contribution to the Pension Scheme from existing 7% to 10% of Basic Pay + DA w.e.f. 01.01.2025. Revision of Pension contribution from 7% to 10% of Basic Pay + DA w.e.f 01.01.2025 has been made in respect of workmen who were on the rolls of the Company as on the date of implementation of the revised ceiling during March 2025.

The additional liability accruing to the Company due to the increased ceiling in respect of workmen is Rs. 4145 lakh pertaining to the year ended 31.03.2026 (previous year: Rs.1051 lakhs [01.01.2025 to 31.03.2025]). Accordingly, employees cost for the current year 31.03.2026 is not comparable with the corresponding previous year 31.03.2025.

Note 4:

Revision of pay scales of executives and workmen, with effect from 01.01.2017 was implemented in accordance with the guidelines issued by Department of Public Enterprises 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. Based on the directives Company issued a Circular dated 24.07.2021 and the communication dated 26.07.2021 for recovery of the excess amount.

While so, the Employees Union and Officers Association have filed Writ Petition with Hon'ble High Court of Karnataka to stay recovery of excess amount of salary paid by the Company. The H'ble High court given verdict in favour of Officers Associations by setting aside the Circular dated 24.07.2021 and the communication dated 26.07.2021 issued by the Management during 2024-25. The order of the H'ble High Court in favour of Officers was put up to the Board in its 490th Meeting held on 12.02.2025. Board has noted the judgement of the H'ble High Court and accorded approval to abide by the Court order. Accordingly, the differential amount withheld by the Management in respect of Ex-officers has to be released /refunded to the concerned Ex-officers / Nominees along with applicable interest. Further, in respect of officers an amount of Rs.18565 lakhs credited to salaries and wages in the earlier years and kept under claims receivable has been reversed during 2024-25.

In respect of Workmen, The Hon'ble High court vide order dated 10.03.2026 has allowed the Writ petition filed by HAEA. Accordingly in line with the orders of Hon'ble High Court of Karnataka, the differential amount withheld by the division along with Interest in respect of Ex-workmen to be released /refunded during FY 2026-27 to the concerned Ex-workmen / Nominees.

Further, in respect of workmen impact of one increment an amount of Rs.16390 lakhs credited to salaries and wages in the earlier years (upto 31.03.2025) and kept under claims receivable has been reversed during 2025-26. Accordingly, employees cost for the current year is not comparable with the corresponding previous year.

Note 5:

Inventory items (both Company and Customer owned) held at the LCA TD store were damaged due to flood in September 2022. In respect of Company-owned items, the actual loss was assessed at Rs. 1,033 lakhs, for which a provision was created in the books of accounts. Following the division's insurance claim, the Insurance Surveyor confirmed the loss at Rs. 1,033 lakhs, and the full and final settlement was received from the insurance company in March 2026. Consequently, as of March 31, 2026, there is no damaged Company-owned inventory remaining in the books.

Regarding Customer-owned items, the initial loss was assessed at Rs. 5,590 lakhs, and a provision for replacement charges was established. However, based on feedback from OEMs regarding the retrieval of these items, the loss was reassessed at Rs. 1,091 lakhs. Accordingly, the excess provision of Rs. 4,499 lakhs was reversed by March 31, 2026. A



provision of Rs. 1,091 lakhs for flood-affected Customer-owned inventory is being maintained as a future liability.

Note 7:

The Board of Directors of the Company at its meeting held on 12th February 2026 has declared the first interim dividend of Rs 35 per equity share of Rs 5 each fully paid up (700%) for the financial year 2025-26.

Note 9: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. 2007.10 lakhs for the twelve months period ended 31st March, 2026 and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 9262.04 lakhs. In addition to this, as at the balance sheet date, the Company has significant accumulated losses which have resulted in substantial erosion of net worth. The net worth of the Company as at 31st March, 2026 is Rs. 2,337.46 lakhs (31st March 2025 was Rs. 337.10 lakhs).

Further, OEM declared obsolescence of the current projector system and consequent to this, OEM stopped the product support. Anticipating the criticality of the situation, HATSOFF had procured sufficient spares in 2014-15 itself to support operations up to Sep 2018. As no viable resolution was found until September 2018, HATSOFF found a local vendor who does repairs to the used projectors. The cost of replacement with new projector systems requires INR 28 Crores excluding duties and taxes and the lead time for supply and commissioning of new projector systems would be 6-8 months.

Under the Supply Contract 2008 with CAE Inc, Canada, the Company is still awaiting the delivery of the Military Dhruv Cockpit, with a price of USD 6,892,777. An amount of USD 4,892,777 was paid against proforma invoice, as per agreed milestones. Revised estimated price is USD 1,36,92,777 as per the cost escalation quoted by CAE Inc in June 2019, was valid up to March 2020. The Company is negotiating for the final quote and delivery schedules from CAE Inc. Funding for above cost escalations will be decided after agreeing with final price and delivery schedules.

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. 7668.79 Lakhs (USD 85,60,733) during the reporting period and previous year Rs. 3,600.00 Lakhs (USD 4,217,066) against ECB overdue Installments at various dates and serviced interest up 04th September 2023. Considering the promoters ability to fund the companies' 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 March 31, 2026 has a net liability of Rs 1279.95 lakhs (March 31st 2025: Rs 1,015.30 lakhs) and a net current liability of Rs 1355.33 lakhs (March 31st 2025: Rs 1,088.45 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 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."

Note 10:

The Board in its 440th meeting held on 9th December 2020, accorded in principle approval for voluntary winding up / closure of Joint Venture M/s. Infotech HAL Limited (IHL) enabling the Company to take further action in the matter. The petition has been filed by Infotech HAL Limited to the National Company Law Tribunal (NCLT) for Commencement of Corporate Insolvency Resolution process. The NCLT, Bangalore Bench order dated 22nd August 2025 has admitted the petition filed by Infotech HAL Limited under Section 10 of Insolvency and Bankruptcy Code, 2016. Further, NCLT ordered for the commencement of corporate insolvency resolution process of Infotech HAL Limited and appointed Interim Resolution Professional.

Note 11:

The Joint Venture Company, HAL-Edgewood Technologies Private Limited, has not prepared the financial statements for the twelve months period ended 31 March 2026, and accordingly not considered for consolidation. The impact of non-consolidation, however, is not material. The Board in its 406th meeting held on 22 September, 2017, accorded in principle approval for voluntary winding up / closure of HAL-Edgewood Technologies Private Limited enabling the Company to take further action in the matter.

Note 12:

Existing FPQ, arising out of 3rd PPRC, is up to 2022-23. 4th PPRC is under progress, due to which the prices for the year 2023-24 and onwards is yet to be firmed up.

For the year 2023-24 and 2024-25, FPQ sales has been provisionally recognised by considering the approved FPQ price of 2022-23 and applying indices for respective years.



For the year 2025-26, FPQ sales has been provisionally recognised by considering the prices of 2024-25 as arrived above.

Since FPQ finalisation has taken more than two years, on conservative basis the prices of 2024-25 has been considered for the financial year 2025-26 without any escalation.

Note 13:

During the audit of accounts for the financial year 2024-25, the Comptroller and Auditor General of India (C&AG) raised an observation regarding the accounting treatment of "Offset Credit benefits received free of charge as per the Purchase Order terms from foreign suppliers". Accordingly, the Company referred the matter to the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) on 24 September 2025 for its opinion on the appropriate accounting treatment. The opinion of the EAC was received on 07 March 2026.

Based on the opinion received from the EAC and the fair valuation assessed by the duly constituted committee, the Company has accounted for the Offset Credit benefits during the current year. Considering the immaterial impact on earlier periods and the impracticability involved in retrospective application, the accounting treatment has been applied prospectively in accordance with the principles of Ind AS 8 relating to accounting policies, changes in accounting estimates and errors.

Accordingly, during the year, the Company has recognised Revenue amounting to Rs. 11,317 lakhs, Intangible Assets amounting to Rs. 10,841 lakhs, Amortisation on Intangible Assets amounting to Rs. 1,790 lakhs, Claim receivable amounting of Rs 2944 Lakhs, and Other Liability amounting to Rs. 3,831 lakhs. Consequently, the profit for the year has increased by Rs. 9,527 lakhs.

Note 14:

The ceiling of Gratuity payable to Officers & Workmen was Rs. 20 lakhs w.e.f. 1.1.2017. In terms of the DPE OM dated 3.8.17, the ceiling of Gratuity shall increase by 25% whenever Industrial Dearness Allowance (IDA) rises by 50%. From 01.10.2025 IDA has been revised to 51.80% as notified vide Circular dated 8.10.2025. Accordingly, ceiling of Gratuity to eligible Officers and Workmen of the Company have been revised from Rs.20 lakhs to Rs.25 lakhs from 01.10.2025.

The additional liability accruing to the Company due to the increased ceiling in respect of officers and workmen is Rs. 32733 lakh given effect in the year ended 31.03.2026 (previous year : Rs. Nil lakhs). Accordingly, employees cost for the year ended 31.03.2026 is not comparable with the corresponding previous year.



Note 15:

The Government of India has notified four Labour Codes, collectively referred to as New Labour Codes effective from 21st November 2025. The incremental impact of these changes assessed by the company, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India is not material and has been recognised in the financial results of the company for the year ended 31st March 2026 based on actuarial valuation.

- II. We draw attention that the Company is not complying with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Section 149(4) of the Companies Act, 2013 pertaining to the required composition of its Board of Directors.
- III. We draw attention to the fact that, during the year, up to 1st June 2025, the Company was not in compliance with the provisions of Section 177 and Section 178 of the Companies Act, 2013 and Regulations 18(1), 19(1), 19(2), 20(2), 20(2A), 21(2) and 17(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the constitution of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee, as well as the quorum requirements for Board Meetings, due to the absence of the requisite number of Independent Directors. Subsequently, the said Committees were duly reconstituted and the quorum requirements for Board Meetings were complied with.

Our opinion is not modified in respect of these matters.

Management Responsibilities for the Consolidated Financial Results

These quarterly financial results as well as the year to date consolidated financial results have been prepared on the basis of the consolidated annual 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 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 LODR Regulations. The respective Board of Directors of the companies 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 Group 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

1. 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. 4315 Lakhs as at 31st March 2026, Group's share of total revenues of Rs 2184 Lakhs and Group's share of total net profit after tax of Rs 293 Lakhs for period from 01.04.2025 to 31.03.2026, as considered in the consolidated financial results, which have been audited by their respective independent auditors.

The Consolidated financial statements also include Group's share of Net Profit of Rs 4362 lakhs for period from 01.04.2025 to 31.03.2026, as considered in the consolidated financial statements, in respect of Twelve Joint ventures (Financial results not provided for two joint ventures), which have been audited by their respective independent auditors.

The independent auditors reports on interim financial statements/ Financial Results/ financial information of these entities have been furnished to us and our opinion on the consolidation 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 the Directors.

2. The consolidated Financial Results include, the audited Financial Results/ financial information of 26 Divisions of the Company, whose financial statements / financial information reflect the total assets of Rs 135,35,704 lakh as at March 31, 2026, total income of Rs. 36,79,354 lakhs and Net profit before Tax of Rs. 12,11,208 lakhs for the year ended 31st March 2026, as considered in the Standalone Financial Results which have been audited by the respective independent divisional 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.

3. The Consolidated Financial Results include the results for the quarter ended 31 March 2026 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year.

Our opinion is not modified in respect of these matters.

FOR GUPTA NAYAR & CO.
Chartered Accountants
Firm Reg. No. 008376N


Nandlal Agarwal
Partner
M No. 091272
Place: Bengaluru
Date: 14.05.2026
UDIN: 26091272RWOYSF5933



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 AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2026

Rs in Lakhs

| S. No. | Particulars | Standalone | | | Consolidated | | |
|--------|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | | Quarter ended | | Year ended | Quarter ended | | Year ended |
| | | Audited 31-Mar-26 | Audited 31-Mar-25 | Audited 31-Mar-26 | Audited 31-Mar-26 | Audited 31-Mar-25 | Audited 31-Mar-26 |
| 1 | Total Income from Operations | 13,94,332 | 13,69,987 | 33,08,979 | 13,94,240 | 13,69,985 | 33,08,882 |
| 2 | Other Income | 1,15,236 | 65,274 | 3,70,375 | 1,15,057 | 65,153 | 3,69,913 |
| 3 | Total Income | 15,09,568 | 14,35,261 | 36,79,354 | 15,09,297 | 14,35,138 | 36,78,795 |
| 4 | Net Profit/(Loss) for the period (before Tax and Exceptional Items) | 5,57,207 | 5,20,028 | 12,11,208 | 5,58,383 | 5,21,866 | 12,15,193 |
| 5 | Net Profit/(Loss) for the period before Tax (after Exceptional Items) | 5,57,207 | 5,20,028 | 12,11,208 | 5,58,383 | 5,21,866 | 12,15,193 |
| 6 | Net Profit/(Loss) for the period after Tax (after Exceptional Items) | 4,18,428 | 3,95,825 | 9,07,567 | 4,19,604 | 3,97,663 | 9,11,552 |
| 7 | Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)] | 4,36,039 | 3,97,055 | 9,36,353 | 4,37,223 | 3,98,857 | 9,40,330 |
| 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 | - | - | 40,52,812 | - | - | 40,70,673 |
| 10 | Capital Redemption Reserve | - | - | 14,761 | - | - | 14,761 |
| 11 | Earnings Per Share (Face value of Rs.5/- each) (EPS for the quarter are not annualised) (in Rs.) | | | | | | |
| | (i) Basic | 62.57 | 59.19 | 135.71 | 62.74 | 59.46 | 136.30 |
| | (ii) Diluted | 62.57 | 59.19 | 135.71 | 62.74 | 59.46 | 136.30 |
| 12 | Net Worth (including Retained Earning) | | | 40,86,251 | | | 41,04,460 |

Notes:

- 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 year ended 31st March 2026.
- The above is an extract of the detailed format of quarterly 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 same can be accessed by scanning the QR code produced below.

Place : Bengaluru

Date : 14.05.2026



K. Ravik
RAVI K
 Chairman & Managing Director
 DIN: 10807781

Mh