



ಹಿಂದೂಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್
ಪ್ರಧಾನ ಕಛೇರಿ
ಹಿಂದುಸ್ತಾನ್ ಏರೋನಾಟಿಕ್ಸ್ ಲಿಮಿಟೆಡ್
ಮುಖ್ಯಾಲಯ
HINDUSTAN AERONAUTICS LIMITED
CORPORATE OFFICE

CO/SEC/4(7)/2021/ BSE & NSE Filing/8

28th April, 2021

BSE Limited Listing Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Ltd Listing Department Exchange Plaza, 5 th Floor, Plot No C/1, G Block, Bandra-Kurla Complex, Bandra (E). Mumbai – 400051
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Dear Sir/ Madam,

Sub: Intimation of Rating

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

Pursuant to the Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we hereby inform you that ICRA Ltd ("ICRA") has reviewed its ratings based on the recent developments including operational and financial performance of the Company, as follows:

Facilities	Amount (Rs. in Crore)	Rating
Long Term- Fund Based/ Cash Credit	10,000	ICRA AA+; upgraded from [ICRA] AA and outlook revised to Positive from Stable
Short Term Non-Fund Based	2,050	[ICRA] A1+ ; Re-affirmed
Commercial Paper (CP) issue	2,500	[ICRA] A1+; Re-affirmed

2. ICRA communication dated April 27, 2021 for assignment of credit rating, is enclosed.

3. This is for your information and records.

Thanking you,

Yours Faithfully
For Hindustan Aeronautics Ltd


(G V Sessa Reddy)
Company Secretary & Compliance Officer

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

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

CIN:L35301KA1963GOI001622

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April 27, 2021

Hindustan Aeronautics Limited: Long-term rating upgraded to [ICRA]AA+; outlook revised to Positive

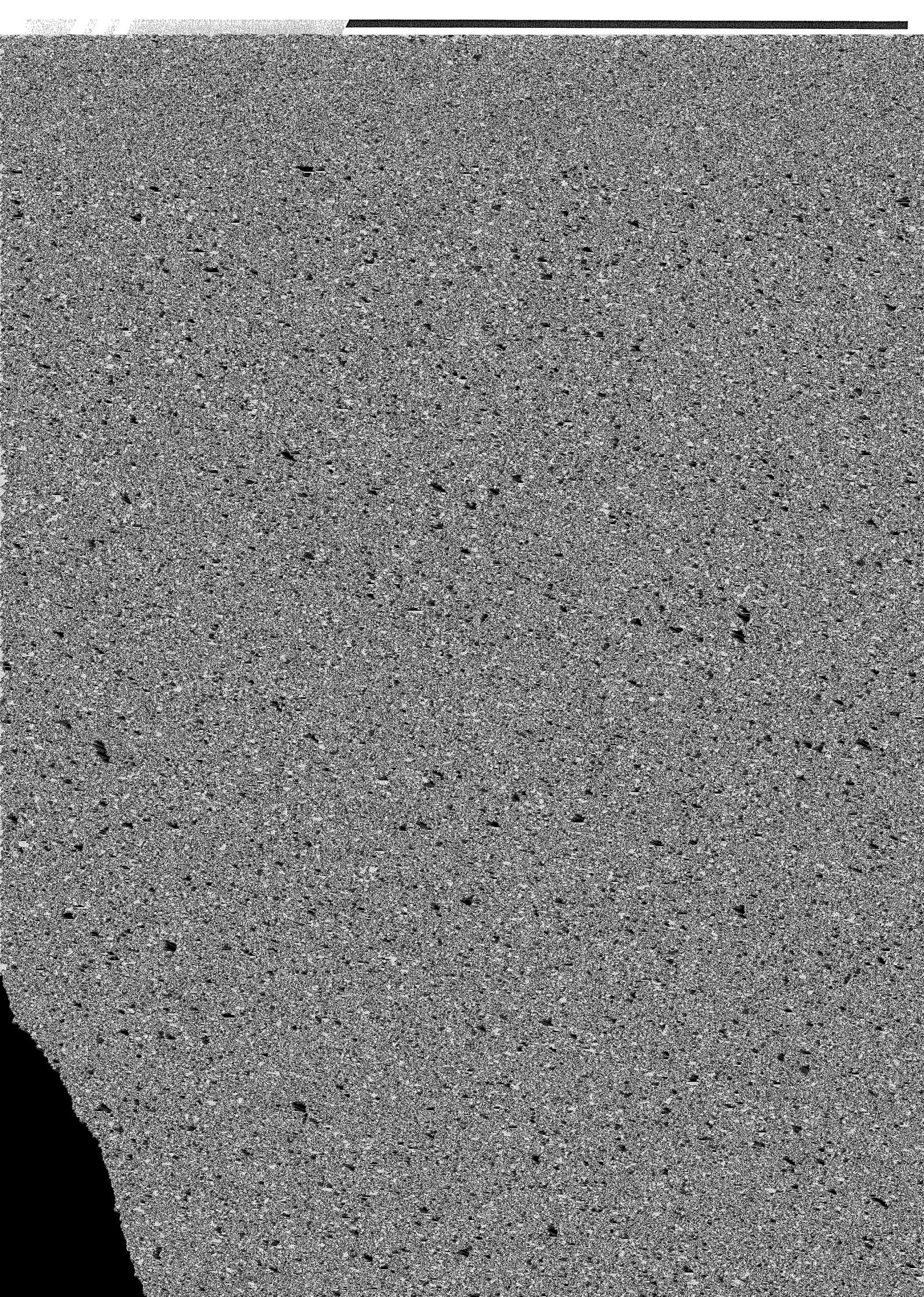
Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term- Fund-Based/Cash Credit	10,000.00	10,000.00	[ICRA]AA+; upgraded from [ICRA]AA and Outlook revised to Positive from Stable
Short Term- Non-Fund Based	2,050.00	2,050.00	[ICRA]A1+; reaffirmed
Commercial Paper	2,500.00	2,500.00	[ICRA]A1+; reaffirmed
Total	14,550.00	14,550.00	

*Instrument details are provided in Annexure-1

Rationale

The upgrade in long term rating and change in outlook factors in the significant improvement in Hindustan Aeronautics Limited's (HAL or the company) business risk profile supported by new order inflows and significant collections from customers in FY2021 resulting in negative net debt position for the company at the end of last fiscal. The growth in order book was



manufacturing, maintenance, repair and overhaul of aircrafts, helicopters, engines and other related systems like avionics, instruments and accessories. It also engages with the Indian Space Research Organisation (ISRO) to contribute to the space programmes of the country. The GoI remains HAL's largest shareholder current shareholding of 75.15%. HAL was conferred with the Navratna PSU status in June 2007. HAL's primary consumers are the Indian Defence Forces comprising of the Indian Air Force, Indian Army, Indian Navy along with the Indian Coast Guard. The company has four production complexes- Bangalore complex, MiG complex (located in Nasik and Koraput), Helicopter complex (located in Bangalore and Barrackpore) and Accessories Complex (located in Kanpur, Lucknow, Hyderabad, Kasargod and Korwa); along with a Design complex (R&D centres jointly located with the related manufacturing divisions).

Key financial indicators (audited)

HAL Consolidated	FY2019	FY2020	H1FY2021
Operating Income (Rs. crore)	19,761	21,253	6,590
PAT (Rs. crore)	2,329	2,866	765
OPBDIT/OI (%)	23.3%	23.3%	21.7%
PAT/OI (%)	11.8%	13.5%	11.6%
Total Outside Liabilities/Tangible Net Worth (times)	3.6	3.0	2.8
Total Debt/OPBDIT (times)	1.0	1.2	1.5
Interest Coverage (times)	25.9	13.8	8.1

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation

Source: Company, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Type	Current Rating (FY2022)			Chronology of Rating History for the past 3 years		
			Amount Rated (Rs. crore)	Amount Outstanding as of March 31, 2021 (Rs. crore)	Date & Rating in	Date & Rating in FY2021	Date & Rating in FY2020	Date & Rating in FY2019
1	Cash Credit	Long term	10,000.00	Nil	[ICRA]AA+ (Positive)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-
2	Non-fund Based Limits	Short term	2050.00	NA	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-
3	Commercial Paper	Short term	2,500.00	Nil	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-

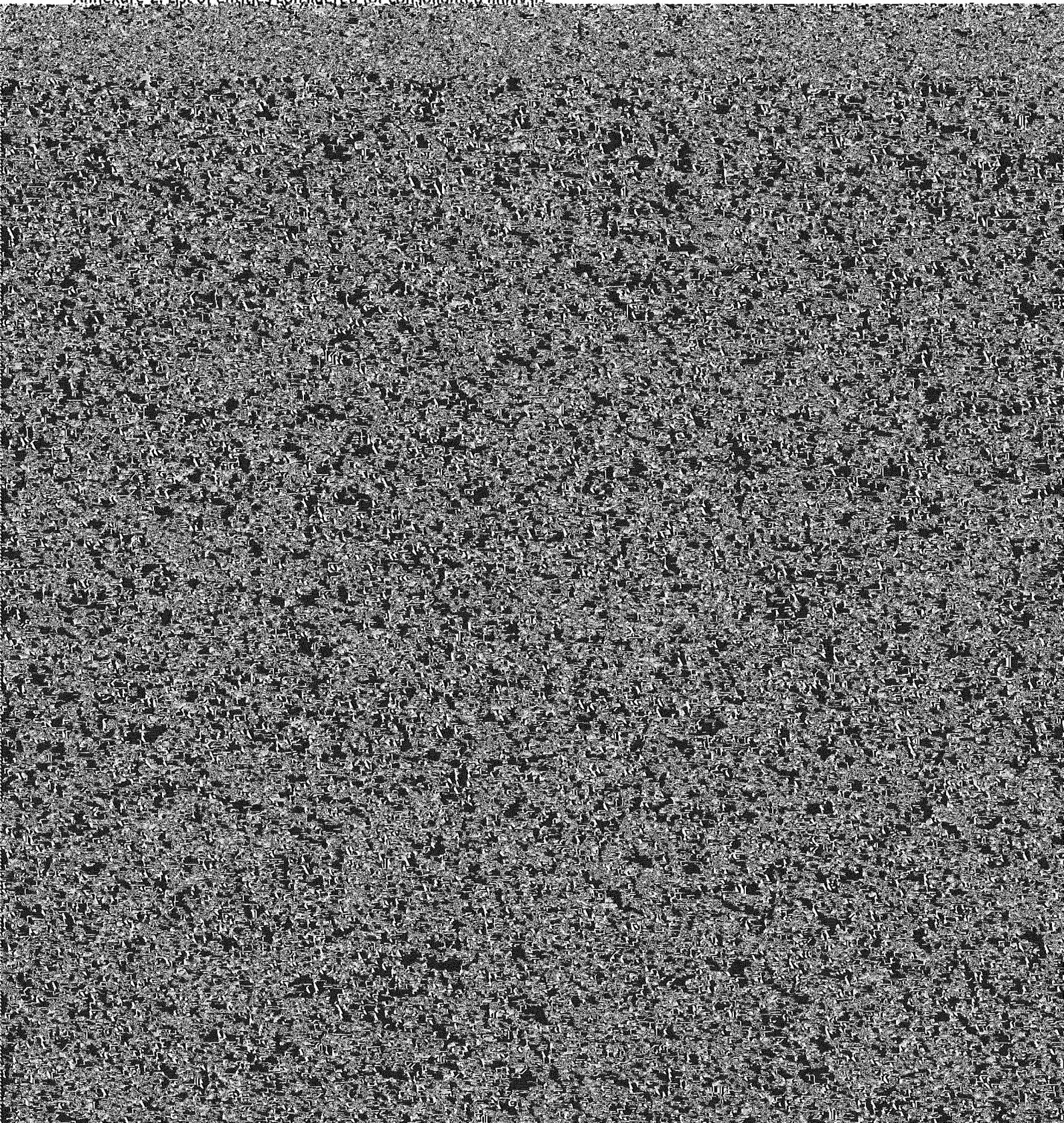
Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [click here](#)

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	NA	NA	NA	10,000.00	[ICRA]AA+ (Positive)
NA	Non-fund Based Limits	NA	NA	-	2,050.00	[ICRA]A1+
NA	Commercial Paper Programme	NA	NA	7-365 days	2,500.00	[ICRA]A1+

Source: Company

Annexure-2: List of entities considered for consolidated analysis


ANALYST CONTACTS

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+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



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Branches

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