



HINDUSTAN AERONAUTICS LIMITED

Our Company was incorporated on August 16, 1963 as Aeronautics India Limited, a private limited company under the Companies Act, 1956. Subsequently, Hindustan Aircraft Limited, a company incorporated on December 23, 1940 under the Companies Act, 1913 was merged with our Company, pursuant to the Aircraft Companies Amalgamation Order dated September 28, 1964 passed by the Company Law Board. The name of our Company was changed to Hindustan Aeronautics Limited, by a certificate of change of name issued by the Registrar of Companies, Maharashtra dated December 5, 1964 with effect from October 1, 1964. The status of our Company was changed to public company by a special resolution of the members of our Company passed at the Extra Ordinary General Meeting held on July 10, 1995. For further details relating to incorporation, corporate structure, change in registered office of our Company, please refer to the chapter "**History and Certain Corporate Matters**" beginning on page 171 of the RHP.

Registered and Corporate Office: 15/1 Cubbon Road, Bengaluru 560 001, Karnataka, India; **Tel No:** +91 (80) 2232 0001; **Fax No:** +91 (80) 2232 0758
Company Secretary and Compliance Officer: Mr. G. V. Sessa Reddy, Company Secretary and Compliance Officer; **Tel No:** +91 (80) 2232 0001; **Fax No:** +91 (80) 2232 0758
E-mail: investors@hal-india.com; **Website:** www.hal-india.com
Corporate Identity Number: U35301KA1963GOI001622

PROMOTER OF OUR COMPANY: THE PRESIDENT OF INDIA, ACTING THROUGH THE DEPARTMENT OF DEFENCE PRODUCTION, MINISTRY OF DEFENCE.

INITIAL PUBLIC OFFERING OF 34,107,525 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF HINDUSTAN AERONAUTICS LIMITED (OUR "COMPANY" OR THE "ISSUER") THROUGH AN OFFER FOR SALE BY THE PRESIDENT OF INDIA, ACTING THROUGH THE DEPARTMENT OF DEFENCE PRODUCTION, MINISTRY OF DEFENCE, GOVERNMENT OF INDIA (THE "SELLING SHAREHOLDER"), FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING TO ₹ [•] MILLION (THE "OFFER"). THE OFFER SHALL CONSTITUTE 10.20% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE OFFER INCLUDES A RESERVATION OF UPTO 668,775 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS EMPLOYEE RESERVATION PORTION IS REFERRED TO AS THE NET OFFER.

*RETAIL DISCOUNT OF ₹25 PER EQUITY SHARE TO THE OFFER PRICE SHALL BE OFFERED TO THE RETAIL INDIVIDUAL BIDDERS AND EMPLOYEE DISCOUNT OF ₹ 25 PER EQUITY SHARE TO THE OFFER PRICE WILL BE OFFERED TO THE ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION.

Price Band: ₹ 1215 to ₹ 1240 per Equity Share of Face Value of ₹ 10 each.

The Floor Price is 121.5 times the Face Value and the Cap Price is 124 times the Face Value.

Bids can be made for a minimum of 12 Equity Shares and in multiples of 12 Equity Shares thereafter.

RISKS TO INVESTORS

- (i) The two Book Running Lead Managers associated with the Issue have handled 44 public issues in the past 3 years, out of which 14 issues closed below the issue/offer price on listing date.
- (ii) There are no listed companies in India that engage in a business similar to that of the Company. Hence, industry comparison in relation to the Company is not applicable.
- (iii) The average cost of acquisition of Equity Shares by our Promoter is ₹ (152) per Equity Share (after considering the impact of buy-back of Equity Shares in March, 2016 and November, 2017). The Offer Price at the upper end of the Price Band is ₹ 1240 per Equity Share.

BASIS FOR OFFER PRICE

The Offer Price will be determined by the Selling Shareholder and our Company in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares determined through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10 each and the Offer Price is 121.5 times the face value at the lower end of the Price Band and 124 times the face value at the higher end of the Price Band.

Qualitative Factors

Competitive strengths

- Long credible history of research, design and development, manufacturing and maintenance, repair and overhaul services
- Established track record in offering product life cycle support extending to periods beyond four decades.
- Strong design & development capabilities
- Leadership Position in the Indian Aeronautical industry and strong GoI support
- Diversified product portfolio
- Strong financial track record
- Experienced management team and operating team

For further details regarding some of the qualitative factors which form the basis for computing the Offer Price, please refer to the sections titled "*Our Business*" on page 126 of the RHP.

Quantitative Factors

Information presented in this section is derived from our consolidated restated financial statements for the six month period ended September 30, 2017 and the Fiscals 2017, 2016 and 2015 in the section titled "*Financial Statements*" on page 221 of the RHP.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings per shares, as adjusted for changes in Capital:

As per Restated Consolidated Financial Information:

Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Fiscal 2017	73	73	3
Fiscal 2016	42	42	2
Fiscal 2015	21	21	1
Weighted Average	54	54	
Six month period ended September 30, 2017* (Not Annualised)	11	11	

*Post completion of Buy-back of 27,112,500 Equity shares of ₹ 10 each at ₹ 339.88 per Equity Share in December, 2017, the Basic and Diluted EPS would be ₹ 12 (Not Annualised)

As per Restated Standalone Financial Information:

Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Fiscal 2017	73	73	3
Fiscal 2016	42	42	2
Fiscal 2015	21	21	1
Weighted Average	54	54	
Six month period ended September 30, 2017* (Not Annualised)	11	11	

*Post completion of Buy-back of 27,112,500 Equity shares of ₹ 10 each at ₹ 339.88 per Equity Share in December, 2017, the Basic and Diluted EPS would be ₹ 12 (Not Annualised)

Notes: (a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]
(b) Earnings per share calculations are in accordance with Indian Accounting Standard 33 "Earnings per Share" issued by the Institute of Chartered Accountants of India.

Basic Earnings Per Share (₹) =

Net Profit after tax (as restated) attributable to Shareholders
Weighted Average Number of Post Bonus Issue Equity Shares outstanding at the end of the period/year

Diluted Earnings Per Share (₹) =

Net Profit after tax (as restated) attributable to Shareholders
Weighted Average Number of Dilutive Equity Shares Outstanding at the end of the period/year

(c) The face value of each Equity Share is ₹ 10

2. Price Earning Ratio ("P/E") in relation to the Price Band of ₹ 1215 to ₹ 1240 per Equity Share:

Particulars	P/E Ratio at the Lower end of Price band (no. of times)	P/E Ratio at the Upper end of Price band (no. of times)
Basic EPS for the year ended March 31, 2017 on a Consolidated Basis	16.64	16.99
Basic EPS for the year ended March 31, 2017 on a Standalone Basis	16.64	16.99
Diluted EPS for the year ended March 31, 2017 on a Consolidated Basis	16.64	16.99
Diluted EPS for the year ended March 31, 2017 on a Standalone Basis	16.64	16.99

Industry P/E Ratio:

As there are no listed companies in India that are directly comparable to the business carried on by the Company, no comparison of Price Earning Ratio with industry peers is available.

3. Average Return on Net worth ("RoNW"):

As per Restated Consolidated Financial Information of our Company:

Period	RoNW (%)	Weights
Fiscal 2017	21	3
Fiscal 2016	18	2
Fiscal 2015	7	1
Weighted Average	17.67	-
Six month period ended September 30, 2017* (Not Annualised)	3	

*Post completion of Buy-back of 27,112,500 Equity shares of ₹ 10 each at ₹ 339.88 per Equity Share in December, 2017, the return on networth would be 3% (Not Annualised)

As per Restated Standalone Financial Information of our Company:

Period	RoNW (%)	Weights
Fiscal 2017	21	3
Fiscal 2016	18	2
Fiscal 2015	7	1
Weighted Average	17.67	-
Six month period ended September 30, 2017* (Not Annualised)	3	

*Post completion of Buy-back of 27,112,500 Equity shares of ₹ 10 each at ₹ 339.88 per Equity Share in December, 2017, the return on networth would be 3% (Not Annualised)

Notes: (1) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]
(2) Return on Net Worth (%) = Net Profit after Tax (as restated) divided by Net worth at the end of the year/period

(3) Net worth has been computed by aggregating Equity share capital and Other Equity as per the audited restated financial information.

(4) Average Return on Net Worth (%) = Aggregate of year wise weighted Return on Net Worth (%) divided by Aggregate of Weights

4. Minimum Return on Increased Net Worth after Offer required to maintain Pre-Offer EPS for the Fiscal ended March 31, 2017:

There will be no change in the Net Worth post Offer as the Offer is by way of Offer for Sale by the Selling Shareholder.

5. Net Asset Value per Equity Share

Period	NAV (₹)
For Fiscal 2017 on Standalone Basis	347
For Fiscal 2017 on Consolidated Basis	347
For six month period ended September 30, 2017 on Standalone Basis*	358
For six month period ended September 30, 2017 on Consolidated Basis*	358

*Post completion of Buy-back of 27,112,500 Equity shares of ₹ 10 each at ₹ 339.88 per Equity Share in December, 2017, the net asset value per Equity Share would be 353.

There will be no change in Net Asset Value per Equity Share post the Offer as the Offer is by way of the Offer for Sale by the Selling Shareholder.

Notes: (1) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

(2) Net Asset Value Per Equity Share = net worth as per the restated financial information divided by number of equity shares outstanding as at the end of year/period

(3) Net worth has been computed by aggregating Equity share capital and other Equity as per the audited restated financial information.

6. Comparison with industry peers

There are no listed companies in India that engage in a business similar to that of the Company. Hence, industry comparison in relation to the Company is not applicable.

7. The Offer Price will be [•] times of the face value of the Equity Shares

The Offer Price of ₹ [•] has been determined by the Selling Shareholder and our Company, in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares determined through the Book Building Process and is justified based on the aforementioned qualitative and quantitative factors. For further details, see "Risk Factors" on page 14 and the financials of our Company, as set out in "Financial Statements" on page 221 of the RHP.

BID/OFFER PROGRAMME

OPENS ON MARCH 16, 2018

CLOSES ON MARCH 20, 2018

ASBA*

Simple, Safe, Smart way of Application - Make use of it!!!

Mandatory in public issue from January 1, 2016. No cheque will be accepted.

*Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details, check section on ASBA below.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Member.

The Offer is being made in terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR"), wherein at least 10% of the post-Offer paid-up Equity Share capital of our Company will be offered to the public. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI ICDR Regulations"), wherein 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIB Portion"). Such number of Offered Shares (defined below) representing 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Offered Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, upto 668,775 additional Equity Shares shall be offered for allocation and Allotment on a proportionate basis to the Eligible Employees Bidding in the Employee Reservation Portion, conditional upon valid Bids being received from them at or above the Offer Price. All Bidders shall participate in the Offer mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing the details of their respective ASBA Accounts in which the corresponding Bid Amount will be blocked by the SCSBs. For details, see "Offer Procedure" on page 705 of the RHP.

Bidders should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders' sole risk. Bidders should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the depository database, otherwise, the Bid cum Application Form is liable to be rejected.

Contents of the Memorandum of the Company as regards its Objects: For information on the main objects and other objects of our Company, see "History and Certain Corporate Matters" on page 171 of the RHP and Clause III of the Memorandum of Association of the Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "Material Contracts and Documents for Inspection" on page 796 of the RHP.

Liability of the members of the Company: Limited by shares.

Amount of share capital of the Company and Capital Structure: The authorised, issued, subscribed and paid up share capital of our Company as on the date of the RHP is as follows: The authorised Equity Share capital of our Company is ₹ 6,000,000,000 divided into 600,000,000 Equity Shares of ₹ 10 each. The issued, subscribed and paid up capital of our Company is ₹ 3,343,875,000 divided into 334,387,500 Equity Shares. For further details, see "Capital Structure" on page 97 of the RHP.

Names of signatories to the Memorandum of Association of the Company and the number of Equity Shares subscribed by them: Given below are the names of the signatories of the Memorandum of Association of our Company and the number of Equity Shares subscribed by them at the time of signing of the Memorandum of Association of our Company: 1. President of India through (A. N. Jha), Secretary (Defence Production), Ministry of Defence - 6 shares, 2. Dr. S. Bhagavantam, Scientific Adviser to the Defence Minister - 1 share, 3. Shri. M. K. Hanthran, Financial Adviser, Ministry of Finance

(Defence) - 1 share, 4. Shri. K. P. K. Menon, Joint Secretary (Production), Ministry of Defence - 1 share, 5. Shri. S. P. Mukerji, Deputy Secretary (Production), Ministry of Defence - 1 share, and 6. Shri. P. K. Basu, Officer on Special Duty, Ministry of Defence - 1 share, aggregating 11 Equity Shares.

Listing: The Offered Shares are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated October 10, 2017 and October 9, 2017, respectively. For the purposes of this Offer, BSE shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered for registration to the Registrar of Companies, Karnataka, Bengaluru. ("RoC") in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents which shall be available for inspection from the date of registration of this Red Herring Prospectus with the RoC, until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 796 of the RHP.

Disclaimer Clause of the SEBI: SEBI only gives its observations on the offer documents and this does not constitute approval of either the offer or the specified securities or the offer document. The investors are advised to refer to page 682 of the RHP for the full text of the Disclaimer Clause of SEBI.

Disclaimer Clause of the BSE (the Designated Stock Exchange): It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 686 of the RHP for the full text of the Disclaimer Clause of the BSE.

Disclaimer Clause of the NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the offer document. The investors are advised to refer to page 687 of the RHP for the full text of the Disclaimer Clause of NSE.

General Risks: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and this Offer, including the risks involved. The Offered Shares have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 14 of the RHP.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
 SBI Capital Markets Limited 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005 Tel: +91 (22) 22178300 Fax: +91 (22) 22188332 E-mail: hal ipo@sbicaps.com Investor grievance e-mail: investor.relations@sbicaps.com Contact Person: Mr. Sandeep Tenneti/ Mr. Gitesh Vargantwar Website: www.sbicaps.com SEBI Registration No.: INM000003531	 Axis Capital Limited 1st floor, Axis House C-2 Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Tel: +91 (22) 4325 2183 Fax: +91 (22) 4325 3000 E-mail: hal ipo@axiscap.in Investor grievance e-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Ms. Simran Gadh SEBI Registration No.: INM000012029	 Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda Hyderabad, Telangana 500 032, India Tel: +91 (40) 6716 2222 Fax: +91 (40) 2343 1551 Email: hal ipo@karvy.com Investor Grievance Email: einward.ris@karvy.com Website: https://karisma.karvy.com Contact Person: Mr. M Murali Krishna SEBI Registration No.: INR000000221

Availability of RHP: Investors are advised to refer to the RHP, and the "Risk Factors", beginning on page 14 of the RHP therein, before applying in the Offer. Full copy of the RHP is available on the websites of SEBI at www.sebi.gov.in, the websites of the Book Running Lead Managers (BRLMs) and the Stock Exchanges at www.sbicaps.com, www.axiscapital.co.in, www.bseindia.com and www.nseindia.com, respectively.

Availability of Bid-cum-Application Forms: Bid-cum-Application Forms can be obtained from the Registered Office of our Company, Hindustan Aeronautics Limited, Tel No: +91 (80) 2232 0001, Fax No: +91 (80) 2232 0758, the BRLMs: SBI Capital Markets Limited, Tel: +91 (22) 22178300, Fax: +91 (22) 22188332, Axis Capital Limited, Tel: +91 (22) 4325 2183, Fax: +91 (22) 4325 3000, Syndicate Member: SBICAP Securities Limited, Tel: +91 (022) 4227 3300 and at selected location of the sub-syndicate members (as given below), Registered Brokers, RTAs and CDPs participating in the Offer. Bid-cum-Application Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

Sub-Syndicate Members: Axis Securities Limited, Aicon Global Services Limited, Almondz Global Securities Limited, Amit Jasani Financial Services Pvt Limited, Amrapali Capital & Finance Services Limited, Anand Share Consultancy, Anil Dhulia, ANS Pvt Limited, Ashika Stock Broking Limited, Ashwani Dandia & Co, Dalal & Broacha Stock, Eureka Stock & Share Broking Services Limited, G Raj & Co. (Consultants) Limited, Guinness Securities Limited, ICICI Securities Limited, India Infoline Limited, Indiabull Ventures Limited, Inventure Growth & Securities Limited, Jhaveri Securities, JM Financial Services Limited, Kalpataru Multiplier Limited, Kamlesh D Joshi, Karvy Stock Broking Limited, KJMC Capital Market Services Limited, Kotak Securities Limited, Lakshminshree Investment & Securities Pvt Limited, LKP Securities Limited, Marwadi Shares & Finance, Motilal Oswal Securities, MSM Enterprise, Mudra Om Securities Pvt Limited, Mukesh D Joshi, Ohm Securities Limited, Patel Wealth Advisors Pvt Limited, Prabhudas Lilladher Pvt Limited, Pravin Ratilal Share & Stock Brokers Limited, PRL Stock & Share Brokers Pvt Limited, Reliance Securities Limited, Religare Securities Limited, RR Equity Brokers Pvt Limited, Safal Capital India Limited, Sharekhan Limited, SMC Global Securities Limited, Standard Chartered Securities (I) Limited, Tanna Financial Services, VCK Share & Stock Broking Services Limited, VSE Stock Services Limited, Way2wealth Brokers Pvt Limited.

Applications Supported by Blocked Amount (ASBA): All the investors have to compulsorily apply through ASBA only. For details on the ASBA process, please refer to the details given in the ASBA Forms and abridged prospectus and also please refer to the section "Offer Procedure" on the page 705 of the RHP. ASBA Forms can also be downloaded from the websites of BSE and NSE. ASBA Forms can be obtained from the list of banks that is available on the website of SEBI at www.sebi.gov.in. ASBA Forms can be obtained from Members of the Syndicate, SCSBs, Registered Brokers, RTAs and CDPs, the list of which is available on the website of SEBI at www.sebi.gov.in.

Bankers to the Offer and Refund Banks: State Bank of India and HDFC Bank Limited

All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

Date: March 8, 2018

Place: Bengaluru

Hindustan Aeronautics Limited is proposing, subject to statutory and regulatory requirements, market conditions and other considerations, an initial public offering of its equity shares and has filed a Red Herring Prospectus dated March 7, 2018 ("RHP") with the Registrar of Companies, Karnataka at Bengaluru on March 7, 2018. The RHP will be available on the website of the SEBI at www.sebi.gov.in, BSE at www.bseindia.com, NSE at www.nseindia.com and the websites of the Book Running Lead Managers at www.sbicaps.com and www.axiscapital.co.in. Any potential investor should note that investment in Equity Shares involves a high degree of risk. For details, potential investors should refer to the section titled "Risk Factors" in the RHP. Investors should not refer to the draft red herring prospectus filed with SEBI for making any investment decision. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act ("Regulation S")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. No public offering of securities is contemplated in the United States or any other jurisdiction outside India.

In view of national security related concerns, certain material information in relation to our business and operations has been classified as "confidential" by the Ministry of Defence, Government of India (the "MoD") and us. As a result, we have not (i) disclosed such information in the RHP; or (ii) provided such information to the BRLMs, the legal counsels and other intermediaries involved in the Offer. We cannot assure you that the RHP contains all such material information necessary for investors to make an informed investment decision.

For Hindustan Aeronautics Limited
On behalf of Board of Directors
Sd/-
Company Secretary and Compliance Officer