

INDEPENDENT AUDITOR'S REPORT

To The Members of GMR Aero Technic Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **GMR Aero Technic Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

SP



Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

SP

7

- Conclude on the appropriateness of management's 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 statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

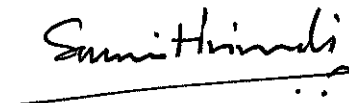
1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

sp

↓

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, no remuneration was paid by the Company to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N.117366W/W-100018)



Sumit Trivedi
(Partner)

(Membership No. 209354)
UDIN: 20209354AAAAGJ1506

Place: Hyderabad
Date : June 06, 2020

SP

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **GMR Aero Technic Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

SP
2

↓

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

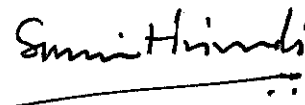
Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N.117366W/W-100018)



Sumit Trivedi
(Partner)

(Membership No. 209354)
UDIN: 20209354AAAAGJ1506

Place: Hyderabad
Date : June 06, 2020

SP
2

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

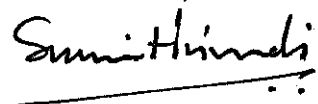
- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a program of verification of fixed assets once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, fixed assets were physically verified during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit falling within the purview of the provisions of Section 73 to 76 of the Companies Act, 2013. There are no unclaimed deposits.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2020 on account of disputes.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.

SP

1

- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid any managerial remuneration and hence reporting under clause (xi) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N. 117366W/W-100018)



Sumit Trivedi
(Partner)

(Membership No. 209354)
UDIN:20209354AAAAGJ1506

Place: Hyderabad
Date: June 06, 2020

SP
2

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF SPECIAL PURPOSE ANNUAL
FINANCIAL INFORMATION AND REVIEW OF QUARTERLY SPECIAL PURPOSE
FINANCIAL INFORMATION**

**TO THE BOARD OF DIRECTORS OF
GMR AERO TECHNIC LIMITED**

Opinion and Conclusion

We have (a) audited the Special Purpose Financial Information for the year ended March 31, 2020 comprising 'Statement of Financial Results' for the year ended March 31, 2020, Statement of Audited Assets and Liabilities as at March 31, 2020 and the Related Party Disclosures as per GMR Infrastructure Limited's Instructions, along with explanatory notes thereon and (b) reviewed the Special Purpose Financial Information for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Financial Results for the Quarter and Year ended March 31, 2020" of **GMR AERO TECHNIC LIMITED** ("the Company"), ("Special Purpose Financial Information"), which has been prepared by the Company for the purpose of preparation of the consolidated financial results by GMR Infrastructure Limited (Intermediate Parent Company), in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Special Purpose Annual Financial Information

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Financial Information for the year ended March 31, 2020:

- i. is presented in accordance with the instructions issued by the management of GMR Infrastructure Limited ('GIL'); and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

**(b) Conclusion on Unaudited Special Purpose Financial Information for the
quarter ended March 31, 2020**

With respect to the Special Purpose Financial Information for the quarter ended March 31, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Special Purpose Financial Information for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed as per the instructions issued by the Management of GIL, including the manner in which it is to be disclosed, or that it contains any material misstatement.

SP
2

1

Basis for Opinion on the Audited Special Purpose Financial Information for the year ended March 31, 2020

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 paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Special Purpose Financial Information

This Special Purpose Financial Information which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Special Purpose Financial Information for the year ended March 31, 2020 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Special Purpose Financial Information for the quarter and year ended March 31, 2020 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 the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and as per the instructions issued by the management of GMR Infrastructure Limited ('GIL'). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 Special Purpose Financial Information that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Information, 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 financial reporting process of the Company.

SP
7

1

Auditor's Responsibilities

(a) Audit of the Special Purpose Financial Information for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Special Purpose Financial Information for the year ended March 31, 2020 as a whole is 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 this Special Purpose Financial Information.

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 Special Purpose Financial Information, 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 made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors as per the instructions issued by the management of GMR Infrastructure Limited ('GIL').
- 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 Company 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 Special Purpose Financial Information 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 Special Purpose Financial Information, including the disclosures, and whether the Special Purpose Financial Information represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Special Purpose Financial Information of the Company to express an opinion on the Special Purpose Financial Information.

SP

7

Materiality is the magnitude of misstatements in the Special Purpose Annual Financial Information that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Financial Information may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Financial Information.

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.

(b) Review of the Unaudited Special Purpose Financial Information for the quarter ended March 31, 2020

We conducted our review of the Special Purpose Financial Information for the quarter ended March 31, 2020 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

- As stated in Note 7 of the Special Purpose Financial Information, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the nine months period ended December 31, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019. Our report on the Special Purpose Financial Information is not modified in respect of this matter.
- The Special Purpose Standalone Financial Information includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Special Purpose Financial Information is not modified in respect of this matter.
- Our report on the attached Special Purpose Financial Information is at the request of the Directors of the Company for submission of the Special Purpose Financial Information to the Board of Directors of GIL, solely to enable GIL to prepare consolidated financial results for the quarter and year ended March 31, 2020 and their auditors in their review/audit of such consolidated financial results.

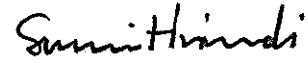
SP

1

**Deloitte
Haskins & Sells LLP**

Accordingly, this report is not for the use or benefit of any other party nor is it to be copied, made available to or otherwise disclosed to any other party and, we do not accept or assume any liability or duty of care to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(F.R.N. 117366W/W-100018)



Sumit Trivedi
(Partner)
(Membership No. 209354)
UDIN: 20209354AAAAGK3231

Place: Hyderabad
Date: June 06, 2020

SP
7

GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Balance Sheet as at March 31, 2020
(All amounts are in ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2020 (Refer Note 20)	As at March 31, 2019 (Refer Note 20)
Assets			
Non-current assets			
Property, plant and equipment	3	1.80	2.62
Deferred tax assets (net)	4	0.35	-
Non-current tax assets	5	9.05	-
		<u>11.20</u>	<u>2.62</u>
Current assets			
Financial assets			
Trade receivables	6	23.08	-
Other financial assets	7	27.41	24.42
Other current assets	8	9.00	-
		<u>59.49</u>	<u>24.42</u>
Assets Classified of discontinued operations	20	-	12,222.92
Total assets		<u>70.69</u>	<u>12,249.96</u>
Equity and liabilities			
Equity			
Equity share capital	9	10.00	2,500.00
Other equity	10	32.68	(27,056.55)
Total Equity		<u>42.68</u>	<u>(24,556.55)</u>
Current liabilities			
Financial Liabilities			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises;		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11	4.17	-
Other current liabilities	12	23.84	-
		<u>28.01</u>	<u>-</u>
Liabilities directly associated with discontinued operations	20	-	36,806.51
Total Equity and Liabilities		<u>70.69</u>	<u>12,249.96</u>
Corporate information and Significant accounting policies	1 & 2		

The accompanying notes are an integral part of the Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sumit Trivedi

Sumit Trivedi
Partner

SP

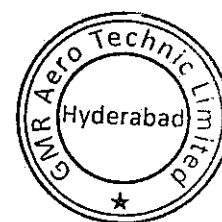
For and on behalf of the Board of Directors
GMR Aero Technic Limited

Rajesh Kumar Arora
Rajesh Kumar Arora
Director
DIN : 03174536

SGK Kishore
SGK Kishore
Director
DIN : 02916539

Ashok Gopinath
Ashok Gopinath
Chief Executive Officer

K Venkata Ramana
K Venkata Ramana
Chief Financial Officer



Place: Hyderabad
Date : June 06 ,2020

Place: Hyderabad
Date : June 06 ,2020

GMR Aero Technic Limited

CIN:U35122TG2010PLC070489

Statement of Profit and Loss for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2020 (Refer Note 20)	For the year ended March 31, 2019 (Refer Note 20)
Income			
Revenue from operations	13	98.15	11.61
Other income	14	0.82	-
Total income (i)		98.97	11.61
Expenses			
Training Fee	15	50.01	-
Employee benefits expense	16	34.29	10.21
Depreciation expense	17	0.82	0.92
Other expenses	18	6.64	-
Total Expenses (ii)		91.76	11.13
Profit from continuing operations before tax (i-ii)		7.21	0.48
Tax expense	19		
Current tax		1.92	-
Deferred tax		(0.35)	-
Profit from continuing operations after tax (iii)		5.64	0.48
Loss from discontinued operations before tax	20	-	(1,147.16)
Tax expense from discontinued operations		-	(625.18)
Net loss from discontinued operations after tax (iv)	20	-	(521.98)
Net Profit/(loss) from continuing and discontinued operations for the year (iii+iv)		5.64	(521.50)
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement (losses) on defined benefit plans		-	(22.88)
Other comprehensive loss for the year		-	(22.88)
Total Comprehensive profit/(loss) for the year		5.64	(544.38)
Earnings per equity share for continuing operations of ₹ 10 each:			
Basic and diluted		5.64	0.00
Earnings per equity share for discontinued operations of ₹ 10 each:			
Basic and diluted		-	(2.09)
Earnings per equity share for continuing and discontinued operations of ₹ 10 each:			
Basic and diluted		5.64	(2.09)
Corporate information and Significant accounting policies	1 & 2		

The accompanying notes are an integral part of the Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sumit Trivedi

Sumit Trivedi
Partner

SP

For and on behalf of the Board of Directors
GMR Aero Technic Limited

Rajesh Kumar Arora
Rajesh Kumar Arora
Director
DIN : 03174536

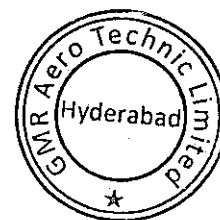
SGK Kishore
SGK Kishore
Director
DIN : 02916539

Ashok Gopinath
Ashok Gopinath
Chief Executive Officer

K Venkata Ramana
K Venkata Ramana
Chief Financial Officer

Place: Hyderabad
Date : June 06 ,2020

Place: Hyderabad
Date : June 06 ,2020



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Statement of cash flows for the year ended March 31, 2020
(All amounts are in ₹ lakhs, unless otherwise stated)

	For the year ended March 31, 2020 (Refer Note 20)	For the year ended March 31, 2019 (Refer Note 20)
Cash flow from operating activities		
Profit/(Loss) before tax from		
Continuing operations	7.21	0.48
Discontinued operations	-	(1,147.16)
	7.21	(1,146.68)
Adjustments for		
Depreciation and amortization expense	0.82	323.26
Unrealized foreign exchange Loss/(gain)	(1.78)	196.31
Inventory written off	-	33.26
Provision for doubtful receivables	-	20.33
Foreign exchange gain written back	-	(43.78)
Fair value gain on financial instruments at fair value through profit or loss	-	(81.59)
Finance costs	-	2,135.19
Operating Profit before working capital changes	6.25	1,436.30
Changes in working capital		
Increase in trade payables	4.17	1,255.61
(Decrease) in provisions	-	(0.14)
(Increase) in inventories	-	(275.15)
(Increase) in Trade receivables	(21.30)	(2,343.78)
Increase/(Decrease) in Other current liabilities	23.84	(362.75)
(Increase)/Decrease in other current assets	(9.00)	44.11
Decrease/(Increase) in other financial assets	7.01	(192.89)
Cash generated from/(used in) operations	10.97	(438.69)
Direct taxes paid	(10.97)	(399.54)
Net cash (used in) operating activities (A)	-	(838.23)
Cash flows from investing activities		
Purchase of Property, plant and equipment including CWIP and capital advances	-	(695.39)
Fixed Deposits with Bank	-	(5.00)
Net cash (used in) investing activities (B)	-	(700.39)
Cash flows from financing activities		
Proceeds from long-term borrowings - Loans from Holding Company	-	3,127.00
Proceeds from short-term borrowings	-	0.06
Interest paid	-	(1,774.87)
Net cash flow from financing activities (C)	-	1,352.19
Net (decrease) in cash and cash equivalents (A + B + C)	-	(186.43)
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	-
Cash and cash equivalents at the beginning of the year	36.38	222.81
Less: On account of demerger (Refer Note 29)	(36.38)	-
Cash and cash equivalents at the end of the year	-	36.38
Components of cash and cash equivalents		
Cash in hand	-	0.11
With banks - on current accounts	-	25.24
With banks - on escrow accounts	-	1.00
With banks - on cash credit account	-	2.53
Exchange earners foreign currency account	-	7.50
Total cash and cash equivalents	-	36.38

Reconciliation of liabilities from financing activities for the year ended March 31, 2020

Particulars	As at March 31, 2019	Proceeds	Adjustment (Refer Note 20)	Fair Value Changes	As at March 31, 2020
Borrowings	24,139.99	-	(24,139.99)	-	-
Total	24,139.99	-	(24,139.99)	-	-

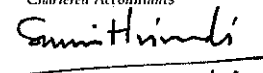
Reconciliation of liabilities from financing activities for the year ended March 31, 2019

Particulars	As at March 31, 2018	Proceeds	Repayment (net)*	Fair Value Changes	As at March 31, 2019
Borrowings	23,130.13	3,127.00	0.06	(2,117.20)	24,139.99
Total	23,130.13	3,127.00	0.06	(2,117.20)	24,139.99

* Short term borrowings (net) represents net of amounts received and payments made.

The accompanying notes are an integral part of the Financial Statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants



Sumit Trivedi
Partner

SP

Place: Hyderabad
Date: June 06, 2020

For and on behalf of the Board of Directors
GMR Aero Technic Limited


Rajesh Kumar Arora
Director
DIN : 03174536


Ashok Gopinath
Chief Executive Officer


SGK Kishore
Director
DIN : 02916539


K Venkata Ramana
Chief Financial Officer

Place: Hyderabad
Date: June 06, 2020



GMR Aero Technic Limited

CIN:U35122TG2010PLC070489

Statement of Changes in Equity for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

A. Equity Share Capital:

Equity shares of ₹ 10 each issued, subscribed and fully paid

As at April 01, 2018

Issue of shares during the year

As at March 31, 2019

As at April 01, 2019

Less: Cancellation of share capital on account of demerger (Refer Note 29)

Issue of shares during the year

As at March 31, 2020

No. of shares	₹ in lakhs
25,000,000	2,500.00
-	-
25,000,000	2,500.00
25,000,000	2,500.00
(24,900,000)	(2,490.00)
-	-
100,000	10.00

B. Other Equity

(i) Equity component of other financial instruments

As at April 01, 2019 / April 01, 2018

Less: On account of demerger (Refer Note 29)

Additions during the period (net of deferred tax)

As at March 31, 2020 / March 31, 2019

As at March 31, 2020	As at March 31, 2019
15,659.17	13,806.82
(15,659.17)	-
-	1,852.35
-	15,659.17

(ii) Retained earnings

As at April 01, 2019 / April 01, 2018

Less: On account of demerger (Refer Note 29)

Add: Profit/(Loss) for the period

Remeasurement gains/(losses) on defined benefit plans

Closing Balance

As at March 31, 2020	As at March 31, 2019
(42,715.72)	(42,171.34)
42,742.76	-
5.64	(521.50)
-	(22.88)
32.68	(42,715.72)
32.68	(27,056.53)

Total Other Equity

The accompanying notes are an integral part of the Financial Statements.

In terms of our report attached.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Sumit Trivedi

Sumit Trivedi
Partner

SP

For and on behalf of the Board of Directors.

GMR Aero Technic Limited

Rajesh Kumar Arora

Rajesh Kumar Arora
Director
DIN : 03174536

SGK Kishore

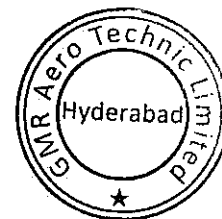
SGK Kishore
Director
DIN : 02916539

Ashok Gopinath

Ashok Gopinath
Chief Executive Officer

K Venkata Ramana

K Venkata Ramana
Chief Financial Officer



Place: Hyderabad

Date : June 06 ,2020

Place: Hyderabad

Date : June 06 ,2020

1. Corporate information

GMR Aero Technic Limited ("the Company") is a 100% subsidiary of GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited). The Company was incorporated on September 20, 2010 to carry out the business of Maintenance, Repair and Overhaul facility (MRO) of Aircrafts and allied services and to promote, plan, design, develop, operate, market, alter the MRO facility and all other related allied and ancillary activities but limited to MRO consultancy and training services, development, and maintenance of hangars and related workshops. In view of demerger, the Company has residual business of providing MRO Consultancy and Training services (Refer note 29).

The Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue in accordance with a resolution on June 06, 2020.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation:

(a) Statement of Compliance:

The Financial Statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

(b) Basis of measurement:

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of reporting period. (as explained in accounting policy regarding financial instruments).

2.2 Summary of Significant Accounting Policies

a) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. The Company based on its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

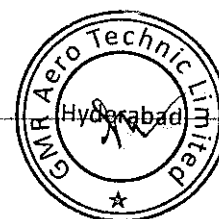
- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.



The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c) Foreign currencies

Functional and presentation currency

The financial statements are presented in INR (Indian rupees), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates at the date of transaction. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

d) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(All amounts are in ₹ lakhs, unless otherwise stated)

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e) Revenue recognition

Revenue from Services:

Revenue is recognised upon transfer of promised services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. Revenue is reduced for estimated customer returns, rebates and other similar allowances, taxes or duties collected on behalf of the government. An entity shall recognise revenue when the entity satisfies a performance obligation by transferring a promised service (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset.

Unearned revenue is recognised when there is billings in excess of revenues.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

f) Income Tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current income tax:

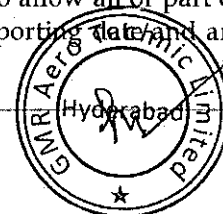
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are



(All amounts are in ₹ lakhs, unless otherwise stated)

recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets include Minimum Alternate Tax ("MAT") paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefits associated with the asset will be realized.

g) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particulars	Useful Life (years)
Plant and equipment	15
Office equipment	5
Computer equipment and IT systems	3 - 6
Furniture and fixtures	10
Vehicles	8

The Company, based on assessment made by technical expert and management estimate, depreciates certain items of plant and equipment over estimated useful lives which coincide with the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. Individual assets costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

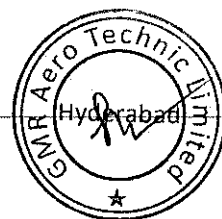
However, in case of tools and equipment, where such individual items constitute more than 10% of the total cost of Tools and equipment, normal useful lives have been considered.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Further, when each major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied.

SP



Spare parts are capitalized when they meet the definition of Property, plant and equipment and, i.e., when the company intends to use these during more than a period of 12 months.

h) Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use.

Intangible Assets are amortized on a straight – line basis over their useful life not exceeding six years.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

i) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that The Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Leases

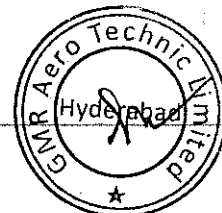
A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Company is the lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right- of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the unaudited condensed interim statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re- measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in unaudited condensed interim statement of profit and loss.



Where the Company is the Lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

k) Inventories

Stores and spares are valued at lower of cost and net realisable value. However stores and spares held for use in providing the service not written down below cost if services are expected to be provided at or above the cost. Cost is determined on a weighted average basis. Net realisable value is estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

l) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or, cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit or loss.

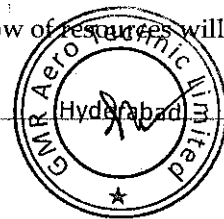
m) Provisions, contingent liabilities and commitments

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation



GMR Aero Technic Limited

CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

n) Retirement and other Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of Superannuation Fund and Employee's State Insurance are defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable to the respective trusts.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined based on actuarial valuation using projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

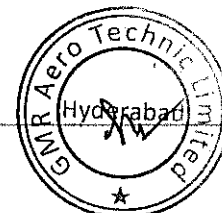
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

o) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

SP
2



Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms/arrangements. Management determines the classification of its financial instruments at initial recognition.

For the purpose of subsequent measurement, financial instruments of the Company are classified into categories as explained below:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De recognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de recognised (i.e. removed from the balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Lease receivables under Ind AS 116
- d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on;

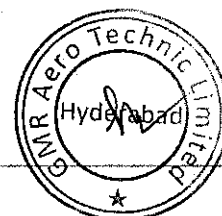
- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

SP



ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company is required to consider:

- a. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- b. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company evaluates individual balances to determine impairment loss allowance on its trade receivables. The evaluation is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings:

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 20.10.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

p) Cash and cash equivalents

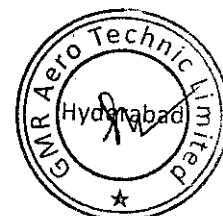
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q) Earnings per share

Basic Earnings per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S.P



3 Property, plant and equipment

Cost or deemed cost

As at April 01, 2018

Additions

As at March 31, 2019

Additions

As at March 31, 2020

Accumulated depreciation

As at April 01, 2018

Depreciation charge for the year

As at March 31, 2019

Depreciation charge for the year

As at March 31, 2020

Net Block

As at March 31, 2020

As at March 31, 2019

Office equipment	Computer equipment and IT systems	Furniture and fixtures	Total
2.79	-	-	2.79
-	1.48	1.38	2.86
2.79	1.48	1.38	5.65
-	-	-	-
2.79	1.48	1.38	5.65
2.11	-	-	2.11
0.53	0.26	0.11	0.92
2.66	0.26	0.11	3.03
0.13	0.50	0.19	0.82
2.79	0.76	0.30	3.85
-	0.72	1.08	1.80
0.13	1.22	1.27	2.62

4 Deferred tax Asset (net)

Deferred tax assets

Impact of WDV of Property, plant and equipment (PPE)

Movement in deferred tax asset

Balance as at April 01, 2019

(Charge)/ credit:

- to profit or loss

- to other comprehensive income

Balance as at March 31, 2020

As at March 31, 2020	As at March 31, 2019
0.35	-
0.35	-

On account of PPE	Total
-	-
0.35	0.35
-	-
0.35	0.35

4.1 Reconciliation of tax expenses to accounting profits is as follows:

Accounting profit before Tax

Applicable Tax Rate in India (%)

Expected Income tax expense

Adjustments:

Others

Tax expense reported in statement of profit and loss

As at March 31, 2020	As at March 31, 2019
7.21	0.48
26.00%	26.00%
1.87	0.12
(0.30)	(0.12)
1.57	-

5 Tax assets

TDS receivable (net of provision for tax of ₹ 1.92 lakhs (March 31, 2019 - ₹ Nil lakhs)

Non-Current	
As at March 31, 2020	As at March 31, 2019
9.05	-
9.05	-

6 Trade receivables

Trade receivables

- Considered good- Secured

- Considered good-Un Secured

- Have significant increase in Credit Risk

- Credit impaired

Less: Provisions for Trade receivables - credit impaired

As at March 31, 2020	As at March 31, 2019
-	-
23.08	-
-	-
-	-
-	-
23.08	-

Notes:

(i) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(ii) Trade receivables are non-interest bearing and are generally on terms of 0 to 30 days

(iii) The Company maintains an allowance for impairment of doubtful accounts based on financial condition of the customer, ageing of the customer receivable and overdues, available collaterals and historical experience of collections from customers. Accordingly, the Company creates provision for past due receivables.

7 Other current financial assets

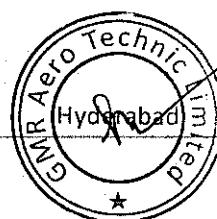
Other receivables

As at March 31, 2020	As at March 31, 2019
27.41	24.42
27.41	24.42

8 Other current assets

Balances with Government authorities

As at March 31, 2020	As at March 31, 2019
9.00	-
9.00	-



9 Equity share capital
Authorized share capital

As at April 1, 2018
Increase during the year
As at March 31, 2019
Increase during the year
As at March 31, 2020

No. of shares	₹. in lakhs
25,000,000	2,500.00
-	-
25,000,000	2,500
-	-
25,000,000	2,500

Issued, subscribed and fully paid share capital
100,000 fully paid equity shares of ₹ 10 each (March 31, 2019: 25,000,000)

As at March 31, 2020	As at March 31, 2019
10.00	2,500.00
10.00	2,500.00

(a) Reconciliation of number of equity shares and amount outstanding at the beginning and at end of the year

As at April 01, 2018
Issue of shares during the year
As at March 31, 2019
Less: Cancellation of shares on account of demerger (Refer Note 29)
Issue of shares during the year
As at March 31, 2020

No. of shares	₹. in lakhs
25,000,000	2,500.00
-	-
25,000,000	2,500.00
(24,900,000)	(2,490.00)
-	-
100,000	10.00

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

(c) Shares held by Holding Company

Out of equity shares issued by the Company, shares held by its holding company are as below :

GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited) and its nominees
100,000 (March 31, 2019: 25,000,000) equity shares of ₹ 10 each fully paid up

As at March 31, 2020	As at March 31, 2019
10	2,500

(d) Details of shareholders holding more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid

GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited) and its nominees

March 31, 2020 No. of shares	% holding	March 31, 2019 No. of shares	% holding
100,000	100%	25,000,000	100%

10 Other equity

Equity component of Financial Instrument

Opening balance
Less: On account of demerger (Refer Note 29)
Additions during the year (net of deferred tax)
Closing balance

As at March 31, 2020	As at March 31, 2019
15,659.17	13,806.82
(15,659.17)	-
-	1,852.35
-	15,659.17

Retained Earnings

Opening balance
Less: On account of demerger (Refer Note 29)
Add: Profit/(Loss) for the year
Remeasurement gains/(losses) on the defined benefit plans
Closing balance

(42,715.72)	(42,171.34)
42,742.76	-
5.64	(521.50)
-	(22.88)
32.68	(42,715.72)
32.68	(27,056.55)

11 Trade payables

Trade Payables other than acceptances:

- (i) Total outstanding dues of micro enterprises and small enterprises
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises
(a) Trade payables to related parties
(b) Trade payables to others

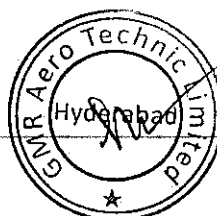
As at March 31, 2020	As at March 31, 2019
-	-
-	-
4.17	-
4.17	-

12 Other current liabilities

Unearned Revenue
Statutory liabilities

As at March 31, 2020	As at March 31, 2019
16.64	-
7.20	-
23.84	-

SP



13 Revenue from operations

Revenue from services

For the year ended March 31, 2020	For the year ended March 31, 2019
98.15	11.61
98.15	11.61

14 Other Income

Gain on account of forex fluctuation (net)

For the year ended March 31, 2020	For the year ended March 31, 2019
0.82	-
0.82	-

15 Training Fee

Training Fee (Refer Note below)

For the year ended March 31, 2020	For the year ended March 31, 2019
50.01	-
50.01	-

Note:

The Company has entered into training service agreement dated March 02, 2020 w.e.f April 01, 2019 with the Parent Company ("GACAEL") for providing training services to trainees enrolled in the Company.

16 Employee benefits expenses

Salaries, wages and bonus
Contribution to provident and other fund
Staff welfare expenses

For the year ended March 31, 2020	For the year ended March 31, 2019
33.05	10.21
1.10	-
0.14	-
34.29	10.21

17 Depreciation expense

Depreciation of property, plant and equipment

For the year ended March 31, 2020	For the year ended March 31, 2019
0.82	0.92
0.82	0.92

18 Other expenses

Communication expenses
Payment to auditors (Refer Note below)

For the year ended March 31, 2020	For the year ended March 31, 2019
0.04	-
6.60	-
6.64	-

Payment to auditors

As auditor:

Statutory audit fee including Limited Review

6.60	-
6.60	-

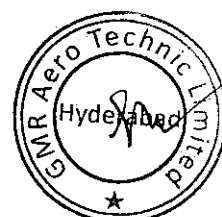
19 Tax expenses

The major components of income tax expenses are:

Current tax
Deferred tax
Total tax expense recognised in statement of Profit & Loss

For the year ended March 31, 2020	For the year ended March 31, 2019
1.92	-
(0.35)	-
1.57	-

SP



Notes to the Financial Statements for the year ended March 31, 2020
(All amounts are in ₹ lakhs, unless otherwise stated)

- 20 In view of demerger (Refer note 29), as required by IndAS 105, the disclosures presented in the Financial Statements have been presented in respect of continuing and discontinued operations (MRO Business). MRO Consultancy Undertaking which means the Residual Business of providing MRO Consultancy and Training services are the continuing operations.

i) Audited financial information of the MRO business is given below

S.No.	Particulars (Refer notes above)	Note	Year ended	
			31-Mar-20	31-Mar-19
1	Income			
	Revenue from operations	20.15	-	15,353.67
	Other income	20.16	-	198.85
	Total income		-	15,552.52
2	Expenses			
	Lease rentals		-	2,114.72
	Cost of stores and spares consumed	20.17	-	4,624.76
	Employee benefits expense	20.18	-	4,787.78
	Finance costs	20.19	-	2,135.19
	Depreciation and amortization expense	20.20	-	322.34
	Other expenses	20.21	-	2,714.89
	Total Expenses		-	16,699.68
3	Loss from discontinued operation before tax (1-2)		-	(1,147.16)
4	Tax expense			
	Current tax		-	-
	Deferred tax	20.6	-	625.18
5	Loss from discontinued operation after tax (3-4)		-	(521.98)

ii) Assets Classified and Liabilities directly associated with discontinued operations are as below:

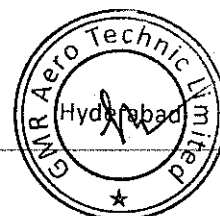
(₹ in Lakhs)				
Particulars (Refer notes above)	Note	As at March 31, 2020	As at March 31, 2019	
Assets				
Non-current assets				
Property, plant and equipment	20.1	-	2,733.79	
Intangible assets	20.2 (a)	-	72.19	
Intangible assets under development	20.2 (b)	-	30.10	
Financial assets				
Other financial assets	20.3	-	77.84	
Deferred tax assets (net)	20.6	-	-	
Non-current tax assets	20.4	-	1,005.10	
Other non-current assets	20.5	-	18.30	
		-	3,937.32	
Current assets				
Inventories	20.7	-	3,368.33	
Financial assets				
Trade receivables	20.8	-	4,138.70	
Cash and cash equivalents	20.9 (a)	-	36.38	
Bank balance other than cash and cash equivalents	20.9 (b)	-	5.00	
Other financial assets	20.3	-	375.39	
Current tax assets	20.4	-	172.68	
Other current assets	20.5	-	189.12	
		-	8,285.60	
Total assets		-	12,222.92	
Non-current liabilities				
Financial Liabilities				
Long-term Borrowings	20.10	-	21,340.00	
Provisions	20.13	-	89.80	
		-	21,429.80	
Current liabilities				
Financial Liabilities				
Short-term Borrowings	20.10	-	2,799.99	
Trade payables	20.11	-	11,834.51	
Other financial liabilities	20.12	-	111.97	
Provisions	20.13	-	178.69	
Other current liabilities	20.14	-	451.55	
		-	15,376.71	
Total Liabilities		-	36,806.51	

iii) Cash flow used in Discontinued operations:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Net cash used in operating activities	-	(841.09)
Net cash used in investing activities	-	(697.53)
Net cash flow from financing activities	-	1,352.19
Net decrease in cash and cash equivalents from discontinued operations	-	(186.43)

(iv) Commitments and contingencies including Contingent liabilities relating to Discontinued operations Refer Note 25

SP



Note 20.1 : Property, plant and equipment

	Tools and equipment	Vehicles	Office equipment	Computer equipment and IT systems	Furniture and fixtures	Total
Cost or deemed cost						
As at April 01, 2018	3,092.13	3.68	11.51	39.23	118.02	3,264.59
Additions	387.56	-	11.20	114.80	78.94	592.50
As at March 31, 2019	3,479.71	3.68	22.71	154.03	196.96	3,857.09
Additions	-	-	-	-	-	-
Less: On account of demerger (Refer Note 29)	(3,479.71)	(3.68)	(22.71)	(154.03)	(196.96)	(3,857.09)
As at March 31, 2020	-	-	-	-	-	-
Accumulated depreciation						
As at April 01, 2018	729.69	1.38	8.32	16.76	51.70	807.85
Depreciation charge for the year	262.94	0.37	2.05	26.27	23.82	315.45
As at March 31, 2019	992.63	1.75	10.37	43.03	75.52	1,123.30
Depreciation charge for the year	-	-	-	-	-	-
Less: On account of demerger (Refer Note 29)	(992.63)	(1.75)	(10.37)	(43.03)	(75.52)	(1,123.30)
As at March 31, 2020	-	-	-	-	-	-
Net Block						
As at March 31, 2020	-	-	-	-	-	-
As at March 31, 2019	2,487.08	1.93	12.34	111.00	121.44	2,733.79

Note 20.2 (a) Intangible assets

	Computer software	Technical Know-how	Total
Cost or deemed cost			
As at April 01, 2018	282.61	898.29	1,180.90
Additions	72.35	-	72.35
As at March 31, 2019	354.96	898.29	1,253.25
Additions	-	-	-
Less: On account of demerger (Refer Note 29)	(354.96)	(898.29)	(1,253.25)
As at March 31, 2020	-	-	-
Accumulated amortization			
As at April 01, 2018	275.88	898.29	1,174.17
Charge for the year	6.89	-	6.89
As at March 31, 2019	282.77	898.29	1,181.06
Charge for the year	-	-	-
Less: On account of demerger (Refer Note 29)	(282.77)	(898.29)	(1,181.06)
As at March 31, 2020	-	-	-
Net Block			
As at March 31, 2020	-	-	-
As at March 31, 2019	72.19	-	72.19

Note 20.2(b) : Intangible assets under development

	As at March 31, 2020	As at March 31, 2019
Computer Software	-	30.10
	-	30.10

Note 20.3 : Other financial assets

	Non-Current	Current
	As at March 31, 2020	As at March 31, 2019
Security deposit		
Unsecured, considered good, to related parties (Refer Note 24)	-	27.70
Unsecured, considered good, to other parties	-	50.14
Unbilled Revenue	-	-
Interest accrued but not due on fixed deposits	-	-
	-	77.84
	-	375.08
	-	0.31
	-	375.39

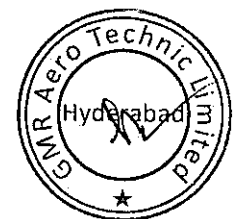
Note 20.4 : Tax assets

	Non-Current	Current
	As at March 31, 2020	As at March 31, 2019
ITDS receivable	-	1,005.10
	-	1,005.10
	-	-
	-	172.68

Note 20.5 : Other assets

	Non-Current	Current
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Advances recoverable in cash or kind	-	-
Prepaid expenses	-	18.30
Balances with Government authorities	-	-
	-	18.30
	-	106.93
	-	44.68
	-	37.51
	-	189.12

SP



Note 20.6 :Deferred tax assets / (liability) (net)

Deferred tax liability(DTL) relating to

Impact due to temporary difference of interest free loans from related party

Deferred tax assets (DTA) relating to

Unused tax losses/depreciation

Net deferred tax assets

Deferred tax assets/ (liability):

For the year ended March 31, 2020:

	Opening balance	Recognised in other equity	Statement of profit and loss	On account of demerger (Refer Note 29)	Closing balance
DTL on impact due to temporary difference of interest free loans from related party	(4,283.14)	-	-	4,283.14	-
DTA on unused tax losses/depreciation	4,283.14	-	-	(4,283.14)	-
	-	-	-	-	-

Deferred tax assets/ (liability):

For the year ended March 31st, 2019:

	Opening balance	Recognised in other equity	Statement of profit and loss	Reversal of DTL/DTA on national interest-Statement of Profit and Loss	Closing balance
DTL on impact due to temporary difference of interest free loans from related party	(3,701.69)	(625.18)	-	43.73	(4,283.14)
DTA on unused tax losses/depreciation	3,701.69	-	625.18	(43.73)	4,283.14
	-	(625.18)	625.18	-	-

Note:

The Company is entitled to claim tax holiday for first ten consecutive years, from the year of commencement of commercial operations in 2011-12 under Section 10AA of the Income Tax Act, 1961. The Company has recognised deferred tax asset on unabsorbed depreciation and carried forward losses to the extent the company has sufficient taxable temporary differences for the previous year.

Since, the entire Deferred tax asset/Deferred tax liability on accelerated depreciation and unbilled revenue is reversed in the tax holiday period. No Deferred tax asset/Deferred tax liability is accounted for the same.

20.6.1 : Unrecognised deductible temporary differences, unused tax losses and unused tax credits*

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

- unused tax losses

	As at March 31, 2020	As at March 31, 2019
- unused tax losses	-	27,290.42
	-	27,290.42

20.6.2 Reconciliation of tax expenses to accounting profits is as follows:

	For the year ended March 31, 2020	For the year ended March 31, 2019
Accounting (loss) before Tax	-	(1,147.76)
Applicable Tax Rate in India (%)	-	26.00%
Expected Income tax expense	-	-
Adjustments:	-	-
Deferred Tax asset on changes in equity component of holding Company interest free loan	-	(625.18)
Tax expense reported in statement of profit and loss	-	(625.18)

Note 20.7 : Inventories

Stores and spares (valued at lower of cost or net realisable value)*

*includes material in transit of Rs.Nil (March 31, 2019: Rs.18.60 lakhs)

	As at March 31, 2020	As at March 31, 2019
-	-	3,368.33
	-	3,368.33

Note 20.8 : Trade receivables

Trade receivables

- Considered good- Secured
- Considered good-Un Secured *
- Have significant increase in Credit Risk (Refer note below)
- Credit impaired
Less: Provisions for Trade receivables - credit impaired

*includes trade receivables from related parties (Refer Note 21)

	As at March 31, 2020	As at March 31, 2019
-	-	-
-	-	3,108.38
-	-	1,030.32
-	-	24.27
-	-	(24.27)
	-	4,138.70

Note:

During the FY 2018-19, there has been a delay in payment by 2 customers in respect of their overdue amounts aggregating ₹ 1,030.32 lakhs due to the company. The Management of the Company has taken several initiatives and is rigorously following up with the customers and the lessors of the aircrafts to recover such overdue. Based on the measures taken up by the Company, the Company is confident of recovery of the dues and no impairment loss on such trade receivables has been recognised for the year ended March 31, 2020.

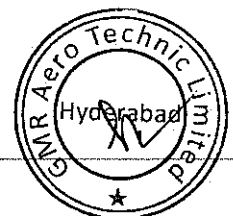
No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 0 to 30 days.

The Company maintains an allowance for impairment of doubtful accounts based on financial condition of the customer, ageing of the customer receivable and overdues, available collaterals and historical experience of collections from customers. Accordingly, the Company creates provision for past due receivables.

	For the year ended March 31, 2020	For the year ended March 31, 2019
Movement in the allowance for doubtful debts		
Balance at beginning of the year	24.27	3.94
Provision for doubtful receivable	-	20.33
Amounts written off during the period as uncollectible	-	-
Less: On account of demerger (Refer Note 29)	(24.27)	-
Balance at end of the year	-	28.27

SP



Note 20.9 : Cash and Bank balances

Note 20.9 (a) Cash and cash equivalents

Cash on hand	-	0.11
Balances with banks:		
- On current accounts	-	23.24
- On escrow accounts	-	1.00
- On cash credit account	-	2.53
- Exchange earner's foreign currency account	-	7.50
	-	36.38

Note 20.9 (b) Bank balance other than cash and cash equivalent

Fixed deposits held as Margin money	-	5.00
	-	5.00

Note 20.10 : Borrowings

Unsecured

Redeemable Non-Convertible Debentures (Refer Note (i) below)	-	17,144.84	-	-
Loan from Holding Company (Refer Note (ii) below)	-	3,895.16	-	-
Overdraft facility from bank (Refer Note (iii) below)	-	-	-	2,799.99
	-	21,340.00	-	2,799.99

Long-term		Short-term	
As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
-	17,144.84	-	-
-	3,895.16	-	-
-	-	-	2,799.99
-	21,340.00	-	2,799.99

Notes:

(i) During the year ended March 31, 2019 the Company issued 1750 Senior, Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures ("NCDs") of face value of ₹ 1,000,000 each and fixed interest of 8.35% per annum payable semi-annually and the interest rate shall be reset at the end of 4 years from the allotment as per the terms of Debenture Trust Deed. Tenure of Non Convertible Debentures (NCDs) is 7 years from the date of allotment and is due for payment at the end of 7th year from the date of allotment.

The Debentures are secured by:

(a) First ranking pari passu charge on all movable assets of the company, including but not limited to movable plant and machinery, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future, intangible, goodwill, intellectual property, uncalled capital, present and future.

(b) First ranking pari passu charge on the Transaction Accounts and all book debts, operating cash flows, current assets, receivables, commissions, revenues of whatsoever nature and wherever arising, of Issuer, present and future of the Company.

(c) First ranking pari passu charge and assignment on all the rights, title, interest, benefits, claims and demands whatsoever of company in the Project Documents and operation and maintenance related agreements, Clearances Approvals pertaining to their operations, both present and future and letter of credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by any party to the Project Documents and the Insurance Proceeds received by Company.

(d) Unconditional and irrevocable corporate guarantee given by GMR Hyderabad International Airport Limited as per Deed of guarantee dated October 04, 2017.

(e) The Charge Created against Debt as per the Debenture Trust Deed dated October 04, 2017 in all respects, rank pari passu inter se amongst the Debenture Holders and the Working capital lenders, without any preference or priority to one over the other or others. The Working Capital Facility to be availed, shall be in the form and substance, satisfactory to the debenture holders, shall not exceed an amount of ₹ 3,500 Lakhs (Rupees Three Thousand Five Hundred Lakhs Only)

(f) Redeemable Non-Convertible debentures includes an adjustment of unamortised upfront fee paid of Rs. Nil (Rs. 55.16 lakhs as at March 31, 2019)

(ii) The unsecured loan is interest free and payable in twenty equal half yearly instalments beginning from September 30, 2031.

(iii) The Overdraft facility availed from Abu Dhabi Bank is repayable on demand and carries interest of FD rate plus min 1% p.a. which is secured by fixed deposit placed by GMR Hyderabad Air Cargo and Logistics Private Limited (Formerly known as Hyderabad Menzies Air Cargo Private Limited) (GHACPL) with ADCB Bank as per the terms of the sanction letter.

Note 20.11 : Trade payables

Trade Payables other than acceptances:

(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 31)	-	5.13
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	10,340.48
(a) Trade payables to related parties (Refer Note 24)	-	1,488.90
(b) Trade payables to others	-	11,834.51

Current	
As at March 31, 2020	As at March 31, 2019
-	5.13
-	10,340.48
-	1,488.90
-	11,834.51

Note 20.12 : Other financial liabilities

Payables for purchase of fixed assets	-	70.46
Deposit from customers	-	0.93
Retention money	-	12.06
Interest Accrued but not due on borrowings	-	4.10
Other Payables	-	24.42
	-	111.97

Current	
As at March 31, 2020	As at March 31, 2019
-	70.46
-	0.93
-	12.06
-	4.10
-	24.42
-	111.97

Note 20.13 : Provisions

Gratuity (Refer Note 22(a))	-	89.80	-	-
Leave entitlements (Refer Note 22(c))	-	-	-	178.69
	-	89.80	-	178.69

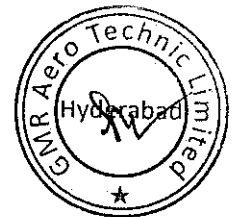
Long-term		Short-term	
As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
-	89.80	-	-
-	-	-	178.69
-	89.80	-	178.69

Note 20.14 : Other liabilities

Statutory liabilities	-	301.03
Unearned Revenue	-	150.52
	-	451.55

Current	
As at March 31, 2020	As at March 31, 2019
-	301.03
-	150.52
-	451.55

SP



Note 20.15 : Revenue from operations

	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from services	-	15,353.67
	-	15,353.67

Note 20.16 : Other income

	For the year ended March 31, 2020	For the year ended March 31, 2019
Fair value gain on financial instruments at fair value through profit or loss	-	83.76
Interest on Fixed deposits	-	0.31
Foreign exchange written back	-	43.78
Provisions no longer required, written back	-	-
Miscellaneous income	-	71.00
	-	198.85

Note 20.17 : Cost of stores and spares consumed

	For the year ended March 31, 2020	For the year ended March 31, 2019
Inventory at the beginning of the year	3,368.33	3,126.44
Less: On account of demerger (Refer Note 29)	(3,368.33)	-
Add: Purchases	-	4,899.91
	-	8,026.35
Less: Inventory written off	-	33.26
Less: Inventory at the end of the year	-	3,368.33
Cost of stores and spares consumed	-	4,624.76

Note 20.18: Employee benefits expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, wages and bonus	-	4,190.91
Contribution to provident and other fund (Note 22 (b))	-	188.77
Gratuity expenses	-	49.04
Staff welfare expenses	-	359.06
	-	4,787.78

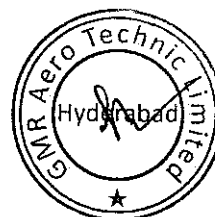
Note 20.19 : Finance costs

	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on:		
Loan from holding company	-	350.33
Cash credit and overdraft facility from banks	-	239.53
Redeemable Non-Convertible Debentures	-	1,506.24
Interest others	-	0.04
Bank and Finance charges	-	39.05
	-	2,135.19

Note 20.20 : Depreciation and amortization expense

	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation of property, plant and equipment (Refer Note 20.1)	-	315.45
Amortization of intangible assets (Refer Note 20.2(a))	-	6.89
	-	322.34

SP



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Notes to the Financial statements for the year ended March 31, 2020
 (All amounts are in ₹ lakhs, unless otherwise stated)

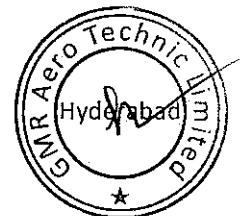
Note 20.21 : Other expenses

	For the year ended March 31, 2020	For the year ended March 31, 2019
Rates and taxes	-	261.48
Electricity and water charges	-	354.78
Equipment hire charges	-	63.04
Insurance	-	160.23
Repairs and Maintenance		
IT Systems	-	78.09
Others	-	351.11
Sub-contracting expenses	-	91.58
Travelling and conveyance	-	293.01
Communication expenses	-	21.96
Printing and stationery	-	16.16
Security expenses	-	28.93
House Keeping Charges	-	40.82
Business development expenses	-	111.47
Membership and Subscriptions	-	78.34
Legal and professional fees	-	550.75
Board meeting expenses	-	1.96
Payment to auditors (Refer Note below)	-	11.61
Loss on account of forex fluctuation (net)	-	144.73
Provision for doubtful receivable	-	20.33
Inventory written off	-	33.26
Miscellaneous expenses	-	1.25
	-	2,714.89

Payment to auditors

As auditor:		
Statutory audit fee including Limited Review	-	6.60
Other services	-	4.75
Reimbursement of expenses	-	0.26
	-	11.61

SP



21. Earnings per Share (EPS)

The following reflects the income and share data used in the Computation of basic and diluted EPS:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit from continuing operations	5.64	0.48
Loss from discontinued operations	-	(521.98)
Loss from continuing and discontinued operations	5.64	(521.50)
Weighted Average number of equity shares used for computing Earning Per Share (Basic and diluted)	1,00,000	25,000,000
Earnings Per Share (Basic and diluted) – Continuing operations ₹	5.64	0.00
Earnings Per Share (Basic and diluted) – Discontinued operations ₹	-	(2.09)
Earnings Per Share (Basic and diluted) – Continuing and Discontinued operations ₹	5.64	(2.09)

22. Employee benefits plan

a. Defined benefits plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure at 15 days last drawn salary for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Statement of profit and loss

Net employee benefit expense (recognized in the employee cost)

	March 31, 2020	March 31, 2019
Current service cost (including past service cost)	-	44.62
Interest cost on benefit obligation	-	4.42
Net benefit expense	-	49.04

Balance sheet

Details of provision for gratuity

	March 31, 2020	March 31, 2019
Present value of defined benefit obligation	-	(253.27)
Fair value of plan assets	-	163.47
Plan liability	-	(89.80)

Changes in the present value of the defined benefit obligation are, as follows:

	March 31, 2020	March 31, 2019
Opening defined benefit obligation	253.27	196.77
Less: On account of demerger (Refer Note 29)	(253.27)	-
Interest cost	-	13.86
Current service cost (including past service cost)	-	44.62
Benefits paid	-	(28.49)
Actuarial loss on obligation	-	26.51
Closing defined benefit obligation	-	253.27

GMR Aero Technic Limited**CIN: U35122TG2010PLC070489**

Notes to the Financial Statements for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

Changes in the fair value of plan assets are as follows:

	March 31, 2020	March 31, 2019
Opening fair value of plan assets	163.47	98.50
Less: On account of demerger (Refer Note 29)	(163.47)	-
Expected return	-	9.47
Contributions by employer	-	80.37
Actuarial gain	-	3.62
Benefits paid	-	(28.49)
Closing fair value of plan assets	-	163.47

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	March 31, 2020	March 31, 2019
Investments with insurer	-	100%

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	March 31, 2020	March 31, 2019
Discount rate	-	7.60%
Salary escalation Rate	-	8.00%
Withdrawal Rate	-	5.00%

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Note:

- i) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risk of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.

b. Defined contribution plan

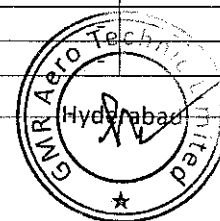
Contribution to provident and other funds under employee benefit expenses are as under:

	March 31, 2020	March 31, 2019
Contribution to Provident Fund	-	157.25
Contribution to Superannuation Fund	-	31.50
Contribution to ESI	-	12.50

- c. Leave benefit liabilities provided based on actuarial valuation amounts to ₹ Nil as at March 31, 2020 (March 31, 2019: ₹ 178.69 lakhs).

The actuarial assumptions (demographic & financial) employed for the calculations as at March 31, 2020 and March 31, 2019 are as follows:

	March 31, 2020	March 31, 2019
Discount rate	-	7.60%
Salary escalation rate	-	8.00%
Withdrawal rate	-	5.00%



Note: All the employees of MRO division of demerged company (GATL) are transferred to GACAEL as per the composite Scheme of arrangement (Refer Note 29). Since, there are only two employees on the rolls of the Company as at March 31, 2020, disclosure in regards to employee benefits plan has not been provided. (also refer note 29).

23. Segment Reporting

The Company is engaged to carry out the business of consultancy, professional training and other allied activities which in the context of Ind-AS 108- Segment reporting, notified under Section 133 of the Companies Act, 2013 is considered as single business segment. Hence, reporting under the requirements of the said standard does not arise.

24. Related Party transactions:

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial period and balances outstanding as on period end date.

A. Names of related parties and description of relationship:

Sl. No.	Relationship	Related party Name
(i)	Holding company	GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited) (GACAEL)
(ii)	GACAEL's holding company	GMR Hyderabad International Airport Limited (GHIAL)
(iii)	GHIAL's holding company	GMR Airports Limited (GAL)
(iv)	GAL's holding company	GMR Infrastructure Limited (GIL)
(v)	Ultimate holding company	GMR Enterprises Private Limited (Formerly known as GMR Holdings Private Limited)
(vi)	Fellow Subsidiary Companies (where transactions have taken place)	GMR Hyderabad Aviation SEZ Limited (GHASL)
		RAXA Security Services Limited
		GMR Hospitality and Retail Limited
		Asia Pacific Flight Training Academy Limited (up to March 01, 2019)
		Delhi International Airport Limited
		GMR Airport Developers Limited
		GMR Hyderabad Air cargo and Logistics Private Limited (Formerly known as Hyderabad Menzies Air Cargo Private Limited) (Refer note 29)
(vii)	Key managerial personnel (KMP)	Mr. SGK Kishore -Director
		Mr. P. S. Nair -Director
		Mr. Rajesh Kumar Arora -Director
		Dr. Kavita Gudapati - Independent & Woman Director (Resigned w.e.f October 06, 2019)
		Mr. Abdul Rahman Harith Saif Al Busaidi-Independent Director (Resigned w.e.f October 06, 2019)
		Mr. Ashok Gopinath - Chief Executive Officer
		Mr. K Venkata Ramana - Chief Financial Officer
		Ms. Apeksha Naidu- Company Secretary (Resigned w.e.f January 30, 2020)

GMR Aero Technic Limited

CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

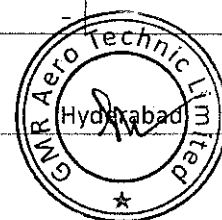
B. Transactions with Key Managerial Personnel for the year ended:

Details of Key Managerial Personnel	March 31, 2020		March 31, 2019	
	Remuneration	Sitting Fees	Remuneration	Sitting Fees
Ms. Kavita Gudapati	-	-	-	1.15
Mr. Abdul Rahman Harith Saif Al Busaidi	-	-	-	0.81
Mr. Ashok Gopinath	-	-	160.98	-
Mr. K Venkata Ramana	-	-	66.89	-
Total	-	-	227.87	1.96

C. Transactions with related parties for the year ended:

S. No.	Related Party Transactions	For the period ended March 31, 2020	For the period ended March 31, 2019
(i)	GMR Hyderabad International Airport Limited		
	Lease rental and other related expenses	-	40.86
	Reimbursement of expenses	-	173.32
(ii)	GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited) (GACAEL)		
	Lease rental expenses	-	2,027.05
	Loans taken	-	3,127.00
	Equity component of related party loans – received (net of deferred tax)	-	1,852.35
	Interest on account of amortization of interest free loan	-	350.33
	Deputation charges	5.10	-
	Management fees	50.01	-
(iii)	GMR Hyderabad Aviation SEZ Limited		
	Electricity and water charges	-	351.58
	Repairs and Maintenance – Others	-	22.08
(iv)	GMR Airport Developers Limited		
	Repairs and maintenance – IT	-	53.08
	Repairs and maintenance – Others	-	184.08
(v)	GMR Hospitality and Retail Limited		
	Lodging and food expenses	-	18.64
(vi)	Raxa Security Services Limited		
	Security services	-	28.93
(vii)	Delhi International Airport Limited		
	Finance income from debt instrument through FVTPL	-	2.08
	Lease Rental and other related expenses	-	56.70
(viii)	Asia Pacific Flight Training Academy Limited		
	Revenue from operations	-	12.94
(ix)	GMR Hyderabad Air cargo and Logistics Private Limited (Formerly known as Hyderabad Menzies Air Cargo Private Limited)		
	Freight charges/Handling charges	-	0.92
(x)	GMR Airports Limited		
	Reimbursement of expenses	-	37.35

SP



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

Note: The Company has received certain corporate group support services from its holding company, which are free of charge.

D. Balances Outstanding Debit/ (Credit):

S. No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	GMR Hyderabad International Airport Limited		
	Trade payables	-	(287.00)
	Security Deposit	-	5.04
	Corporate guarantee given in relation to Redeemable Non-Convertible Debentures	-	17,500.00
(ii)	GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited) (GACAE)		
	Loan Outstanding (Including FITL)	-	(3,895.16)
	Other receivables	27.41	-
	Trade Payables (Lease Rental)	-	(7,315.33)
(iii)	GMR Hyderabad Aviation SEZ Limited		
	Trade payables	-	(2,619.93)
(iv)	GMR Airport Developers Limited		
	Trade payables	-	(109.25)
(v)	GMR Hospitality and Retail Limited		
	Trade payables	-	(2.39)
(vi)	Delhi International Airport Limited		
	Security Deposit	-	22.66
	Prepaid expenses	-	2.19
	Trade payables	-	(1.76)
(vii)	Raxa Security Services Limited		
	Trade payables	-	(4.82)
(viii)	Asia Pacific Flight Training Academy Limited		
	Trade receivables	-	4.69

25. Commitments and Contingencies:

I. Leases

Operating lease commitments: Company as lessee

The Company has entered into commercial leases of hangar facility. The lease is initially for a period of seven years with further renewal option included in the contract. There is no restrictions placed upon the Company by entering into this lease. During the current year, there are no lease commitments. (Refer Note 29)

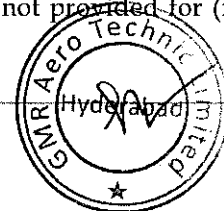
Future minimum rentals payable under non-cancellable operating leases are as follows:

	March 31, 2020	March 31, 2019
Within one year	-	2,417.72
After one year but not more than five years	-	9,890.62
More than 5 years	-	2,537.42
	-	14,840.76

II. Contingent Liabilities: Nil (Refer note 29)

III. Other Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advances) amounting to ₹ Nil lakhs (March 31, 2019: ₹ 356.86 lakhs)



GMR Aero Technic Limited**CIN: U35122TG2010PLC070489**

Notes to the Financial Statements for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

26. Fair values:

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation of fair values.

	Carrying value		Fair value	
	March 31, 2020 (Refer Note 29)	March 31, 2019 #	March 31, 2020 (Refer Note 29)	March 31, 2019
Financial assets				
Valued at Amortised cost				
Security deposit	-	77.84	-	77.84
Unbilled Revenue	-	375.08	-	375.08
Other financial assets	27.41	24.73	27.41	24.73
Trade receivables	23.08	4,138.70	23.08	4,138.70
Cash and bank balances	-	41.38	-	41.38
Total	50.49	4,657.73	50.49	4,657.73
Financial liabilities				
Valued at Amortised cost				
Borrowings	-	24,139.99	-	24,139.99
Trade Payables	4.17	11,834.51	4.17	11,834.51
Other financial liabilities	-	111.97	-	111.97
Total	4.17	36,086.47	4.17	36,086.47

includes balances relating to discontinued operations which has been considered in Note 20.

The management assessed the cash and cash equivalent, trade receivables trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Assumption used in estimating the fair values:

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

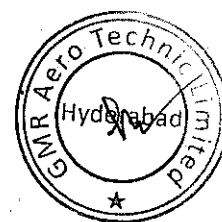
27. Capital management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/ short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, equity includes issued equity share capital and other equity. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents.

SP



The following table summarises the capital of the Company:

Particulars	As at March 31, 2020 (Refer Note 29)	As at March 31, 2019 #
Borrowings	-	24,139.99
Cash and cash equivalents	-	(41.38)
Net debt	-	24,098.61
Equity	-	(24,556.55)
Net debt to equity ratio	-	(0.98)

includes balances relating to discontinued operations which has been considered in Note 20.

There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the previous year. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2020

28. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade, other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, equity risk, commodity risk and demand risk. Financial instruments affected by market risk include loans and borrowings, deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates. The Company does not have any long-term debt with floating interest rates. Refer Note 20.10 for fixed interest rate.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in Interest rate	Effect on profit before tax
As at March 31, 2020 (Refer Note 29)		
Unsecured Overdraft facility from bank	-	-
Unsecured Overdraft facility from bank	-	-

GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

As at March 31, 2019		
Unsecured Overdraft facility from bank	+0.50%	(14.00)
Unsecured Overdraft facility from bank	- 0.50%	14.00

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company exposure to foreign currency risk at the end of reporting year expressed in Indian Rupees is as follows:

Particulars	Currencies Exposure	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign currency	₹ in Lakhs	Amount in Foreign currency	₹ in Lakhs
Trade payables	USD	-	-	10,33,316	714.74
	EURO	-	-	8,667	6.73
	GBP	-	-	160	0.14
Trade receivables	USD	29,907.82	22.55	5,926,985	4,099.70
Cash and Bank Balances	USD	-	-	10,843	7.50
Deposit from customers	USD	-	-	1,500	0.93
Unbilled revenue	USD	-	-	542,253	375.08

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges.

Particulars	March 31, 2020	March 31, 2019
	Impact on profit after tax	Impact on profit after tax
USD Sensitivity		
INR/USD- Increase by 5%	1.13	188.38
INR/USD- Decrease by 5%	(1.13)	(188.38)
EURO Sensitivity		
INR/EURO- Increase by 5%	-	(0.34)
INR/EURO- Decrease by 5%	-	0.34
GBP Sensitivity		
INR/GBP- Increase by 5%	-	(0.01)
INR/GBP- Decrease by 5%	-	0.01

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Also parent company will provide support in order to meet financial obligations of the Company.

SP



The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended March 31, 2020	Up to 1 year	1 - 5 year	More than 5 year	Total Contracted cash flows
Trade payables	4.17	-	-	4.17

Year ended March 31, 2019	Up to 1 year	1 - 5 year	More than 5 year	Total Contracted cash flows
Redeemable Non-Convertible Debentures and interest there on	1,496.25	5,989.10	18,270.67	25,756.02
Loan from Holding Company-Un Secured	-	-	3,895.16	3,895.16
Overdraft facility from a bank	2,799.99	-	-	2,799.99
Trade payables	11,834.51	-	-	11,834.51
Other financial liabilities	111.97	-	-	111.97

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company as per approved debtors policy and established procedures and controls relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

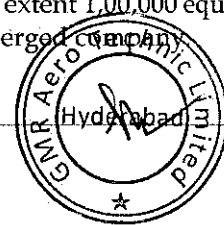
Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company is trying to expand the customers'.

29. The Board of Directors of the Company at its meeting held on December 10, 2018 had approved a Composite Scheme ("the Composite Scheme") with regard to merger of GMR Hyderabad Air Cargo Logistics Private Limited ("the Transferor Company") and demerger of the Maintenance, Repair and Overhaul (MRO) division of GMR Aero Technic Limited ("Demerged Company"/"the Company"/"GATL") with the GMR Aerospace Engineering Limited ("GAEL") with an appointed date of April 1, 2018.

National Company Law Tribunal (NCLT) has passed an order approving the said scheme on July 26, 2019 and thereafter the Company filed the copy of the approved copy of the Scheme with the Registrar of Companies on August 23, 2019. The Company has given effect to the Scheme in the quarter ended September 30, 2019. (Refer Note 20).

Pursuant to the Scheme with effect from the Appointed Date and upon the Scheme becoming effective, the MRO business/Demerger undertaking of the Company was transferred on going concern basis to GAEL. Pursuant to the Scheme, no shares were issued in relation to the Demerger since GATL, is a wholly owned subsidiary of GAEL. The shares of the Company to the extent of 2,49,00,000 equity shares of Rs. 10 each which reflect the MRO business/demerger undertaking being demerged to GAEL were cancelled and shares to the extent 1,00,000 equity shares of Rs. 10 each which represent the residual business continue in the books of the demerged company.



30. Pursuant to Composite Scheme of Arrangement ("Scheme") approved by NCLT (Refer Note 29 above) all the liabilities relating to the Demerged Undertaking, being transferred by the Demerged Company ("GATL"), immediately before the demerger, become the liabilities of the Resulting Company ("GAEL") by virtue of the demerger. In view of the above and the scheme being effective, the 1,750 Senior, Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures of GATL were transferred to GMR Air Cargo and Aerospace Engineering Limited ("GACAEL") (formerly known as GMR Aerospace Engineering Limited - "GAEL") with same terms and conditions as they were issued. Subsequently, such transfer of debentures was updated on the Bombay Stock Exchange (BSE) on October 15, 2019 and on the National Stock Exchange (NSE) on November 26, 2019.

31. Based on and to the extent of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below #:

Sl .No.	Particulars	As at March 31, 2020	As at March 31, 2019
(i)	Principal amount due to suppliers under MSMED Act, as at the end of the year	--	5.13
(ii)	Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii)	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv)	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v)	Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi)	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
(vii)	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (vi)	-	-

includes balances relating to discontinued operations which has been considered in Note 20

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

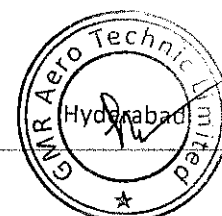
32. The Company has considered the possible effects that may result from the pandemic while assessing the recoverability of carrying values of assets. In developing the assumptions relating to the possible future uncertainties in the global and domestic economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

33. Use of estimates and judgement

In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

SP



GMR Aero Technic Limited**CIN: U35122TG2010PLC070489**

Notes to the Financial Statements for the year ended March 31, 2020

(All amounts are in ₹ lakhs, unless otherwise stated)

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income tax and Deferred Tax

Significant judgements are required in determining the provision for income taxes, including the amount expected to be paid/recovered for uncertain tax provisions. Deferred tax assets are generally recognized for all deductible temporary difference to the extent that it is probable that sufficient future taxable profit will be available against which those deductible temporary difference can be utilized.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment and Intangible assets at the end of each reporting period. This assessment may result in change in the depreciation / amortization expense in future periods.

Provision for doubtful receivables

The Company makes provision for doubtful receivables based on a provision matrix which takes into account historical credit loss experience and adjusted for current estimates.

Other estimates

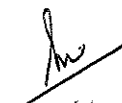
The preparation of Financial Statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of Financial Statements and the reported amount of revenues and expenses for the reporting period.

SP

For and on behalf of the Board of Directors
GMR Aero Technic Limited



Rajesh Kumar Arora
Director
DIN: 03174536



SGK Kishore
Director
DIN: 02916539

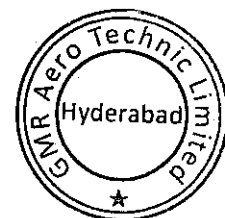


Ashok Gopinath
Chief Executive Officer

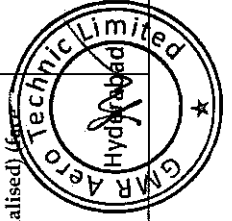


K Venkata Ramana
Chief Financial Officer

Place: Hyderabad
Date: June 06, 2020



Statement of Financial Results for the Quarter and Year ended March 31, 2020 ("Special Purpose Financial Information")						
GMR Aero Technic Limited CIN:U35122TG2010PLC070489 Registered and Corporate Office : Plot No.1, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 108, Telangana, India.						
	Particulars (Refer notes below)	Quarter ended (Refer Note 10)			Year ended (Refer Note 10)	
		March 31, 2020 (Refer Note 7)	December 31, 2019 (As published)	March 31, 2019 (As published) (Refer Note 7)	March 31, 2020 (Audited)	March 31, 2019 (As published) (Refer Note 5) (Audited)
			(Unaudited)			
A	Continuing Operations					
1	Income					
	Revenue from operations	58.45	13.23	-	98.15	11.61
	(b) Other income	0.28	0.54	-	0.82	-
	Total income	58.73	13.77	-	98.97	11.61
2	Expenses					
	(a) Training Fee (Refer Note 8 below)	50.01	-	-	50.01	-
	(b) Employee benefits expense	14.59	14.60	2.55	34.29	10.21
	(c) Depreciation expense	0.17	0.21	0.30	0.82	0.92
	(d) Other expenses	3.32	3.32	-	6.64	-
	Total expenses	68.09	18.13	2.85	91.76	11.13
3	Profit/(Loss) from continuing operations before tax (1-2)	(9.36)	(4.36)	(2.85)	7.21	0.48
4	Tax expense					
	(a) Current Tax	(2.46)	(1.11)	-	1.92	-
	(b) Deferred Tax	(0.13)	(0.02)	-	(0.35)	-
5	Profit/(Loss) from continuing operations after tax (3-4)	(6.77)	(3.23)	(2.85)	5.64	0.48
B	Discontinued Operations					
6	Loss from discontinued operations before Tax (Refer Note 10)	-	-	(130.17)	-	(1,147.16)
7	Tax expenses of discontinued operations (Refer Note 10)	-	-	(276.20)	-	(625.18)
8	Net Profit/(Loss) from discontinued operations after Tax (6-7) (Refer Note 10)	-	-	146.03	-	(521.98)
9	Profit/(Loss) after tax (5+8)	(6.77)	(3.23)	143.18	5.64	(521.50)
10	Other Comprehensive Income/(Loss) <i>Items that will not be reclassified to profit or loss</i>					
	Remeasurement gains/ (losses) on defined benefit plans	-	-	4.07	-	(22.88)
11	Total Comprehensive Income/(Loss) (9+10)	(6.77)	(3.23)	147.25	5.64	(544.38)
12	Earnings per equity share- Basic & diluted (for the period - not annualised) (Refer Note 10)					
	value ₹ 10 per share					
	i) Basic & diluted EPS	(6.77)	(3.23)	0.57	5.64	(2.09)
	ii) Basic & diluted EPS from continuing operations	(6.77)	(3.23)	(0.01)	5.64	0.00
	iii) Basic & diluted EPS from discontinued operations	-	-	0.58	-	(2.09)



5

SP

GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Statement of Audited Assets and Liabilities as at March 31, 2020

(₹ in Lakhs)

Particulars (Refer notes below)	As at March 31, 2020 (Refer Note 5 & 10)	As at March 31, 2019 (As published) (Refer Note 5 & 10)
	(Audited)	(Audited)
1 ASSETS		
Non-current assets		
Property, plant and equipment	1.80	2.62
Deferred tax asset	0.35	-
Non-current tax assets	9.05	-
	11.20	2.62
Current assets		
Financial assets		
Trade receivables	23.08	-
Other financial assets	27.41	24.42
Other current assets	9.00	-
	59.49	24.42
Assets Classified of discontinued operations (Refer Note 10)	-	12,222.92
TOTAL ASSETS	70.69	12,249.96
2 EQUITY AND LIABILITIES		
Equity		
Equity share capital	10.00	2,500.00
Other equity	32.68	(27,056.53)
TOTAL EQUITY	42.68	(24,556.55)
Liabilities		
Current liabilities		
Financial liabilities		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises;	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	4.17	-
Other current liabilities	23.84	-
	28.01	-
Liabilities directly associated with discontinued operations (Refer Note 10)	-	36,806.51
TOTAL LIABILITIES	28.01	36,806.51
TOTAL EQUITY AND LIABILITIES	70.69	12,249.96

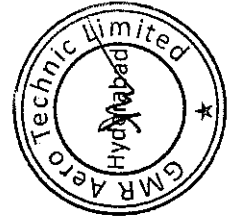
SP

5



Notes:

- 1 The above Special Purpose Financial Information comprising the Statement of Financial Results for the Quarter and Year ended March 31, 2020, including the Statement of Audited Assets and Liabilities as at March 31, 2020, Statement of Audited Cash Flow for the year ended March 31, 2020 and the Related Party Disclosures (refer note 4 below) have been reviewed and approved by the Board of Directors in their meetings held on June 04, 2020. The Statutory Auditors of the Company have carried out audit on the aforesaid Special Purpose Financial Information of the Company.
- 2 The Company's business activity falls within a single business segment in terms of Ind AS 108 on Operating Segments.
- 3 The Special Purpose Financial Information is prepared by the Company for the purpose of preparation of consolidated financial results of GMR Infrastructure Limited (GIL) for the quarter and year ended March 31, 2020, for the purpose of submission to the Board of Directors of the Company and Board of Directors of GIL. The Special Purpose Financial Information has been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder (Ind AS) and other accounting principles generally accepted in India and as per the instructions mentioned in the Group Referral Instructions (GRI) issued by the Management of GIL. The Special Purpose Financial Information has been prepared under the historical cost convention on an accrual basis, except for certain financial assets and liabilities which have been measured at fair value.
- 4 The details of related parties are in the format and as per the instructions of the GIL - Refer attached annexure.
- 5 The Board of Directors of the Company at its meeting held on December 10, 2018 had approved a Composite Scheme ("the Composite Scheme") with regard to merger of GMR Hyderabad Air Cargo Logistics Private Limited ("the Transferor Company") and demerger of the Maintenance, Repair and Overhaul (MRO) division of GMR Aero Technic Limited ("the Company"/"GATL") with the GMR Aerospace Engineering Limited ("GAEL") with an appointed date of April 1, 2018.
- 6 National Company Law Tribunal (NCLT) has passed an order approving the said scheme on July 26, 2019 and thereafter the Company filed the copy of the approved copy of the Scheme with the Registrar of Companies on August 23, 2019. The Company has given effect to the Scheme in the quarter ended September 30, 2019. (Refer Note 10).
- 7 Pursuant to the Scheme with effect from the Appointed Date and upon the Scheme becoming effective, the MRO business/Demerger undertaking of the Company was transferred on going concern basis to GAEL. Pursuant to the Scheme, no shares were issued in relation to the Demerger since GATL is a wholly owned subsidiary of GAEL. The shares of the Company to the extent of 2,49,00,000 equity shares of ₹ 10 each which reflect the MRO business/demerger undertaking being demerged to GAEL were cancelled and shares to the extent 1,00,00,000 equity shares of ₹ 10 each which represent the residual business continue in the books of the demerged company.
- 8 Pursuant to Composite Scheme of Arrangement ("Scheme") approved by NCLT (Refer Note 5 above) all the liabilities relating to the Demerged Undertaking, being transferred by the Demerged Company ("GATL"), immediately before the demerger, become the liabilities of the Resulting Company ("GAEL") by virtue of the demerger. In view of the above and the scheme being effective, the 1,750 Senior, Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures of GATL were transferred to GMR Air Cargo and Aerospace Engineering Limited ("GACAEL") (formerly known as GMR Aerospace Engineering Limited - "GAEL") with same terms and conditions as they were issued. Subsequently, such transfer of debentures was updated on the Bombay Stock Exchange (BSE) on October 15, 2019 and on the National Stock Exchange (NSE) on November 26, 2019.
- 9 The figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures of full financial year ended March 31, 2020 and March 31, 2019 respectively and the unaudited year to date figures upto the third quarter ended December 31, 2019 and December 31, 2018 respectively.
- 10 The Company has entered into training service agreement dated March 02, 2020 w.e.f April 01, 2019 with the Parent Company ("GACAEL") for providing training services to trainees enrolled in GATL. Considering the terms of agreement, the effect of earlier quarters was considered in the current quarter.
- 11 The Company has considered the possible effects that may result from the pandemic while assessing the recoverability of carrying values of assets. In developing the assumptions relating to the possible future uncertainties in the global and domestic economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The impact of the global health pandemic may be different from that estimated as at the date of approval of these Special Purpose Financial Information and the Company will continue to closely monitor any material changes to future economic conditions.



7

- 10 In view of the demerger (refer note 5), as required by IndAS 105, the disclosures presented in Special Purpose Financial Information has been presented in respect of continuing and discontinued operations (MRO Business). MRO Consultancy Undertaking which means the Residual Business of providing MRO Consultancy and Training services are the continuing operation.

i) Audited financial information of the MRO business is given below

(₹ in Lakhs)

S.No.	Particulars	Quarter ended			Year ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
	(Refer notes above)	(Refer Note 5 & 7)	(Unaudited) (Refer Note 5)	(Refer Note 7)	(Audited) (Refer Note 5)	(Audited)
1	Income					
	Revenue from operations	-	-	4,179.26	-	15,353.67
	Other income	-	-	65.51	-	198.85
	Total income	-	-	4,244.77	-	15,552.52
2	Expenses					
	Lease rentals	-	-	624.57	-	2,114.72
	Cost of stores and spares consumed	-	-	1,299.28	-	4,624.76
	Employee benefits expense	-	-	1,390.23	-	4,787.78
	Finance costs	-	-	527.91	-	2,135.19
	Depreciation and amortization expense	-	-	89.34	-	322.34
	Other expenses	-	-	443.61	-	2,714.89
	Total Expenses	-	-	4,374.94	-	16,699.68
3	Loss from discontinued operation before tax (1-2)	-	-	(130.17)	-	(1,147.16)
4	Tax expense					
	Current tax	-	-	-	-	-
	Deferred tax	-	-	(276.20)	-	(625.18)
5	Profit/(Loss) from discontinued operation after tax (3-4)	-	-	146.03	-	(521.98)

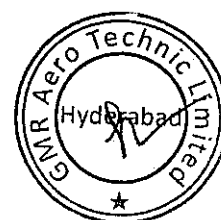
ii) Assets Classified and Liabilities directly associated with discontinued operations are as below:

(₹ in Lakhs)

Particulars (Refer notes above)	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	-	2,733.79
Intangible assets	-	72.19
Intangible assets under development	-	30.10
Financial assets		
Other financial assets	-	77.84
Deferred tax assets (net)	-	-
Non-current tax assets		
Other non-current assets	-	1,005.10
	-	18.30
	-	3,937.32
Current assets		
Inventories	-	3,368.33
Financial assets		
Trade receivables	-	4,138.70
Cash and cash equivalents	-	36.38
Bank balance other than cash and cash equivalents	-	5.00
Other financial assets	-	375.39
Current tax assets		
Other current assets	-	172.68
	-	189.12
	-	8,285.60
Total assets	-	12,222.92
Non-current liabilities		
Financial Liabilities		
Long-term Borrowings	-	21,340.00
Provisions		
	-	89.80
	-	21,429.80
Current liabilities		
Financial Liabilities		
Short-term Borrowings	-	2,799.99
Trade payables	-	11,834.51
Other financial liabilities	-	111.97
Provisions		
Other current liabilities	-	178.69
	-	451.55
	-	15,376.71
Total Liabilities	-	36,806.51

SP

f



(iii) **Cash flow used in Discontinued operations: (Refer Note 5)**


	For the year ended March 31, 2020 (Audited)	For the year ended March 31, 2019 (Audited)
Net cash flow from operating activities	-	(841.09)
Net cash used in investing activities	-	(697.53)
Net cash used in financing activities	-	1,352.19
Net decrease in cash and cash equivalents from discontinued operations	-	(186.43)

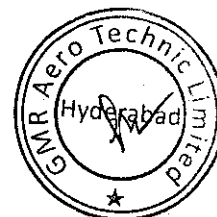
(iv) The above information relating to discontinued operations is comparative information "as published" in earlier quarter results for the purpose of consolidation submitted to GIL

SP
2

f

For and on behalf of the Board of Directors of
GMR Aero Technic Limited


Rajesh Kumar Arora
Director
DIN:03174536
Date : June 06 ,2020

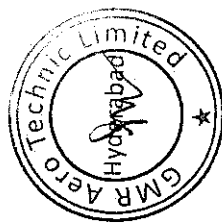


Related Party Transaction Details
For the period ended March 31, 2020
Profit & Loss
GMR Aero Technic Limited

A Expense (including Dividend paid)

Sl No	Short Code	Company name	Transaction Description	GL Code	Main Head	Sub Head	GAAP Amount	Provisional Expense	Reimbursement Expense	Ind AS adjustment Amount	Total (GAAP + IND AS Adjustments)	DTL/DTA	Deferred Tax Expense/Income
1	GACAEI	GMR Air Cargo & Aerospace Engineering Limited	Deputation charges		Employee Benefit Expenses	Salaries wages and bonus	510,000.00			-	510,000.00		
2	GACAEI	GMR Air Cargo & Aerospace Engineering Limited	Management fee		Other expenses	Management fee	5,001,467.00			-	5,001,467.00		

82



A. Receivable / Reimbursement / Trade receivable / Deposits paid / Interest receivable

Sl No	Short Code	Company name	Transaction Description	GL Code	Main Head	Sub Head	IGAAP Amount	Ind AS adjustments Amount	Total (IGAAP + Ind AS Adjustments)
1	GACAEI	GMR Air Cargo & Aerospace Engineering Limited	Financial Assets		Other financial assets Non current	Other Non current financial assets	2,741,453.00		2,741,453.00

B. Share Capital / Other Equity (SAM/ Equity Component of Loan/ Debiture/ Preference share)

Sl No	Short Code	Company name	Transaction Description	GL Code	Main Head	Sub Head	IGAAP Amount	Equity Component of related party loans / debenture/ Prf share (excluding DTL)	DTL/ DTA (DTL on equity component)	Deferred Tax on Ind AS Adjustments	Total (IGAAP + Ind AS Adjustments)
1	GACAEI	GMR Air Cargo & Aerospace Engineering Limited	Share Capital		Equity	Issues Equity Capital	1,000,000.00				1,000,000.00

NOTE TO A & B

a) The above details are furnished by the management in the format as per the instructions given by GMR Infrastructure Limited (GIL). Accordingly, Comparative figures have not been disclosed.

b) The above disclosed related parties (Counter party / Group Company) have been identified by the management of the Company and relied upon by the auditors and transactions and balances are as per the audited books of accounts maintained by the Company in the ordinary course of business.

For and on behalf of the Board of Directors
GMR Aero Technic Limited

Rajesh Kumar Arora
Director
DIN: 03174536

