

## **INDEPENDENT AUDITORS' REPORT**

### **To the members of Aero Investment Management Private Limited Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the Aero Investment Management Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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 sec 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 31 March 2024, its profit and other comprehensive income, changes in equity and its cash flows for the period ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors and the Management are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read these reports if we conclude that there is material misstatement therein, we are required to communicate the matter with those charged with governance.

### Responsibility of Management for Financial Statements

The Company's Board of Directors and the Management are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements 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.

The Board of Directors and the Management are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities 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 skepticism 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



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involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.
- 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. The Company being a private limited company, not being a subsidiary or holding company of a public company, not having paid up capital and reserves and surplus of more than rupees one crore as on the balance sheet date, does not have borrowings exceeding rupees one crore from any bank or



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financial institution at any point of time during the financial year and does not have a total revenue as disclosed in Schedule III to the Act (including revenue from discontinuing operations) exceeding rupees ten crores during the financial year as per the financial statements, the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 is not applicable.

2. Further to our comments in Annexure A, as required under section 143 (3) of the Act, based on our audit, we report that, to the extent applicable 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 purpose of our audit;
- b. In our opinion, proper books of accounts 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, Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31 March 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024, from being appointed as a director in terms of section 164 (2) of the Act;
- f. The Company being a Private Limited Company, not having turnover more than rupees fifty crores as per last audited financial statements and which does not have aggregate borrowings exceeding twenty-five crore rupees from any bank or financial institution or anybody corporate at any point of time during the financial year, the reporting on Internal financial control u/s 143(3)(i) of the Act is not applicable;
- g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

- 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. Refer note 17 to the financial statements.
  - 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 during the year ended 31 March 2024.



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- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate), have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate), have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- iv. The Company did not propose, declare or pay dividends during the year ended 31 March 2024.
- v. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of accounts for the year ended 31 March 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of the audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under rule Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

for **B. Purushottam & Co.**  
**Chartered Accountants**  
Firm's Registration No. 002808S



*B. Mah*

**B Mahidhar Krrishna**  
**Partner**  
Membership No. 243632  
UDIN: 24243632BKCOFX6495

Place: Chennai  
Date: 09 May 2024

**Balance Sheet as at March 31, 2024**

( Amount in Lakhs)

| Particulars                                | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------|-------------------------|-------------------------|
| <b>I. ASSETS</b>                           |       |                         |                         |
| <b>Current Assets</b>                      |       |                         |                         |
| Financial Assets                           |       |                         |                         |
| (i) Investments                            | 3     | 0.01                    | -                       |
| (ii) Cash and cash equivalents             | 4     | 6.86                    | 12.65                   |
| (iii) Other assets                         | 5     | 6.43                    | -                       |
| Current Tax Assets (Net)                   | 6     | 2.38                    | -                       |
| <b>TOTAL ASSETS</b>                        |       | <b>15.68</b>            | <b>12.65</b>            |
| <b>II. EQUITY AND LIABILITIES</b>          |       |                         |                         |
| <b>EQUITY</b>                              |       |                         |                         |
| (a) Equity Share Capital                   | 7(a)  | 10.01                   | 10.01                   |
| (b) Other Equity                           | 7(b)  | 2.65                    | (12.12)                 |
| <b>TOTAL EQUITY</b>                        |       | <b>12.66</b>            | <b>(2.11)</b>           |
| <b>LIABILITIES</b>                         |       |                         |                         |
| <b>(1) Current liabilities</b>             |       |                         |                         |
| Financial Liabilities                      |       |                         |                         |
| (i) Borrowings                             | 8     | -                       | 10.00                   |
| (ii) Other financial liabilities           | 9     | -                       | 3.82                    |
| Other Current Liabilities                  | 10    | 3.02                    | 0.94                    |
| <b>TOTAL LIABILITIES</b>                   |       | <b>3.02</b>             | <b>14.76</b>            |
| <b>TOTAL EQUITY AND LIABILITIES</b>        |       | <b>15.68</b>            | <b>12.65</b>            |
| Summary of significant accounting policies | 1-2   |                         |                         |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For B. Purushottam & Co.**

Chartered Accountants

Firm Registration Number - 0028085



**B. Mahidhar Krishna**

Partner

Membership No. 243632



Place : New Delhi

Date : 9th May'2024

**For and on behalf of the Board of Directors of  
Aero Investment Management Private Limited**



**Vishal Kumar Sinha**

Director

DIN: 08995859



**Ravi Majeti**

Director

DIN: 07106220



**Statement of profit and loss for the period ended March 31, 2024**

( Amount in Lakhs)

| Particular   | Notes | As on March 31, 2024 | As on March 31, 2023 |
|--|-------|----------------------|----------------------|
| I Revenue from operations  | 11    | 75.65                | -                    |
| II Other income  | 11(a) | 0.46                 | -                    |
| III Total Income (I + II)  |       | <b>76.11</b>         | -                    |
| IV Expenses  |       |                      |                      |
| Finance costs  | 12    | 0.95                 | 3.61                 |
| Employee benefit expenses  | 13    | 18.93                | -                    |
| Other expenses   | 14    | 36.27                | 3.42                 |
| <b>Total expenses (IV)</b>   |       | <b>56.15</b>         | <b>7.03</b>          |
| V Profit/(Loss) before Tax (III-IV)  |       | <b>19.96</b>         | <b>(7.03)</b>        |
| VI Tax expense:  |       |                      |                      |
| Current tax  |       | 5.19                 | -                    |
| Deferred Tax   |       | -                    | -                    |
| VII Profit/(Loss) for the period (V - VI)                                      |       | <b>14.77</b>         | <b>(7.03)</b>        |
| VIII Other comprehensive income  |       |                      |                      |
| Items that will be reclassified to profit or loss in subsequent periods        |       | -                    | -                    |
| Items that will not to be reclassified to profit or loss in subsequent periods |       | -                    | -                    |
| Taxes on above   |       | -                    | -                    |
| <b>Other comprehensive income for the year, net of tax</b>                     |       | <b>-</b>             | <b>-</b>             |
| <b>Total comprehensive income for the period, net of tax (VII+VIII)</b>        |       | <b>14.77</b>         | <b>(7.03)</b>        |
| Earnings per equity share: ( Face value Rs. 10/- per share)                    |       |                      |                      |
| Basic & Diluted ( Rs.)   | 15    | 14.75                | (7.02)               |
| Summary of significant accounting policies                                     | 1-2   |                      |                      |

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached  
For **B. Purushottam & Co.**  
Chartered Accountants  
Firm Registration Number - 0028085

For and on behalf of the Board of Directors of  
**Aero Investment Management Private Limited**

**B. Mahidhar Krrishna**  
Partner  
Membership No. 243632



Place : New Delhi  
Date : 9th May'2024

**Vishal Kumar Sinha**  
Director  
DIN: 08995859

**Ravi Majeti**  
Director  
DIN: 07106220



**Cash flow statement for the period ended March 31, 2024**

( Amount in Lakhs)

| Particular   | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| <b>Cash flow from operating activities</b>                           |                |                |
| Profit before tax  | 19.96          | (7.03)         |
| <b>Adjustment to reconcile profit before tax to net cash flows</b>   |                |                |
| Fair value of Financial assets and Liabilities                       | -              | -              |
| Interest Expenses  | 0.94           | 3.60           |
| <b>Operating profit/ (loss) before working capital changes</b>       | <b>20.90</b>   | <b>(3.43)</b>  |
| <b>Movement in working capital:</b>                                  |                |                |
| (Increase)/Decrease in Other assets                                  | (8.81)         | -              |
| Increase/(Decrease) in other current financial liability             | (3.82)         | 3.27           |
| Increase/(Decrease) in Current provisions                            | 2.08           | -              |
| Increase/(Decrease) in other current liability                       | -              | 0.55           |
| <b>Cash generated from/ (used in) operations</b>                     | <b>10.34</b>   | <b>0.39</b>    |
| Direct taxes (paid)/ refunds   | (5.19)         | -              |
| <b>Net cash flow from operating activities (A)</b>                   | <b>5.15</b>    | <b>0.39</b>    |
| <b>Cash flow from investing activities</b>                           |                |                |
| Sale / Purchase of Investments/ Fixed Assets                         | -              | -              |
| <b>Net Cash flow used in investing activities (B)</b>                | <b>-</b>       | <b>-</b>       |
| <b>Cash flow from Financing Activities</b>                           |                |                |
| Interest paid  | (0.94)         | (3.60)         |
| loan (repaid)/taken-short term borrowings                            | (10.00)        | (34.03)        |
| <b>Net Cash flow used in financing activities (C)</b>                | <b>(10.94)</b> | <b>(37.62)</b> |
| <b>Net Increase/ (decrease) in cash and cash equivalents (A+B+C)</b> | <b>(5.79)</b>  | <b>(37.23)</b> |
| <b>Cash and cash equivalents at beginning of the year</b>            | <b>12.65</b>   | <b>49.88</b>   |
| <b>Cash and cash equivalents at the end of the year</b>              | <b>6.86</b>    | <b>12.65</b>   |
| <b>Components of cash and cash equivalents</b>                       |                |                |
| <b>Balance with banks</b>  |                |                |
| - on current accounts  | 6.86           | 12.65          |
| - on deposit accounts  | -              | -              |
| - Cash on hand   | -              | -              |
| <b>Total cash and cash equivalents</b>                               | <b>6.86</b>    | <b>12.65</b>   |

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached  
**For B. Purushottam & Co.**  
Chartered Accountants  
Firm Registration Number - 002808S

For and on behalf of the Board of Directors of  
**Aero Investment Management Private Limited**

*B.Mad*

**B.Mahidhar Krrishna**  
Partner  
Membership No. 243632



*Vishal*

**Vishal Kumar Sinha**  
Director  
DIN: 08995859

*Ravi*

**Ravi Majeti**  
Director  
DIN: 07106220

Place : New Delhi  
Date : 9th May'2024





**Aero Investment Management Private Limited**

CIN : U65990KA2021PTC150795

25/1, Ground Floor, Skip House, Museum Road, Bengaluru- 560025

**Statement of changes in equity for the period ended March 31, 2024**

( Amount in Lakhs)

|  | Equity Share Capital | Retained earnings | Equity Component of Compound Financial Instruments | Other comprehensive income | Total         |
|--|----------------------|-------------------|--|----------------------------|---------------|
| <b>Balance as at April 1, 2022</b>                     | -                    | (5.09)            | -  | -                          | (5.09)        |
| Change in accounting policies and correction of errors | -                    | -                 | -  | -                          | -             |
| <b>Restated Balance as at April 1, 2022</b>            | -                    | (5.09)            | -  | -                          | (5.09)        |
| Profit for the year                                    | -                    | (7.03)            | -  | -                          | (7.03)        |
| Other comprehensive income                             | -                    | -                 | -  | -                          | -             |
| Shares capital issued during the year                  | 10.01                | -                 | -  | -                          | 10.01         |
| <b>Balance as at March 31, 2023</b>                    | <b>10.01</b>         | <b>(12.12)</b>    | -  | -                          | <b>(2.11)</b> |
| Change in accounting policies and correction of errors | -                    | -                 | -  | -                          | -             |
| <b>Restated Balance as at April 1, 2023</b>            | <b>10.01</b>         | <b>(12.12)</b>    | -  | -                          | <b>(2.11)</b> |
| Profit for the year                                    | -                    | 14.77             | -  | -                          | 14.77         |
| Other comprehensive income                             | -                    | -                 | -  | -                          | -             |
| Shares capital issued during the year                  | -                    | -                 | -  | -                          | -             |
| <b>Balance as at March 31, 2024</b>                    | <b>10.01</b>         | <b>2.65</b>       | -  | -                          | <b>12.66</b>  |

Accompanying notes form integral part of the financial statement.

As per our report of even date attached

**For B. Purushottam & Co.**

Chartered Accountants

**Firm Registration Number - 002808S**

*B.M.K.*

**B. Mahidhar Krrishna**

Partner

**Membership No. 243632**

Place : New Delhi

Date : 9th May 2024

**For and on behalf of the Board of Directors of  
Aero Investment Management Private Limited**

*V.K.S.*

**Vishal Kumar Sinha**

Director

**DIN: 08995859**

*R.M.*

**Ravi Majeji**

Director

**DIN: 07106220**



# Aero Investment Management Private Limited

CIN: U65990KA2021PTC150795

25/1, Ground Floor, Skip House, Museum Road, Bengaluru- 560025

Statement on Significant Accounting Policies and Notes to Accounts

## Note 1: Statement on Significant Accounting Policies and Notes to Accounts

### 1. Corporate Information

Aero Investment Management Private Limited domiciled in India and incorporated under the provisions of the Companies Act, 2013. The company is in the business of rendering advisory and/or management services in the infrastructure sector, investment management industry and to act as manager, trustee, sponsor and/or project manager to funds and/or other organizations whether registered in India or outside India including alternative investment funds, infrastructure investment Trusts or such other fund trust established under SEBI regulations, investment trust, companies, joint ventures etc. Also in the business of investment in shares, stocks, debentures, securities, options, future, commodities and other securities, to underwrite, sub underwrite, to invest in, to acquire, subscribe for, exchange and hold shares, stocks, debenture stocks, commodities, all kind of derivatives instruments, futures, currency futures, interest rate futures, options, bonds, and any other similar assets. To lend money on personal security of leasehold and freehold land share, securities, debentures, merchandise and other property and assets or guarantee of third parties or otherwise to such persons, firms or companies and to act as portfolio managers, fund managers or trustees on behalf of individuals, associations, firms, companies, trust etc., in relation to shares, stocks, bonds, unit, debentures, debenture stocks, fixed and other deposits, issued or to be issued or guaranteed by any of the above entities.

The company is a subsidiary company of GMR Bannerghatta Properties Private Ltd. and GMR Enterprises Private Limited is the ultimate holding company. Company was incorporated on August 17, 2021.

### 2. Significant Accounting Policies

#### 2.1. Statement of Compliance and Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The financial statements are presented in Indian Rupees ('INR' Lakhs') which is also the Company's functional currency.



# Aero Investment Management Private Limited

CIN: U65990KA2021PTC150795

25/1, Ground Floor, Skip House, Museum Road, Bengaluru- 560025

Statement on Significant Accounting Policies and Notes to Accounts

## 2.2. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date using valuation techniques. 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:

- a) In the principal market for the asset or liability, or
- b) 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.



# Aero Investment Management Private Limited

CIN: U65990KA2021PTC150795

25/1, Ground Floor, Skip House, Museum Road, Bengaluru- 560025

Statement on Significant Accounting Policies and Notes to Accounts

## 2.3. Revenue from Contract with Customers

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### Interest Income

Interest income is recognised on a time proportion basis taking into account the amount of outstanding and the rate applicable

Interest income is recognised using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the instrument.

### Dividend Income

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### Fees and commission

Fee based income are recognised when they become measurable and when it is probable to expect their ultimate collection.

Commission and brokerage income earned for the services rendered are recognised as and when they are due.

## 2.4. Taxes on income

### Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or

deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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.



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**Statement on Significant Accounting Policies and Notes to Accounts**  
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 income tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised

## **2.5. Property, Plant and equipment**

Company does not have any assets

## **2.6. Finance Costs**

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed:

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows.
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method.

## **2.7. Impairment of non-financial assets**



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At the end of each reporting period, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets may have been impaired. If any such indication exists, the recoverable amount, which is the higher of its value in use or its fair value less costs of disposal, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

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. In assessing the 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 for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. When an impairment subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but upto the amount that would have been determined, had no impairment loss been recognised for that asset or cash-generating unit. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 2.8. Provisions and contingent liabilities

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.



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A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

## 2.9. Retirement and other employee benefits

Company does not have any employees on its rolls.

## 2.10. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Investment in equity instruments issued by subsidiaries and joint ventures are measured at cost less impairment.

Investment in preference shares/debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the

proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.



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## Statement on Significant Accounting Policies and Notes to Accounts Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

### Financial assets

#### i. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### ii. Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the shorter maturity of these instruments.

### Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit of loss.

The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit





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loss experience as permitted under Ind AS 109 – Impairment loss on investments. For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

### iii. De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

### Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

### Financial liabilities and equity instruments

#### i. Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### ii. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### iii. Financial Liabilities



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## Statement on Significant Accounting Policies and Notes to Accounts

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### iv. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

### v. De-recognition

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 de-recognition 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 and loss.

### Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 2.11. Cash and cash equivalents

Cash and cash equivalent in the standalone 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.



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## 2.12. Statement of Cash Flow

The Statement of Cash Flow is reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The Statement of Cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.13. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



Notes to financial statements for the period ended March 31, 2024

( Amount in Lakhs)

| 3 Investments   |  | March 31, 2024 | March 31, 2023 |
|---|--|----------------|----------------|
| Particulars   |  |                |                |
| Un Quoted Investments - Current   |  |                |                |
| Carried at cost   |  |                |                |
| (Un Quoted Equity Shares Prophaze Technologies Pvt Ltd 108 Nos. fully paid shares of Rs. 10 each) |  | 0.01           | -              |
| <b>Total</b>  |  | <b>0.01</b>    | <b>-</b>       |

| 4 Cash and Cash Equivalents |  | March 31, 2024 | March 31, 2023 |
|-----------------------------|--|----------------|----------------|
| Particulars                 |  |                |                |
| Balance with Banks          |  |                |                |
| Balances with banks         |  | 6.86           | 12.65          |
|                             |  | <b>6.86</b>    | <b>12.65</b>   |
| Cash on hand                |  | -              | -              |
| <b>Total</b>                |  | <b>6.86</b>    | <b>12.65</b>   |

| 5 Other Assets  |  | March 31, 2024        | March 31, 2023        |
|---|--|-----------------------|-----------------------|
| Particulars   |  |                       |                       |
| GST Credit  |  | 6.43                  |                       |
| TDS Receivable AY 2024-25                                     |  | -                     |                       |
|   |  | <b>6.43</b>           | <b>-</b>              |
| 6 Current Tax Assets (Net)                                    |  |                       |                       |
| Advance payment of Income Tax (Net of provisions)             |  | 2.38                  | -                     |
|   |  | <b>2.38</b>           | <b>-</b>              |
| <b>Break up of financial assets carried at amortized cost</b> |  | <b>March 31, 2024</b> | <b>March 31, 2023</b> |
| Current assets  |  |                       |                       |
| Cash and Cash Equivalents                                     |  | 6.86                  | 12.65                 |
|   |  | <b>6.86</b>           | <b>12.65</b>          |
| Non - current assets  |  | -                     | -                     |
|   |  | <b>-</b>              | <b>-</b>              |
| <b>Total</b>  |  | <b>6.86</b>           | <b>12.65</b>          |

**7(a) Equity Share Capital:**

| Particulars                                  | March 31, 2024  |               | March 31, 2023  |               |
|--|-----------------|---------------|-----------------|---------------|
|  | No. of Shares   | Amount        | No. of Shares   | Amount in Rs. |
| <b>Authorized:</b>                           |                 |               |                 |               |
| Equity shares of Rs.10/- each                | 30,00,000       | 300.00        | 30,00,000       | 300.00        |
|  |                 | <b>300.00</b> |                 | <b>300.00</b> |
| <b>Issued, subscribed and fully paid up:</b> |                 |               |                 |               |
| Equity shares of Rs.10 /- each               |                 |               |                 |               |
| At the beginning of the reporting period     | 1,00,100        | 10.01         |                 |               |
| Issued during the reporting period           |                 | -             | 1,00,100        | 10.01         |
| Bought back during the reporting period      |                 | -             |                 |               |
| Outstanding at the end of the year           | <b>1,00,100</b> | <b>10.01</b>  | <b>1,00,100</b> | <b>10.01</b>  |

**a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the Year**

| Particulars                        | March 31, 2024  |              | March 31, 2023  |              |
|------------------------------------|-----------------|--------------|-----------------|--------------|
|                                    | No of Shares    | Amount       | No of Shares    | Amount       |
| Opening Balance                    | 1,00,100        | 10.01        |                 |              |
| Shares Issued during the year      | -               | -            | 1,00,100        | 10.01        |
| Shares bought back during the year | -               | -            | -               | -            |
| Closing Balance                    | <b>1,00,100</b> | <b>10.01</b> | <b>1,00,100</b> | <b>10.01</b> |

**b) Terms/Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Every member holding equity shares therein shall have voting rights in proportion to the member's share of the paid up equity share capital. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would 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 equity shareholders.

**c) Details of Equity Share Holders more than 5% shares in the Company**

| Name of the Share Holders                                   | March 31, 2024 |              | March 31, 2023 |              |
|---|----------------|--------------|----------------|--------------|
|   | No. of Shares  | % of Holding | No. of Shares  | % of Holding |
| GMR Bannerghatta Properties Pvt Ltd along with its nominees | 1,00,100       | 100%         | 1,00,100       | 100%         |

As per record of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interests, the above shareholding represents both legal and beneficial ownerships of shares.



Notes to financial statements for the period ended March 31, 2024

( Amount in Lakhs)

**d) Details of Promoters**

| Particulars                                | March 31, 2024                              |                                  | March 31, 2023                              |                                  |
|--|---|----------------------------------|---|----------------------------------|
|  | GMR Bannerghatta Properties Pvt Ltd (GBPPL) | Mr. Ravi Majeti nominee of GBPPL | GMR Bannerghatta Properties Pvt Ltd (GBPPL) | Mr. Ravi Majeti nominee of GBPPL |
| Promoters                                  |   |                                  |   |                                  |
| <b>Equity shares of Rs.10 /- each</b>      |   |                                  |   |                                  |
| No. of shares at the beginning of the year | 1,00,000                                    | 100                              | -   | -                                |
| Subscribed during the Year                 | -   | -                                | 1,00,000                                    | 100                              |
| No of shares at the end of the year        | 1,00,000                                    | 100                              | 1,00,000                                    | 100                              |
| %ge of total shares                        | 99.90%                                      | 0.10%                            | 99.90%                                      | 0.10%                            |
| %ge change during the Year                 | -   | -                                | -   | -                                |

**7 (b) Other Equity**

| Particulars   | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| <b>(A) Retained Earnings</b>                                      |                |                |
| Opening Balance   | (12.12)        | (5.09)         |
| Add/(Less) : Profit / (Loss) for the year                         | 14.77          | (7.03)         |
| Closing Balance   | 2.65           | (12.12)        |
| <b>(B) Equity Instruments through Other Comprehensive Income</b>  |                |                |
| Opening Balance   | -              | -              |
| Add/(Less) : Effect of measuring Equity Instruments at Fair Value | -              | -              |
| Closing Balance   | -              | -              |
| <b>Total</b>  | <b>2.65</b>    | <b>(12.12)</b> |

**8 Borrowings**

|                                     |          |              |
|-------------------------------------|----------|--------------|
| <b>Current Borrowings-Unsecured</b> |          |              |
| At amortised cost;                  |          |              |
| Loans From Related Parties          | -        | 10.00        |
| <b>Total</b>                        | <b>-</b> | <b>10.00</b> |

Unsecured loan availed from the group company Nil ( 2023: Rs. 10 Lakhs) with 9.50% rate of interest and the loan is repayable in Nov' 2024, however it was prepaid during the F.Y 23-24.

**9 Other Financial Liabilities**

|                              |          |             |
|------------------------------|----------|-------------|
| <b>Current Liabilities</b>   |          |             |
| i) Interest Payable on Loans | -        | 3.82        |
| <b>Total</b>                 | <b>-</b> | <b>3.82</b> |

**10 Provision**

|                                    |             |             |
|------------------------------------|-------------|-------------|
| i) Audit Fees                      | 0.68        | 0.25        |
| ii) Statutory Liabilities          | 1.55        | 0.61        |
| iii) Employee Benefits Obligations | 0.55        | -           |
| iv) Other Payables                 | 0.24        | 0.08        |
| <b>Total</b>                       | <b>3.02</b> | <b>0.94</b> |

| Break up of financial liabilities carried at amortized cost | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| <b>Current</b>  |                |                |
| Borrowings (refer note 5)                                   | -              | 10.00          |
| Other financial liabilities (refer note 6)                  | -              | 3.82           |
| <b>Total</b>  | <b>-</b>       | <b>13.82</b>   |



**Notes to financial statements for the period ended March 31, 2024**

( Amount in Lakhs)

**11 Revenue from Operations**

| Particulars                               | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| <b>Management &amp; Advisory Services</b> |                |                |
| Management Fee                            | 43.40          | -              |
| Other Operating Income                    | 32.25          |                |
| <b>Total</b>                              | <b>75.65</b>   | <b>-</b>       |

**11 (a) Other Income**

| Particulars  | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| <b>Interest income on Financial assets carried at amortised cost</b> |                |                |
| Interest on Loans  | -              | -              |
| Others   | -              | -              |
| <b>Other non operating income</b>                                    |                |                |
| Miscellaneous Income   | 0.46           | -              |
| <b>Total</b>   | <b>0.46</b>    | <b>-</b>       |

**12 Finance Costs**

| Particulars           | March 31, 2024 | March 31, 2023 |
|-----------------------|----------------|----------------|
| <b>Interest on:</b>   |                |                |
| Loans                 | 0.94           | 3.60           |
| Other Finance Charges | 0.02           | 0.01           |
| <b>Total</b>          | <b>0.95</b>    | <b>3.61</b>    |

**13 Employee benefits expenses**

| Particulars                                    | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Salaries, allowances and benefits to employees | 16.81          | -              |
| Contribution to Provident fund and other funds | 0.25           | -              |
| Staff welfare expenses                         | 1.87           | -              |
| <b>Total</b>                                   | <b>18.93</b>   | <b>-</b>       |

**14 Other expenses**

| Particulars           | March 31, 2024 | March 31, 2023 |
|-----------------------|----------------|----------------|
| Certification Charges | 0.08           | 0.07           |
| Consultancy Charges   | 30.65          | 2.50           |
| Professional Fees     | 4.75           | -              |
| Rates & Taxes         | 0.02           | 0.56           |
| Repair & Maintenance  |                | 0.01           |
| Professional Taxes    | 0.03           | 0.03           |
| Audit Fees            | 0.75           | 0.25           |
| <b>Total</b>          | <b>36.27</b>   | <b>3.42</b>    |

**Payment to auditor**

|                    |             |             |
|--------------------|-------------|-------------|
| <b>As auditor:</b> |             |             |
| Audit fee          | 0.75        | 0.25        |
|                    | <b>0.75</b> | <b>0.25</b> |



Notes to financial statements for the period ended March 31, 2024

( Amount in Lakhs)

### 15 Earnings per share (EPS)

- a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
- c) The following reflects the income and share data used in the basic and diluted EPS computations:

|   | For the year ended<br>March, 2024 | For the year ended<br>March, 2023 |
|---|-----------------------------------|-----------------------------------|
| Profit attributable to the equity holders of the company  | 14.77                             | (7.03)                            |
| <b>Profit attributable to the equity holders of the parent</b>                                    | <b>14.77</b>                      | <b>(7.03)</b>                     |
| Weighted average number of equity shares used for computing Earning per share (Basic and diluted) | 1,00,100                          | 1,00,100                          |
|   | <u>1,00,100</u>                   | <u>1,00,100</u>                   |
| Earning per share (Basic) (Rs.)   | 14.7521                           | (7.0192)                          |
| Earning per share (Diluted) (Rs.)   | 14.7521                           | (7.0192)                          |
| Face value per share (Rs.)  | 10.00                             | 10.00                             |

### 16 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)  
Uncalled liability on shares and other investments partly paid

| 31-Mar-24 | 31-Mar-23 |
|-----------|-----------|
| -         | -         |
| -         | -         |

### 17 Contingent Liabilities

**Contingent Liabilities (not provided for) in respect of**  
Claims against the company not acknowledged as debt;  
Other money for which the company is contingently liable.

| 31-Mar-24 | 31-Mar-23 |
|-----------|-----------|
| -         | -         |
| -         | -         |

### 18 Trade Receivables

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, if any.

| 31-Mar-24 | 31-Mar-23 |
|-----------|-----------|
|           |           |

### 19 Segment Information

The company is engaged primarily in the business of rendering advisory and/or management services. Considering this the company has one business /

- 20 As there are no employees, during the period covered in financials and hence no provision is made for retirement benefits
- 21 The company does not have any Lease transaction reportable under ind as 116.
- 22 No Foreign Currency Transaction happened during the period covered under financials thus no foreign exchange difference arise.
- 23 Company does not have any pending litigations which would impact its financial position as on March 31, 2024.



Notes to financial statements for the period ended March 31, 2024

(Amount in Lakhs)

24 Related party transactions

24.1 Parties where control exists  
 Holding company

GMR Bannerghatta Properties Pvt. Ltd.

24.2 Other related parties where transactions have taken place during the year:

Enterprises under Common Control / Fellow subsidiaries Company/ Joint Ventures ( where Transactions have taken place)

Grandhi Enterprises Pvt. Ltd  
 Innovation Fund-I ( Scheme of Innovex Capital "Trust")

Key Management Personnel and their Relative

Name  
 Mr. Ravi Majeti, Director  
 Mr. Vishal Kumar Sinha, Director  
 Mr. Burle Srinivasa Sitarama Prasad, Director

Appointment Date  
 17.08.2021  
 17.08.2021  
 24.12.2021

Enterprises where Key Management Personnel and their relatives exercise significant influence (where transactions have taken Place)

| Particulars   | Holding Company |                | Fellow subsidiary Companies / Joint Ventures & Others |                | Total          |
|---|-----------------|----------------|---|----------------|----------------|
|   | March 31, 2024  | March 31, 2023 | March 31, 2024  | March 31, 2023 |                |
| <b>Transactions for the year:</b>   |                 |                |   |                |                |
| <b>Management &amp; Advisory Services ( Refer Note "d")</b><br>Innovation Fund-I ( Scheme of Innovex Capital "Trust") |                 |                | 70.15<br>70.15  | -<br>-         | 70.15<br>70.15 |
| <b>Interest Expenses</b><br>Grandhi Enterprises Pvt. Ltd.   | -               | -              | 0.94<br>0.94  | 3.60<br>3.60   | 0.94<br>3.60   |
| <b>Loans Taken</b><br>Grandhi Enterprises Pvt. Ltd.   | -               | -              | -   | 12.98<br>12.98 | -<br>12.98     |
| <b>Loans repaid</b><br>Grandhi Enterprises Pvt. Ltd.  | -               | -              | 10.00<br>10.00  | 47.00<br>47.00 | 10.00<br>10.00 |
| <b>Balances at the year end</b>   |                 |                |   |                |                |
| <b>Loans Taken</b><br>Grandhi Enterprises Pvt. Ltd.   | -               | -              | -   | 10.00<br>10.00 | -<br>10.00     |
| <b>Interest Payable</b><br>Grandhi Enterprises Pvt. Ltd.  | -               | -              | -   | 3.82<br>3.82   | -<br>3.82      |

a) There are no transactions with Key Management personal and their relatives and also with Enterprises Key Management Personnel and their Relative exercise significant influence during the above periods.

b) No amount has been provided as doubtful receivables or advance/ written off during the year in respect of receivables due from/ to above related parties except for amount disclosed above.

c) No Loans or Advances in the nature of loans has granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

d) Aero Investment Management Private Limited, vide Investment Management Agreement, dated March 20, 2023, has entered into agreement with Trustee of Innovex Capital for purpose of rendering Investment Management services to Schemes of Innovex capital.





Notes to financial statements for the period ended March 31, 2024

( Amount in Lakhs)

## 25 Fair Values

### A. Accounting classification and fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the company's financial instruments.

|                                 | <u>Carrying value</u><br><u>March 31, 2024</u> | <u>Carrying value</u><br><u>March 31, 2023</u> |
|---------------------------------|--|--|
| <b>Financial assets</b>         |  |  |
| Measured at amortized cost:     |  |  |
| (a) Investments                 | 0.01   | -  |
| (b) Cash and cash equivalent    | 6.86   | 12.65  |
| (c) Other Assets                | 6.43   | -  |
| <b>Total</b>                    | <b>13.30</b>                                   | <b>12.65</b>                                   |
| <b>Financial liabilities</b>    |  |  |
| Measured at amortized cost:     |  |  |
| (a) Borrowings                  | -  | 10.00  |
| (b) Other financial liabilities | 3.02   | 4.77   |
| <b>Total</b>                    | <b>3.02</b>                                    | <b>4.77</b>                                    |

The carrying amount of financial instruments such as cash & cash equivalents and other bank balances, Loans given and liabilities are considered to be same as their fair value due to their nature.

The fair values of financial assets and financial liabilities recorded in the balance sheet in respect of which quoted prices in active markets are available are measured using valuation techniques.

### B. Fair Value Hierarchy

The following table provides fair value measurement hierarchy of financial instruments as referred in note (A) above:

Quantitative disclosures fair value measurement hierarchy

#### Financial assets

| Year      | Level 1 | Level 2 | Level 3 | Total |
|-----------|---------|---------|---------|-------|
| 31-Mar-24 | -       | -       | -       | -     |
| 31-Mar-23 | -       | -       | -       | -     |

There have been no transfers Level 1 and Level 2 during the period.



Notes to financial statements for the period ended March 31, 2024

( Amount in Lakhs)

## 26 Capital management

For the purpose of the Company's capital management, the capital includes issued equity capital, and other equity reserves attributable to the equity holders of the Company. The primary objective of the company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of financial covenants. To maintain and adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is a net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio at an optimum level. The Company includes within net debt interest bearing loans and borrowings, other payables, less cash and cash equivalents.

|                              | 31-Mar-24     | 31-Mar-23     |
|------------------------------|---------------|---------------|
| Borrowings                   | -             | 10.00         |
| Other financial liabilities  | 3.02          | 4.77          |
| Less: Cash and bank balances | (6.86)        | (12.65)       |
| Net debt                     | <b>(3.84)</b> | <b>2.12</b>   |
| Equity                       | <b>12.66</b>  | <b>(2.11)</b> |
| Capital and net debt         | 8.82          | 0.01          |
| Gearing ratio                | (0.44)        | 228.28        |

## 27 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and 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 investments, other receivables, 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 senior management is supported by a risk management team that advises on financial risks and the appropriate financial risk governance framework for the Company. The risk management team ensures that the Company's financial 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 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 summarized as 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 of interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, trade receivables, trade payables, and other financial assets including derivative financial instruments.

#### a. 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 floating interest rates.

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



Notes to financial statements for the period ended March 31, 2024

( Amount in Lakhs)

|     | 31-Mar-24                            |                                | 31-Mar-23                           |                                |
|-----|--------------------------------------|--------------------------------|-------------------------------------|--------------------------------|
|     | Increase/decrease<br>in basis points | Effect on profit<br>before tax | Increase/decreas<br>in basis points | Effect on profit<br>before tax |
| INR | +50                                  | Nil                            | +50                                 | Nil                            |
|     | (-)50                                | Nil                            | (-)50                               | Nil                            |

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

**b. 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. Company has no exposure to the risk of changes in foreign exchange rates in respect of Operating, Investing and Financial activities.

**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. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company.

For receivables, as a practical expedient, the Company computes expected credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. Additionally, the Company also computes customer specific allowances at each reporting date.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The ECL is calculated on default probability percentage arrived from the historic default trend. In order to determine the default probability percentage, a simple average of customer wise specific allowances or actual bad debts incurred in succeeding year (derived rates) (whichever is higher) for the preceding three years is considered as a percentage of gross receivables positions of each customer as at reporting date.

**Other financial assets**

Credit risk from cash and cash equivalents, term deposits and derivative financial instruments is managed by the Company's treasury department/risk management team in accordance with the Company's policy. Investments, in the form of fixed deposits, of surplus funds are made only with banks. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

**Liquidity Risk**

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company regularly monitors the rolling forecasts and actual cash flows, to ensure it has sufficient funds to meet the operational needs.

**As on March 31, 2023**

|                                     | Within 1 year | More than<br>1 year | Total        |
|-------------------------------------|---------------|---------------------|--------------|
| Borrowings                          | 10.00         | -                   | 10.00        |
| Other current financial liabilities | 3.82          | -                   | 3.82         |
|                                     | <u>13.82</u>  | <u>-</u>            | <u>13.82</u> |

**As on March 31, 2024**

|                                     | Within 1 year | More than<br>1 year | Total    |
|-------------------------------------|---------------|---------------------|----------|
| Borrowings                          | -             | -                   | -        |
| Trade and Other Payables            | -             | -                   | -        |
| Other current financial liabilities | -             | -                   | -        |
|                                     | <u>-</u>      | <u>-</u>            | <u>-</u> |



Notes to financial statements for the period ended March 31, 2024

28 Disclosure of Ratios

| Ratios                      | Numerator  | Denominator   | 31-Mar-24 | 31-Mar-23 | % change | Reason for Variance   |
|-----------------------------|--|---|-----------|-----------|----------|---|
| Current Ratio               | Current Assets   | Current Liabilities   | 5.19      | 0.86      | 506%     | Due to reduction in the current liabilities during the year |
| Debt-Equity Ratio           | Total Debt   | Shareholder's Equity  | -         | -4.75     | -100%    | Total Borrowings repaid during the year                     |
| Debt Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments             | 1.44      | -0.25     | -679%    | Due to current year losses and repayment of the Loan        |
| Return on Equity Ratio      | Net Profits after taxes – Preference Dividend                                    | Average Shareholder's Equity  | 0.70      | -1.25     | -156%    | Due to Current year profit                                  |
| Net Capital Turnover Ratio  | Net sales = Total sales - sales return   | Working capital = Current assets – Current liabilities                      | 6.01      | 0.00      | -        | -   |
| Net Profit ratio            | Net Profit   | Net sales = Total sales - sales return                                      | 0.19      | 0.00      | -        | -   |
| Return on Capital Employed  | Earnings before interest and taxes   | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 1.65      | -0.43     | -480%    | Due to current year profit                                  |



Notes to financial statements for the period ended March 31, 2024

29 Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosure are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006. Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006" (as certified by the management).

| Particulars  | 31-Mar-24 | 31-Mar-23 |
|--|-----------|-----------|
| The Principal amount and interest due thereon remaining  |           |           |
| - Principal Amount   | Nil       | Nil       |
| - Interest thereon   | Nil       | Nil       |
| The amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day.  | Nil       | Nil       |
| The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act. | Nil       | Nil       |
| The amount of interest accrued and remaining unpaid  | Nil       | Nil       |
| The amount of further interest remaining due and payable in the succeeding year till the date of finalization of financial statements  | Nil       | Nil       |

30 Previous year's figures have been regrouped / reclassified , wherever necessary, to confirm to the current year's classification.

As per our report of even date attached  
For **B. Purushottam & Co.**  
Chartered Accountants  
Firm Registration Number - 0028085

**B. Mahidhar Krrishna**  
Partner  
Membership No. 243632



Place : New Delhi  
Date : 9th May'2024

For and on behalf of the Board of Directors of  
Aero Investment Management Private Limited

**Vishal Kumar Sinha**  
Director  
DIN: 08995859

**Ravi Majeti**  
Director  
DIN: 07106220

