



INDEPENDENT AUDITOR'S REPORT

To The Members of **GMR Aero Technic Limited**

Report on the Audit of **Financial Statements**

Opinion

1. We have audited the accompanying financial statements of M/s. **GMR Aero Technic Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements for the year ended March 31, 2024 give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the company as at March 31, 2024, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion:

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements:

5. The accompanying financial statements have been approved by the Company's Board of Directors. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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.
6. In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements:

8. 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.



9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- (i) 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.
 - (ii) Obtain an understanding of internal 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.
 - (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - (iv) 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.
 - (v) 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.
10. 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.
11. 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.
12. 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:

13. 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:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year.

14. As required by 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 of the Companies Act, 2013, we give in "Appendix - A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
- 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.
 - 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, except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - On the basis of written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors are disqualified as on March 31, 2024 from being appointed as directors in terms of section 164(2) of the Act.
 - With reference to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in point 15(b) above on reporting under section 143(3)(b) of the Companies Act, 2013 and point 15(h)(vi) below on reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 (as amended);
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Appendix-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.



- 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 required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2024.



- vi. Based on our Examination which included test checks, the company has used an accounting software for maintaining its books of account 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, except that the audit trail feature was not enabled at the data base level for the Ramco to log any direct data changes, used for maintenance of all accounting records by the company. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such features is enabled, and logs maintained.

For K.S Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P



Hitesh Kumar P
Partner

Membership No. 233734

UDIN No: 24233734BKDGKO4273

Place: Hyderabad
Date: April 26, 2024

Appendix - A to the Independent Auditors' Report

The Appendix referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets
- (a)
- A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment ('PPE').
- B. The Company does not have intangible assets and hence reporting under this clause is not applicable.
- (b) The Company has the program of physical verification of PPE so to cover all the assets once every three years and no such material discrepancies are identified on such verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have immovable properties.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- (a) The activities of the Company does not involve inventory during the year and accordingly clause (ii)(a) is not applicable.
- (b) As per the information and explanations provided to us, The Company doesn't have any working capital loan year and accordingly clause (ii)(b) is not applicable.
- (iii) The Company has not made investments or provided guarantees or security or granted unsecured loans or advances in the nature of loans during the year, and accordingly reporting under clause 3 (iii) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has no loans, investments, guarantee and security which meets the requirements of section 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.



- (vi) As per the information and explanations provided to us, the central government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any services rendered by the Company.
- (vii)
- (a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, customs duty, cess and other material statutory dues, as applicable, and there are no arrears of outstanding statutory dues as at March 31, 2024 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess which have not been deposited on account of dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) According to the information and explanations given by the management, the Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the period. Hence reporting under clause 3(ix)(a) to 3(ix)(f) of the order is not applicable to the Company.
- (x)
- (a) According to the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer or debt instruments and hence the reporting under clause 3 (x)(a) is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)
- (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the period.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



- (c) According to the information and explanations provided to us, during the year the Company has not received any whistle blower complaints.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the books of account, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013 and accordingly reporting under this clause is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi)
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) In our opinion, the company is not conducting any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi) (b) of the Order is not applicable.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by RBI. Accordingly, the provisions stated in paragraph 3(xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information explanation provided to us, the group has two CIC as a part of its group.
- (xvii) The Company has incurred cash losses during the financial year covered by our audit amounts to Rs. 3.01 lakhs and the immediately preceding financial year amounts to Rs. 2.93 lakhs.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report



indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) According to the information and explanations provided by the Company, Corporate Social Responsibility (CSR) is not applicable and accordingly, reporting under clause 3(xx) of the Order is not applicable.
- (xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration no: 003109S

Hitesh Kumar P



Hitesh Kumar P
Partner

Membership No: 233734

UDIN No: 24233734BKDGKO4273

Place: Hyderabad

Date: April 26, 2024

Appendix - B to the Independent Auditors' Report**Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of M/s. GMR Aero Technic Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 ('ICAI'). 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, 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 obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements.

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 controls 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements 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.

For K.S Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P



Hitesh Kumar P
Partner

Membership No: 233734

UDIN No: 24233734BKDGKO4273

Place: Hyderabad
Date: April 26, 2024

GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Balance Sheet as at March 31, 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3	0.55	0.68
Non-current tax assets (Net)	4	1.71	5.88
		2.26	6.56
Current assets			
Financial assets			
Cash and cash equivalents	5	18.54	14.29
Other financial assets	6	9.44	9.44
Other current assets	7	11.52	11.52
		39.50	35.25
Total Assets		41.76	41.81
Equity and liabilities			
Equity			
Equity share capital	8	10.00	10.00
Other equity	9	(6.09)	(2.94)
Total Equity		3.91	7.06
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	10	4.78	5.32
Other financial liabilities	11	32.77	29.13
Other current liabilities	12	0.30	0.30
		37.85	34.75
Total Equity and Liabilities		41.76	41.81
Corporate information and Material accounting policies (Refer Note 1&2)			
	1 & 2		

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

In terms of our report attached
For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P

Hitesh Kumar P
Partner
Membership No: 233734



Place: Hyderabad
Date: April 26, 2024

For and on behalf of the Board of Directors

GMR Aero Technic Limited

S.G.K Kishore
S.G.K Kishore
Director
DIN : 02916539

Place: Hyderabad
Date: April 26, 2024

P.S. Nair
P.S. Nair
Director
DIN: 00063118

Place: Bengaluru
Date: April 26, 2024

Ashok Gopinath
Ashok Gopinath
Chief Executive Officer

Place: Hyderabad
Date: April 26, 2024

Kandi Sreenivasulu
Kandi Sreenivasulu
Chief Financial Officer

Place: Hyderabad
Date: April 26, 2024



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Statement of Profit and Loss for the Year ended March 31, 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue			
Other income	13	0.08	0.14
Total Income		0.08	0.14
II Expenses			
Other expenses	14	3.09	3.07
Total Expenses		3.09	3.07
III Earnings before Interest , Tax, Depreciation and Amortization (EBITDA) (I-II)		(3.01)	(2.93)
Depreciation and amortization expenses	15	0.14	0.13
IV Profit/(Loss) before tax		(3.15)	(3.06)
V Tax expense			
Deferred tax	16	-	0.39
		-	0.39
VI Profit/(Loss) after tax (IV-V)		(3.15)	(3.45)
VII Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement gains/(losses) on defined benefit plans		-	-
Total Other comprehensive income		-	-
VIII Total Comprehensive profit/(loss) for the year (VI+VII)		(3.15)	(3.45)
Earnings per equity share of par value of Rs.10 each:			
Basic and diluted (Rs. Per share)	17	(3.15)	(3.45)
Corporate information and Material accounting policies (Refer Note 1&2)	1 & 2		

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

In terms of our report attached
For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 0031095



Hitesh Kumar P
Partner
Membership No: 233734



Place: Hyderabad
Date: April 26, 2024

For and on behalf of the Board of Directors

GMR Aero Technic Limited

 

S.G.K Kishore
Director
DIN : 02916539

P.S. Nair
Director
DIN: 00063118

Place: Hyderabad
Date: April 26, 2024

Place: Bengaluru
Date: April 26, 2024


Ashok Gopifath
Chief Executive Officer


Kandi Sreenivasulu
Chief Financial Officer

Place: Hyderabad
Date: April 26, 2024

Place: Hyderabad
Date: April 26, 2024



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Statement of Cash Flows for the Year ended March 31, 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Profit/(Loss) before tax	(3.15)	(3.06)
Adjustments for		
Depreciation expense	0.14	0.13
Operating (Loss)/Profit before working capital changes	(3.01)	(2.93)
<i>Changes in working capital</i>		
(Decrease) / Increase in trade payables	(0.55)	(3.09)
Decrease / (Increase) in Trade receivables	-	-
Increase in Other current liabilities	-	0.04
Increase in Other financial liabilities	3.64	(59.49)
(Increase)/Decrease in other financial assets	-	72.05
Cash (Used in)/generated from operations	0.08	6.58
Income tax refund received/(paid)	4.17	(4.16)
Net cash from operating activities (A)	4.25	2.42
Cash flows from investing activities	-	-
Net cash from investing activities (B)	-	-
Cash flows from financing activities	-	-
Net cash flow from financing activities (C)	-	-
Net increase in cash and cash equivalents (A + B + C)	4.25	2.42
Cash and cash equivalents at the beginning of the year	14.29	11.87
Cash and cash equivalents at the end of the year	18.54	14.29
Components of cash and cash equivalents		
With banks - on current accounts	18.54	14.29
Total cash and cash equivalents	18.54	14.29

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

In terms of our report attached

For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 003109S

Hitesh Kumar P

Hitesh Kumar P
Partner
Membership No: 233734



Place: Hyderabad
Date: April 26, 2024

For and on behalf of the Board of Directors

GMR Aero Technic Limited

S.G.K Kishore *P.S. Nair*

S.G.K Kishore
Director
DIN : 02916539

P.S. Nair
Director
DIN: 00063118

Place: Hyderabad
Date: April 26, 2024

Place: Bengaluru
Date: April 26, 2024

Ashok Gopinath
Ashok Gopinath
Chief Executive Officer

K. Sreenivasulu
Kandi Sreenivasulu
Chief Financial Officer

Place: Hyderabad
Date: April 26, 2024

Place: Hyderabad
Date: April 26, 2024



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489

Statement of Changes in Equity for the Year ended March 31, 2024
(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, 2023
Issue of shares during the year
As at March 31, 2024

As at April 01, 2023
Issue of shares during the year
As at March 31, 2024

No. of shares	₹ in lakhs
1,00,000	10.00
-	-
1,00,000	10.00
1,00,000	10.00
-	-
1,00,000	10.00

B. Other Equity

(i) Retained earnings

As at April 01, 2023
Add: (Loss)/Profit for the year
As at March 31, 2024

As at March 31, 2024	As at March 31, 2023
(2.94)	0.51
(3.15)	(3.45)
(6.09)	(2.94)
(6.09)	(2.94)

Total Other Equity

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

In terms of our report attached
For K.S. Rao & Co.,
Chartered Accountants
ICAI Firm Registration No: 003109S



Hitesh Kumar P
Partner
Membership No: 233734



Place: Hyderabad
Date: April 26, 2024

For and on behalf of the Board of Directors

GMR Aero Technic Limited


S.G.K Kishore
Director
DIN : 02916539


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GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

1. Corporate information

GMR Aero Technic Limited ("the Company") is a 100% subsidiary of GMR Air Cargo and Aerospace Engineering Limited (formerly know 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 28).

The Financial Statement for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue in accordance with a resolution on April 26, 2024.

2. Material Accounting Policies

2.1 Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2.2 Summary of Material Accounting Policies

a) Use of estimates

The preparation of Unaudited Special Purpose Condensed Interim Financial Information 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 Unaudited Special Purpose Condensed Interim Financial Information 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.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

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 Unaudited Special Purpose Condensed Interim Financial Information 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.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

All assets and liabilities for which fair value is measured or disclosed in the Unaudited Special Purpose Condensed Interim Financial Information 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 Unaudited Special Purpose Condensed Interim Financial Information 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.

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 Unaudited Condensed Interim 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.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial information 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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



GMR Aero Technic Limited

CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.

(All amounts are in Lakhs, unless otherwise stated)

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 unaudited condensed interim 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.

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.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

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 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 unaudited condensed interim 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



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.

(All amounts are in Lakhs, unless otherwise stated)

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 unaudited condensed interim 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 unaudited condensed interim statement of profit or 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
- 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 unaudited condensed interim 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



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

- 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 unaudited condensed interim statement of profit or 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 unaudited condensed interim statement of profit or 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.

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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

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 Unaudited Condensed Interim Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Unaudited Condensed Interim 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 Unaudited Condensed Interim 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



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

- 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.

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 Unaudited Condensed Interim Statement of Profit and Loss (P&L). This amount is reflected under the head 'other expenses' in the Unaudited Condensed Interim 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.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

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 Unaudited Condensed Interim Statement of Profit and 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 Unaudited Condensed Interim Statement of Profit and Loss.

This category generally applies to borrowings.

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 Unaudited Condensed Interim Statement of Profit and Loss.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.

(All amounts are in Lakhs, unless otherwise stated)

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 six 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.



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489

Notes to the Unaudited Condensed Interim Financial Statements for the year ended March 31, 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

	Office equipment	Computer equipment and IT systems	Furniture and fixtures	Total
Cost or deemed cost				
As at April 01, 2022	2.79	1.48	1.38	5.65
Additions	-	-	-	-
As at March 31, 2023	2.79	1.48	1.38	5.65
Additions	-	-	-	-
As at March 31, 2024	2.79	1.48	1.38	5.65
Accumulated depreciation				
As at April 01, 2022	2.79	1.48	0.57	4.84
Charge for the Year	-	-	0.13	0.13
As at March 31, 2023	2.79	1.48	0.70	4.97
Charge for the year	-	-	0.13	0.13
As at March 31, 2024	2.79	1.48	0.83	5.10
Net Block				
As at March 31, 2024	-	-	0.55	0.55
As at March 31, 2023	-	-	0.68	0.68



4 Tax assets

TDS receivable

Non-Current	
As at March 31, 2024	As at March 31, 2023
1.71	5.88
1.71	5.88

5 Cash and Bank balances

Balances with banks :
 - On current accounts

As at March 31, 2024	As at March 31, 2023
18.54	14.29
18.54	14.29

6 Other current financial assets

Other receivables

As at March 31, 2024	As at March 31, 2023
9.44	9.44
9.44	9.44

7 Other current assets

Balances with Government authorities

As at March 31, 2024	As at March 31, 2023
11.52	11.52
11.52	11.52



8 Equity share capital
Authorized share capital

As at April 01, 2022
Increase during the year
As at March 31, 2023
Increase during the year
As at March 31, 2024

No. of shares	₹ in lakhs
2,50,00,000	2,500
-	-
2,50,00,000	2,500
-	-
2,50,00,000	2,500

Issued, subscribed and fully paid share capital
1,00,000 fully paid equity shares of 10 each (March 31, 2023: 1,00,000)

As at March 31, 2024	As at March 31, 2023
10.00	10.00
10.00	10.00

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

As at April 01, 2022
Issue of shares during the year
As at March 31, 2023
Issue of shares during the year
As at March 31, 2024

No. of shares	₹ in lakhs
1,00,000	10.00
-	-
1,00,000	10.00
-	-
1,00,000	10.00

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.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, 2023: 100,000) equity shares of 10 each fully paid up

As at March 31, 2024	As at March 31, 2023
10.00	10.00

(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, 2024	% holding	March 31, 2023	% holding
No. of shares		No. of shares	
1,00,000	100%	1,00,000	100%

9 Other equity

Retained Earnings
Opening balance as at April 01, 2023
Add: Profit/(Loss) for the year
Closing balance

As at March 31, 2024	As at March 31, 2023
(2.94)	0.51
(3.15)	(3.45)
(6.09)	(2.94)

10 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, 2024	As at March 31, 2023
-	-
-	-
4.78	5.32
4.78	5.32

11 Other current financial assets

Other Payables

As at March 31, 2024	As at March 31, 2023
32.77	29.13
32.77	29.13

12 Other current liabilities

Statutory liabilities

As at March 31, 2024	As at March 31, 2023
0.30	0.30
0.30	0.30



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489

Notes to the Unaudited Condensed Interim Financial Statements for the year ended March 31, 2024
(All amounts are in Rs. lakhs, unless otherwise stated)

13 Other Income

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on TDS refund	0.08	0.14
	0.08	0.14

14 Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Rates and taxes	0.08	-
Legal and professional fees	0.60	0.54
Payment to auditors (Refer Note below)	2.40	2.50
Miscellaneous expenses	0.01	0.03
	3.09	3.07

Payment to auditors

As auditor:

Statutory audit fee including Limited Review

OPE

Other services

	2.40	2.00
	-	0.40
	-	0.10
	2.40	2.50

15 Depreciation expense

Depreciation of property, plant and equipment

	For the year ended March 31, 2024	For the year ended March 31, 2023
	0.14	0.13
	0.14	0.13

16 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, 2024	For the year ended March 31, 2023
	-	-
	-	0.39
	-	0.39



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
 (All amounts are in Lakhs, unless otherwise stated)

17. 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, 2024	For the year ended March 31, 2023
Profit/(Loss) for the year	(3.15)	(3.45)
Weighted Average number of equity shares used for computing Earning Per Share (Basic and diluted)	1,00,000	1,00,000
Earnings Per Share (Basic and diluted) (face value of Rs.10 each) (not annualised)	(3.15)	(3.45)

18. Employee benefits plan

Not Applicable, as the company does not have any employees on its payroll.

19. 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.

20. Related Party transactions:

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year and balances outstanding as on year 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
(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
(vi)	Key managerial personnel (KMP)	Mr. SGK Kishore -Director
		Mr. P. S. Nair -Director
		Mr. Rajesh Kumar Arora -Director
		Mr. Dinesh Hiralal Bohra - Chief Executive Officer
		Mr. Kandi Sreenivasulu - Chief Financial Officer (w.e.f. 29 April 2023)

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

Details of Key Managerial Personnel	March 31, 2024		March 31, 2023	
	Remuneration	Sitting Fees	Remuneration	Sitting Fees
	--Nil--			

C. Transactions with related parties for the year ended:

S. No.	Related Party Transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
1	GMR Air Cargo and Aerospace Engineering Limited		
	Reimbursement of Expenses	3.64	-



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.

(All amounts are in Lakhs, unless otherwise stated)

D. Balances Outstanding Debit / (Credit):

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	GMR Air Cargo and Aerospace Engineering Limited		
	Share Capital	10.00	10.00
	Other payables	32.77	29.13
(ii)	GMR Airports Infrastructure Limited (Formerly Known as GMR Infrastructure Limited)		
	Other Receivables	9.44	9.44

21. Fair values:

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the Unaudited Special Purpose Condensed Interim Financial Information is reasonable approximation of fair values.

Particulars	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
Valued at Amortised cost				
Other financial assets	9.44	9.44	9.44	9.44
Cash and bank balances	18.54	14.29	18.54	14.29
Total	27.98	23.73	27.98	23.73
Financial liabilities				
Valued at Amortised cost				
Trade Payables	5.02	5.32	5.02	5.32
Other financial liabilities	32.77	29.13	32.77	29.13
Total	37.79	34.45	37.79	34.45

The management assessed the trade receivables trade payables, and other financial assets 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.

22. 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.

However, the Company does not have any long-term / short-term borrowings during the current and previous financial year. Hence the same is not applicable to the company.

No change were made in the objectives, policies or process for managing capital during the year ended March 31, 2024



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

23. 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

The Company does not have any long-term or short term debt. Hence the company does not have any interest rate risk.

Interest rate sensitivity: Not Applicable

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).

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.

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.

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

Year ended March 31, 2024	Up to 1 year	1 - 5 year	More than 5 year	Total Contracted cash flows
Trade payables	5.02	-	-	5.02
Other financial liabilities	32.77	-	-	32.77
Other financial assets	9.44	-	-	9.44



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.
(All amounts are in Lakhs, unless otherwise stated)

Year ended March 31, 2023	Up to 1 year	1 - 5 year	More than 5 year	Total Contracted cash flows
Trade payables	5.32	-	-	5.32
Other financial liabilities	29.13	-	-	29.13
Other financial assets	9.44	-	-	9.44

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'.

24. 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. .

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.

25. 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.



GMR Aero Technic Limited
CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.

(All amounts are in Lakhs, unless otherwise stated)

26. 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.

27. 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.

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 Unaudited Special Purpose Condensed Interim Financial Information involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of Unaudited Special Purpose Condensed Interim Financial Information and the reported amount of revenues and expenses for the reporting period.



GMR Aero Technic Limited
CIN:U35122TG2010PLC070489

Notes to the Financial Statements for the Year ended March 31, 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

28 Ageing schedule of trade payables

As at 31 March 2024	Outstanding from the due date of payment			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
Micro, small and medium enterprises	-	-	-	-
Others	3.00	1.78	-	4.78
Total trade payables				4.78

As at 31 March 2023	Outstanding from the due date of payment			Total
	Less than 1 year	1-2 years	2-3 years More than 3 years	
Micro, small and medium enterprises	-	-	-	-
Others	2.82	2.50	-	5.32
Total trade payables				5.32



GMR Aero Technic Limited
 CIN:U35122TG2010PLC070489
 Notes to the Financial Statements for the Year ended March 31, 2024

29. Financial Ratios

S.No	Ratio	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	% Variance	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	1.04	1.01	2.89%	
2	Debt-equity ratio	Total Debt	Shareholders's equity	NA	NA	NA	
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service = Interest & Lease Payments + Principal Repayments	NA	NA	NA	
4	Return on Equity (ROE)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	-57.43%	-39.27%	46.24%	Decrease in loss
5	Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	NA	NA	NA	
6	Trade receivables turnover ratio	Net Credit Sales = Gross credit sales - Sales returns	Average Accounts Receivable	NA	NA	NA	
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	NA	NA	NA	
8	Net capital turnover ratio	Net Sales = Total Sales - Sales returns	Working Capital	NA	NA	NA	
9	Net profit ratio	Net Profit	Net Sales = Total Sales - Sales returns	NA	NA	NA	
10	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred tax liability	-80.56%	-43.34%	85.87%	Due to no sales during the period
11	Return on investment (ROI)	Income generated from investments	Time weighted average investments	NA	NA	NA	



GMR Aero Technic Limited

CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.

(All amounts are in Lakhs, unless otherwise stated)

30. The following are the additional disclosures as per schedule III

- a. No Loan or advances given to the Directors, Promoters, KMPs and related parties which are repayable on demand or without any terms of repayment.
- b. The Company does not have any such transaction which is not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments (such as, search or survey or any other relevant provisions) under Income Tax Act, 1961.
- c. The Company does not have any relationship with Struck off Companies.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- f. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- g. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understating (whether recorded in writing or otherwise) that the Group shall:
 - i. 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
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



GMR Aero Technic Limited

CIN: U35122TG2010PLC070489

Notes to the Financial Statements for the year ended March 31, 2024.

(All amounts are in Lakhs, unless otherwise stated)

31. Previous year/period figures have been regrouped and reclassified wherever necessary to confirm to those of the current year.

For K.S. Rao & Co.,
Chartered Accountants
Firm Registration No: 003109S

Hitesh Kumar P
Partner
ICAI Membership No. 233734

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

SGK Kishore
Director
DIN: 02916539

P.S. Nair
Director
DIN: 00063118



Place: Hyderabad
Date: April 26, 2024

Place: Bengaluru
Date: April 26, 2024

Ashok Gopinath
Chief Executive Officer

Kandi Sreenivasulu
Chief Financial Officer

Place: Hyderabad
Date: April 26, 2024

Place: Hyderabad
Date: April 26, 2024

Place: Hyderabad
Date: April 26, 2024

