

**Date: April 26, 2019**

<b>To Listing Operations (Debt) BSE Limited, P J Towers, Dalal Street, Mumbai -400001, India Phone (Direct): 022 2272 8550</b>	<b>To Listing Operations (Debt) National Stock Exchange of India Limited, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Phone (Direct): 022 26598100</b>
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Dear Sir/Madam,

**Subject: Audited Financial result of GMR Aero Technic Limited under clause 52 (3), 52(4) and 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Ref: GMR Aero Technic limited - ISIN: INE5S0V08017

Please find enclosed the Annual Audited Financial Results of the Company as required under the above said regulation along with Audit Report and certificate signed by debenture trustee that it has taken note of the contents, of the Company for the year ended 31<sup>st</sup> March, 2019, approved by the Board of Directors of the Company in their meeting held on April 26, 2019.

Please take the above information on records.

Thanking You,

**For GMR Aero Technic Limited**

  
**Apeksha Naidu**  
Company Secretary



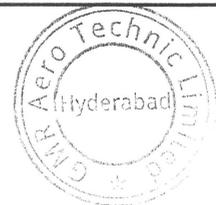
Statement of Audited Financial Results for the year ended March 31, 2019

(₹ in Lakhs except share data)

Particulars (Refer Notes)	Half-year ended (Refer Note 11)		Year ended (Refer Note 11)	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(Refer Note 9)	(Refer Note 9)	Audited	Audited
<b>A. Continuing Operations</b>				
<b>1. Income</b>				
(a) Revenue from Operations	-	37.90	11.61	37.90
<b>Total Income</b>	-	37.90	11.61	37.90
<b>2. Expenses</b>				
(a) Employee benefits expense	5.11	5.11	10.21	10.21
(b) Depreciation and amortization expenses	0.59	0.28	0.92	0.56
<b>Total Expenses</b>	5.70	5.39	11.13	10.77
<b>3. Profit/(Loss) from continuing operations before tax (1-2)</b>	(5.70)	32.51	0.48	27.13
4. Tax expense/(credit)	-	-	-	-
<b>5. Profit/(Loss) from continuing operations after tax (3-4)</b>	(5.70)	32.51	0.48	27.13
<b>B. Discontinued Operations</b>				
<b>6. Profit/(Loss) from discontinued operations before Tax (Refer Note 11)</b>	124.44	(1,340.18)	(1,147.16)	(3,308.59)
7. Tax expense/(credit) of discontinued operations	(538.87)	3086.01	(625.18)	2,465.92
<b>8. Net Profit/(Loss) from discontinued operations after Tax (6-7) (Refer Note 11)</b>	663.31	(4,426.19)	(521.98)	(5,774.51)
<b>9. Profit/(Loss) after tax for the period/ year (5+8)</b>	657.61	(4,393.68)	(521.50)	(5,747.38)
<b>10. Other Comprehensive Income</b>				
<i>Items that will not be reclassified to profit and loss</i>				
Remeasurement gains / (losses) on defined benefit plans	(16.92)	13.87	(22.38)	(31.48)
<b>11. Total Comprehensive Income/(loss) for the period/year (9+10)</b>	640.69	(4,379.81)	(544.38)	(5,778.86)
12. Paid up equity share capital (Face value of ₹ 10 each)	2,500.00	2,500.00	2,500.00	2,500.00
13. Paid up Debt Capital (Refer note: 6)	17,444.84	17,434.85	17,444.84	17,434.85
14. Reserves excluding Revaluation Reserves	(27,056.55)	(28,364.52)	(27,056.55)	(28,364.52)
15. Debenture Redemption Reserve (Refer note: 7)	-	-	-	-
16. Earnings per share (for the period - not annualised)	2.63	(17.58)	(2.09)	(22.99)
17. Debt Equity Ratio (Refer note: 3)	(0.87)	(0.79)	(0.87)	(0.79)
18. Debt Service Coverage Ratio (Refer note: 4)	1.13	(0.04)	0.38	(0.09)
19. Interest Service Coverage Ratio (Refer note: 5)	1.13	(0.50)	0.38	(1.14)

Notes:

- The audited financial results of the Company for the year ended March 31, 2019 have been reviewed by the Audit Committee & approved by the Board of Directors in their meetings held on April 26, 2019. The Statutory Auditors of the Company have carried out an audit of these financial results.
- (a) The Board of Directors of the Company in their meeting held on December 10, 2018 has approved, subject to the required approvals, the Composite Scheme of Arrangement amongst GMR Hyderabad Air Cargo and Logistics Private Limited ("GHACLPL"/ "Transferor Company") and GMR Aero Technic Limited ("GATL" / "Demerged Company") and GMR Aerospace Engineering Limited ("GAEL"/ "Transferee"/ "Resulting Company") and their respective Shareholders and Creditors ("Scheme"), wherein GATL will demerge the Maintenance, Repair and Overhauling (MRO) business/demerged undertaking into GAEL with an Appointed Date of April 01, 2018. The Company is in the process of obtaining requisite approvals (including from the National Company Law Tribunal (NCLT)), under applicable laws/regulations to give effect to the above Scheme. In view of the above and in accordance with the Indian Accounting Standard (Ind AS) 105 Non-current Assets Held for Sale and Discontinued Operations, (Ind AS 105) the Maintenance, Repair and Overhauling (MRO) business of the Company has been disclosed as discontinued operations (Refer note 11). Pursuant to the Scheme with effect from the Appointed Date and upon the Scheme become effective, the MRO business/Demerged undertaking of the Company shall be transferred on going concern basis to GAEL. Pursuant to the Scheme, no shares will be issued in relation to the Demerger since GATL is a wholly owned subsidiary of GAEL. The shares of the Company to the extent of 24,900,000 equity shares of ₹ 10 each which reflect the MRO business/demerged undertaking being demerged to GAEL shall stand cancelled and shares to the extent 100,000 equity shares of ₹ 10 each which represents the residual business shall continue in the books of the demerged company.
- (b) The Company has incurred Total Comprehensive loss of ₹ 544.38 Lakhs during the year ended March 31, 2019 (₹ 5,778.86 Lakhs for the year ended March 31, 2018). Further, as at March 31, 2019, the Company has accumulated losses of ₹ 42,672.29 Lakhs (as at March 31, 2018 is ₹ 42,150.79 Lakhs) and its net-worth has been fully eroded. The Company has incurred net loss in the current year and previous years. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. GMR Aerospace Engineering Limited ("the Holding Company"/"GAEL") and GMR Hyderabad International Airport Limited ("Holding Company of GAEL"/"GHIAL") has confirmed its continuous financial support to the Company to meet its operational requirements as they arise and to meet its liabilities as and when they fall due. The Board has approved a Composite Scheme of Arrangement to transfer the MRO business to GAEL, which is subject to NCLT approval (Refer Note 2(a)). Accordingly, these audited financial results have been prepared on a Going Concern basis and do not include any adjustments relating to the recoverability of assets or the amounts of liabilities that may be necessary if the entity is unable to continue as a going concern.
- Debt/Equity Ratio: Debt (long term borrowings and current maturity of long term borrowings included in current liabilities)/Total Equity (Equity Share Capital and other equity).
- Debt Service Coverage Ratio (DSCR): Earnings before interest on long term borrowings and tax/(Interest on long term borrowings +Principal repayment of long term borrowings).
- Interest Service Coverage Ratio (ISCR): Earnings before interest on long term borrowings and tax/Interest on long term borrowings.
- Paid up debt capital represents outstanding 1,750 Rated, Senior, Listed, Unsecured, Redeemable, Non-Convertible Debentures of ₹ 10 Lakhs each aggregating ₹ 17,500 lakhs after an adjustment of unamortised upfront fee paid of ₹ 55.16 lakhs as at March 31, 2019 (₹ 65.15 lakhs as at March 31,2018).
- In the absence of profits, the Company has not created Debenture Redemption Reserve as per the provisions of Section 71 of the Companies Act, 2013.
- Effective April 01, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". The application of Ind AS 115 did not have any material impact on the audited financial results.
- The figures for the current half year and half-year ended March 31,2018 are the balancing figures of the full financial year ended March 31,2019 and March 31,2018 respectively and the unaudited year to date figures upto first half-year ended September 30, 2018 and September 30,2017 respectively.
- The Company's business activity falls within a single business segment in terms of Ind AS 108 on Segment Reporting.



11 In view of the proposed demerger (refer note 2), as required by IndAS 105, the disclosures for prior-periods presented in the financial statements have been re-presented in respect of continuing and discontinued operations (MRO Business) so that the disclosures relate to latest period presented. MRO Consultancy Undertaking which means the Residual Business of providing MRO Consultancy and Training services are the continuing operations.

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

(₹ in Lakhs)

Particulars (Refer notes above)	Half-year ended		Year ended	
	March 31, 2019 (Refer Note 9)	March 31, 2018 (Refer Note 9)	March 31, 2019	March 31, 2018
<b>Income</b>				
Revenue from operations	8,802.17	5,907.88	15,353.67	10,418.04
Other income	95.47	204.81	198.85	496.04
<b>Total income (i)</b>	<b>8,897.64</b>	<b>6,112.69</b>	<b>15,552.52</b>	<b>10,914.08</b>
<b>Expenses</b>				
Lease rentals (refer note 1 below)	1,245.82	1,444.96	2,114.72	2,876.56
Cost of stores and spares consumed	2,733.23	1,791.26	4,624.76	3,322.30
Employee benefits expense	2,541.12	2,013.49	4,787.78	3,836.50
Finance costs	1,070.15	1,012.07	2,135.19	1,827.86
Depreciation and amortization expense	174.31	136.70	322.34	268.95
Other expenses (refer note 2 below)	1,008.37	1,054.39	2,714.89	2,090.50
<b>Total Expenses (ii)</b>	<b>8,773.20</b>	<b>7,452.87</b>	<b>16,699.68</b>	<b>14,222.67</b>
<b>Profit/(Loss) from discontinued operation before tax (i-ii)</b>	<b>124.44</b>	<b>(1,340.18)</b>	<b>(1,147.16)</b>	<b>(3,308.59)</b>
<b>Tax expense</b>				
Current tax	-	-	-	-
Deferred tax charge/(credit)	(538.87)	3,086.01	(625.18)	2,465.92
<b>Profit/(Loss) from discontinued operation after tax</b>	<b>663.31</b>	<b>(4,426.19)</b>	<b>(521.98)</b>	<b>(5,774.51)</b>

Note:

- Lease Rentals includes reversal of opening balance of Straight lining of lease rentals for the year ended March 31, 2019 amounting to ₹ 363.52 Lakhs (half-year ended March 31, 2019 ₹ Nil Lakhs) on account of modification of terms of lease w.e.f April 01, 2018.
- Other expenses includes reversal of exchange loss on lease rentals for year ended March 31, 2019 ₹ 481.07 Lakhs (half-year ended March 31, 2019 ₹ 481.07 Lakhs) on account of modification of terms of lease w.e.f. March 01, 2019.

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

(₹ in Lakhs)

Particulars (Refer notes above)	As at	As at
	March 31, 2019	March 31, 2018
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,733.79	2,456.74
Intangible assets	72.19	6.73
Intangible assets under development	30.10	-
<b>Financial assets</b>		
Other financial assets	77.84	33.96
Deferred tax assets (net)	-	-
Non-current tax assets	1,005.10	605.56
Other non-current assets	18.30	2.24
	<b>3,937.32</b>	<b>3,105.23</b>
<b>Current assets</b>		
Inventories	3,368.33	3,126.44
<b>Financial assets</b>		
Trade receivables (refer note below)	4,138.70	1,941.11
Cash and cash equivalents	36.38	222.81
Bank balance other than cash and cash equivalents	5.00	-
Other financial assets	375.39	241.13
Current tax assets	172.68	172.68
Other current assets	189.12	233.17
	<b>8,285.60</b>	<b>5,937.34</b>
<b>Total assets</b>	<b>12,222.92</b>	<b>9,042.57</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
Long-term Borrowings	21,340.00	20,330.20
Provisions	89.80	98.26
	<b>21,429.80</b>	<b>20,428.46</b>
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
Short-term Borrowings	2,799.99	2,799.93
Trade payables	11,834.51	10,552.24
Other financial liabilities	111.97	109.54
Derivative instruments	-	81.69
Provisions	178.69	147.49
Other current liabilities	451.55	814.31
	<b>15,376.71</b>	<b>14,505.20</b>
<b>Total Liabilities</b>	<b>36,806.51</b>	<b>34,933.66</b>

Note:

During the current year, there has been a delay in payment by 2 customers in respect of their overdue amounts aggregating ₹ 1,030.32 lakhs due to the company. The Management of the Company has taken several initiatives and is rigorously following up with the customers and the lessors of the aircrafts to recover such overdue.

Based on the measures taken up by the Company, the Company is confident of recovery of the dues and no impairment loss on such trade receivables has been recognised for the year ended March 31, 2019.

(iii) Borrowings of the MRO business includes 1750 Senior, Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures ("NCDs") of face value of ₹ 1,000,000 each. The debenture trustees and debenture holder have given irrevocable and unconditional consent/no-objection to the proposed Scheme.



GMR Aero Technic Limited  
CIN:U35122TG2010PLC070489

Registered and Corporate Office: Plot No.1, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport  
Shamshabad, Hyderabad-500 108, Telangana, India

Statement of Audited Assets and Liabilities as at March 31, 2019

(₹ in Lakhs)

Particulars (Refer Notes)	As at March 31, 2019	As at March 31, 2018
	(Audited) (Refer Note 11)	(Audited) (Refer Note 11)
<b>1 ASSETS</b>		
<b>a) Non-current assets</b>		
Property, plant and equipment	2.62	0.68
	<b>2.62</b>	<b>0.68</b>
<b>b) Current assets</b>		
Financial assets		
Other financial assets	24.42	25.89
	<b>24.42</b>	<b>25.89</b>
<b>c) Assets Classified of discontinued operations (Refer Note 11)</b>	<b>12,222.92</b>	<b>9,042.57</b>
<b>TOTAL ASSETS (a+b+c)</b>	<b>12,249.96</b>	<b>9,069.14</b>
<b>2 EQUITY AND LIABILITIES</b>		
<b>a) Equity</b>		
Equity share capital	2,500.00	2,500.00
Other equity	(27,056.55)	(28,364.52)
<b>TOTAL EQUITY</b>	<b>(24,556.55)</b>	<b>(25,864.52)</b>
<b>b) Liabilities directly associated with discontinued operations (Refer Note 11)</b>	<b>36,806.51</b>	<b>34,933.66</b>
<b>TOTAL LIABILITIES</b>	<b>36,806.51</b>	<b>34,933.66</b>
<b>TOTAL EQUITY AND LIABILITIES (a+b)</b>	<b>12,249.96</b>	<b>9,069.14</b>



GMR Aero Technic Limited  
CIN:U35122TG2010PLC070489

Registered and Corporate Office: Plot No.1, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport  
Shamshabad, Hyderabad-500 108, Telangana, India

Statement referred to in Regulation 32(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

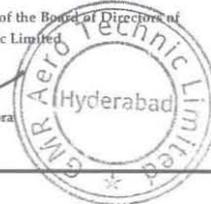
S No	Particulars	Disclosures			
1	Credit rating and change in Credit rating (if any)	The credit rating of NCD's issued of ₹. 17,500 Lakhs is "[ICRA]AA(SU) (Stable)" as per ICRA Limited letter dated December 26, 2018.			
2	Asset Cover available, in case of non-convertible debentures	Not applicable			
3	Debt-equity ratio as on March 31, 2019	(0.87) times			
4	Previous due date for the payment of interest/ repayment of principal of Non-Convertible Debentures and whether the same has been paid or not	<b>Name of the Series/ISIN No</b>	<b>Interest (₹ in Lakhs)</b>	<b>Due on</b>	<b>Paid on</b>
		a) NCD's for ₹. 17,500 Lakhs (INE550V08017)	750.17	September 30, 2018	September 28, 2018
			746.08	March 31, 2019	March 29, 2019
		<b>Name of the Series/ISIN No</b>	<b>Principal (₹ in Lakhs)</b>	<b>Due on</b>	<b>Paid on</b>
a) NCD's for ₹. 17,500 Lakhs (INE550V08017)	Nil	Not Applicable	Not Applicable		
5	Next due date for the payment of interest	<b>Name of the Series/ISIN No</b>	<b>Interest (₹ in Lakhs)</b>	<b>Due on</b>	
		a) NCD's for ₹. 17,500 Lakhs (INE550V08017)	750.17	September 30, 2019	
6	Debt service coverage ratio for the year ended March 31, 2019	0.38 times			
7	Interest service coverage ratio for the year ended March 31, 2019	0.38 times			
8	Outstanding Non-cumulative redeemable preference shares (quantity and value)	Not applicable (NA)			
9	Capital Redemption Reserve/ Debenture Redemption Reserve	(Refer note 7 above)			
10	Net Worth as on March 31, 2019	₹ (24,536.55) Lakhs			
11	Net Loss after tax for the year ended March 31, 2019	₹ (521.50) Lakhs			
12	Earnings per share	(2.09)			

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

Rajesh Kumar Arora

Director

CIN-03174536



Place: Hyderabad

Date: April 26, 2019



## **INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF GMR AERO TECHNIC LIMITED**

1. We have audited the accompanying Statement of Financial Results of GMR Aero Technic Limited ("the Company") for the year ended March 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016, to the extent applicable.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Ind AS financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Company for the year ended March 31, 2019.



5. We draw attention to Note 2(b) of the Statement which indicates that as at March 31, 2019 the accumulated losses amounting to ₹ 42,672.29 Lakhs have completely eroded the net-worth of the Company, and the Company has incurred net loss in the current year and previous years. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. This Statement has been prepared on a going concern basis for the reasons stated in the said note.

Our opinion is not modified in respect of this matter.

6. The Statement includes the results for the half-year ended March 31, 2019 and half-year ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year ended March 31, 2019 and year ended March 31, 2018, and the unaudited year to date figures for the half-year ended September 30, 2018 and the half-year ended September 30, 2017, respectively which were subject to limited review by us.

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



Sumit Trivedi  
(Partner)  
(Membership No. 209354)

Place: Hyderabad  
Date: April 26, 2019





ATSL/CO/19-20/705  
April 26, 2019

**GMR Aero Technic Ltd.**

Plot No.1,  
GMR Hyderabad Aviation SEZ Limited  
Rajiv Gandhi International Airport, Shamshabad  
Hyderabad  
Rangareddi, Telengana - 500108

**Kind Attention: Ms. Apeksha Naidu**

Dear Madam,

**Sub: GMR Aero Technic Ltd Limited - Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015**

We write in our capacity as the Debenture Trustee for the Non-Convertible Debentures (NCDs) issued by GMR Aero Technic Ltd Limited ("Company") and listed on the BSE/NSE Limited ("Listed Debt Securities").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (Axis Trustee Services Limited) that the Debenture Trustee has noted the contents furnished by the Company in terms of Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the said information vide your letter dated April 26, 2019 (enclosed herewith) for the year ending 31<sup>st</sup> March, 2019 along with the relevant/necessary supporting and we have noted the contents in respect of the Listed Debt Securities issued by the Company.

Thanking You,

**Yours Faithfully  
For Axis Trustee Services Limited**

A handwritten signature in blue ink, appearing to read 'Mangalagowri Bhat', with a blue line underneath it.

**Mangalagowri Bhat  
Senior Manager**

**AXIS TRUSTEE SERVICES LTD.**

*(A wholly owned subsidiary of Axis Bank)*

Corporate Identity Number (CIN): U74999MH2008PLC182264

**REGISTERED OFFICE:** Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.

**CORPORATE OFFICE:** Axis Trustee Services Limited | The Ruby | 2nd Floor | SW | 29 Senapati Bapat Marg | Dadar West | Mumbai- 400 028

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