



## **Independent Auditor's Report**

### **To the Members of GMR Aerostructure Services Limited**

#### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of GMR Aerostructure Services Limited ('the Company'), which comprise the balance sheet as at 31 March 2023, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit

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to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2023, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Report On Other Legal and Regulatory Requirements**

1. 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 the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

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- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report;
- g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- 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 has disclosed the impact of pending litigations on its financial position in its Financial Statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, If any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company during the year ended 31<sup>st</sup> March 2023.
  - iv. The Management has represented that, to the best of its knowledge and belief:
    - a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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- b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11E, as provided under (a) and (b) above, contain any material misstatement.
- v. During the year the Company has not declared any dividend.

For Chatterjee & Chatterjee  
Chartered Accountants  
Firm registration no: 001109C

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Date: 2023.04.24  
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Gaurav Agrawal  
Partner  
Membership no: 403788  
UDIN: 23403788BGWGY5873

Place: New Delhi  
Date: April 24, 2023

**Annexure “A” to the Independent Auditor’s Report**

With reference to the Annexure referred to in paragraph 1 under the heading “Report on other legal & Regulatory Requirements” of our Report of even date to the members of **GMR Aerostructure Services Limited**, on the Ind AS Financial statements for the year ended 31<sup>st</sup> March 2023, we report that:

- (i) The Company does not hold any property, plant and equipment (including right of use of assets) or intangible property. Accordingly, the requirement to report on clause 3(i) of the order is not applicable to the company.
- (ii) a The Company did not hold any physical inventories during the year and therefore had no stocks of finished goods, stores, spare parts and raw materials during / at the end of the year.  
b The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties.
  - (a) During the year the Company has provided loans in the nature of loans:  
The aggregate amount during the year is Rs. 47,913.81 lakhs and the balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint venture and associates is Rs. 84,171.96 lakhs.
  - (b) According to the information provided, the investments made, guarantee provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the interest of the Company.
  - (c) According to the information provided, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
  - (d) According to the information provided, there are no overdue amounts. Hence clause 3(iii)(e) is not applicable.
  - (e) According to the information provided, clause 3(iv)(f) is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

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- (v) The Company has not accepted any deposits and also there were no amounts which are deemed to be the deposits. Hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, do not apply to this Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under subsection (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, the provisions the requirement to report on clause (vi) of the order is not applicable.
- (vii)
  - A According to the records, the company is generally regular in depositing undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities and there were no arrears of statutory dues as at March 31, 2023 for a period of more than six months from the date they became payable.
  - b According to the records of the Company and the information and explanations given to us, there were no statutory dues referred to in sub clause (a), which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and based on our verification, there were no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (ii)(b) of the Order is not applicable.
- (ix)
  - a The Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender.
  - b The Company has not been declared willful defaulter by any bank or financial institution or any other lender.
  - c The Company has not taken any term loan during the year. Accordingly, Paragraph 3(ix)(c) of the Order is not applicable
  - d On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e The Company has not taken any funds from any entity or person on account of or to meet the obligations of associates.
  - f The Company has not raised any loans during the year. Accordingly, Paragraph 3(ix)(f) of the Order is not applicable
- (x)
  - a The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3 (x)(a) of the Order is not applicable.

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- b The Company has not made any Preferential allotment or Private placement of shares or convertible debentures during the year. Accordingly, clause 3 (x)(b) of the Order is not applicable.
- (xi)
  - a According to the information and explanations given by the management and based upon the audit procedures performed No fraud by the Company and no material fraud on the Company has been noticed or reported during the year
  - 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 up to the date of this report;
  - c The Company has not established any Vigil mechanism, as it is not mandated by Section 177((9) of the Act. Accordingly, paragraph 3(xi)(c) of the Order is not applicable
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)
  - a In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;
  - b We have considered the reports of the Internal Auditors for the period under audit.;
- (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. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934, and is not a core investment Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence reporting under clause 3(xvi) and its sub-clauses of the Oder are not applicable.
- (xvii) The company has not incurred any cash losses in the financial year. However, it has incurred a cash loss of amount Rs. 892.84 lakhs in the immediately preceding financial year.
- (xviii) There is no resignation of statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.

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- (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 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) The provisions of section 135 are not applicable to the Company and hence reporting under clause 3(xx) and its sub clauses of the Order are not applicable.
- (xxi) Clause 3(xxi) of the Order is not applicable.

For Chatterjee & Chatterjee  
Chartered Accountants  
Firm registration no: 001109C

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Gaurav Agrawal  
Partner  
Membership no: 403788  
UDIN: 23403788BGWGYY5873

Place: New Delhi  
Date: April 24, 2023

**Annexure “B” to the Independent Auditor’s Report**

**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 over financial reporting of GMR Aerostructure Services Limited (“the Company”) as of 31 March 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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 over financial reporting 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, both 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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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 system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

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Chartered Accountants

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chatterjee & Chatterjee  
Chartered Accountants  
Firm registration no: 001109C

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Gaurav Agrawal  
Partner  
Membership no: 403788  
UDIN: 23403788BGWGY5873

Place: New Delhi  
Date: April 24, 2023

**GMR Aerostructure Services Limited**

CIN:U74900TG2007PLC054821

Amount in Lacs.

**Statement of standalone financial results for quarter and year ended March 31, 2023**

Sl.No.	Particulars	Quarter ended			Year ended	
		31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
		(Refer Note 1)	Unaudited	(Refer Note 1)	Audited	Audited
<b>A</b>	<b>Continuing Operations</b>					
<b>1</b>	<b>Revenue</b>					
	<b>a) Revenue from operations</b>					
	i) Sales/income from operations	-	-	-	-	-
	ii) Other operating income	-	-	-	-	-
	<b>b) Other income</b>					
	i) Others	3,447.96	3,348.09	1,497.22	12,865.34	5,729.15
	<b>Total revenue</b>	<b>3,447.96</b>	<b>3,348.09</b>	<b>1,497.22</b>	<b>12,865.34</b>	<b>5,729.15</b>
<b>2</b>	<b>Expenses</b>					
	(a) Finance costs	1,944.90	2,198.73	1,165.98	7,926.52	5,719.48
	(b) Other expenses	5.66	74.47	896.99	81.60	902.51
	<b>Total expenses</b>	<b>1,950.56</b>	<b>2,273.19</b>	<b>2,062.97</b>	<b>8,008.12</b>	<b>6,621.99</b>
<b>3</b>	<b>Profit/(loss) from continuing operations before exceptional items and tax expense (1-2)</b>	1,497.40	1,074.90	(565.75)	4,857.22	(892.84)
<b>4</b>	Exceptional items	-	-	-	-	-
<b>5</b>	<b>Profit/(loss) from continuing operations before tax expenses (3 ± 4)</b>	1,497.40	1,074.90	(565.75)	4,857.22	(892.84)
<b>6</b>	<b>Tax expenses of continuing operations</b>					
	(a) Current tax	4.68	0.05	-	4.73	-
	(b) Tax earlier Years	-	11.48	-	11.48	-
<b>7</b>	<b>Profit/(loss) after tax from continuing operations (5 ± 6)</b>	1,492.72	1,063.37	(565.75)	4,841.01	(892.84)
<b>8</b>	<b>Other Comprehensive Income</b>					
	(A) (i) Items that will not be reclassified to profit or loss.	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss.	-	-	-	-	-
	(B) (i) Items that will be reclassified to profit or loss.	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
<b>9</b>	<b>Total other comprehensive income, net of tax for the respective periods</b>					
<b>10</b>	<b>Total comprehensive income for the respective periods [comprising Profit (loss) and Other comprehensive income (net of tax) for the respective periods]</b>	1,492.72	1,063.37	(565.75)	4,841.01	(892.84)
<b>11</b>	<b>Paid-up equity share capital (face value Rs 10 per share)</b>	5.00	5.00	5.00	5.00	5.00
	<b>Weighted average number of Shares used in Computing Earnings per Share</b>	50,000	50,000	50,000	50,000	50,000
<b>12</b>	<b>Earnings per share (Rs.)</b>					
	i) Basic & diluted earning per share	2,985.44	2,126.73	(1,131.49)	9,682.03	(1,785.69)

**Note 1 -**

The figures of the last quarter of the current and previous year are the balancing figure between the audited figure of the respective financial year and the published unaudited year to date figure for the nine month ended of the respective financial year.

**For Chatterjee & Chatterjee**

Chartered Accountants

ICAI Firm Registration No.: 001109C

GAURAV AGRAWAL

Gaurav Agrawal

Partner

Membership no.: 403788

Place : New Delhi

Date : April 24, 2023

**For and on behalf of the Board of Directors of**

GMR Aerostructure Services Limited

SURESH BAGRODIA

Suresh Bagrodia

Director

DIN : 05201062

Place : New Delhi

Date : April 24, 2023

MADDULA VENKATA SRINIVAS

M V Srinivas

Director

DIN : 02477894

**GMR Aerostructure Services Limited****CIN:U74900TG2007PLC054821****Balance Sheet as at March 31, 2023****Amount in Lacs.**

Particulars	March 31, 2023	March 31, 2022
<b>1 ASSETS</b>		
<b>a) Non-current assets</b>		
Investments	53,627.18	50,000.00
Loans	29,635.80	21,958.03
Others	6,429.95	3,791.22
Income Tax Assets	18.20	84.15
	<b>89,711.13</b>	<b>75,833.39</b>
<b>b) Current assets</b>		
Investments	-	242.78
Cash and cash equivalents	17.52	5.20
Loans and advances	909.00	8,433.50
Other Financials Assets	1,439.13	831.13
Other Current Assets	9.29	1.20
	<b>2,374.94</b>	<b>9,513.81</b>
<b>TOTAL ASSETS (a+b)</b>	<b>92,086.07</b>	<b>85,347.20</b>
<b>2 EQUITY AND LIABILITIES</b>		
<b>a) Equity</b>		
Equity share capital	5.00	5.00
Other equity	(12,465.51)	(17,306.52)
Instruments entirely equity in nature	35,059.41	31,251.91
	<b>22,598.90</b>	<b>13,950.39</b>
<b>b) Non-Current liabilities</b>		
Financial Liabilities		
Long Term Borrowings	46,259.59	60,505.45
Other financial liabilities	3,717.49	9,362.90
	<b>49,977.08</b>	<b>69,868.35</b>
<b>c) Current liabilities</b>		
Financial liabilities		
Short Term Borrowings	17,021.48	1,500.00
Trade Payables		
(a) total outstanding dues of micro and small enterprises	-	-
(b) total outstanding dues of other then micro and small enterprises	-	-
Other financial liabilities	2,463.74	0.27
Provisions	0.35	0.79
Other Current Liabilities	24.53	27.42
	<b>19,510.10</b>	<b>1,528.49</b>
<b>TOTAL EQUITY AND LIABILITIES (a+b)</b>	<b>92,086.07</b>	<b>85,347.20</b>

Significant accounting policies and notes to accounts forming an integral part of the financial statements

As per our report of even date attached

For Chatterjee and Chatterjee  
Chartered Accountants  
ICAI Firm Registration No.: 001109C

**GAURAV**  
**AGRAWAL**

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GAURAV AGRAWAL  
Date: 2023.04.24  
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Gaurav Agrawal  
Partner  
Membership no.: 403788

Place : New Delhi  
Date : April 24, 2023

For and on behalf of the Board of Directors of  
GMR Aerostructure Services Limited

**SURESH**  
**BAGROD**  
**IA**

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by SURESH  
BAGRODIA  
Date: 2023.04.24  
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Suresh Bagrodia  
Director  
DIN : 05201062

Place : New Delhi  
Date : April 24, 2023

**MADDULA**  
**VENKATA**  
**SRINIVAS**  
**M V Srinivas**

Director  
DIN : 02477894

Place : New Delhi  
Date : April 24, 2023

**GMR Aerostructure Services Limited**

CIN:U74900TG2007PLC054821

Balance Sheet as at March 31, 2023

Amount in Lacs.

Particulars	Note No.	March 31, 2023	March 31, 2022
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Financial Assets			
(i) Investments	3	53,627.18	50,000.00
(ii) Loans and Advances	4	29,635.80	21,958.03
(iii) Other Financial Assets	5	6,429.95	3,791.22
(b) Income Tax Assets	7	18.20	84.15
		<b>89,711.13</b>	<b>75,833.40</b>
<b>Current assets</b>			
(a) Financial Assets			
(i) Investments	3	-	242.78
(ii) Cash and cash equivalents	6	17.52	5.20
(iii) Loans and Advances	4	909.00	8,433.50
(iv) Other Financial Assets	5	1,439.13	831.13
(b) Other Current Assets	8	9.29	1.20
		<b>2,374.94</b>	<b>9,513.81</b>
<b>Total Assets</b>		<b>92,086.07</b>	<b>85,347.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	9	5.00	5.00
(b) Other Equity	10	(12,465.51)	(17,306.52)
(c) Instruments entirely equity in nature	10	35,059.41	31,251.91
		<b>22,598.90</b>	<b>13,950.39</b>
<b>Liabilities</b>			
<b>Non - current liabilities</b>			
(a) Financial Liabilities			
(i) Long Term Borrowings	11	46,259.59	60,505.45
(ii) Other financial liabilities	12	3,717.49	9,362.90
		<b>49,977.08</b>	<b>69,868.35</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Short Term Borrowings	11	17,021.48	1,500.00
(ii) Trade Payables	13		
(a) total outstanding dues of micro and small enterprises		-	-
(b) total outstanding dues of other then micro and small enterprises		-	-
(iii) Other financial liabilities	12	2,463.74	0.27
(b) Provisions	14	0.35	0.79
(c) Other Current Liabilities	15	24.53	27.42
		<b>19,510.10</b>	<b>1,528.48</b>
<b>Total Equity and Liabilities</b>		<b>92,086.07</b>	<b>85,347.20</b>

**NOTES TO THE FINANCIAL STATEMENTS**

Significant accounting policies

2

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

As per our report of even date attached

For Chatterjee and Chatterjee

Chartered Accountants

ICAI Firm Registration No.: 001109C

GAURAV AGRAWAL  
AGRAWAL  
Digitally signed by GAURAV  
AGRAWAL  
Date: 2023.04.24 21:55:33 +05'30'

Gaurav Agrawal

Partner

Membership no.: 403788

Place : New Delhi

Date : April 24, 2023

For and on behalf of the Board of Directors of  
GMR Aerostructure Services LimitedSURESH  
BAGRODIA  
Digitally signed by  
SURESH  
BAGRODIA  
Date: 2023.04.24  
21:49:02 +05'30'

Suresh Bagrodia

Director

DIN : 05201062

MADDULA  
VENKATA  
SRINIVAS  
Digitally signed by  
MADDULA  
VENKATA  
SRINIVAS  
Date: 2023.04.24  
21:55:33 +05'30'

M V Srinivas

Director

DIN : 02477894

Place : New Delhi

Date : April 24, 2023

# GMR Aerostructure Services Limited

CIN:U74900TG2007PLC054821

Statement of Profit and Loss for the year ended March 31, 2023

Amount in Lacs.

Particulars		Note No.	March 31, 2023	March 31, 2022
I.	Revenue from Operations	16	-	-
II.	Other Income	17	12,865.34	5,729.15
	<b>Total Income</b>		<b>12,865.34</b>	<b>5,729.15</b>
IV.	Expenses			
	Operation & Maintenance Expenses	18	-	-
	Finance Cost	19	7,926.52	5,719.48
	Other expenses	20	81.60	902.51
	<b>Total expenses</b>		<b>8,008.12</b>	<b>6,621.99</b>
V.	<b>Profit/(loss) before exceptional items and tax (III - IV)</b>		<b>4,857.22</b>	<b>(892.84)</b>
	Exceptional items		-	-
VI.	<b>Profit/(loss) before tax</b>		<b>4,857.22</b>	<b>(892.84)</b>
	Tax Expenses:			
	Current Tax		4.73	-
	Adjustment of Tax relating to prior periods		11.48	-
	<b>Total Tax Expenses (VI)</b>		<b>16.21</b>	<b>-</b>
VII.	<b>Profit for the period (V - VI)</b>		<b>4,841.01</b>	<b>(892.84)</b>
VIII.	<b>Other Comprehensive income</b>			
	i. Items that will not be reclassified subsequently to profit or loss		-	-
	ii. Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income for the period</b>		<b>-</b>	<b>-</b>
IX.	<b>Total Comprehensive Income for The Period</b>		<b>4,841.01</b>	<b>(892.84)</b>
X.	<b>Earnings per equity share from Continuing operations:</b>			
	Basic and Diluted	1	<b>9,682.03</b>	<b>(1,785.69)</b>

Significant accounting policies

2

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

As per our report of even date attached

For Chatterjee and Chatterjee

Chartered Accountants

ICAI Firm Registration No.: 001109C

For and on behalf of the Board of Directors of

GMR Aerostructure Services Limited

**GAURAV**  
**AGRAWAL**

Digitally signed by  
GAURAV AGRAWAL  
Date: 2023.04.24  
21:55:51 +05'30'

Gaurav Agrawal  
Partner  
Membership no.: 403788

Place : New Delhi  
Date : April 24, 2023

**SURESH**  
**BAGRODIA**

Digitally signed  
by SURESH  
BAGRODIA  
Date: 2023.04.24  
21:49:22 +05'30'

Suresh Bagrodia  
Director  
DIN : 05201062

Place : New Delhi  
Date : April 24, 2023

**MADDULA**  
**VENKATA**  
**SRINIVAS**

Digitally signed by MADDULA VENKATA SRINIVAS  
Date: 2023.04.24  
21:49:22 +05'30'

M V Srinivas  
Director  
DIN : 02477894

**GMR Aerostructure Services Limited**

CIN:U74900TG2007PLC054821

Statement of Cash Flow for the year ended March 31, 2023

Amount in Lacs.

Particulars	March 31, 2023	March 31, 2022
<b>I. Cash flow from operating activities:</b>		
Profit before tax	4,857.22	(892.84)
<b>Adjustment for :</b>		
Profit on Sale of MF	(9.63)	(2.78)
Interest Income on loans	(12,836.91)	(5,726.35)
Interest Expenses on loans	7,926.51	5,719.48
	<b>(4,920.03)</b>	<b>(9.66)</b>
<b>Working capital Changes :</b>		
A. Decrease / (Increase) in other current assets	(8.09)	2,099.46
B. (Decrease) /Increase in other current liabilities	(2.89)	(12.89)
C. (Decrease) /Increase in other financial liabilities	(0.27)	664.93
D. (Decrease) /Increase in Provision	(0.45)	-
E. (Decrease) /Increase in other financial Assets	0.51	-
	<b>(11.20)</b>	<b>2,751.50</b>
<b>Cash generated from operations (A+B+C)</b>	<b>(74.01)</b>	<b>1,849.00</b>
Less: Direct taxes paid (net of refunds)	49.73	(20.79)
<b>Net cash flow from operating activities (I)</b>	<b>(24.28)</b>	<b>1,828.21</b>
<b>II Cash flows from investing activities</b>		
A. Interest received	5,962.52	5,726.35
B. Purchase of Investment	(10,130.24)	(4,458.00)
C. Investements	-	(50,000.00)
D. Loans given	(153.27)	20,906.20
E. Disposal of investments	191.85	-
F. Sale of Investments	10,190.78	6,508.61
<b>Net cash flow from Investing activities (II)</b>	<b>6,061.66</b>	<b>(21,316.84)</b>
<b>III. Cash flows from financing activities</b>		
A. Interest paid	(11,108.18)	(5,719.48)
B. Proceeds from borrowing	1,275.62	8,181.57
C. Debentures issued	3,807.50	16,816.91
<b>Net cash flow from Financing activities (III)</b>	<b>(6,025.06)</b>	<b>19,279.00</b>
<b>IV. Net (decrease) in cash and cash equivalents (I + II + III)</b>	<b>12.32</b>	<b>(209.63)</b>
Cash and cash equivalents at the beginning of the year	5.20	214.83
<b>V. Cash and cash equivalents at the end of the year</b>	<b>17.52</b>	<b>5.20</b>
<b>VI. Components of cash and cash equivalents:</b>		
a. Cash on hand	-	-
b. Cheques, Drafts and Stamps on hand	-	-
c. With banks:		
- On Current Account	17.52	5.20
- On Deposit Account having original maturity less than tree months	-	-
<b>Total cash and cash equivalents (note 7)</b>	<b>17.52</b>	<b>5.20</b>

As per the report of even date  
For Chatterjee and Chatterjee  
Chartered Accountants  
ICAI Firm Registration No.: 001109C  
GAURAV AGRAWAL  
Digitally signed by GAURAV AGRAWAL  
Date: 2023.04.24 21:56:14 +05'30'

Gaurav Agrawal  
Partner  
Membership no.: 403788

Place : New Delhi  
Date : April 24, 2023

For and on behalf of the Board of Directors of  
GMR Aerostructure Services Limited

SURESH BAGRODIA  
IA  
Digitally signed by SURESH BAGRODIA  
Date: 2023.04.24 21:49:46 +05'30'

Suresh Bagrodia  
Director  
DIN : 05201062

MADDULA VENKATA SRINIVAS  
M V Srinivas  
Director  
DIN : 02477894

Place : New Delhi  
Date : April 24, 2023

## GMR Aerostructure Services Limited

CIN:U74900TG2007PLC054821

### Notes forming part of Financial Statements for the year ended March 31, 2023

#### 1 Corporate information

GMR Aerostructure Services Limited ('GASL' or 'the Company') is a limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The company was a wholly owned subsidiary of GMR Infrastructure limited (GIL). In accordance with the Composite Scheme of Arrangement which provides for the demerger of the demerged undertaking comprising of the EPC Business and the Urban Infrastructure Business of GIL, into GMR Power and Urban Infra Limited (GPUIL) pronounced on December 22, 2021 with effective date of December 31, 2021, appointed date of April 01, 2021 and accordingly the Company is now a wholly owned subsidiary of GPUIL. The Company has been incorporated with the objective of participation in various airport infrastructure related projects. Upon successful award of such bids, separate Special Purpose Vehicles (SPVs) are formed in consortium with other parties for execution of these projects. The expenses incurred by the company towards such projects are charged / recovered from the respective project companies.

The registered office of the company is located at GMR HIAL Airport Office Rajiv Gandhi International Airport, Shamshabad, Hyderabad-500108.

#### 2 Significant Accounting Policies

##### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The stand-alone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value. The financial statements are presented in Lacs.

##### Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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.

##### 2.2 Fixed Assets

Freehold land is carried at historical cost. All other items of 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 assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

##### 2.3 Provisions

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

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

##### 2.4 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

##### 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

For purposes of subsequent measurement, financial assets are classified in four categories:

- 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. For more information on receivables.

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- 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 P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Notes forming part of Financial Statements for the year ended March 31, 2023**

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 P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. 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'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (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.

**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 bank overdrafts, 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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings. For more information refer Note 14.

Financial guarantee contracts: Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

**Derecognition**

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

**Notes forming part of Financial Statements for the year ended March 31, 2023**

**Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

**Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

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

**Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss

**2.5 Cash and cash equivalents**

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

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

**2.6 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

**2.7 Taxes on income**

**Current income tax**

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961

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.

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

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

**2.8 Corporate Social Responsibility ('CSR') expenditure**

The Company charges its CSR expenditure, if any, during the year to the statement of profit and loss.



**Shares held by Promotor Company:**

	March 31, 2023	March 31, 2022
GMR Power and Urban Infra Limited	50000	50000

**Details of Shareholders holding more than 5% shares in the company:**

Equity Shares:		
GMR Power and Urban Infra Limited	100%	100%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

No Shares has been issued by the company for consideration other than cash,during the period of five years immediately preceding the reporting date.

**Shares held by holding company and/ or their subsidiaries/ associates.**

	No. of Shares		In Lacs.	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
GMR Power and Urban Infra Limited	49994	49994	5.00	5.00
Dhruvi Securities Limited (Nominee of GMR Power and Urban Infra Limited)	1	1	0.00	0.00
GMR Corporate Affairs Limited (Nominee of GMR Power and Urban Infra Limited)	1	1	0.00	0.00
GMR Business Process and Services Private Limited (Nominee of GMR Power and Urban Infra Limited)	1	1	0.00	0.00
GMR Infra Developers Limited (Nominee of GMR Power and Urban Infra Limited)	1	1	0.00	0.00
Mr. Venkat Ramana Tangirala (Nominee of GMR Power and Urban Infra Limited)	1	1	0.00	0.00
Mr. Gunuputi Subbarao (Nominee of GMR Power and Urban Infra Limited)	1	1	0.00	0.00
	<b>50000</b>	<b>50000</b>	<b>5.00</b>	<b>5.00</b>

**10 Other Equity:**

	March 31, 2023	March 31, 2022
<b>A. Equity Component of Convertible Debentures</b>		
Balance at the beginning of the year	31,251.91	14,435.00
Add: Movement during the year	3,807.50	16,816.91
<b>Closing Balance</b>	<b>35,059.41</b>	<b>31,251.91</b>
<b>B. Surplus in the statement of profit and loss</b>		
Balance at the beginning of the year	(17,306.52)	(16,413.68)
Profit/(Loss) for the year	4,841.01	(892.84)
<b>Closing Balance</b>	<b>(12,465.51)</b>	<b>(17,306.52)</b>
<b>Total Other Equity (A + B)</b>	<b>22,593.90</b>	<b>13,945.39</b>

\*During the FY 2021-22, the company had issued 6,81,69,100 Unsecured Compulsory convertible debentures (CCDs) to Urban Infra Sector companies (List refer in Note no.24) and 10,00,00,000 to GMR Power and Urban Infra Limited at a face value of Rs 10 each at a coupon rate 0.001% per annum. The CCDs are compulsorily convertible into Equity shares at the face value after 10 years and 5 years from the date of the allotment respectively. Previous year the company had issued 14,43,50,000 Unsecured Compulsory convertible debentures (CCDs) to Dhruvi Securities Limited (DSL) at a face value of Rs 10 each at a coupon rate 0.001% per annum. The CCDs are compulsorily convertible at the option of the holder into Equity shares at the face value in 5 years from the date of allotment.

\*During the FY 2022-23, the company had issued 3,80,75,000 Unsecured Compulsory convertible debentures (CCDs) to Urban Infra Sector companies at a face value of Rs 10 each at a coupon rate 0.001% per annum. The CCDs are compulsorily convertible into Equity shares at the face value after 10 years years from the date of the allotment respectively.

	Non Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>11 Borrowings</b>				
Loans - Related Parties	46,259.59	60,505.45	17,021.48	1,500.00
<b>Total</b>	<b>46,259.59</b>	<b>60,505.45</b>	<b>17,021.48</b>	<b>1,500.00</b>
<b>12 Other Financial Liabilities</b>				
Non Trade payables	-	-	-	0.27
Interest accrued on debt and borrowings - Related Parties	3,717.49	9,362.90	2,463.74	-
<b>Total</b>	<b>3,717.49</b>	<b>9,362.90</b>	<b>2,463.74</b>	<b>0.27</b>
<b>13 Trade Payable</b>				
Trade Payable- MSME	-	-	-	-
Trade Payable- Other than MSME	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>14 Provisions</b>				
Provision for Expenses	-	-	0.35	0.79
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.35</b>	<b>0.79</b>
<b>15 Other Current liabilities</b>				
Statutory dues	-	-	24.53	27.42
<b>Total</b>	<b>-</b>	<b>-</b>	<b>24.53</b>	<b>27.42</b>

**GMR Aerostructure Services Limited**

CIN:U74900TG2007PLC054821

Notes forming part of Financial Statements for the year ended March 31, 2023

Amount in Lacs.

Note No.	Particulars	March 31, 2023	March 31, 2022
<b>16</b>	<b>Income</b>		
	Sale of Trading Goods	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>17</b>	<b>Other Income</b>		
	Interest Income on		
	Inter Corporate Deposits	2,996.08	5,304.65
	Debentures & Bonds - Related Parties	9,764.34	345.21
	Income Tax refund	18.79	-
	Others	76.50	76.50
		<b>12,855.71</b>	<b>5,726.36</b>
	Other Non-Operating Income		
	Gain on disposal of investments (net)	9.63	2.77
	Fair value gain on financial instruments	-	0.02
		<b>9.63</b>	<b>2.79</b>
	<b>Total</b>	<b>12,865.34</b>	<b>5,729.15</b>
<b>18</b>	<b>Operation &amp; Maintenance Expenses</b>		
	Purchase of Trading goods	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>19</b>	<b>Finance Costs</b>		
	Interest on Intercompany debt and borrowings	7,926.51	5,719.48
	Other Interest	0.01	-
	<b>Total</b>	<b>7,926.52</b>	<b>5,719.48</b>
<b>20</b>	<b>Other expenses</b>		
	Remuneration to Auditor's	0.88	0.57
	Rates and Taxes	1.72	4.34
	Advertisements	50.00	-
	Bank Charges	0.23	0.02
	Fair value loss on financial instruments	-	896.32
	Legal and professional charges	28.77	1.26
	<b>Total</b>	<b>81.60</b>	<b>902.51</b>
<b># Payment to auditors</b>		<b>Amount in Lacs.</b>	
<b>As auditor:</b>		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	Statutory Audit Fee	0.72	0.43
	Tax Audit Fee	0.16	0.05
	In other capacity:		
	Other services (certification fees)	-	0.09
	Reimbursements	-	-
	<b>Total</b>	<b>0.88</b>	<b>0.57</b>

**GMR Aerostructure Services Limited**

CIN:U74900TG2007PLC054821

Notes forming part of Financial Statements for the year ended March 31, 2023

**21 Statement of changes in equity****a. Equity share capital:****For the period ended March 31, 2023**

	No. of Shares	Amount in Lacs.
<b>At 1 April 2022</b>	50,000	5.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 April 2022	-	-
Issue of Share Capital	-	-
<b>As at March 31, 2023</b>	<b>50,000</b>	<b>5.00</b>

**For the period ended March 31, 2022**

	No. of Shares	Amount in Lacs.
<b>At 1 April 2021</b>	50,000	5.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 April 2021	-	-
Issue of Share Capital	-	-
<b>As at 31st March, 2022</b>	<b>50,000</b>	<b>5.00</b>

**b. Other equity**

Particulars	Amount in Lacs.		
	Equity component of Financial instruments	Retained earnings	Total equity
<b>At 1 April 2022</b>	31,251.91	(17,306.53)	13,945.38
Profit for the year	-	4,841.01	4,841.01
Additions during the year	3,807.50	-	3,807.50
<b>As at March 31, 2023</b>	<b>35,059.41</b>	<b>(12,465.51)</b>	<b>22,593.90</b>

Particulars	Amount in Lacs.		
	Equity component of Financial instruments	Retained earnings	Total equity
<b>At 1 April 2021</b>	14,435.00	(16,413.68)	(1,978.68)
Profit for the year	-	(892.84)	(892.84)
Additions during the year	16,816.91	-	16,816.91
<b>As at 31st March, 2022</b>	<b>31,251.91</b>	<b>(17,306.53)</b>	<b>13,945.39</b>

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**22 Earnings Per Share (EPS)**

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

Particulars	Amount in Lacs.	
	March 31, 2023	March 31, 2022
Profit attributable to equity holders of the parent	4,841.01	(892.84)
Continuing operations	-	-
<b>Profit attributable to equity holders of the parent for basic earnings</b>	4,841.01	(892.84)
Interest on convertible preference shares	-	-
<b>Profit attributable to equity holders of the parent adjusted for the effect of dilution</b>	4,841.01	(892.84)
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	50,000	50,000
Effect of dilution:	-	-
Convertible preference shares	-	-
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	50,000	50,000
Earning Per Share (Basic)	9,682.03	(1,785.69)
Earning Per Share (Diluted)	9,682.03	(1,785.69)
Face value per share (Rs)	10.00	10.00

**23 Significant accounting judgements, estimates and assumptions****ESTIMATES AND ASSUMPTIONS**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

**Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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## GMR Aerostructure Services Limited

CIN:U74900TG2007PLC054821

Notes forming part of Financial Statements for the year ended March 31, 2023

### 24 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

#### (a) Financial assets and liabilities

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2023 and March 31, 2022

As at March 31, 2023

Particulars	Amount in Lacs.		
	Amortised cost	Total Carrying value	Total Fair value
<b>Financial assets</b>			
(i) Investments (other than investments in associates and joint ventures)	53,627.18	53,627.18	53,627.18
(ii) Loans	30,544.80	30,544.80	30,544.80
(iii) Cash and cash equivalents and Other Bank Balances	17.52	17.52	17.52
(iv) Other financial assets	7,869.07	7,869.07	7,869.07
<b>Total</b>	<b>92,058.58</b>	<b>92,058.58</b>	<b>92,058.58</b>
<b>Financial liabilities</b>			
(i) Borrowings	63,281.07	63,281.07	63,281.07
(ii) Other financial liabilities	6,181.23	6,181.23	6,181.23
<b>Total</b>	<b>69,462.30</b>	<b>69,462.30</b>	<b>69,462.30</b>

As at 31st March, 2022

Particulars	Amount in Lacs.		
	Amortised cost	Total Carrying value	Total Fair value
<b>Financial assets</b>			
(i) Investments (other than investments in associates and joint ventures)	50,242.78	50,242.78	50,242.78
(ii) Loans	30,391.53	30,391.53	30,391.53
(iii) Cash and cash equivalents	5.20	5.20	5.20
(iv) Other financial assets	4,622.35	4,622.35	4,622.35
<b>Total</b>	<b>85,261.86</b>	<b>85,261.86</b>	<b>85,261.86</b>
<b>Financial liabilities</b>			
(i) Borrowings	62,005.45	62,005.45	62,005.45
(ii) Other financial liabilities	9,363.17	9,363.17	9,363.17
<b>Total</b>	<b>71,368.62</b>	<b>71,368.62</b>	<b>71,368.62</b>

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## GMR Aerostructure Services Limited

### 25 Notes forming part of Financial Statements for the year ended March 31, 2023

#### Related Party Transactions

##### i Name of Related Parties and description of relationship

Relationships	Name of the Related Party	Name of the Related Party
Enterprises that control the Company	GMR Power and Urban Infra Limited [Holding Company]	
Enterprises where significant influence exists / Fellow Subsidiaries	<b>Name of the Related Party</b>	<b>Name of the Related Party</b>
	Amartya Properties Private Limited	Lantana Properties Private Limited
	Camelia Properties Private Limited	Padmapriya Properties Private Limited
	Deepesh Properties Private Limited	Purnachandra Properties Private Limited
	Dhruvi Securities Limited	Rajam Solar Power Private Limited
	Gateways for India Airport Private Limited	Shreyadita Properties Private Limited
	Gerbera Properties Private Limited	Aklima Properties Private Limited
	GMR Airport Developers Limited	Asteria Real Estates Private Limited
	GMR Airports Limited	Baruni Properties Private Limited
	GMR Aviation Private Limited	Krishna Priya Properties Private Limited
	GMR Corporate affairs Limited	Nadira Properties Private Limited
	GMR Energy Trading Limited	Pranesh Properties Private Limited
	GMR Enterprise Private Limited	Purnachandra Properties Private Limited
	GMR Generations Assets Limited	Sreepa Properties Private Limited
	GMR Infra Developers Limited	Lakshmpriya Properties Private Limited
	GMR Londa Hydropower Private Limited	GMR Bhannerghatta Properties Limited
	GMR Power and Urban Infra Limited	Kothavalasa Infraventures Private Limited
	GMR SEZ & Ports Holdings Limited	
Key Management Personnel and their relatives	Madhva Bhimacharya Terdal Saurabh Chawla Suresh Bagrodia Maddula Srinivas Venkata Lakshmi Susroni Bimmidala	

##### ii Summary of transactions with the above related parties is as follows:

Interest Income:	Amount in Laacs.	
	March 31, 2023	March 31, 2022
GMR Power and Urban Infra Limited	135.93	273.33
GMR Corporate affairs Limited	251.17	387.53
GMR Enterprises Private Limited	34.61	572.75
Rajam Solar Power Private Limited	9,764.34	347.15
GMR Aviation Private Limited	3.26	-
GMR SEZ & Ports Holdings Limited	957.26	327.60
Kothavalasa Infraventures Private Limited	158.25	3,323.28
GMR Londa Hydropower Private Limited	302.49	418.22
Corporate Infrastructure Services Limited	1,153.10	-
<b>Interest Income</b>	<b>12,760.41</b>	<b>5,649.85</b>

Interest Expenses	Amount in Laacs.	
	March 31, 2023	March 31, 2022
GMR Generations Assets Limited	289.76	1,550.46
GMR Bhannerghatta Properties Limited	200.70	-
GMR Energy Trading Limited	145.02	134.56
GMR Airports Developers Limited	867.65	90.33
GMR Infra developers Limited	345.23	-
GMR Airports Limited	3,467.57	2,159.67
GMR Aviation Private Limited	50.85	14.08
GMR Power and Urban Infra Limited	1,654.31	1,072.88
Gateways for India Airport Private Limited	16.97	16.98
Dhruvi Securities Limited	888.34	680.51
Amartya Properties Private Limited	0.00	0.00
Bougainvilla Properties Private Limited	0.01	0.00
Camelia Properties Private Limited	0.01	0.00
Deepesh Properties Private Limited	0.01	0.00
Gerbera Properties Private Limited	0.01	0.00
Larkspur Properties Private Limited	0.00	0.00
Purnachandra Properties Private Limited	0.00	0.00
Shreyadita Properties Private Limited	0.01	0.00
Lantana Properties P Ltd	0.00	0.00
Padmapriya Properties Pvt Ltd	0.01	0.00
Aklima Properties Pvt Ltd	0.00	-
Asteria Real Estates Pvt Ltd	0.00	-
Baruni Properties Pvt Ltd	0.00	-
Gerbera Properties Pvt Ltd	0.00	-
Krishna Priya Properties Pvt Ltd	0.00	-
Nadira Properties Pvt Ltd	0.00	-
Pranesh Properties Pvt Ltd	0.01	-
Purnachandra Properties Pvt Ltd	0.00	-
Shreyadita Properties Pvt Ltd	0.00	-
Sreepa Properties Pvt Ltd	0.00	-
Lakshmpriya Properties Pvt Ltd	0.00	-
<b>Interest Expenses</b>	<b>7,926.51</b>	<b>5,719.48</b>

## GMR Aerostructure Services Limited

25 Notes forming part of Financial Statements for the year ended March 31, 2023

### Related Party Transactions

	Amount in Laacs.	
	March 31, 2023	March 31, 2022
<b>Debentures</b>		
Dhruvi Securities Limited	14,435.00	14,435.00
GMR Power and Urban Infra Limited	10,000.00	10,000.00
Amartya Properties Private Limited	64.00	64.00
Bougainvilla Properties Private Limited	1,199.99	1,199.99
Camelia Properties Private Limited	1,132.84	1,132.84
Deepesh Properties Private Limited	874.98	874.98
Gerbera Properties Private Limited	758.77	758.77
Larkspur Properties Private Limited	428.31	428.31
Purnachandra Properties Private Limited	294.34	294.34
Shreyadita Properties Private Limited	933.18	933.18
Lantana Properties P Limited	307.50	307.50
Padmapriya Properties Private Limited	823.00	823.00
Aklima Properties Private Limited	500.00	-
Asteria Real Estates Private Limited	450.00	-
Baruni Properties Private Limited	75.00	-
Gerbera Properties Private Limited	37.50	-
Krishna Priya Properties Private Limited	392.00	-
Nadira Properties Private Limited	138.00	-
Pranesh Properties Private Limited	1,305.00	-
Purnachandra Properties Private Limited	482.00	-
Shreyadita Properties Private Limited	107.00	-
Sreepa Properties Private Limited	294.00	-
Lakshmi Priya Properties Private Limited	27.00	-
	<b>35,059.41</b>	<b>31,251.91</b>

### Equity Share Capital

	Amount in Laacs.	
	March 31, 2023	March 31, 2022
GMR Power and Urban Infra Limited	5.00	5.00
	<b>5.00</b>	<b>5.00</b>

### Loans taken and repayment thereof

Particulars	Period Ended	Loan	Interest Accrued	Amount in Laacs.	
				Repayment / adjustment including interest	Amount Owed to Related Parties
GMR Generations Assets Limited	March 31, 2023	-	288.32	17,772.19	-
	March 31, 2022	-	1,550.46	3,326.85	17,483.88
Dhruvi Securities Limited	March 31, 2023	6,839.00	1,059.51	11,072.97	5,814.11
	March 31, 2022	8,325.00	680.37	16.80	8,988.57
Gateways for India Airport Private Limited	March 31, 2023	-	16.78	15.00	259.78
	March 31, 2022	25.00	16.98	54.96	258.00
GMR Bannerghatta Properties Private Limited	March 31, 2023	9,800.00	180.63	9,980.63	-
	March 31, 2022	-	-	-	-
GMR Airports Limited	March 31, 2023	3,000.00	3,464.10	1,750.00	23,788.71
	March 31, 2022	38,500.00	2,159.67	44,027.35	19,074.61
GMR Energy Trading Limited	March 31, 2023	3,692.00	134.49	3,403.00	423.49
	March 31, 2022	5,497.00	134.56	5,631.56	-
GMR Power Urban Infra Limited	March 31, 2023	36,945.55	1,653.38	25,473.34	31,907.37
	March 31, 2022	50,804.31	568.79	32,591.32	18,781.78
GMR Infra Developers Limited	March 31, 2023	5,490.00	343.51	5,458.00	375.51
	March 31, 2022	-	-	-	-
GMR Aviation Private Limited	March 31, 2023	1,800.00	45.76	1,845.76	-
	March 31, 2022	-	-	-	-
GMR Airport Developers Limited	March 31, 2023	-	780.89	669.64	6,892.55
	March 31, 2022	6,700.00	90.33	9.03	6,781.30

**GMR Aerostructure Services Limited**

25 Notes forming part of Financial Statements for the year ended March 31, 2023

**Related Party Transactions**

**Loans given and repayment thereof**

Particulars	Period Ended	Loan given	Interest Accrued	Repayment / adjustment including interest	Amount in Lacs.
					Amount Owed from Related Parties
GMR Corporate affairs Limited	March 31, 2023	-	250.92	3,754.00	1,104.47
	March 31, 2022	445.00	387.53	512.93	4,607.55
GMR Londa Hydropower Private Limited	March 31, 2023	-	302.19	5,379.13	-
	March 31, 2022	-	418.22	0.42	5,076.94
GMR Enterprises Private Limited	March 31, 2023	2,350.00	34.58	10,538.72	-
	March 31, 2022	43,545.00	572.75	40,004.57	8,154.14
GMR SEZ PORT HOLDINGS LIMITED	March 31, 2023	155.00	956.30	35.00	9,091.43
	March 31, 2022	8,340.80	327.60	653.28	8,015.12
Kothavalasa Infraventures Limited	March 31, 2023	6,512.00	158.09	14,377.97	-
	March 31, 2022	21,990.00	3,323.28	61,603.91	7,707.89
GMR Power and Urban Infra Limited	March 31, 2023	8,625.66	135.79	8,761.45	-
	March 31, 2022	23,972.34	273.33	24,245.67	-
Corporate Infrastructure Services Limited	March 31, 2023	26,300.00	1,151.95	4,510.00	22,941.95
	March 31, 2022	-	-	-	-
GMR Aviation Private Limited	March 31, 2023	344.00	3.25	290.00	57.25
	March 31, 2022	-	-	-	-
Rajam Solar Power Private Limited	March 31, 2023	-	9,744.62	2,426.85	57,659.53
	March 31, 2022	50,000.00	345.21	3.45	50,341.75

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**GMR Aerostructure Services Limited**

Standalone summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

## 26 Financial ratios

Ratio	Numerator	Denominator	As at	As at	% Change	Remarks
			31 March 2023	31 March 2022		
			Ratio	Ratio		
Current ratio	Current assets	Current liabilities	0.12	6.22	98%	Decrease in Current Assets due to Repayment of Loans by Group Companies. Increase in Current Liabilities due to Reclass of Long Term to Short Borrowings
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	2.80	4.44	37%	In FY 2022-23, there is issuance of CCD which is a part of Other Equity & Increase in Profit for the Current Year.
Debt service coverage ratio	Earnings before depreciation and amortisation and interest [Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Interest expense (including capitalised) + Principal repayment (including prepayments)	0.18	0.07	-152%	Increase in Interest Expenses due to Higher Interest Rate in Current Year.
Return on equity ratio	Profit after tax	Average of total equity	0.26	(0.03)	987%	Increased due to Increase in Profitability of Current Year
Return on capital employed	Earnings before depreciation and amortisation, interest and tax [Earnings = Profit after tax + Tax expense + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Capital employed [Total assets - Current liabilities + Current borrowings]	0.18	0.06	-205%	Increased due to Increase in Current Year Profit.

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# GMR Aerostructure Services Limited

CIN:U74900TG2007PLC054821

Notes forming part of Financial Statements for the year ended March 31, 2023

## 27 Financial risk management objectives and policies

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

### Market risk

#### (a) Market risk- Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

### Interest rate sensitivity

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

Particulars	Increase/decrease in basis points	Effect on profit before tax
<b>March 31, 2023</b>		
INR	+50	-
INR	-50	-
<b>March 31, 2022</b>		
INR	+50	-
INR	-50	-

The company does not have any loan bearing floating rate of Interest.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, loans receivables, investments, cash and cash equivalents, derivatives and financial guarantees provided by the Company.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was Rs.92,058.57 lacs and Rs 85,261.86 lacs as at March 31, 2023 and March 31, 2022 respectively, being the total carrying value of trade receivables, balances with bank, bank deposits, investments and other financial assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company does not hold collateral as security.

The Company's exposure to customers is diversified and there is no concentration of credit risk with respect to any particular customer as at 31st March, 2023 and 31st March, 2022.

With respect to trade receivables / unbilled revenue, the Company has constituted the terms to review the receivables on a periodic basis and to take necessary mitigations, wherever required. The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

Credit risk from balances with bank and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

In respect of financial guarantees provided by the Company to banks and financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

### 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 has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through convertible debentures, non-convertible debentures, bonds and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carries no or low market risk.

The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares, sale of assets and strategic partnership with investors etc.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value. Floating rate interest is estimated using the prevailing interest rate at the end of the reporting period.

Particulars	Amount in Lacs.			
	0-1 year	1 to 5 years	> 5 years	Total
<b>March 31, 2023</b>				
Borrowings (other than convertible preference shares)	17,021.48	46,259.59	-	63,281.07
Other financial liabilities	2,464.09	3,717.49	-	6,181.58
<b>Total</b>	<b>19,485.56</b>	<b>49,977.08</b>	<b>-</b>	<b>69,462.64</b>
<b>March 31, 2022</b>				
Borrowings (other than convertible preference shares)	1,500.00	60,505.45	-	62,005.45
Other financial liabilities	1.07	9,362.90	-	9,363.97
<b>Total</b>	<b>1,501.07</b>	<b>69,868.35</b>	<b>-</b>	<b>71,369.41</b>

# GMR Aerostructure Services Limited

CIN:U74900TG2007PLC054821

Notes forming part of Financial Statements for the year ended March 31, 2023

## 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 policies and procedures of the Company include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

## 28 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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to IND AS 107 and IND AS 34. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also there is corresponding amendment to IND AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

- 29 The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 30 The Company does not have any transactions/ balances with companies struck off under section 248 of Companies Act, 2013 to the best of knowledge of Company's management.
- 31 The Company has not traded or invested funds in Crypto currency of Virtual currency.
- 32 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 Company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 33 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 Company 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
- 34 The Company has used borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date
- 35 The Company has not declared wilful defaulter by any bank of financial institution of other lender.
- 36 The quarterly return/ statement of current assets filed by the Company with bank and financial institutions in relation to secured borrowings wherever applicable are in agreement with books of accounts
- 37 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
- ## 38 Segment Reporting
- The Company in only in one segment to be reported and hence, the reporting under the provisions of INDAS 108 does not arise.
- 39 Previous year's figures have been regrouped wherever necessary to confirm to the current year's classification.

## Chatterjee & Chatterjee

Chartered Accountants

ICAI Firm Registration No. 001109C

GAURAV  
AGRAWAL

Digitally signed by  
GAURAV AGRAWAL  
Date: 2023.04.24  
21:57:30 +05'30'

Gaurav Agrawal

Partner

Membership no. 403788

## For and on behalf of the Board of Directors of

GMR Aerostructure Services Limited

SURESH  
BAGRODIA

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by SURESH  
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Date: 2023.04.24  
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Suresh Bagrodia

Director

DIN : 05201062

MADDULA

VENKATA

SRINIVAS

M V Srinivas

Director

DIN : 02477894

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Date: 2023.04.24  
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Place : New Delhi  
Date : April 24, 2023

Place : New Delhi  
Date : April 24, 2023