

October 29, 2018

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

**Sub: Submissions under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref: GMR Aerospace Engineering Limited – ISIN: INE991L07016**

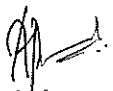
With reference to the subject cited above, please find attached the Financial Results as per Reg. 52 (1) of SEBI (LODR), 2015 of the Company for the half year ended 30<sup>th</sup> September, 2018 along with the Limited Review Report, approved by the Board of Directors in their meeting held on 29<sup>th</sup> October, 2018.

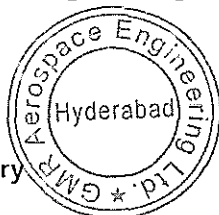
Also find attached Debenture Trustee Certificate as required under Reg. 52(5) of SEBI (LODR), 2015 on the above results.

This is for your information and records.

Thanking You,

**For GMR Aerospace Engineering Limited**

  
**Apeksha Naidu**  
Company Secretary



## GMR Aerospace Engineering Limited

CIN: U45201TG2008PLC067141

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

## Statement of Unaudited Standalone Financial Results for the half-year ended September 30, 2018

(₹ in Lakhs except share data)

Particulars (Refer Notes)	Half-Year ended		Year Ended
	September 30, 2018	September 30, 2017	March 31, 2018
	Unaudited	Unaudited	Audited
<b>1. Income</b>			
(a) Revenue from Operations (Refer note: 9)	831.76	1,426.35	2,862.23
(b) Other Income	984.05	1,162.91	2,219.78
<b>Total Income</b>	<b>1,815.81</b>	<b>2,589.26</b>	<b>5,082.01</b>
<b>2. Expenses</b>			
(a) Employee benefits expense	2.48	26.36	39.64
(b) Finance costs	431.59	1,533.84	2,712.77
(c) Depreciation and amortisation expense	535.67	533.34	1,063.53
(d) Other expenses	365.99	480.97	1,866.13
<b>Total expenses</b>	<b>1,335.73</b>	<b>2,574.51</b>	<b>5,682.07</b>
<b>3. Profit/(Loss) before tax (1-2)</b>	<b>480.08</b>	<b>14.75</b>	<b>(600.06)</b>
4. Tax expense	-	-	-
<b>5. Profit/(Loss) after tax (3-4)</b>	<b>480.08</b>	<b>14.75</b>	<b>(600.06)</b>
<b>6. Other Comprehensive Income</b>			
<i>Items that will not be reclassified to profit and loss</i>			
Remeasurement gains/ (losses) on defined benefit plans	-	-	-
<b>7. Total Comprehensive Income/(loss) (5+6)</b>	<b>480.08</b>	<b>14.75</b>	<b>(600.06)</b>
8. Paid up equity share capital (Face value of ₹ 10 each)	33,240.00	32,490.00	32,490.00
9. Paid up Debt Capital (Refer note: 6)	9,965.62	-	9,962.74
10. Reserves excluding Revaluation Reserves	(868.32)	(733.59)	(1,348.40)
11. Debenture Redemption Reserve (Refer note: 7)	-	-	-
12. Earnings per share (for the period - not annualised)	0.15	0.0048	(0.19)
13. Debt Equity Ratio (Refer note: 3)	0.30	0.79	0.32
14. Debt Service Coverage Ratio (Refer note: 4)	2.11	0.72	0.07
15. Interest Service Coverage Ratio (Refer note: 5)	2.11	1.01	0.78



GMR Aerospace Engineering Limited  
CIN: U45201TG2008PLC067141

Statement of Unaudited Standalone Assets and Liabilities as at September 30, 2018

(₹ in Lakhs)

Particulars (Refer Notes)	As at September 30, 2018	As at March 31, 2018
	(Unaudited)	(Audited)
<b>1 ASSETS</b>		
<b>a) Non-current assets</b>		
Property, plant and equipment	3,208.43	3,415.98
Investment property	9,622.98	9,951.11
Financial assets		
Investments	20,652.08	20,308.84
Loans	3,158.27	2,895.35
Others financial assets	10.44	9.87
Deferred tax assets (net)	-	-
Non-current tax asset	7.95	41.37
Other non-current assets	160.98	162.55
	<b>36,821.13</b>	<b>36,785.07</b>
<b>b) Current assets</b>		
Financial assets		
Trade receivables	8,881.79	6,912.91
Cash and cash equivalents	29.66	94.53
Other Financial assets	15.34	-
Derivative instruments	-	81.69
Other current assets	3.14	366.66
	<b>8,929.93</b>	<b>7,455.79</b>
<b>TOTAL ASSETS (a+b)</b>	<b>45,751.06</b>	<b>44,240.86</b>
<b>2 EQUITY AND LIABILITIES</b>		
<b>a) Equity</b>		
Equity share capital	33,240.00	32,490.00
Other equity	(268.32)	(848.40)
	<b>32,971.68</b>	<b>31,641.60</b>
<b>b) Non-current liabilities</b>		
Financial liabilities		
Borrowings	9,965.62	9,962.74
	<b>9,965.62</b>	<b>9,962.74</b>
<b>c) Current liabilities</b>		
Financial liabilities		
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises;	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,802.12	2,550.35
Other financial liabilities	2.34	84.22
Other current liabilities	9.30	1.95
	<b>2,813.76</b>	<b>2,636.52</b>
<b>TOTAL EQUITY AND LIABILITIES (a+b+c)</b>	<b>45,751.06</b>	<b>44,240.86</b>



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GMR Aerospace Engineering Limited

CIN: U45201TG2008PLC067141

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

Notes:

1. The unaudited standalone financial results of the Company for the half-year ended September 30, 2018 have been reviewed by the Audit Committee in their meeting held on October 29, 2018 and approved by the Board of Directors in their meeting held on October 29, 2018. The Statutory Auditors of the Company have carried out a limited review of the aforesaid results of the Company.

2. (a) As at September 30, 2018, the Company has investment, loans given and trade receivables aggregating to ₹ 20,652.08 lakhs, ₹ 3,158.27 lakhs and ₹ 8,881.79 lakhs, respectively (As at March 31, 2018: ₹ 20,308.84 lakhs, ₹ 2,895.35 lakhs and ₹ 6,912.91 lakhs, respectively), in its wholly owned subsidiary GMR Aero Technic Limited (GATL). The subsidiary has been incurring continuing losses and its accumulated losses have fully eroded its net worth as at September 30, 2018. Management has undertaken several initiatives to improve its income from operations and establish profitable operations and it alongwith GMR Hyderabad International Airport Limited ("GHIAL") further committed to provide such financial support as necessary towards its operational requirement. Based on the future business plans and projections approved by the Board of Directors of the Company and valuation assessment done by the Management, the Management is of the view that there is no impairment, in the value of such investment, loans and trade receivables. As such, no provision, for impairment in the value of the same has been made.

In view of the above and in the absence of appropriate information to support key assumptions made by the Management to assess impairment, the auditors have given a qualification in their Review report about their inability to comment on the carrying amounts of such investments, loan given and trade receivables from such subsidiary, including adjustments, if any.

2 (b) As explained in the Note 2(a), given the significant erosion in net-worth of the wholly owned subsidiary, the Management of the Company expects that there will be significant increase in the operations of the Subsidiary Company that will lead to long-term sustainability. These conditions including dependence on continuous support from its holding Company GMR Hyderabad International Airport Limited ("GHIAL") to meet the operational requirements as they arise and to meet its liabilities as and when they fall due, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Accordingly, these financial statements have been prepared on a Going Concern basis and do not include any adjustments relating to the recoverability of assets or the amounts of liabilities that may be necessary if the entity is unable to continue as a going concern.

3. Debt/Equity Ratio: Debt (long term borrowings and current maturity of long term borrowings included in current liabilities)/Total Equity (Equity Share Capital and other equity).

4. Debt Service Coverage Ratio (DSCR): Earnings before interest on long term borrowings and tax/(Interest on long term borrowings +Principal repayment of long term borrowings).

5. Interest Service Coverage Ratio (ISCR): Earnings before interest on long term borrowings and tax/Interest on long term borrowings.

6. Paid up debt capital represents outstanding 1,000 Rated, Senior, Listed, Secured, Redeemable, Non-Convertible Debentures of ₹ 10 Lakhs each aggregating ₹ 10,000 lakhs after an adjustment of unamortised upfront fee paid of ₹ 34.38 lakhs as at September 30, 2018 (₹ 37.26 lakhs as at March 31, 2018).

7. In the absence of adequate profits, the Company has not created Debenture Redemption Reserve as per the provisions of Section 71 of the Companies Act, 2013.

8. Asset coverage ratio represents Non-current and Current Assets / Secured Debt (long term borrowings and current maturity of long term borrowings included in current liabilities).

9. Revenue from operations includes reversal of opening balance of unbilled revenue - straight lining of lease rentals for half-year ended September 30, 2018 ₹ 363.52 Lakhs on account of modification of terms of lease w.e.f. April 01, 2018.

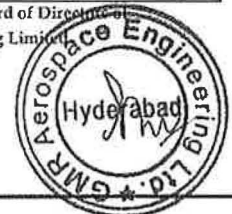
10. The Company's business activity falls within a single business segment in terms of Ind AS 108 on Operating Segments.

11. Statement referred to in Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

S No	Particulars	Disclosures			
1	Credit rating and change in Credit rating (if any)	The credit rating of NCD's issued of ₹ 10,000 Lakhs is "AA(SO)" as per ICRA Limited letter dated April 19, 2018.			
2	Asset Cover available, in case of non-convertible debentures	4.59 times (Refer note: 8 above)			
3	Debt-equity ratio for the half-year ended September 30, 2018	0.30 times			
4	Previous due date for the payment of interest/repayment of principal of Non-Convertible Debentures and whether the same has been paid or not	Name of the Series/ISIN No	Interest (₹ in Lakhs)	Due on	Paid on
		a) NCD's for ₹ 10,000 Lakhs (INE991L07016)	428.67	September 30, 2018	September 28, 2018
		Name of the Series/ISIN No	Principal (₹ in Lakhs)	Due on	Paid on
		a) NCD's for ₹ 10,000 Lakhs (INE991L07016)	Nil	Not Applicable	Not Applicable
5	Next due date for the payment of interest	Name of the Series/ISIN No	Interest (₹ in Lakhs)	Due on	
		a) NCD's for ₹ 10,000 Lakhs (INE991L07016)	426.33	March 31, 2019	
6	Debt service coverage ratio for the half-year ended September 30, 2018	2.11 times			
7	Interest service coverage ratio for the half-year ended September 30, 2018	2.11 times			
8	Outstanding Non-cumulative redeemable preference shares (quantity and value)	Not applicable (NA)			
9	Capital Redemption Reserve/ Debenture Redemption Reserve	(Refer note 7 above)			
10	Net Worth as at September 30, 2018	INR 32,971.68 Lakhs			
11	Net Profit after tax for the half year ended September 30, 2018	INR 480.08 Lakhs			
12	Earnings per share (for the period - not annualised)	0.15			

For and on behalf of the Board of Directors of  
GMR Aerospace Engineering Limited

Rajesh Kumar Arora  
Director  
DIN-03174536



Place: Hyderabad  
Date: October 29, 2018



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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE BOARD OF DIRECTORS OF  
GMR AEROSPACE ENGINEERING LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **GMR Aerospace Engineering Limited** ("the Company") for the half-year ended September 30, 2018 ("the Statement") being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016, to the extent applicable.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Attention is invited to Note 2(a) of the Statement regarding the Company's investments in its wholly owned subsidiary, GMR Aero Technic Limited, amounting to ₹ 20,652.08 lakhs, loans given and, trade receivables from this subsidiary, amounting to ₹ 3,158.27 lakhs and ₹ 8,881.79 lakhs, respectively, as at September 30, 2018. The subsidiary has been incurring continuing losses and its accumulated losses have fully eroded its net-worth as at September 30, 2018. Based on the future business plan and projections, and for reasons more fully described in the aforesaid Note, the Management is of the view that there is no impairment in the aforesaid values of investment, loans and trade receivables, and no provision is considered necessary in respect of the same.

In view of the above, and in the absence of appropriate information to support the key assumptions made by the Management to assess impairment, we are unable to comment on the carrying amounts of such investments, loans given and trade receivables from such subsidiary, including adjustments, if any that may be required to be made to such carrying amounts.

This matter was also qualified in the audit report on the Standalone Ind AS financial statements for the year ended March 31, 2018.

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**Deloitte  
Haskins & Sells LLP**

4. Based on our review conducted as stated above, except for the possible effects of the matter described in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
  
5. We draw attention to Note 2(b) of the Statement, which indicates that as at September 30, 2018 there is a significant erosion of net-worth of the wholly owned subsidiary Company. These conditions including dependence on continuous support from its holding Company, GMR Hyderabad International Airport Limited ("GHIAL"), indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. This Statement has been prepared on a going concern basis for the reasons stated in the said note.

Our report is not modified in respect of this matter.

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



Sumit Trivedi  
(Partner)  
(Membership No. 209354)



Place: Hyderabad  
Date: October 29, 2018



**ATSL/CO/18-19/ 5711**  
October 29<sup>th</sup>, 2018

**GMR Aero Space Engineering Ltd.**  
Plot No.1,  
GMR Hyderabad Aviation SEZ Limited  
Rajiv Gandhi International Airport, Shamshabad  
Hyderabad, Rangareddi,  
Telengana - 500108

**Kind Attention: Ms. Apeksha Naidu**

Dear Madam,

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

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

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

In pursuance thereof we hereby confirm that we have received the said information vide your letter dated October 29 2018 (enclosed herewith) along with the relevant/necessary supporting and we have noted the contents in respect of the Listed Debt Securities issued by the Company.

Thanking You,

**Yours Faithfully**  
**For Axis Trustee Services Limited**

  
**Mangalagowri Bhat**  
**Senior Manager**

**AXIS TRUSTEE SERVICES LTD.**

*(A wholly owned subsidiary of Axis Bank)*

Corporate Identity Number (CIN): U74999MH2008PLC182264

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

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

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