

Date: June 05, 2020

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

Dear Sir/Madam,

Subject: Submission of financial Results under regulations 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ref: GMR Air Cargo And Aerospace Engineering Limited

- 1) ISIN - INE550V08017**
- 2) ISIN - INE991L07016**

With reference to the subject cited above, please find enclosed Financial Results pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Company along with the Audit Report as required under the above referred regulation for the year ended 31st March, 2020, approved by the Board of Directors of the Company in their meeting held on June 04, 2020.

Please take the above information on records.

Thanking You,

For, **GMR Air Cargo And Aerospace Engineering Limited**


Rakhal Panigrahi
Company Secretary



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
GMR AIR CARGO AND AEROSPACE ENGINEERING LIMITED**
(formerly known as GMR Aerospace Engineering Limited)

Opinion

We have audited the Standalone Financial Results for the year ended March 31, 2020 included in the accompanying "Statement of Standalone Financial Results for the Year ended March 31, 2020" of **GMR AIR CARGO AND AEROSPACE ENGINEERING LIMITED** (formerly known as GMR Aerospace Engineering Limited) ("the Company"), ("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 amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2020:

- (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in Auditor's Responsibilities for audit of the Annual Standalone Financial Results section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

↓

Management's Responsibilities for the Statement

This Statement, which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Statement has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for audit of Annual Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

5

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 52 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- Due to the COVID-19 related lock-down restrictions, we were not able to physically observe the stock verification that was carried out by management. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on this Statement.

Our report on the Statement is not modified in respect of this matter.



**Deloitte
Haskins & Sells LLP**

- The Statement includes the results for the half-year ended March 31, 2020 and half-year ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year ended March 31, 2020 and year ended March 31, 2019, and the unaudited year to date figures for the half-year ended September 30, 2019 and the half-year ended September 30, 2018, respectively, which were subject to limited review by us.

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



Sumit Trivedi
(Partner)

(Membership No. 209354)
UDIN: 20209354AAAAGD7285

Place: Hyderabad
Date: June 04, 2020

Statement of Standalone Financial Results for the Year ended March 31, 2020					
GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited)					
CIN: U45201TG2008PLC067141					
Registered and Corporate Office : Plot No.1, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500 105, Telangana, India					
(In Rs Lakhs except share data)					
Sl. No.	Particulars	Half-year ended (Refer Note 2)		Year ended (Refer Note 2)	
		31-Mar-20 Refer Note 14	31-Mar-19 Refer Note 14	31-Mar-20 Audited	31-Mar-19 Audited
(Refer Notes)					
1	Revenue from operations				
	Income from operations	15,473.92	13,582.81	29,465.94	24,895.96
	Other Operating income	185.29	158.12	356.71	314.14
	Total Revenue from operations	15,659.21	13,740.93	29,822.65	25,210.10
2	Other income	778.08	282.78	1,331.42	866.48
3	Total income (1+2)	16,437.29	14,023.71	31,154.07	26,076.58
4	Expenses				
	Operations and maintenance expenses	151.61	310.36	371.78	566.24
	Cost of stores and spares consumed	3,182.53	2,732.72	6,054.59	4,623.84
	Employee benefits expense	4,197.66	3,453.98	8,052.94	6,580.95
	Finance costs	1,486.80	1,334.93	3,231.52	2,665.33
	Depreciation and amortization expenses	1,363.99	921.37	2,762.29	1,784.29
	Other expenses	5,002.58	5,661.38	8,997.99	9,623.57
	Total expenses	15,385.17	14,414.74	29,471.11	25,844.22
5	Profit/(Loss) before tax (3 - 4)	1,052.12	(391.03)	1,682.96	232.36
6	Tax expenses				
	Current tax	-	163.50	-	574.50
	Deferred tax	13.19	(50.24)	45.89	(24.76)
7	Net Profit/(Loss) after tax (5 - 6)	1,038.93	(504.29)	1,637.07	(317.38)
8	Other Comprehensive Income (OCI)				
	Items that will not be reclassified to profit and loss				
	Remeasurement (losses) on defined benefit plans (net of taxes)	(3.85)	(28.09)	(37.55)	(44.43)
9	Total comprehensive income/(loss) (7 + 8)	1,035.08	(532.38)	1,599.52	(361.81)
10	Paid-up equity share capital (face value Rs. 10 per share)	45,581.22	33,840.00	45,581.22	33,840.00
11	Paid up Debt Capital (Refer note: 10)	27,429.06	27,413.29	27,429.06	27,413.29
12	Reserves excluding Revaluation Reserves	(47,738.61)	(49,208.12)	(47,738.61)	(49,208.12)
13	Earnings per Equity share of par value of Rs. 10 Each				
	Basic and diluted (Rs. Per share) (not annualised for the period)	0.20	(0.15)	0.31	(0.14)
14	Debt/Equity Ratio (Refer note: 6)	(77.15)	(8.12)	(77.15)	(8.12)
15	Debt Service Coverage Ratio (Refer note: 7)	1.89	0.67	1.71	1.10
16	Interest Service Coverage Ratio (Refer note: 8)	1.89	0.67	1.71	1.10



GMR Air Cargo and Aerospace Engineering Limited (formerly known as GMR Aerospace Engineering Limited)
CIN: U45201TG2008PLC067141

Statement of Audited Assets and Liabilities

(in Rs Lakhs)

Particulars (Refer Notes)	As at March 31, 2020 (Audited) (Refer Note 2)	As at March 31, 2019 (Audited) (Refer Note 2)
1 ASSETS		
a) Non-current assets		
Property, plant and equipment	14,305.85	15,032.44
Right-of-use assets	3,516.22	-
Other intangible assets	1,610.96	1,683.20
Intangible assets under development	121.23	121.54
Financial assets		
Investments	10.00	10.00
Other financial assets	111.75	113.81
Deferred tax assets (net)	-	32.70
Non-current tax assets (net)	3,287.09	2,299.76
Other non-current assets	684.53	496.58
	23,647.43	19,790.03
b) Current assets		
Inventories	4,325.30	3,368.33
Financial assets		
Investments	6,378.49	301.56
Trade receivables	5,358.99	4,507.07
Cash and cash equivalents	1,362.39	554.96
Bank balances other than cash and cash equivalents	503.33	3,474.00
Loans	-	5,000.00
Other financial assets	946.74	859.01
Current tax assets (net)	170.64	172.68
Other current assets	598.15	453.84
	19,644.03	18,691.45
TOTAL ASSETS (a+b)	43,291.46	38,481.48
2 EQUITY AND LIABILITIES		
a) Equity		
Share capital	47,383.09	33,840.00
Share Capital suspense (Refer Note 2)	-	10,993.09
Other equity	(47,738.61)	(48,208.12)
Total equity	(355.52)	(3,375.03)
b) Non-current liabilities		
Financial liabilities		
Long term Borrowings	27,429.06	27,413.29
Lease Liabilities	3,002.85	-
Provisions	80.05	99.76
	30,511.96	27,513.05
c) Current liabilities		
Financial liabilities		
Short term Borrowings	-	2,799.99
Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises;	12.60	58.24
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	9,464.42	9,750.30
Lease Liabilities	1,323.26	-
Other financial liabilities	200.91	462.96
Provisions	386.25	310.76
Other current liabilities	1,747.58	961.21
	13,135.02	14,343.46
TOTAL EQUITY AND LIABILITIES (a+b+c)	43,291.46	38,481.48



GMR Air Cargo and Aerospace Engineering Limited (formerly known as 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 Standalone Financial Results ("the Statement") of the Company for the year ended March 31, 2020 have been reviewed by Audit Committee and approved by the Board of Directors in their meetings held on June 04, 2020. The Statutory Auditors of the Company have carried out audit on the aforesaid results of the Company and issued an unmodified opinion on the same.

2 The Board of Directors of the Company at its meeting held on December 10, 2018 had approved a Composite Scheme ("the Composite Scheme") with regard to merger of GMR Hyderabad Air Cargo and Logistics Private Limited ("the Transferor Company") and demerger of the Maintenance, Repair and Overhaul (MRO) division of GMR Aero Technic Limited ("Demerged Company") ("GATL") with the Company with an appointed date of April 1, 2018. National Company Law Tribunal (NCLT) has passed an order approving the said scheme on July 26, 2019 and thereafter the Company filed the copy of its approved copy of the Scheme with the Registrar of Companies on August 23, 2019. The Company has given effect to the Scheme in the half year ended September 30, 2019 and since the above transaction results in a common control business combination the aforesaid mergers have been accounted under the 'pooling of interests' method as per Appendix C of Ind AS 103: Business Combinations.

Considering the requirements of Ind AS 103 - Business Combinations, the accounting for the transaction has been given effect retrospectively by the Company. Accordingly, the financial statements/information for the corresponding periods in 2018-19 have been restated to give effect of the above Scheme.

During the half year ended March 31, 2020, the Company has allotted 91,912,200 equity shares of face value Rs. 10/-, 18,000, 11.97% Series A Compulsorily Convertible Cumulative Preference Shares ("CCCPs") of Rs. 10,000/- and 18,735, 11.97% Series B Compulsorily Convertible Cumulative Preference Shares ("CCCPs") of Rs. 10/- to GMR Hyderabad International Airport Limited ("GHIAL") towards the consideration and the Share Capital Suspense account balance of Rs. 10,993.09 lakhs has been adjusted.

3 Pursuant to the Composite Scheme of Arrangement ("Scheme") approved by NCLT (Refer Note 2 above) all the liabilities relating to the Demerged Undertaking, being transferred by the Demerged Company ("GATL"), immediately before the demerger, become the liabilities of the Resulting Company ("GAEL"/"the Company") by virtue of the demerger. In view of the above and the Scheme being effective, 1,750 Senior, Rated, Listed, Unsecured, Redeemable, Non-Convertible Debentures of GATL are transferred to GMR Air Cargo and Aerospace Engineering Limited ("GACAEEL") formerly known as GMR Aerospace Engineering Limited - "GAEL" with same terms and conditions as they were issued. Subsequently, such transfer of debentures was updated on the Bombay Stock Exchange (BSE) on October 15, 2019 and on the National Stock Exchange (NSE) on November 26, 2019.

4 The Management has assessed impairment of the carrying value of the MRO (Maintenance, Repair and Overhauling) Division, which was acquired by the Company during the year, in terms of the Composite Scheme of Arrangement from GMR Aero Technic Limited, wholly-owned subsidiary of the Company. This acquisition was accounted as a common control transaction in terms of Ind AS '03 Appendix C (also refer Note 2). The assessment was done at Cash Generating Unit ("MRO CGU") level, which has past accumulated losses as at March 31, 2020. The Management has undertaken several initiatives to improve its income from operations and establish profitable operations, which resulted in operating profits during the last 2 years.

Pursuant to the agreement entered by the GMR Group ("Group") dated February 20, 2020, the Group has executed a definitive agreement with Aeroports De Paris ("ADP") for acquisition of 49% stake by ADP in GMR Airports Limited (the holding company of GMR Hyderabad International Airport Limited, which is the holding company of the company) ("GAL") on fully diluted basis. In accordance with which the first tranche of the consideration has been received by the Group. The second tranche of the consideration is subject to regulatory approvals, lender consents and other approvals which are currently in progress and the Group Management is confident of obtaining the requisite approvals to achieve an expeditious closure of the transaction.

The MRO CGU is part of the Airports business. To assess whether the MRO CGU is impaired, the Management of the Company has reckoned the values attributed to MRO CGU which are higher than its carrying value, on the basis of an independent valuation of the Airport business entered into as part of entering the aforesaid agreement.

The Management has also assessed impairment of the carrying value of the MRO CGU consequent to the outbreak of the COVID19 pandemic. The Management has reviewed its business plans and the projections considering the COVID19 impact, and such future business plan, projections were approved by the Board of Directors of the Company. The Management has also performed sensitivity analysis considering different scenarios to build in the uncertainties attached. Based on such valuation assessment done by the Management and approved by the Board of Directors, and other management initiatives as mentioned above, the Management is of the view that there is no impairment required in the value of MRO CGU as at March 31, 2020 in this Statement.

5 As at March 31, 2020, the Company has accumulated losses (including amalgamation adjustment deficit account) of Rs. 47,789.78 lakhs (as at March 31, 2019 is Rs 49,259.20 lakhs) and its net-worth has been fully eroded. The Management has undertaken several initiatives to improve its income from operations and establish profitable operations including the composite scheme of arrangement (Refer Note 2 above). In the current year, the Company has made a Profit for the year and based on the business plans for the coming year including the cash flow projections, it has sufficient future cash flows to meet its liabilities as and when they fall due. The credit rating for the Company's NCD program has been confirmed by ICRA Limited with letter dated April 09, 2020 as [ICRA]AA(CR) (placed on watch with negative implications).

In view of the Management there is no significant uncertainty on the going concern assumption and that the Company will have positive net worth in the coming years.

Additionally, GMR Hyderabad International Airport Limited ("GHIAL") has confirmed its continuous financial support to the Company to meet the operational requirements as they arise and to meet its liabilities as and when they fall due. During the year ended March 31, 2020, Company has allotted shares of Rs 2,550 lakhs to GHIAL for consideration in cash.

Accordingly, these Statement have been prepared on 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.



- 6 Debt/Equity Ratio: Debt (long term borrowings and current maturity of long term borrowings included in current liabilities)/Total Equity (Equity Share Capital, Share Capital reserve and other equity).
- 7 Debt Service Coverage Ratio (DSCR): Earnings before interest on long term borrowings and tax (EBITDA) on long term borrowings.
- 8 Interest Service Coverage Ratio (ISCR): Earnings before interest on long term borrowings and tax/Interest on long term borrowings.
- 9 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).
- 10 Paid up debt capital requests outstanding: 1,750 Rased, Senior, Lated, Unsecured, Redeemable, Non-Convertible Debentures of Rs.10 Lakhs each aggregating Rs.17,500 lakhs after an adjustment of unamortised upfront fee paid of Rs.48.14 lakhs as at March 31, 2020 (Rs.55.16 lakhs as at March 31, 2019); and 1,000 Rased, Senior, Lated, Secured, Redeemable, Non-Convertible Debentures, Rs.10 Lakhs each aggregating Rs.10,000 lakhs after an adjustment of unamortised upfront fee paid of Rs.25.80 lakhs as at March 31, 2020 (Rs.31.35 lakhs as at March 31, 2019).
- 11 The Company has changed its name from GNR Aerospace Engineering Limited to GNR Air Cargo and Aerospace Engineering Limited w.e.f September 25, 2019.
- 12 The Company has adopted Ind AS 116 "Leases" with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 "Leases" and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach. Right-of-use assets (ROU) at April 1, 2019 for leases previously classified as operating leases were recognized and measured at an amount equal to lease liability (adjusted for any related prepayments). As a result, the comparative information has not been restated. The Company has discontinued lease payments using the incremental borrowing rate as at April 1, 2019 for measuring the lease liability.
- 13 Accordingly, on transition to Ind AS 116, the Company recognized the right-of-use assets of Rs. 8,659.44 lakhs and lease liabilities amounting of Rs. 7,664.42 lakhs. Consequent to the amendment of lease agreement with GNR H) derahead Aviation SEZ Limited w.e.f December 01, 2019, remeasurement of lease liability has been carried out to reflect the revised lease rentals and the corresponding adjustment of Rs. 3,790.40 lakhs has been done to ROU. During the year ended March 31, 2020, the Company has recognised interest expense on lease amounting to Rs. 698.54 lakhs and depreciation on right-of-use assets amounting to Rs. 732.82 lakhs in the Statement.
- 14 The Statement has been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. The Statement has been prepared under the historical cost convention on an accrual basis, except for certain financial assets and liabilities which have been measured at fair value.
- 15 The figures for the current half year and half-year ended March 31, 2019 are the balance figures of the full financial year ended March 31, 2020 and March 31, 2019 respectively and the unaudited year to date figures upto first half-year ended September 30, 2019 and September 30, 2018 respectively.
- 16 Pursuant to notification G.S.L.574(3) dated August 16, 2015 issued by Ministry of Corporate Affairs, the Company being a listed entity is not required to create Debenture Redemption Reserve.
- 17 In the absence of profits available for distribution, the Company has not declared preference dividend on Compulsorily Convertible Preference Shares ("CCPS") for the quarter ended September 30, 2019, December 31, 2019 and March 31, 2020 and the same has been considered as contingent liability.
- As the world faces one of its biggest challenges caused by the COVID-19 related disruptions, the country wide lockdown enforced from March 25, 2020 had temporarily impacted the Company's operations. The Maintenance, Repair and Overhaul (MRO) business and Air Cargo business remains relatively less affected from demand point of view as MRO demand increased due to downtime of aircrafts, and air cargo business was classified as essential services. The Company had to face some issues related to non-availability of manpower and supply chain disruptions to cater to such demand. Presently, the Company has resumed the operations and are adhering to strict safety measures and Government guidelines.
- The Company has considered the possible effects that may result from the pandemic while assessing the recoverability of carrying values of assets/CGUs and also in estimating future cash flows. In developing the assumptions relating to the possible future uncertainties in the global and domestic economic conditions because of this pandemic, the Company, as at the date of approval of these Statement has used internal and external sources of information, to the extent relevant. In terms of the impact of COVID-19 on impairment assessment of the MRO CGU, the Management has concluded that no impairment is required, refer Note 4 for details.
- Additionally, in respect of going concern assessment the Management has determined that there are no material uncertainties exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern, refer Note 5 for details.
- The impact of the global health pandemic may be different from that estimated as at the date of approval of these Statement and the Company will continue to closely monitor any material changes to future economic conditions.
- 18 Taxation:
- a) In view of the brought-forward business losses of the Company, also considering the brought-forward losses of the demerged undertaking (MRO business), no provision for current tax has been made in these standalone financial results. The Company, post merger, has filed the income tax return for the year ended March 31, 2019 on November 20, 2019. Pending assessment and on grounds of prudence, no adjustment has been made to the current tax provision for that financial year.
- b) Minimum Alternate Tax (MAT) Credit entitlement (cumulative balance) claimed by the Company as per the income tax return filed for the FY 2018-19 on November 30, 2019 aggregating Rs. 3,701.03 lakhs has not been recognised in the books in view of the ongoing disputes/litigations with the tax authorities.
- 19 The Company's operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.
- The Company has identified two reportable segments under Ind AS 108 as follows:
- a) Maintenance, Repair and Overhaul (MRO) and;
- b) GNR Hyderabad Air Cargo (Air Cargo)
- The Chief Operating Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the audited standalone financial results.



For the year ended March 31, 2020

(In Rs Lakhs)

	Segment Revenue				Segment Profit			
	For the half-year ended March 31, 2020 (Refer Notes 2 & 14)	For the half-year ended March 31, 2019 (Refer Notes 2 & 14)	For the year ended March 31, 2020 (Refer Note 2)	For the year ended March 31, 2019 (Refer Note 2)	For the half-year ended March 31, 2020 (Refer Notes 2 & 14)	For the half-year ended March 31, 2019 (Refer Notes 2 & 14)	For the year ended March 31, 2020 (Refer Note 2)	For the year ended March 31, 2019 (Refer Note 2)
MRO	11,071.54	8,802.17	20,346.02	15,353.67	1,891.65	1,047.35	2,742.83	1,301.99
Air Cargo	4,587.67	4,939.27	9,477.98	9,857.35	(130.85)	(386.27)	840.23	729.22
	15,659.21	13,741.44	29,824.00	25,211.02	1,760.84	661.12	3,583.06	2,031.21
Less: Inter segment	-	(0.51)	(1.35)	(0.92)	-	-	-	-
Total	15,659.21	13,740.93	29,822.65	25,210.10	1,760.84	661.12	3,583.06	2,031.21
Other income					778.08	282.78	1,331.42	866.48
Finance costs					(1,486.80)	(1,334.93)	(3,231.52)	(2,665.33)
Tax expense					(13.19)	(113.26)	(45.69)	(549.74)
Profit after tax					1,038.93	(504.29)	1,637.07	(317.38)

Segment assets and liabilities:

(In Rs Lakhs)

	As at March 31, 2020	As at March 31, 2019
Segment assets		
MRO	28,054.80	23,522.41
Air Cargo	8,191.70	12,175.07
Unallowable assets	9,846.22	2,784.00
Inter - segment	(2,801.26)	-
Total assets	43,291.46	38,481.48
Segment liabilities		
MRO	14,598.91	8,436.79
Air Cargo	4,420.27	3,206.44
Unallowable liabilities	27,429.06	30,213.28
Inter - segment	(2,801.26)	-
Total liabilities	43,646.95	41,856.51

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial results of the company as a whole.

↑



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


Particulars	Disclosures			
Credit rating and change in Credit rating (if any)	The credit rating of NCD's issued of Rs. 27,500 Lakhs is "[ICRA]AA(CE)" (placed on watch with negative implications)" as per ICRA Limited letter dated April 09, 2020. The previous credit rating of NCD's issued of Rs. 27,500 Lakhs is "[ICRA]AA(CE)(Stable)" as per ICRA Limited letter dated November 04, 2019.			
Asset Cover available, in case of non-convertible debentures	4.34 times (Refer Note 9 above)			
Debt-equity ratio as on March 31, 2020	77.15 times			
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 (Rs. in Lakhs)	Due on	Paid on
	a) NCD's for Rs. 17,500 Lakhs (INE550V08017)	748.13	September 30, 2019	September 30, 2019
	b) NCD's for Rs. 10,000 Lakhs (INE991L07016)	427.50		
	a) NCD's for Rs. 17,500 Lakhs (INE550V08017)	748.13	March 31, 2020	March 30, 2020
	b) NCD's for Rs. 10,000 Lakhs (INE991L07016)	427.50		
	Name of the Series/ISIN No	Principal (Rs. in Lakhs)	Due on	Paid on
Next due date for the payment of interest	a) NCD's for Rs. 17,500 Lakhs (INE550V08017)	Nil	Not Applicable	Not Applicable
	b) NCD's for Rs. 10,000 Lakhs (INE991L07016)			
	Name of the Series/ISIN No		Interest (Rs. in Lakhs)	Due on
	a) NCD's for Rs. 17,500 Lakhs (INE550V08017)		748.13	September 30, 2020
	b) NCD's for Rs. 10,000 Lakhs (INE991L07016)		427.50	
Debt service coverage ratio for the year ended March 31, 2020	1.71 times			
Interest service coverage ratio for the year ended March 31, 2020	1.71 times			
Outstanding Non-cumulative redeemable preference shares (quantity and value)	Not applicable (NA)			
Capital Redemption Reserve/Debenture Redemption Reserve	(Refer Note 15 above)			
Net Worth as on March 31, 2020	INR (555.52) Lakhs			
Net Profit after tax for the year ended March 31, 2020	INR 1,637.07 Lakhs			
Earnings per share (for the year-not annualised)	0.31			

f

Place: Hyderabad
Date: June 04, 2020



For and on behalf of the Board of Directors
GMR Air Cargo And Aerospace Engineering Limited (Formerly known as GMR Aerospace Engineering Limited)


Rajesh Kumar Arora
Director
DIN : 03174536