

INDEPENDENT AUDITOR'S REPORT

To the Members of GMR Aero Technic Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of GMR Aero Technic Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies (collectively known as the 'Ind AS Financial Statements') and other explanatory information.

Management's Responsibility for the Ind AS 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 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 accounting principles generally accepted in India, including the Indian Accounting Standard (Ind AS) specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 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 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 of the Ind AS financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 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 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 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 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, of the state of affairs of the Company as at March 31, 2017, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 2.1 to the Ind AS financial statements, the Company has incurred a net loss of Rs. 391,091,494 during the year ended March 31, 2017. As at March 31, 2017 the Company has accumulated losses of Rs. 3,639,247,761, its net worth has been fully eroded and the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note No. 2.1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit;
 - (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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The going concern matter described in Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report; and
 - (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, in our opinion and to the best of our information and according to the explanations given to us:



S.R. BATLIBOI & ASSOCIATES LLP

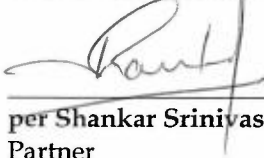
Chartered Accountants

- i. The Company does not have any pending litigations which would impact its financial position;
- 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 – Refer Note 15(B) to the Ind AS financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
- iv. The Company has provided disclosures in Note 11 to these Ind financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our enquiries, test check of the books of account and other details maintained by the Company and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company.

For **S.R. BATLIBOI & ASSOCIATES LLP**

ICAI Firm Registration Number: 101049W/E300004

Chartered Accountants



per **Shankar Srinivasan**
Partner

Membership Number: 213271



Place: Hyderabad

Date: May 03, 2017

Annexure I referred to in our report of even date

Re: GMR Aero Technic Limited ("the Company")

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (b) All Property, Plant and Equipment have not been physically verified by the management during the year, but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given by the management, the company does not have immovable property. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues applicable to it.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding dues to financial institution, government, and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given by the management, the company has utilised the term loan for the purpose which they were raised. The company has not raised money by way of initial public offer or debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. BATLIBOI & ASSOCIATES LLP**
ICAI Firm Registration Number: 101049W/E300004
Chartered Accountants



per **Shankar Srinivasan**
Partner

Membership Number: 213271



Place: Hyderabad
Date: May 03, 2017

ANNEXURE 2 To the Independent Auditor's Report of even date on the Ind As Financial Statements of GMR Aero Technic Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of GMR Aero Technic Limited

We have audited the internal financial controls over financial reporting of GMR Aero Technic Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the 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. 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 the 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.

Auditor's 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, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 Ind AS 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 Ind AS 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 Ind AS 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.

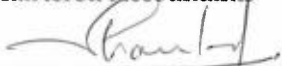
Opinion

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 March 31, 2017, 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 **S.R. BATLIBOI & ASSOCIATES LLP**

ICAI Firm Registration Number: 101049W/E300004

Chartered Accountants



per **Shankar Srinivasan**

Partner

Membership Number: 213271



Place: Hyderabad

Date: May 03, 2017

GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Balance sheet as at March 31, 2017
(All amounts in Indian Rupees except otherwise stated)

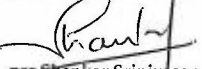
	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	3	254,931,708	262,692,107	274,494,454
Capital work-in-progress		-	3,550,000	-
Intangible assets	4	874,026	38,866,684	117,148,452
Financial assets				
Other financial assets	5	790,407	790,407	790,407
Deferred tax asset (net)	8	-	-	-
Non current tax assets	6	42,361,375	8,880,307	12,368,766
Other non-current assets	7	-	1,333,183	1,147,781
		298,957,516	316,112,688	405,949,860
Current assets				
Inventories	9	263,995,758	272,465,465	235,386,894
Financial assets				
Trade receivables	10	43,805,603	77,344,152	73,395,816
Cash and cash equivalents	11	8,345,665	2,166,379	14,349,894
Other current financial assets	5	-	44,620	50,788
Current tax assets	6	17,268,059	17,268,059	11,282,777
Other current assets	7	12,519,979	15,978,955	43,016,693
		345,935,064	385,267,630	377,482,862
Total assets		644,892,580	701,380,318	783,432,722
Equity and liabilities				
Equity				
Equity share capital	12	250,000,000	250,000,000	250,000,000
Other equity				
Equity component of other financial instruments	13	1,654,643,303	1,273,382,589	1,206,880,776
Retained earnings		(3,639,247,761)	(3,248,156,267)	(2,514,913,115)
Total Equity		(1,734,604,458)	(1,724,773,678)	(1,058,032,339)
Non-current liabilities				
Financial Liabilities				
Borrowings	14	1,144,933,774	1,062,333,555	986,381,263
Long term provisions	16	9,573,049	6,826,517	4,422,925
Other non-current liabilities	17	36,311,995	83,826,079	101,300,000
		1,190,818,818	1,152,986,151	1,092,104,188
Current liabilities				
Financial Liabilities				
Borrowings	14	240,484,044	241,755,106	224,079,264
Trade payables	15A	823,382,841	820,532,786	491,336,384
Derivative instruments	15B	49,643,375	166,595,622	-
Other current payables	15C	2,245,063	2,632,806	574,071
Short term provisions	16	17,993,312	13,578,154	11,437,569
Other current liabilities	17	54,929,585	28,073,371	21,933,585
Total liabilities		1,188,678,220	1,273,167,845	749,360,873
Total equity and liabilities		644,892,580	701,380,318	783,432,722

Summary of significant accounting policies 2.2

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

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: : 101049W/E300004
Chartered Accountants


per Shankar Srinivasan
Partner
Membership No. 213271



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


Rajesh Kumar Arora
Director
DIN - 03174536


S.K. Kishore
Director
DIN - 02916539


K Venkata Ramana
Chief Financial Officer


Lalit Kumar Tiwari
Company Secretary

Place : Hyderabad
Date : May 03, 2017

Place : Hyderabad
Date : May 03, 2017

GMR Aero Technic Limited
CIN:U35122TG2010PLC070489

Statement of profit and loss for the year ended March 31, 2017
(All amounts in Indian Rupees except otherwise stated)

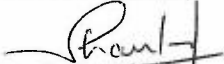
	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue			
Revenue from operations	18	580,019,846	752,272,398
Other income	19	138,845,517	6,164,147
Total revenue (i)		718,865,363	758,436,545
Expenses			
Lease rentals		299,951,468	324,316,414
Cost of stores and spares consumed	20	175,384,511	210,210,384
Employee benefits expense	21	374,967,607	354,825,785
Other expenses	22	188,432,961	372,768,319
Total Expenses (ii)		1,038,736,547	1,262,120,902
Earnings before interest, tax, depreciation and amortization (EBITDA) [(i) - (ii)]		(319,871,184)	(503,684,357)
Depreciation and amortization expenses	23	64,932,517	106,530,367
Finance costs	24	158,541,338	144,919,351
Loss before tax		(543,345,039)	(755,134,075)
Tax expenses			
Deferred tax income		(151,577,501)	(21,474,290)
Loss for the year		(391,767,538)	(733,659,785)
Other comprehensive income for the year			
Other comprehensive income not to be reclassified to profit or loss in subsequent years:			
Re-measurement gains on defined benefit plans		676,044	416,633
Other comprehensive income for the year		676,044	416,633
Total comprehensive loss for the year		(391,091,494)	(733,243,152)
Earnings per share [nominal value of share Rs.10 (March 31, 2016: Rs.10)]¹⁷			
Basic and diluted	25	(15.67)	(29.35)
Summary of significant accounting policies	2.2		

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

As per our report of even date.


For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: : 101049W/E300004


Chartered Accountants


per Shankar Srinivasan
Partner
Membership No. 213271



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


Rajesh Kumar Arora
Director
DIN - 03174536


SGK Kishore
Director
DIN - 02916539


K Venkata Ramana
Chief Financial Officer


Lalit Kumar Tiwari
Company Secretary

Place : Hyderabad
Date : May 03, 2017



Place : Hyderabad
Date : May 03, 2017

GMR Aero Technic Limited
CIN:U35122TG2010PLC070489

Statement of Changes in Equity for the year ended March 31, 2017

(All amounts in Indian Rupees except otherwise stated)

a. Equity Share Capital:

Equity shares of Rs. 10 each issued, subscribed and fully paid
As at April 1, 2015
Issue of shares
As at March 31, 2016
Issue of shares
As at March 31, 2017

No.	Rs.
25,000,000	250,000,000
-	-
25,000,000	250,000,000
-	-
25,000,000	250,000,000

b. Other Equity

(i) Equity component of other financial instruments

As at April 1, 2016 / April 1, 2015

Additions during the year

As at March 31, 2017 / March 31, 2016

March 31, 2017	March 31, 2016
1,273,382,589	1,206,880,776
381,260,714	66,501,813
1,654,643,303	1,273,382,589

* Net of deferred tax March 31, 2017 Rs. 1,654,643,303, March 31, 2016 Rs. 1,273,382,589 and April 01, 2015 Rs. 1,206,880,776.

(ii) Retained earnings

As at April 1, 2016 / April 1, 2015

Loss for the year

Other comprehensive income for the year

Total comprehensive income

As at March 31, 2017 / March 31, 2016

March 31, 2017	March 31, 2016
(3,248,156,267)	(2,514,913,115)
(391,767,538)	(733,659,785)
676,044	416,633
(391,091,494)	(733,243,152)
(3,639,247,761)	(3,248,156,267)


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

As per our report of even date.

For S. R. BATLIBOI & ASSOCIATES LLP

ICAI Firm registration number: : 101049W/E3100004

Chartered Accountants



per Shankar Srinivasan

Partner

Membership No : 213271



For and on behalf of the Board of Directors

GMR Aero Technic Limited


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Director
DIN : 03174536


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Chief Financial Officer


Lalit Kumar Tiwari
Company Secretary

Place : Hyderabad

Date : May 03, 2017



Place : Hyderabad

Date : May 03, 2017

GMR Aero Technic Limited
CIN:U35122TG2010PLC070489
Cash flow statement for the year ended March 31, 2017
(All amounts in Indian Rupees except otherwise stated)

	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash flow from operating activities		
Loss before tax	(543,345,039)	(755,134,075)
Adjustment to reconcile loss before tax to net cash flows		
Depreciation and amortization expenses	64,932,517	106,530,367
Unrealized foreign exchange gain	(14,022,923)	(1,128,842)
Provisions no longer required, written back	(22,686)	(4,290)
Inventory written off	7,541,244	4,812,613
Fair value (gain)/loss on financial instruments at fair value through profit or loss	(116,952,247)	166,595,622
Finance costs (including fair value change in financial instruments)	155,949,915	142,574,417
Operating loss before working capital changes	(445,919,219)	(335,754,188)
Movements in working capital :		
Increase in trade payables	16,832,652	329,385,157
Decrease in other liabilities	(19,363,046)	(6,406,832)
Increase in provisions	7,837,734	4,960,810
Decrease/(increase) in trade receivables	32,478,785	(7,393,697)
Decrease/(increase) in inventories	928,463	(41,891,184)
Decrease in other financial assets	44,620	6,168
Decrease in other current assets	3,458,976	27,037,738
Cash used in operations	(403,701,035)	(30,056,029)
Direct taxes paid (net of refund)	(33,481,068)	(2,496,823)
Net cash used in operating activities (A)	(437,182,103)	(32,552,852)
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,684,021)	(18,122,919)
Net cash used in investing activities (B)	(14,684,021)	(18,122,919)
Cash flows from financing activities		
Proceeds from long-term borrowings	598,900,000	60,000,000
Repayment of short-term borrowings	(23,671,062)	10,075,842
Interest paid	(117,011,481)	(31,046,022)
Net cash flow from financing activities (C)	458,217,457	39,029,820
Net increase in cash and cash equivalents (A + B + C)	6,351,333	(11,645,951)
Effect of exchange differences on cash & cash equivalents held in foreign currency	(172,048)	(537,566)
Cash and cash equivalents at the beginning of the year	2,166,379	14,349,894
Cash and cash equivalents at the end of the year	8,345,665	2,166,379
Components of cash and cash equivalents		
With banks - on current accounts	61,989	661,313
- Exchange Earner's Foreign Currency account	8,283,676	1,505,066
Total cash and cash equivalents (Note 11)	8,345,665	2,166,379

Note: Interest on loan from holding company has been converted into Funded Interest Term Loan as per the terms of the agreement. The said transaction is considered as a non-cash transaction for the purpose of cash flow statement.

Summary of significant accounting policies 2.2

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

As per our report of even date.

For S.R. BATLIBOI & ASSOCIATES LLP

ICAI Firm registration number: : 101049

Chartered Accountants

Per Shankar Srinivasan

Partner

Membership No. 213271



For and on behalf of the Board of Directors

GMR Aero Technic Limited

Kash Kumar Arora

Director

DIN: 03174536

K Venkata Ramana

Chief Financial Officer

Place: Hyderabad

Date : May 3, 2017

Place: Hyderabad

Date : May 3, 2017

Place: Hyderabad

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SGK Kishore

Director

DIN : 02916539

Lalit Kumar Fuyari

Company Secretary

Place: Hyderabad

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